

PRESIDENTIAL DECREE 237/1986
CODIFICATION OF PROVISIONS ON COMPULSORY INSURANCE OF
MOTOR VEHICLES

P.D. 237 of 10.6/18.7.86 “Codification of the provisions of Law 489/1976
(Government Gazette A331/76) “Compulsory Insurance against Civil Liability in
respect of Motor Vehicles ”, as supplemented and amended by Law 1569/1985
(Government Gazette A 183/85) and Presidential Decrees 1019/1981 (Government
Gazette A 253/81) and 118/1985 (Government Gazette A 35/85)”
(Government Gazette A 110)

CHAPTER I

General provisions

Article 1

Within the meaning hereof:

- (a) “Motor vehicles” means mechanically- or electrically-propelled vehicles intended to be driven on the ground other than vehicles running on rails, regardless of the number of wheels. All trailers, whether coupled or uncoupled, and bicycles equipped with an auxiliary motor shall also be considered as “motor vehicles”.
- (b) “Insured” is the person whose liability is covered in accordance with the provisions hereof.
- (c) “Injured party” is the person entitled to compensation for damage caused by a motor vehicle.
- (d) “Insurer” is the insurance undertaking that covers the risk, as well as the Auxiliary Fund and the International Insurance Bureau referred to in Articles 16 and 25, respectively.
- (e) The territory in which the vehicle is normally stationed is:

The territory of the Member State of which the vehicle bears a registration plate, whether this is permanent or temporary; or, where a vehicle bears no plate or bears a registration plate which does not correspond or no longer corresponds to the vehicle, and this vehicle has been involved in an accident, the territory of the state in which the accident occurred.

Where no registration is required for certain types of vehicle which bear an insurance certificate or a distinguishing sign equivalent to the registration plate, the territory of

the state in which the said sign or certificate is issued is deemed to be the territory in which the vehicle is normally stationed.

Where neither registration nor insurance plates or distinguishing sign are required for certain types of vehicle, the territory of the state of residence of the person in charge of the vehicle is deemed to be the territory in which the vehicle is normally stationed.

(f) “Insurance under freedom of services in Greece” means coverage against civil liability in respect of motor vehicles, carriers’ liability excluded, by an insurance undertaking headquartered in another Member State or having a branch or agency in another Member State.

(g) “Claims representative”, within the meaning hereof, is the person appointed in Greece under Article 37a by an insurance undertaking established in a Member State of the EU and the EEA.

(h) “Compensation Body” is the “International Insurance Bureau” referred to in Article 26 hereof.

(i) The “Information Centre” is an organic unit of the Auxiliary Fund for the insurance of liability arising from motor accidents, as defined in Article 27b hereof.

(j) “Internal Regulations of the Council of Bureaux” (Règlement Général du Conseil des Bureaux) (L 192/23 – 31 July 2003) is the agreement which, according to Article 2(2) of Directive 72/166/EC of the Council of 24 April 1972 (L 103), transposed and replaced, as of 1 August 2003, pursuant to the decision of 28 July 2003 of the European Commission (L 192), all the provisions of the Uniform Agreement between Bureaux and the Multilateral Guarantee Agreement.

(k) By way of derogation from indent (e) above, when a vehicle is shipped from another Member State to Greece as its final destination, Greece shall be considered to be the territory where the vehicle is normally stationed, upon acceptance of delivery by the purchaser for a period of thirty (30) days, even though the vehicle has not been formally registered. In the event that the vehicle is involved in an accident during the period of thirty (30) days while being uninsured, the Auxiliary Fund shall be liable for the compensation provided for in Article 19(2) of this Decree.

Article 2

1. The owners or persons in charge of motor vehicles circulating in Greece on road shall take out insurance against their third-party liability arising therefrom, in accordance with the provisions hereof.

Circulation of such vehicles in grounds open to the public or in private grounds to which certain persons have right of access shall be assimilated to road circulation.

The obligation to take out insurance shall be continuous, upon the granting of the road licence and registration plates, whether or not the motor vehicle actually moves or operates, unless the immobilisation procedure has been carried out.

2. A motor vehicle which is normally stationed in Greek territory and leaves its borders shall carry an international insurance certificate (Green Card) valid at least in the territories of the EU Member States, the EEA states and the other states whose National Motor Insurers' Bureaux are bound to apply Section III of the Internal Regulations.

The present paragraph shall no longer apply when the certificate form and the special badge provided for by Article 5(2) of the present Decree include a compulsory imprint of the relevant data in Latin script.

3. Should a motor vehicle referred to in the preceding paragraph circulate within the territory of non-EEA countries, it shall carry an international insurance certificate (Green Card) valid in those countries as provided for in Section II of Internal Regulations. Any violation of the above shall render the owner, the person in charge and the driver of the motor vehicle severally liable towards the insurer and the International Insurance Bureau, as provided for in the following articles.

Article 3

1. All motor vehicles belonging to the Greek State shall be exempted from compulsory motor insurance, as well as, on condition of reciprocity, all motor vehicles belonging to foreign states and those belonging to intergovernmental organisations, whereas some types of vehicles or vehicles with special registration plates may derogate from the provisions on compulsory motor insurance as specified by decision of the Private Insurance Supervision Committee.

All vehicles exempted hereunder shall be furnished with a certificate issued by the competent Greek authorities confirming their status. In cases of vehicles belonging to foreign states or intergovernmental organisations, this certificate shall also name the authority or organisation which is liable to pay any insurance compensation and which may be sued before a competent Greek court.

2. The Greek State and other entities exempted from compulsory motor insurance shall be liable to the injured party for the obligations under Article 6 below for injury

or damage caused by motor vehicles in Greece or on the territory of other EU Member States.

In the case of accidents caused on the territory of other EU Member States, the International Insurance Bureau shall be, according to Article 27 of the present Decree, responsible for the settlement of claims.

3. The Greek State and other entities exempted from compulsory motor insurance shall be liable to the injured party for the Auxiliary Fund's obligations under Article 19 below for injury or damage caused by persons that have used of their own accord motor vehicles owned by the Greek State and such entities.

4. By a Presidential Decree issued on a recommendation from the Minister of Trade, motor vehicles belonging to legal persons in public law or to public utility concerns, which are able to provide sufficient financial guarantee to be their own insurer, may be exempted from compulsory insurance, in accordance with the provisions of paragraphs 1 and 2 of Annex II of the European Convention on Compulsory Insurance against Civil Liability in respect of Motor Vehicles, which was ratified by Law 4147/1961.

5. The Private Insurance Supervision Committee shall communicate to the other Member States and the European Commission a list of the entities whose motor vehicles are exempted from compulsory insurance, of certain types of motor vehicles and of motor vehicles with special registration plates, as well as a list of the authorities and organisations that are liable to third-party compensation, in accordance with this article.

6. The International Insurance Bureau referred to in Article 27 hereof, upon payment of compensation – according to the provisions hereof – to the corresponding bureau of another state due to an accident caused within the territory of such other state by a vehicle normally stationed in Greece, which is exempted from compulsory insurance and does not bear an international insurance certificate, shall have a right of recourse against the owner of such vehicle.

7. The Transport Companies referred to in Article 1(3) of Law 2669/1998 (Government Gazette 283 A) "Athens – Piraeus and Suburbs Urban Transport Organisation" (ETHEL S.A., ILPAP S.A., ISAP S.A.) shall come under the exception of Article 3 of Law 489/1976 for the time period between the insurance policy expiry date and the signing of a new policy by an open bid procedure, but only for a time period of up to six months since the insurance policy expiry date. The above entities

shall fulfil by themselves their obligations vis-à-vis injured parties during the time period of exception.

Article 4

1. Insurance cover under the preceding articles shall be underwritten by insurers lawfully operating in Greece in motor vehicle third-party liability insurance.

2. Where it is established that insurance cover is unobtainable owing to the high level of risk or insufficiency of the premium, whether or not the class of insurance is priced, the party liable under Article 2 shall forthwith apply for the determination of the premium and terms of the policy to the standing special pricing committee. This committee shall be established by decision of the Ministry of Trade, also regulating its operation. The Director of the Insurance Undertakings and Actuaries Directorate of the Ministry of Trade shall chair the committee, replaced by his/her lawful alternate, while the members of the committee shall comprise one actuary of the competent directorate and two representatives of the Hellenic Association of Insurance Undertakings. The committee is authorised to set special premiums and any special insurance conditions after assessing the nature, frequency, level and any other circumstance regarding the related risk. The committee shall decide by majority within ten (10) days. Its decisions shall come into force upon approval by the Minister of Trade. If the committee fails to decide within ten (10) days, the Minister of Trade shall decide on the matter.

Upon submission of the relevant application to the standing special committee, the applicant shall immediately submit to an insurance undertaking of his/her choice an application for insurance, also notifying the insurer on the initiation of the special pricing procedure.

The insurance undertaking shall have no right to deny insurance cover, which shall be provided from the time of submission of the application for insurance, in accordance with the conditions set under the above procedure.

3. Insurance, within the meaning of this article, shall also include the following:

- (a) international insurance (Green Card) under Articles 5(3) and 25 – 32 below;
- (b) frontier insurance under Articles 33 – 35 below; and
- (c) the insurance of members of mutual insurance undertakings against civil liability in respect of motor vehicles.

Article 5

1. Without prejudice to the provisions of Article 3 above, the circulation in Greece of motor vehicles not covered by insurance under Article 2 hereof shall be prohibited.

2. Insurance cover under Article 2 shall (a) only start upon payment of the entire premium due to the insurer, before which the insurance policy may not be delivered to the insured or the policyholder; (b) be valid for the term laid down in the insurance policy; and (c) be evidenced, vis-à-vis the bodies responsible for imposing the penalties referred to in para. 4 hereof, by the holding of the insurance policy, which shall be sent by the insurer to the insured or the policyholder within five (5) days of receipt of the premium.

(d) If the bodies responsible for imposing penalties conduct an audit during the above five-day period, it shall be enough to produce the premium receipt.

2a. The insurance undertaking may raise the expiry of the insurance policy against the injured party only in respect of accidents occurring after 16 days have elapsed since the contractual expiry date, no further action or notification of the insured and/or the policyholder being needed.

2b. Renewal of the insurance policy shall only be allowed upon timely payment of the premium of the next insurance period, not later than the expiry of the current insurance policy.

2c. The insurance undertaking shall inform in real time the Information Centre of the effective date and the term of every new insurance policy and every renewal thereof.

3. In case of a vehicle normally stationed in the territory of a country whose national bureau of international insurance has not subscribed to the Internal Regulations – Section III under Article 2(2) hereof, insurance cover shall be deemed to be in force insofar as this vehicle bears a valid international insurance certificate issued by a bureau headquartered abroad and established to issue international insurance certificates, having signed a claims settlement agreement with the International Insurance Bureau under Article 27 of the present Decree, or by an insurer authorised to issue such certificates.

4. On vehicles circulating without insurance cover under Article 2, in addition to the penalties set out in Article 12, the following administrative penalties shall also be imposed by an act of the competent police authority:

(aa) Removal of the driving licence for six (6) months.

(bb) Removal of the vehicle's registration plates and road licence for six (6) months. Where an accident is caused by a vehicle not bearing the above special certificate, the vehicle's registration plates and road licence shall be removed for two (2) years. Registration plates and road licence shall only be returned if the person concerned produces the appropriate insurance policy.

(cc) Imposition of a fine on the owner or person in charge of the vehicle and its driver, in favour of the Auxiliary Fund as set out in Article 16 of Law 489/1976, in the amount of €1,000 euros for buses and public use trucks, €500 for passenger and all other vehicles, and €250 for two-wheeled vehicles. If the driver of the vehicle is its owner or the person in charge thereof, only one fine shall be imposed. The above fines shall be collected in accordance with the provisions of the Code for the Collection of Public Revenue.

By exception, the following documents shall be returned before the lapse of the above removal periods:

- (i) the driving licence to the vehicle's driver upon production of the fine payment receipt; and
- (ii) the vehicle's road licence and registration plates to the owner or the person in charge of the vehicle upon production of the fine payment receipt and the relevant insurance policy.

A joint decision of the Ministers of Finance, Development, Competitiveness, Infrastructures & Networks, Public Order & Citizen Protection, published in the Government Gazette, shall determine any details necessary for the implementation of this paragraph.

Article 5a

1. The identification of uninsured motor vehicles and the pursuit of owners' compliance, including by expediting the imposition of the administrative penalties referred to in Article 5(4) and the criminal penalties referred to in Article 12, shall be conducted by (1) the competent police authorities through on-site inspections; and (2) electronically under the care of the General Secretariat of Information Systems of the Ministry of Finance, designated as competent authority, following the procedure below:

- (a) the General Secretariat of Information Systems of the Ministry of Finance shall cross-check electronically and process the data arising from linking the following databases:

(aa) the records of the Information Centre referred to in Article 27b hereof, where the data of insured vehicles and vehicles exempted under Article 3 above are registered electronically;

(bb) the records of the General Secretariat of Information Systems of the Ministry of Finance, where the data of vehicles whose road licence is issued by the Ministry of Development, Competitiveness, Infrastructures & Networks are registered electronically;

(cc) the records of any other public service or ministry having the right to issue road licences under the law, where the data of such vehicles are registered electronically.

To this end, the Information Centre and the above public services or ministries shall provide the General Secretariat of Information Systems, on a continuous basis, access to their above data and records.

(b) If the linking and processing of the records and data referred to in (a) above leads to the identification of a vehicle not furnished with compulsory insurance cover under Article 2 (uninsured vehicle), the General Secretariat of Information Systems shall issue an act, to be sent together with a notification to the owner of the vehicle, inviting him/her to promptly take out insurance against civil liability in respect of the vehicle under Article 2, not later than eight (8) days of receiving such notification. By the same letter, the General Secretariat of Information Systems shall inform the vehicle owner of the procedure to be followed for obtaining any further explanations in connection with the performance of his/her obligation under Article 2. To have an insurance policy issued in such case, the owner shall produce to the insurance undertaking the notification and pay a deposit of €250 in favour of the Greek State.

(c) Should the vehicle owner fail to appear, provide satisfactory explanations and comply with indent (b) above, the General Secretariat of Information Systems shall send his/her data and the data of the vehicle not furnished with insurance cover under Article 2 to the police authority of the district of the vehicle owner's residence, which shall expedite the imposition of penalties under Articles 5(4) and 12.

2. The General Secretariat of Information Systems shall carry out the procedure set out in para. 1(a) and (b) on an annual basis regularly and at least twice a year, including upon the request of the Auxiliary Fund referred to in Article 16.

3. A decision of the Minister of Finance shall determine any details necessary for the implementation of this article.

Article 6

1. Insurance shall cover the civil liability of the owner, the person in charge of the vehicle and any driver or other person employed to drive the vehicle or responsible for it, with the exception of persons who have taken control thereof by theft or violence, as well as persons who have wilfully caused the accident.

2. Insurance cover shall include third-party civil liability for death or bodily injury or damage to property, including monetary compensation for pain and suffering (as well as liability for death or bodily injuries caused to members of the family of the insured), of the driver or any other person liable under the first paragraph, irrespective of kinship degree.

Insurance shall also include the civil liability of the owner or the person in charge of the vehicle towards third parties in case control of the vehicle was taken by theft or violence.

Goods transported by the same vehicle shall be excluded from compulsory insurance (Articles 3 and 2(2) of Directive 84/5/EEC).

Insurance shall not cover civil liability to persons that voluntarily entered the vehicle which caused the damage or injury, when the insurer can prove that they knew the vehicle was stolen or that it was being used for committing a crime (Article 2(1)(1) of Directive 84/5/EEC).

If an accident is caused by a trailing vehicle to which a trailer is coupled, the insurers of the trailing vehicle and the trailer, respectively, shall be severally liable towards the third parties that have suffered damage. The liability of these insurers shall be limited to the sum insured under the relevant contracts, without prejudice to their right of recourse against each other for allocation of the damage.

3. (a) The same shall apply for other states whose national bureaux of international insurance are signatories to the agreement referred to in Article 2(2) above.

The insurer shall be liable on the basis of a single premium, throughout the term of the agreement, towards third parties that have suffered damage by the circulation of vehicles normally stationed in Greece, in the territory of Member States of the European Union, including any time period of stay of the vehicle in other Member States during the agreement, in accordance with the legal provisions and compulsory insurance cover currently in effect in the state where the accident occurred, or the cover specified by the policy or the Greek legislation, whichever is higher.

The same shall apply for other states whose national bureaux of international insurance are signatories to the Agreement referred to in Article 2(2) above.

(b) The insurer shall also be liable towards nationals of other EEC Member States that have been injured or suffered damage by any vehicle normally stationed in Greece during its transit over areas directly connecting the Greek State with the territory of other Member States, provided that the transit state does not have its own national bureau of international insurance. This liability shall be determined according to the provisions set out herein.

(c) The International Insurance Bureau shall also be liable under para. (a) above for vehicles normally stationed in Greece which have caused injury or damage in the territory of the states referred to above.

(d) The insurer shall have the right, when invoicing his services in concluding or renewing an insurance policy, to impose an additional premium based on objective criteria referred to in the policy and applicable in general to his insureds in cases where: (aa) the driver of the insured motor vehicle has submitted a declaration admitting his fault in the accident; (bb) the insurer has paid compensation, according to the provisions hereof, to a person involved in the accident with his insured.

(e) When determining the premium for property damage of the insured motor vehicle, the insured motor vehicle's current value shall compulsorily be taken into account, calculated on the basis of model and age. If the insurer applies a premium that does not correspond to the current value of the insured motor vehicle, the excess shall be refunded to the policyholder or the insured with legal interest. If the above amount is not refunded by the insurer, the Minister of Development may impose on the insurer a fine of up to four thousand euro (€4,000).

4. Where the vehicle is to be exposed to special risks of civil liability, insurance cover shall include such special risks as well, while a special insurance certificate shall also be issued. In such cases, the provisions of Article 4(4) shall apply. This obligation shall apply particularly in cases where the vehicle is to participate in contests involving special risks, such as motor races or competitions, whether for speed, reliability or skill (special cover).

5. The sum insured shall be at least equal to the amount specified each time by the Private Insurance Supervision Committee decisions, for each type of risk subject to compulsory insurance.

As of 1 June 2009, the minimum limits of the sums insured may not fall below the amounts specified hereinbelow:

- (a) €500,000 for bodily injuries, per victim.
- (b) €500,000 for damage to property, per accident, irrespective of the number of victims.

As of 1 January 2011, the minimum limits of the sums insured may not be less than the amounts specified below:

- (a) €750,000 for bodily injuries, per victim.
- (b) €750,000 for damage to property, per accident, irrespective of the number of victims.

As of 1 June 2012, the minimum limits of the sums insured may not be less than the amounts specified below:

- (a) €1,000,000 for bodily injuries, per victim.
- (b) €1,000,000 for damage to property, per accident, irrespective of the number of victims.

The sums referred to in this paragraph shall be subject to adjustment by decision of the Private Insurance Supervision Committee in accordance with the European Consumer Price Index, as provided for by Council Regulation (EC) No 2494/95 of 23 October 1995 on the enactment of the Harmonised Index of Consumer Prices.

6. The insurer shall, within three (3) months from the date the injured party presents his claim for compensation, either directly to the insurance undertaking of the person that caused the accident or to its claims representative:

- (a) submit in writing a reasoned compensation offer in cases where the liability is not contested and the damage has been assessed; or
- (b) submit in writing a reasoned reply to the points included in the claim, where the liability is contested or has not been clearly determined, or where the damage has not been fully assessed.

Failure by the insurer to comply with indent (a) of this paragraph shall entail payment of default interest on the amount of compensation offered by the insurance undertaking to the injured party, upon expiration of the three-month period and until the day of the offer. Failure by the insurer to comply with the above obligations shall entail imposition of the penalties provided for under Article 38(2) hereof, whereas repeated failure to comply shall entail, by decision of the Private Insurance Supervision Committee, the imposition of penalties either under Article 120 of L.D.

400/1970 (Government Gazette A 10), as currently in force, or Article 38(1) of the present Decree. This provision shall also apply to any settlement of the claim made through the International Insurance Bureau.

7. Where the injured party is a permanent resident of a Member State other than Greece and has suffered injury or damage to property by a vehicle normally stationed in Greece or in the territory of another Member State and insured by an insurance undertaking established in Greece (having its headquarters or a branch in Greece), the insurance undertaking shall, within three (3) months from the date the injured party presents his/her claim for compensation either to the insurance undertaking or to its claims representative appointed under Article 15(1)(f) and Article 20(2A)(f) of Law Decree 400/70, as currently in force:

- (a) submit in writing a reasoned offer of compensation where liability is not contested and the damages have been quantified; or
- (b) provide in writing a reasoned reply to the points made in the claim where liability is denied or has not been clearly determined or the damages have not been fully quantified.

Failure by the insurer to comply with the obligation under (a) above shall entail payment of default interest on the amount of compensation offered by the insurance undertaking to the injured party, upon expiration of the three-month period and until the day of the offer.

Failure by the insurance undertaking to comply with the obligations laid down above shall entail imposition of the penalties provided for in Article 38 of P.D. 237/1986 (Government Gazette A 150), as amended by Law 2170/93 (Government Gazette A 150) and Law 2496/97 (Government Gazette A 87).

8. The payment time mentioned in the compensation offer may not exceed ten (10) days from the offer, save as otherwise specifically agreed upon between the parties. If compensation *in natura* is agreed upon, its time may not exceed twenty (20) days from the agreement, save as otherwise specifically agreed upon between the parties.

9. For the application of paras. 6 and 7 above, the following shall be assimilated to compensation claims: accident reports submitted under Article 9(1) hereof, any agreed statements of facts under the Direct Payment System and any notification in writing that the insured risk occurred, by letter or email or fax, to the insurer either by the insured party or the policyholder or third-party compensation beneficiary.

Article 6a

1. Without prejudice to Article 6(3), insurance shall be valid within the territorial limits prescribed in the insurance policy.
2. Where communication in writing between the insurer and the policyholder or insured party or compensation beneficiary is required, such communication may be either by letter or email or fax or message sent to a mobile phone, with the contact details given by the latter in writing or in a legally recorded conversation.

Article 6b

1. Excluded from insurance shall be damages caused by:
 - (a) a driver lacking a legal driving license for the motor vehicle category he drives;
 - (b) a driver who was under the influence of alcohol or toxic substances at the time of the accident, in violation of the Road Traffic Code (Law 2696/1999, Government Gazette A 57), as currently in force, provided that the violation in question was causally connected to the accident. If the motor vehicle involved in the accident is the property of a passenger motor vehicle rental enterprise, the insurer's right of recourse shall only be exercised against the driver of the vehicle at fault, provided there is a valid rental document;
 - (c) a motor vehicle which is being used for a different purpose than that specified in the insurance policy and the road licence, provided that the use in question is causally connected with the accident.
2. In addition to the cases referred to in the preceding paragraph, the insurance policy may also set out other cases of exception of insurance cover, provided that these cases concern optional insurance cover. Any other exception shall be automatically null and void.
3. The exceptions mentioned above shall only apply to the relationship between the insurer and the insured party. The insurer shall not be relieved of its liability towards the injured third parties by invoking such exceptions.

The insurer shall not be relieved of its liability towards the injured passengers by invoking the exception of para. 1(b) of this article, because they were aware or should have been aware that the driver of the motor vehicle was under the influence of alcohol or toxic substances at the time of the accident, and any other contrary contractual insurance clause shall be considered ineffective in relation to the compensation claim of such passengers.

Article 6c

The policyholder or the insured party shall have the right to ask the insurance undertaking, or the liquidation officers, in the case of its winding up, at any time, to provide a certificate regarding third-party compensation claims in relation to the motor vehicle(s) covered by such insurance policy during the last five years at least of the contractual relationship or the absence of such claims. The insurance undertaking or the liquidation officers shall provide such certificate within fifteen (15) days from the date such a request was submitted, otherwise the penalties referred to in Article 120 of L.D. 400/1970, as currently in force, shall be imposed by analogy.

Article 7

The following persons shall not be considered as third parties within the meaning of Article 2(1) and Article 6(2) above:

- (a) the driver of the vehicle that caused the injury or damage;
- (b) any person whose liability is covered by the insurance policy;
- (c) any person having executed the policy with the insurer;
- (d) the legal representatives of the legal entity insured or of any unincorporated association (Directive 84/5/EEC, Article 3).

Article 8

1. In the event that the motor vehicle ownership is transferred by reason of death, the rights and obligations of the decedent shall be transferred automatically to the heir, unless the latter notifies the insurer in writing that he/she does not accept them, within thirty (30) days of becoming aware of the devolution of inheritance and its cause.

2. If ownership or possession of the motor vehicle is transferred in any legal way, the insurance policy shall be automatically terminated thirty (30) days after the date of transfer and the insurer shall return any unearned insurance premiums.

The insurance policy termination shall be valid *erga omnes*, while no action on the part of the insurer shall be required.

3. If, after the transfer of the motor vehicle under the preceding paragraph, a new insurance policy is concluded for the same motor vehicle, the existing insurance relation shall cease to have effect and the only party liable against injured third parties shall be the last insurer.

Article 9

1. The policyholder or the insured party shall immediately report every accident involving the insured motor vehicle to the insurer, without intentional delay and within (8) business days of becoming aware of the accident.

2. The insured party shall take all possible action for limiting the damage and shall provide the insurer with all documents and information according to the insurance policy. He/she shall also provide, upon the insurer's request, any other document and information available to him/her which is considered necessary in present or future court proceedings instituted by the insurer.

3. In case of intentional breach of the obligations as defined in the previous paragraphs, the policyholder or the insured party may be obliged, by decision of a competent court of law, to pay compensation to the insurer of up to two thousand euro (€2,000).

4. Payment to the insured party or the injured third party or refund of an amount due that exceeds one hundred euro (€100) shall be effected by a cheque in his name or by a deposit in his bank account. Lawyer fees shall likewise be paid by the insurer in the event that the insurance compensation payment is effected pursuant to a court decision or is the product of an out-of-court settlement.

2. A decision of the Minister of Development, issued within six (6) months from the publication hereof, shall determine the procedure for settlement and payment to beneficiaries of any compensation due under the insurance policy and the provisions of P.D. 237/1986, as currently in force, as well as the specific terms and conditions, and shall lay down the administrative penalties to be imposed in case of breach thereof.

Article 9a

1. The injured party who is a permanent resident of Greece, where the accident occurred:

(a) within the territory of a Member State other than Greece and was caused by a vehicle normally stationed and insured in a Member State; or (b) within the territory of a third country, without prejudice to the legislation of third countries on civil liability, whose International Insurance Bureau has acceded to the Green Card system and the accident was caused by a vehicle normally stationed and insured in a Member State, shall submit an application to the claims representative appointed, under Article

37a hereof, in Greece by the insurer of the person that caused the accident or directly to the insurance undertaking, presenting his/her claims arising from the accident.

The claims representative or the insurance undertaking shall, within three (3) months from the date the injured party presented his/her claim for compensation:

- (a) make to the injured party a reasoned compensation offer where the liability is not contested and the damage has been quantified; or
- (b) provide a reasoned reply to the points made in the claim, where the liability is contested or the damage has not yet been fully quantified.

If the injured party has not received the aforementioned documents within three months, he/she may appeal to the Compensation Body in accordance with the procedures provided for in Article 27a below.

Article 10

1. The injured party shall have the right of a direct claim against the insurer under the policy up to the sum insured.
2. This claim shall be barred after five (5) years have elapsed since the time of the accident, without prejudice to the provisions of the legislation in force regulating the suspension and interruption of the limitation period.
3. Where there are several injured parties and the aggregate compensation exceeds the amount insured, the claim of each injured party against the insurer shall be reduced proportionally up to the completion of the whole amount insured. Where the insurer pays to any injured party an amount exceeding that of the latter's proportional share, due to ignorance of the existence or the exact amount of other claims or pursuant to a court judgement, the insurer's liability towards the remaining injured parties shall be limited to the remaining balance of the amount insured. The remaining injured parties shall have a right of recourse against the one that received the amount in excess.
4. Where the injured party is a permanent resident of a foreign country, the claim may be paid in the currency of the country of the beneficiary's permanent residence.
5. The hearing of the principal action filed against an insurance undertaking, the Auxiliary Fund referred to in Article 19 hereof or any other party liable, for loss of income due to an accident caused by a motor vehicle, shall be declared inadmissible unless a document is produced certifying the prior service of a copy of the action to the competent Internal Revenue Service to which the plaintiff is subject.

Article 11

1. The insurer may not raise any objection under the insurance policy against the claim brought by the injured party under the provisions of Article 10(1) above, without prejudice to the insurer's right to bring an action against the policyholder, the insured party and the vehicle's driver.
2. In case of consecutive insurance policies, only the last one shall be valid and the last insurer shall be solely liable for payment of indemnity to the injured third party. Previous insurance policies shall be automatically null and void, no notification or cancellation being needed.
3. The insurance undertaking shall not raise any own participation of the policyholder or the insured himself/herself against the injured party that is entitled to compensation for damage or injury caused by a motor vehicle.

Article 11a

Early termination of insurance policy

1. The parties to the insurance policy may terminate it at any time by an agreement in writing.
2. The policyholder and/or the insured party may terminate the insurance policy at any time by a letter sent either by fax or via email, to the address designated by the insurance undertaking on its official website and its literature. The effects of termination with respect to the parties shall be brought about on the date it is received by the insurance undertaking.
3. The insurance undertaking may send a written notice of termination of the insurance policy only due to breach of a material clause by the policyholder or the insured party, and shall bear the burden of proof of such breach. The notice of termination to the policyholder and/or the insured party shall inform them that failure to comply with the breached material clause within thirty (30) days from service of the notice of termination shall lead to termination of the insurance policy.
4. The letter referred to in the preceding paragraph shall be sent to the residence or domicile address of the policyholder and/or the insured party written on the insurance policy. The residence or domicile address shall be the last address given in writing by the policyholder and/or the insured party to the insurance undertaking. The results of the letter shall be brought about notwithstanding that the policyholder and/or the insured party refuse to receive it, or are not found at their residence or domicile addresses, or do not report to the post office to receive it.

5. In case of early termination of the insurance policy under paras. 1, 2 and 3 above, the insurance undertaking shall inform to this effect the Information Centre of the Auxiliary Fund. In the case of para. 3 above, the Information Centre of the Auxiliary Fund may not be informed earlier than the 30th day from dispatch of the relevant letter. The termination of the insurance policy may be raised by the insurance undertaking against the injured party only after sixteen (16) days have elapsed since the Information Centre of the Auxiliary Fund was informed under the preceding sentences.

Article 12

Owners or persons in charge of any vehicle driven or permitted to be driven by third persons without being insured as provided for herein shall be punished with imprisonment of two (2) to twelve (12) months and with a fine at least equivalent to 300 ECU.

The same penalties shall also apply to any person putting in circulation a motor vehicle not owned by him/her and not insured as provided for herein.

The provisions of article 103 of Law 2696/1999 (Government Gazette 57 A) shall apply in all other respects.

Article 13

1. No control shall be conducted to verify the existence of valid insurance cover on vehicles entering or circulating in Greece, which are normally stationed in the territory of another state whose national bureau of international insurance has countersigned with the Greek Bureau Section III of the Unified Agreement.

2. No control shall be conducted in order to verify the existence of insurance cover against civil liability in respect of the use of motor vehicles which are normally stationed in the territory of another EU Member State and motor vehicles which are normally stationed within the territory of a third country and enter Greece through the territory of another EU Member State.

Random controls to verify this insurance cover can be conducted, however, as long as they do not involve discriminations and are conducted within the context of general controls not aiming solely at the verification of the existence of insurance cover.

Article 14

1. Motor vehicles may not be seized as security for claims arising from any accident caused by these vehicles, provided that they are insured – under Greek or international insurance cover – in accordance with the provisions hereof, unless the amount

claimed probably exceeds the sum insured, in which case the motor vehicle may be seized for the amount in excess.

2. By exception, the injured party shall have the right of provisional distraint of the motor vehicle insured for claims arising from accidents caused by that vehicle, where the owner, the person in charge or driver of the vehicle fails to make to his/her insurer the declaration provided for in Article 9 above. The insurer may also take the above action in case of recourse against the owner of the vehicle.

Article 15

1. Permission to organise motor races or competitions, whether for speed, reliability or skill, shall only be granted by the competent authority under Article 49(2c) of Law 2696/1999 (Government Gazette A 57) if the existence of the general and special insurance cover provided in Article 6 above is verified and insofar as the civil liability of the organisers is covered against any accident arising from the organisation and conduct of such race or competition.

2. Organising races or competitions such as those referred to in the preceding paragraph in breach of the provisions set out therein shall be punishable with the penalties set out in Article 12(1) above.

CHAPTER II

Auxiliary Fund

Article 16

A legal entity in private law under the name “Auxiliary Fund for the Insurance of Liability Arising from Motor Accidents” (hereinafter referred to as “Auxiliary Fund”) is hereby established, which shall be headquartered in Athens and shall be under the control and supervision of the Minister of Trade. This entity shall be governed by the provisions hereof.

Article 17

The object of the Auxiliary Fund shall be to pay insurance compensation for civil liability arising from motor accidents, in accordance with the specific provisions of Article 19 below.

Article 18

All insurance undertakings underwriting motor vehicle liability insurance shall compulsorily and automatically become members of the Auxiliary Fund, including those providing insurance in Greece under freedom of services within the meaning of Article 1(f) above, the mutual insurance undertakings that cover such risk, as well as

legal entities in public law or public utility companies whose vehicles are exempted from compulsory insurance under Article 3(3) above.

Article 19

1. The Auxiliary Fund shall pay to the injured parties the compensation referred to in para. 2 of this article with regard to death or bodily injuries or damage to property caused by motor accidents when:

(a) The person at fault remains unidentified. In this case, however, there shall be no obligation to pay compensation for damage to property unless bodily injuries were also caused requiring hospital treatment, provided that the police authorities have undertaken to investigate the case and such treatment lasted for a period of at least five (5) days in a state or private hospital.

(b) The accident was caused by vehicles in respect of which the obligation under Article 2 above has not been performed.

The persons who wilfully got on board the vehicle that caused the accident shall be exempted from this provision, provided that the Auxiliary Fund proves that they were aware that the vehicle was not insured.

(c) The insurer went bankrupt or the execution of a court judgement against him was fruitless or the authorization of an insurance undertaking has been withdrawn. In this case, the Auxiliary Fund shall have its own claim against any reinsurer for its obligations towards the insurer under the reinsurance agreement covering the liability arising from motor accidents.

(d) The accident was caused by certain types of motor vehicles or certain motor vehicles with special registration plates whose third-party liability is not covered in accordance with Article 2 above. In this case, the Auxiliary Fund, which has already paid compensation for bodily injuries or damage to property caused by a motor vehicle of a special kind or with special registration plates of another Member State, shall have a right of recourse against the corresponding Auxiliary Fund of the territory where the vehicle is normally stationed.

2. Compensation payable by the Auxiliary Fund for pain and suffering may not exceed €6,000 per beneficiary. Compensation in the cases referred to in indents (a) and (b) of the preceding paragraph of this article may not exceed the minimum sums insured at the time of the accident under Article 6(5).

In the case referred to in indent (c) of the preceding paragraph, the total amount of compensation shall be payable as follows:

- (a) for compensation of up to €4,000, a total amount equal to 90% shall be paid;
- (b) for compensation of €4,001 to €10,000, a total amount equal to 87.5% shall be paid, with a minimum of €3,600;
- (c) for compensation of €10,001 to €30,000, a total amount equal to 85% shall be paid, with a minimum of €8,750;
- (d) for compensation of €30,001 to €60,000, a total amount equal to 80% shall be paid, with a minimum of €25,000;
- (e) for compensation of €60,001 to €100,000, a total amount equal to 70% shall be paid, with a minimum of €48,000;
- (b) for compensation of over €100,000, a total amount equal to 70% shall be paid, with a minimum of €100,000.

The Auxiliary Fund shall pay compensation of over €100,000 to persons who suffered disability the nature and degree of which, together with the amount of compensation, shall be determined by joint decision of the Ministers of Finance and Labour, Social Security & Welfare issued on an opinion from the Disability Certification Centre (KEPA). The above opinion shall be delivered within thirty (30) days of KEPA's receiving the relevant request of the Minister of Finance. If the above time limit lapses, such opinion shall be waived and the joint ministerial decision shall be issued. The provision of this paragraph shall also cover already instituted claims against the Auxiliary Fund, without affecting claims awarded by a final court judgment.

Compensation beneficiaries may claim the remaining amount of the damage in the context of the common liquidation procedure.

In the cases laid down in the preceding paragraph, the Auxiliary Fund shall pay interest calculated at 6% per annum.

The above rate may be modified by decision of the Minister of Finance on a recommendation from the Bank of Greece.

Compensation claims against the Auxiliary Fund shall be barred in accordance with Article 10(2) above.

3. In the cases laid down in para. 1 of this article, the injured party shall have an own claim against the Auxiliary Fund, which however may not be exercised against its members.

Upon request of the injured party and based on the information provided by the latter, the Auxiliary Fund shall provide a reasoned reply regarding the payment of any compensation (Article 1(4) of Directive 84/5/EEC).

However, the Auxiliary Fund may not make the payment of compensation conditional on the victim's establishing in any way that the person liable is unable or refuses to pay (Article 3 of Directive 90/232/EEC).

4. Upon payment of the claim, the Auxiliary Fund shall become subrogated into all the rights of the injured party arising from the accident against the person liable to pay compensation or his/her insurer. By exception, in the case referred to in para. 1(d), the Auxiliary Fund shall not become subrogated into the rights of the injured party arising from the accident against the person liable to compensation; it shall however become subrogated into the privileged right of the insured under Article 10 of L.D. 400/70 "Private Insurance Undertakings" (Government Gazette 10).

5. The Auxiliary Fund shall only be liable to pay the amount representing the difference between the sum claimed and the sum already paid to the injured party by the social security fund or any other social security organisation for the same cause (Article 1(4)(a) of Directive 84/5/EEC).

The preceding sentence shall not apply where the Greek International Insurance Bureau pays compensation according to the provisions hereof to foreign International Insurance Bureaux for accidents occurring outside Greece.

In the event of a dispute between the Auxiliary Fund and the civil liability insurer as to which must compensate the victim for bodily injuries caused by an unidentified vehicle or for damage to property and bodily injuries caused by an uninsured vehicle, the Auxiliary Fund shall be responsible in the first instance to compensate the victim. If it is ultimately decided that the civil liability insurer should have paid all or part of the compensation to the victim, the insurer shall reimburse accordingly the Auxiliary Fund (Article 4 of Directive 90/232/EEC).

6. Compensation paid by the Auxiliary Fund to beneficiaries of insurance compensation for civil liability arising from motor vehicle accidents shall be exempt from stamp duty.

7. The Auxiliary Fund shall pay the compensation required by the compensation bodies of the Member States up to the amount paid to permanent residents of such states due to damage caused by:

- (a) motor vehicles normally stationed in Greece which are not insured;
- (b) unidentified motor vehicles when the accident occurred in Greece;

(c) uninsured vehicles of third countries whose national bureaux of international insurance are members of the Green Card system, provided that the accident occurred in Greece.

Upon payment of compensation, the Auxiliary Fund shall become subrogated by analogy as provided for in para. 4 of this article.

8. An action against the Auxiliary Fund shall only be admissible if the plaintiff has, prior to instituting it, submitted to the Auxiliary Fund a written claim for compensation, attached with evidence of his/her claim. The Auxiliary Fund shall provide a reasoned reply to such claim within three (3) months from its submission, in accordance with Article 6(6) above. Upon receiving the reply of the Auxiliary Fund or upon the lapse of the above time limit, the injured party may institute an action against the Auxiliary Fund.

Article 20

1. (a) For the fulfilment of the objects of the Auxiliary Fund, a contribution is levied in favour of the latter, determined by decision of the Minister of Trade and calculated at a rate not exceeding 6% of the gross written premiums of the class of motor vehicle civil liability.

Where such insurance is conducted under freedom of services, within the meaning of Article 1(f) hereof, such contribution shall be calculated on the gross written premiums received under insurance policies concluded under freedom of services in Greece. This contribution shall be borne at a rate of 70% by insurance undertakings and 30% by insured parties.

The rate payable by the insured parties shall be set out on the insurance policy and shall be exempt from any tax or other fiscal charge, apart from stamp duties. The stamp duty shall be paid by the insurance undertaking in accordance with the provisions of P.D. 160/1978 (Government Gazette 34 A).

Mutual insurance undertakings shall pay to the Auxiliary Fund the contributions chargeable to the primary undertakings they reinsure, whether or not they have collected such contributions.

(b) Within fifteen (15) days from the end of every two calendar months, insurance undertakings shall remit to the Auxiliary Fund the contributions corresponding to the insurance policies concluded or renewed by them during the last two months, irrespective of whether premiums have been collected or not. In case of delayed payment, the contribution shall be increased by the applicable default interest rate.

The said contributions, with the exception of the sums required for the fulfilment of the obligations of the Auxiliary Fund, shall be invested under the responsibility of its Administrative Committee or deposited in a remunerated account with a bank legally operating in Greece.

A decision of the Auxiliary Fund shall regulate the data and procedure of collecting the contributions. The Auxiliary Fund shall, within one month from the end of every two calendar months, inform the Bank of Greece on the sums of contributions collected by each undertaking, the dates of payment and the names of the undertakings that failed to pay their contributions.

(c) The Minister of Trade may modify the contribution rate paid in favour of the Auxiliary Fund, which however, may not exceed, when increased, the limit set out in indent (a) of this paragraph.

Para. 2 of Article 20 of Law 489/1976 shall be repealed. The sums invested or deposited in a bank account pursuant to repealed para. 2 in favour of the Insured Parties' Assistance Account shall be invested under the responsibility of the Administrative Committee in favour of the Auxiliary Fund or transferred to the bank account specified in Article 20(1)(b) of Law 489/1976.

2. In order to meet its obligations, the Auxiliary Fund may enter into loan agreements and assign or pledge as security for such loans claims currently payable or future claims owed to it up to a maximum of 2/3 of their total value.

Any enforcement proceeding against the Auxiliary Fund shall be suspended from the entry into force hereof to 31 December 2021.

Members' contributions may not be set off against any debts of the Auxiliary Fund to them.

3. The Auxiliary Fund shall have the right to sue its members in order to collect their contributions.

4. The subscription dues payable by every new member to the Auxiliary Fund shall be €50,000.

The minimum annual contribution of every member, regardless of the amount of gross written premiums, shall be €10,000.

Article 21

1. The General Meeting of its members shall be the supreme body of the Auxiliary Fund, entitled to decide on all matters. Its decisions shall be binding also on absent or dissenting members.

2. The General Meeting shall be exclusively competent to decide on matters regarding:

(a) the appointment or removal of the members of the Administrative Committee under Article 22;

(b) the approval or modification of the budget, ex-post report and balance sheet;

(c) the drafting of bylaws governing the overall operation of the Auxiliary Fund according to the provisions hereof, to be approved by the Minister of Trade and published in the Government Gazette (Sociétés Anonymes and Limited Liability Companies Issue);

(d) the taking out of insurance by the Auxiliary Fund to cover insolvency of its members regarding the fulfilment of their obligations towards the Auxiliary Fund.

3. The number of votes available to each member during the next year in the Fund's General Meetings shall be determined pro rata to the contribution paid to the Fund by a decision of the Minister of Trade issued annually and published in the Government Gazette (Sociétés Anonymes and Limited Liability Companies Issue).

The Administrative Committee referred to in Article 22 below shall submit by the end of November every year to the Ministry of Trade a list of members' contributions to the Auxiliary Fund for that year.

Pending the issue of the above Ministerial Decision, each member shall have in General Meetings one vote per one million drachmas (GRD 1 million) of gross written premiums in the class of motor vehicle insurance in the preceding year. Members with gross written premiums of less than one million drachmas (GRD 1 million) of gross written premiums shall be entitled to one vote, regardless of the actual sum of gross written premiums.

Article 22

1. The administration of the Auxiliary Fund shall be conducted by the Administrative Committee, which shall, under the conditions required by law, take any measure necessary (contracting loans, hiring staff, procuring materials, etc.) to facilitate the pursuit of the objects of the Auxiliary Fund. This Committee shall consist of nine members elected by the General Meeting and one member without voting rights, appointed by decision of the Minister of Trade. The Administrative Committee shall elect its Chair from among its elected members. It shall publish in the Government Gazette (Sociétés Anonymes and Limited Liability Companies Issue) the annual report and the annual balance sheet of the Auxiliary Fund, which shall include special

chapters containing the annual activities report and the annual balance sheet of the Assistance Account.

2. The Auxiliary Fund shall be represented both in court and out of court by the Chair of the Administrative Committee. It may also be represented in general or for specific cases by one or more of its members or other persons as determined by decision of the Administrative Committee.

Article 23

The following matters shall be determined by decision of the Minister of Trade published in the Government Gazette (Sociétés Anonymes and Limited Liability Companies Issue), on an opinion from the General Meeting of the members of the Auxiliary Fund:

- (a) the composition, convening, operation and competence of the Administrative Committee provided for in Article 22 hereof;
- (b) the time and method of convening meetings, the quorum, decision-making and operation of the General Meeting;
- (c) any refund of amounts to the members during the operation of the Fund; and
- (d) any details necessary for the operation of the Auxiliary Fund.

Article 24

The Auxiliary Fund may be dissolved by Presidential Decree issued on a recommendation from the Minister of Trade, on an opinion from the General Meeting of its members. The same Decree shall also provide for the liquidation and the distribution of the Fund's assets.

Article 25

1. Failure of any member of the Auxiliary Fund to comply with the provisions hereof, the Presidential Decrees and the Ministerial Decisions issued for the implementation thereof shall entail withdrawal of its authorisation in the class of motor vehicle liability insurance.
2. New authorisation may only be granted to an insurance undertaking whose authorisation has been withdrawn under the preceding paragraph after one year from the date of withdrawal and after full settlement of all related obligations.
3. If any member withdraws from the Fund due to withdrawal of its authorisation in the class of motor vehicle liability insurance, such member shall be entitled to recover from the Fund, six months after the end of the fiscal year during which its authorisation was withdrawn, any balance of its paid contributions, after deduction of

its proportion of claims and expenses paid up to the time of its withdrawal and also of its share in the provisions for claims outstanding.

4. As of the date the insurance undertaking is adjudicated bankrupt or its authorisation is withdrawn due to violation of the law, the Auxiliary Fund shall become automatically subrogated into all the rights and obligations of the insurance undertaking under insurance policies for motor vehicle liability insurance. Pending trials shall be continued by the Auxiliary Fund without further action.

5. By decisions published in the Government Gazette (Sociétés Anonyme and Limited Liability Companies Issue), the Minister of Trade may also subject to the provisions hereof those insurance undertakings whose authorisation has been withdrawn prior to the effective date hereof. The Minister of Finance may, by a decision issued on a recommendation from the Bank of Greece, impose special conditions for the payment of compensation by the Auxiliary Fund in case of withdrawal of authorisation due to violation of law or adjudication in bankruptcy.

6. The provisions hereof, as amended, shall not affect the provisions of Law 1380/1983 “Amendment to, and supplementation of, provisions on private insurance undertakings”.

CHAPTER III

International Insurance Bureau

Article 26

A legal entity in private law with the name “International Insurance Bureau” is hereby established, headquartered in Athens and governed by the provisions hereof. The supervision and control of the Bureau is entrusted to the Minister of Trade.

Article 27

1. The International Insurance Bureau shall settle claims and pay compensation on behalf of foreign International Insurance Bureaux, within the limits set forth in the provisions hereof, regarding accidents caused by motor vehicles circulating in Greece which are normally stationed in the territory of states whose respective bureaux apply Section II of Internal Regulations, provided that these vehicles bear a valid international insurance certificate (Green Card).

In respect, however, of vehicles not subject to insurance cover inspection under Article 13(1) hereof, the aforementioned obligations of the International Insurance Bureau subsist even if these vehicles do not bear an international insurance certificate (Green Card), or even if they are not insured.

2. Settlement of claims in Greece shall be conducted either directly by the International Insurance Bureau or by members thereof acting as settlers, appointed by the Bureau, or by designated correspondents of foreign insurers on a recommendation from the bureau of their country of establishment and upon approval by the Greek Bureau.

3. The International Insurance Bureau shall also be liable to provide compensation for accidents which occur in the territory of states with which the agreements provided for by Article 2(2) hereof have been concluded, caused by vehicles normally stationed in Greece. Likewise, the Bureau shall also be liable to provide compensation for accidents which occur on the territory of states with whose bureau the agreement referred to in Article 30(1) hereof has been concluded and in accordance with the conditions of this agreement, provided that the vehicle which caused the accident bears a valid international insurance certificate issued by the Bureau.

4. (a) When a vehicle which is normally stationed in Greece is uninsured, the International Insurance Bureau shall have a right of recourse against the owner, the person in charge and the driver for the sum of compensation paid to third parties or payable to the corresponding bureau of the state in which the accident occurred, as well as against the Auxiliary Fund in the cases set out in Article 19(1)(b), (c), (d) and (e) of this Decree.

The same shall apply to accidents caused to nationals of other EU Member States subject to the provisions of Article 6(3) above.

(b) Where the insurer has paid compensation under Article 6(3)(a) above, which exceeds the limit of its liability, as defined in Article 29(1), the insurer shall have a right of recourse against the International Insurance Bureau for the amount paid in excess.

Article 27a

1. The Compensation Body referred to in Article 1 hereof shall be liable to provide compensation to the injured parties who are resident in Greece and have suffered any damage by the circulation of vehicles in other Member States or third countries whose international insurance bureaux are members of the Green Card system, by vehicles insured and normally stationed in the territory of a Member State other than their state of residence, provided that the following conditions are met.

2. The Compensation Body shall settle claims, in accordance with the legislation of the country where the accident occurred, and provide compensation to the above injured parties, upon their request, provided that:

(a) within three months from the date on which the injured party presented his/her claim to the insurance undertaking covering the vehicle the use of which caused the accident or to its claims representative, the insurance undertaking or its claims representative have not given a reasoned reply to the points made in the claim, or

(b) the insurance undertaking has failed to appoint a claims representative in Greece. In such case the injured parties may not present a claim to the Compensation Body if they have presented a claim for compensation directly to the insurance undertaking of the vehicle the use of which caused the accident and if they have received a reasoned reply within three months of presenting the claim.

3. The Compensation Body shall, upon presentation of the claim as provided for above, immediately notify:

(a) the insurance undertaking covering the vehicle the use of which caused the accident or its claims representative;

(b) the compensation body of the Member State in which the insurance undertaking which has issued the policy is established;

(c) if known, the person who caused the accident, that it has received a claim from the injured party and that it will respond to that claim within two (2) months of presentation of that claim.

4. The Compensation Body, based on the information provided by the injured party, shall settle the claim, within the above two-month time limit, in accordance with the legislation of the state where the accident occurred, and shall provide compensation, insofar as it is obliged to do so.

However, the Compensation Body may not demand – in order to proceed with the payment of compensation – that the injured party provide evidence that the person liable to pay compensation is unable or refuses to pay, without prejudice to the provisions of paras. 2 and 10 of this article.

5. Upon payment of compensation, the Compensation Body may demand the recovery of the sum paid as compensation from the compensation body of the Member State in which the insurance undertaking that has issued the policy is established, pursuant to the agreement concluded between the compensation bodies of the Member States.

6. The Compensation Body shall become subrogated into all the rights of the injured party arising from the accident against the person that caused the accident or his/her insurer, up to the amount paid to the above injured party as compensation for any damage to property or bodily injury or up to the amount paid to the Compensation Body of another Member State.

7. The compensation paid by the Compensation Body shall be limited to the amount required for supplementing the sum payable for this cause to the injured party by the social security fund or by any other social security organisation.

8. The Compensation Body shall be liable to provide compensation to injured parties that are resident in Greece and have suffered an accident in another Member State:

- (a) caused by an unidentified vehicle;
- (b) where the insurance undertaking covering the vehicle that caused the accident cannot be identified;
- (c) in cases of uninsured vehicles of third countries whose national bureau of international insurance is a member of the Green Card system.

Compensation shall be payable in accordance with the procedure laid down in para. 4 of this article.

9. The Compensation Body shall have a right of recourse in respect of the amount paid in accordance to para. 8 above against:

- (a) the Auxiliary Fund of the Member State in which the vehicle is normally stationed, where the insurance undertaking remains unidentified;
- (b) the Auxiliary Fund of the Member State in which the accident occurred, where the vehicle remains unidentified;
- (c) the Auxiliary Fund of the Member State in which the accident occurred in the case of uninsured vehicles of third countries within the meaning of para. 8 of this article.

10. The Compensation Body shall not intervene or shall withdraw when the insurance undertaking covering the person responsible or its representative has taken relevant action. Moreover, where the injured party has sued directly the insurance undertaking, the Compensation Body shall be under no obligation to provide compensation.

11. Ministerial Decision No K44523/86 of the Deputy Minister of Trade “Organisation and Operation of the International Insurance Bureau” (Government Gazette/Sociétés Anonymes and Limited Liability Companies Issue 3087/23.10.1986) shall be accordingly modified and supplemented by decision of the Minister of Development.

Article 27b

1. The Information Centre shall be a unit of the Auxiliary Fund for the Insurance of Liability Arising from Motor Accidents referred to in Article 16 above.

2. The object of the Information Centre shall be to provide information to any party involved in a road accident:

(a) which was caused by a motor vehicle bearing Greek registration plates; or

(b) provided that the accident occurred within the territory of a Member State of the EU and the EEA or occurred within the territory of a third country whose national bureau of international insurance has acceded to the Green Card system and the accident was caused by motor vehicles normally stationed and insured in a Member State of the EU and the EEA.

3. Furthermore, the Information Centre may provide similar information on vehicles which are normally stationed in Greece and have been involved in accidents in Greece, in order to assist injured third parties having a legitimate interest to present and satisfy their claims for compensation.

To achieve its objectives, the Information Centre shall be responsible for:

(a) keeping a record or co-ordinating the collection of the following information:

- Registration number of every vehicle bearing Greek registration plates (registration number, full name and address of owner(s), make and type of vehicle).

- Number of the insurance policy covering civil liability arising from motor vehicle accidents, as well as the term of such policy.

- The insurance undertaking that has issued the policy, fully specified, or the entity providing insurance cover to the vehicle, when the latter falls under the exceptions of Article 3 hereof, as well as the claims representatives appointed by the insurance undertakings in other Member States.

- The claims representatives appointed in Greece by all insurance undertakings established in the EU or the EEA, conducting motor vehicle civil liability insurance.

- A list of the vehicles exempted from compulsory insurance against civil liability under Article 3 hereof and Article 4b of Directive 72/166/EEC.

(b) The Information Centre shall assist all parties entitled to obtain the information referred to in (a) above and shall coordinate the collection and distribution of such information.

In order to collect the information referred to in (a) above, the Information Centre shall apply to the insurance undertakings and insurance co-operatives operating in

Greece and conducting motor vehicle civil liability insurance, entities which are exempted from compulsory insurance (Article 3 hereof and Article 4b of Directive 72/166/EEC), as well as the registrars of vehicles. The collection of such information may be achieved via submission of the corresponding data by the above entities or direct access of the Information Centre to the electronic records of the above entities – which the latter must ensure – so that the Information Centre obtains on line and in real time the information it requires.

All details regulating the collection of the relevant information shall be determined by a joint decision of the Minister of Development and other competent Ministers.

4. The information referred to in para. 3(a) of this article shall be kept for a period of seven (7) years from the date the vehicle is deleted from the records of the Information Centre or from the date of expiration of the insurance policy.

Information Centres of the EU Member States shall cooperate in order to exchange information, in accordance with the principles of the collaboration agreement they have signed.

5. All natural persons or legal entities having suffered damage from motor vehicle accidents, as well as any other party having legitimate interest, may request and be forthwith granted by the Information Centre of the Member State of their residence or the Member State whose registration plates are borne by the vehicle or the Member State in which the accident occurred, the following information:

- (a) the registered name and address of the insurance undertaking or the organisation appointed for vehicles which fall under the exceptions set out in Article 3 hereof;
- (b) the insurance policy number;
- (c) the name and address of the claims representative appointed in Greece by the insurance undertaking.

The Information Centre shall notify to the injured party the name and address of the owner, usual driver or person in charge of the vehicle, provided that the injured party provides evidence of his/her legitimate interest in obtaining such information. In order to collect such information, the Information Centre shall apply either to the insurance undertaking or the entities referred to in para. 3(b) of this article.

6. All insurance undertakings headquartered in Greece, mutual insurance undertakings, the branches in Greece of insurance undertakings headquartered in the EU or the EEA or third countries as well as the companies conducting motor vehicle

civil liability insurance (Class 10 Motor Vehicle Liability) under freedom of services in Greece shall provide the Information Centre with the following information:

- the registration numbers of all vehicles for which they provide insurance against civil liability;
- the insurance policy number as well as its term;
- the Green Card number.

The International Insurance Bureau shall provide the Information Centre with the numbers of the frontier insurance contracts concluded, as provided for in Article 4(b) of Directive 72/166/EEC.

The method to be applied for the submission of the above information as well as all the relevant time limits shall be determined by Ministerial Decision.

Failure by insurance undertakings to comply with the above obligations shall entail the imposition of penalties provided for in Article 38 of Law 489/1976 (P.D. 237/86).

7. The Ministries of Transport & Communication, Environment, Physical Planning & Public Works, Public Order, Agriculture, National Defence, Interior, Public Administration & Decentralisation, as well as the Public Power Corporation shall provide the Information Centre with all information on vehicles they have registered or shall provide the Information Centre with direct access to the electronic records they keep. This information shall include registration numbers, full name of owner, address of residence or headquarters (in respect of legal entities), make and type of vehicle. Where direct access is not provided to their electronic records, any change in the above data shall be notified within a reasonable time to the Information Centre.

8. A Central Database shall operate within the Information Centre, which shall provide in a timely fashion to victims of road accidents, insurers or their legal representatives all basic data required for the claim settlement. A decision of the Private Insurance Supervision Committee shall specify all special or technical matters and necessary details for the implementation of this provision.

9. The Information Centre shall make available the information kept in its records under para. 3(a) of this article to the General Secretariat of Information Systems on a continuous basis, so as to enable the electronic control and identification of motor vehicles lacking compulsory insurance cover under Article 2 (identification of uninsured vehicles), as specified in Article 5a above.

Article 28

1. All insurance undertakings that conduct motor vehicle liability insurance, whether headquartered in Greece or abroad and whether they provide insurance cover through their establishment in Greece or under freedom of services, within the meaning of Article 1(f) hereof, shall automatically and compulsorily become members of the International Insurance Bureau. The latter shall have the right of recourse against the establishment in Greece of insurance undertakings registered in other Member States where the insurer conducts motor vehicle liability insurance abroad from its establishment in Greece under freedom of services, for all sums that the Bureau may be required to pay on behalf of these undertakings under the provisions of the international agreements between bureaux.
2. The members of the Bureau shall cover the civil liability of their insureds for accidents caused abroad by motor vehicles normally stationed in Greece, issuing for this purpose the appropriate international insurance certificate.
3. The certificate forms shall be supplied by the International Insurance Bureau, in the format used internationally.
4. Companies headquartered abroad shall participate compulsorily and automatically in the Greek International Insurance Bureau, being subject to the provisions of Article 29 hereof.
5. Mutual insurance undertakings, as defined in Article 35(4) of L.D. 400/70, as currently in force, shall also compulsorily become members of the International Insurance Bureau if they cover third-party motor vehicle liability.

Article 29

1. The liability of a member of the International Insurance Bureau deriving from the issue of an international insurance certificate shall be limited to the sum insured as specified in Article 6(5) above. The amount exceeding the sum insured, according to the aforementioned paragraph, shall be paid by the International Insurance Bureau. On the occurrence of an accident, the member providing insurance cover shall, within ten (10) business days from the date of notification by the International Insurance Bureau, pay to the International Insurance Bureau the equivalent sum of the above limit.
2. Any sums which a member has failed to pay in performance of its obligations under the preceding paragraph shall be paid to the International Insurance Bureau by the other members in proportion to their gross written premiums relating to third-party

motor vehicle liability insurance during the business year preceding that of the accident, without prejudice to the International Insurance Bureau's right of recourse against the obligor member.

3. Any member failing to comply with its obligations under paras. 1 and 2 shall be subject to the penalties provided in Article 38 below.

4. By decision of the Administrative Committee, the International Insurance Bureau may refuse to supply international insurance certificates to any member that fails to meet its obligations hereunder and under the relevant Ministerial Decisions, and may further require that the member no longer issue international insurance certificates with which it has already been provided and that it return all forms not yet issued which remain in its possession.

5. The provisions of paras. 1 to 3 of this article shall not apply to insurance undertakings – members of the International Insurance Bureau which conduct third-party motor vehicle liability insurance under the freedom of services within the meaning of Article 1(f) hereof.

The obligations of these members regarding the issue of international insurance certificates (Green Cards) of the Greek Bureau shall be regulated by Article 27(2) above and Section II of the Unified Agreement.

Article 30

1. The International Insurance Bureau shall countersign the text that includes the obligatory provisions of the Unified Agreement and shall abide by these provisions, as well as the provisions of Section II of this Agreement countersigned with the corresponding Bureaux regarding relations between these bureaux based on the international insurance certificate (Green Card).

Likewise, the International Insurance Bureau shall abide by the provisions of Section III of the Unified Agreement, based on presumptive insurance cover, which it has countersigned with the bureaux mentioned in the Annex to the decision of the European Commission dated 28.7.2003 (L192), of the EEA states and the associated states which acceded to the Multilateral Guarantee Agreement as per Article 17 of the Unified Agreement.

The International Insurance Bureau shall also sign all other agreements necessary for the fulfilment of its obligations.

2. Any agreement executed under the preceding paragraph, in addition to the obligations it creates between the contracting bureaux, shall also create direct rights

and obligations of the individual members of the Bureau in respect of the insurance policies each of those members has concluded.

3. Such agreement shall be exempt from any contribution in favour of the Lawyers' Pension Fund or of any other legal entity.

4. Failure by any member to pay insurance compensation due shall result in all other members covering the amount paid by the Bureau, without prejudice to the right of recourse against the undertaking that has issued the policy.

Article 31

1. An International Insurance Certificate shall be issued upon completion of a printed form supplied by the Bureau, in the format used internationally.

2. This certificate shall be issued in order to enable the insured to exercise his/her rights under the agreement signed between the Greek Bureau and the corresponding bureau of the state in which the accident occurred.

3. The International Insurance Bureau shall accept and receive any loss advice regarding accidents caused in Greece by vehicles normally stationed outside Greek territory, insofar as it is required by Article 27 hereof to settle the claim and pay compensation for the accident.

4. Under such circumstances, the Bureau shall act as agent of the foreign insurer. The party that suffered damage following an accident caused in Greece by a vehicle normally stationed outside Greek territory shall have a direct action against the International Insurance Bureau insofar as the conditions of this article are fulfilled with respect to the vehicle, without prejudice to the right of action reserved to the Bureau that makes the payment.

Article 32

1. Where a vehicle exempted from insurance cover inspection under Article 13(2) above has been involved in an accident in Greece, any authority or insurance undertaking concerned with the accident shall report promptly in writing to the International Insurance Bureau the territory in which the vehicle involved is normally stationed, its registration number and full insurance particulars of the vehicle(s) involved in the accident in Greece.

2. The International Insurance Bureau shall forward the data so reported to the corresponding bureau of the state in which every vehicle involved in the accident is normally stationed.

Article 33

1. The management bodies of the International Insurance Bureau shall be the General Meeting of its members and the Administrative Committee.
2. The Administrative Committee shall be composed of ten members. One of them, without voting rights, shall be appointed by the Minister of Trade, while all other members shall be elected by the General Meeting. The Administrative Committee shall elect its Chair from among its elected members.
3. A decision of the Minister of Trade, issued on an opinion from the General Meeting and published in the Government Gazette, shall determine the contributions every member of the International Insurance Bureau is obliged to pay, in accordance with the following provisions:
 - (a) To cover operating expenses, the members shall pay to the International Insurance Bureau, as a registration fee, a contribution at least equal to the equivalent in drachmas of 3,000 ECU. For the next years, the contribution rate of each member shall be calculated pro rata to the gross written premiums from motor vehicle insurance during the previous accounting year.
 - (b) In order for the International Insurance Bureau to meet the obligations arising from uninsured vehicles and from the direct settlement of claims from accidents caused on Greek territory or abroad by vehicles normally stationed abroad or in Greece, respectively, and also in order to meet the reinsurance costs for its obligations hereunder, each member shall pay an annual proportional contribution, calculated pro rata to its gross written premiums from motor vehicle liability insurance during the preceding year. If the Administrative Committee estimates that the funds at any time available to the Bureau are insufficient to cover its outstanding obligations, every member shall contribute an additional proportionate sum within one (1) month from the date the relevant decision is taken.
4. In particular in the case of insurance provided under freedom of services, within the meaning of Article 1(f) hereof, contributions to the International Insurance Bureau shall be calculated in accordance with the provisions currently in force on insurance undertakings established in Greece.
5. Article 24 hereof shall apply by analogy where a member fails to comply with its obligations set out in the preceding paragraph.
6. Article 25 hereof shall apply by analogy where a member fails to comply with the obligations set out in this article in respect of contributions.

7. In all other respects, Articles 21 to 24 above shall apply to the International Insurance Bureau by analogy.

8. By decision of the Minister of Development, issued on an opinion from the General Meeting and published in the Government Gazette, supplementary proportionate contributions may be imposed if the Administrative Committee estimates that the funds at any time available to the Bureau are insufficient to cover its outstanding obligations.

Article 34

A decision of the Minister of Trade, issued on an opinion from the General Meeting of the members of the International Insurance Bureau and published in the Government Gazette, shall determine the following:

- (a) the contributions payable by each member of the International Insurance Bureau and the basis of their calculation to cover the obligations and guarantees undertaken by the Bureau as well as its operating expenses;
- (b) the composition, convening, operation and competence of the Administrative Committee referred to in Article 33 above;
- (c) the time and method of convening, the quorum, decision-making and operation of the General Meeting;
- (d) any refund of sums to the members during the operation of the Bureau; and
- (e) any details necessary for the operation of the Bureau.

Article 34a

1. Any reference herein to a “Member State of the EEC” shall be understood as a reference to the Member States of the European Union (EU) and of the European Economic Area (EEA).

2. The obligations of the International Insurance Bureau, in their totality, which have arisen either before or after 1 July 2003, shall be regulated by the provisions of the Unified Agreement.

CHAPTER IV

Frontier Insurance

Article 35

1. Vehicles entering Greece on which insurance cover inspection is conducted and which do not bear a valid international insurance certificate, as provided for in Article 5(3) hereof, shall, upon entering Greek territory, obtain insurance cover in the form of special insurance (“frontier insurance”) in accordance with the following article.

2. This special insurance (frontier insurance) shall be concluded for a period of 30 days and shall not be renewable. The provisions of Article 6(3) hereof shall apply by analogy to this case.

Article 36

1. The International Insurance Bureau shall appoint at each border station and port of entry into the country a representative authorised to underwrite frontier insurance on behalf of all members of the Bureau. Such representative may be a natural person or a legal entity, as well as any officer performing police or customs duties. Such representatives may be remunerated by decision of the Minister of Trade, at the expense of the Bureau.

2. Frontier insurance shall be concluded in accordance with the conditions and premium tariffs applicable in Greece.

3. A special document shall be issued for frontier insurance, the format of which shall be determined by decision of the Minister of Trade.

Article 37

1. The International Insurance Bureau shall keep a separate account of the premiums, claims (paid and outstanding) and of all other expenses of frontier insurance.

2. The International Insurance Bureau shall be liable towards the injured party, the latter having a direct claim against the Bureau.

3. In all other respects, the provisions of law regarding the International Insurance Bureau shall apply by analogy to frontier insurance.

Article 37a

1. The claims representative, who must be appointed in Greece pursuant to Article 4 of the Directive 2000/26/EC by all insurance undertakings established in any Member State of the EU or the EEA and conducting insurance class 10 “motor vehicle civil liability insurance”, carriers’ liability excluded, shall have the following qualifications and obligations:

He must have a good command of the Greek language; have his permanent residence or domicile in Greece; and be duly authorised to represent the insurance undertaking appointing him and to fully satisfy all claims of the injured parties that are permanent residents of Greece arising from accidents caused by vehicles insured by the said undertaking.

2. The above representative shall collect all necessary information relating to the above claims in order to make a settlement of such claims and shall take all measures

necessary to negotiate the settlement of claims. He/she shall further possess sufficient authority to represent the insurance undertaking before the injured parties who may be entitled to present a claim for compensation and also to fully satisfy such claims and, to the extent necessary, shall represent the undertaking before the administrative authorities with respect to such claims. Moreover, he/she shall take any action under Article 9a hereof.

3. The compulsory appointment of a claims representative shall by no means affect the right of the injured parties or their insurers to institute proceedings directly against the person responsible for the accident or his/her insurer.

4. If the claims representative fails to comply with the provisions of Directive 2000/26/EC in order to satisfy the injured parties, the competent supervisory authority shall inform the corresponding insurance regulator of the state in which the insurance undertaking is established in order for all necessary measures to be taken.

CHAPTER V

Final and transitional provisions

Article 38

1. Failure by an insurance undertaking to comply with the provisions hereof and with the Presidential Decrees and Ministerial Decisions issued for the implementation hereof shall entail withdrawal of authorisation to conduct motor vehicle liability insurance.

2. In addition to the consequences laid down in the preceding paragraph, the Minister of Development may impose a fine of up to three thousand euro (€3,000) on an insurance undertaking that:

(a) refuses unjustifiably to underwrite or renew an insurance policy according to the conditions of compulsory insurance hereunder; or

(b) does not comply with the provisions hereof and the presidential decrees and ministerial decisions in execution thereof according to the conditions of the preceding paragraph. This amount may be adjusted by decision of the Minister of Trade.

The Minister may impose a fine of up to €20,000 on any insurance undertaking that fails to comply with the provisions of Article 6(7), Article 27b hereof and the ministerial decisions issued for the implementation thereof.

3. In case the authorisation of a motor vehicle liability insurance undertaking is withdrawn under para. 1 of this article, the undertaking concerned shall cancel its policies in force, without prejudice to the provisions of Article 11(2) hereof, and shall

refund to the insured the unearned premiums of such policies, after deducting an amount equal to 25% of the premiums.

Article 39

1. A levy on the net premiums of the class of motor liability insurance may be imposed in favour of the National Road Fund by decision of the Minister of Trade. Such levy may be increased up to 3% by a Presidential Decree issued on a recommendation from the Minister of Trade.
2. The above levy shall be entered separately in the insurance policy and shall be payable by the insured.
3. The insurance undertakings shall pay to the National Road Fund within one month from the end of each quarter the levies collected during that quarter.
4. The National Road Fund shall make exclusive use of its revenue under para. 1 for the signalling of the national and provincial road network.
5. By decision of the Minister of Development, part of the levy provided for in para. 1 above may be made available to the Auxiliary Fund for the achievement of its objects. The details regarding the implementation of this paragraph shall be regulated by a similar decision of the Minister of Development.

Article 57

In case of any discrepancy between the text of this Decree and the text of the legislation codified, the latter shall prevail.

Article 58

This Decree shall take effect as from the date of its publication in the Government Gazette.