

Government Decree No. 190/2004. (VI. 8.)
on the compulsory motor third party liability insurance of the motor vehicle operator

On the basis of Article 234 *b*) of Act LX of 2003 on insurers and insurance activities (hereinafter: Insurance Act) and in view of the provisions laid out in Article 198 (2) and Article 567 (3) of Act IV of 1959 on the Civil Code the Government is hereby issuing the following decree:

Article 1

For the purposes hereof

- a) motor vehicle:* motor vehicles specified in sub-section II. *b*) of Appendix 1 to joint decree No. 1/1975. (II. 5.) KPM-BM (Ministry of Transport and Postal Affairs and Ministry of the Interior) on the rules of road transport (Highway Code), as well as trailers, semi-trailers, agricultural tractors, mopeds, slow vehicles under obligation to bear registration plate and heavy duty machines;
- b) motor vehicle operator (hereinafter: operator):* the owner of a motor vehicle or the motor vehicle operator registered in the document issued by the authorities of the home country;
- c) home country:* the country whose authority has provided a registration plate for the motor vehicle; in the case of motor vehicles not under obligation to bear registration plates the country in which the place of permanent residence (head office) of the owner or the person (organisation) disposing over the vehicle is located;
- d) insured:* the motor vehicle operator and its driver;
- e) insurer:* the organisation specified in the Insurance Act which has been authorised in its home Member State to transact motor third party liability (hereinafter: MTPL) insurance and is authorised in the territory of the Republic of Hungary to transact MTPL insurance as specified herein;
- f) third country insurer:* the term defined in the Insurance Act;
- g) National Bureau:* the term defined in the Insurance Act. The National Bureau also performs the tasks of the Compensation Body and the Information Centre as specified herein. The National Bureau is operating within the organisation of the Association of Hungarian Insurance Companies (hereinafter: MABISZ), its rights and obligations are exercised and performed by MABISZ;
- h) Compensation Account (hereinafter: Guarantee Fund):* a fund specified in the Insurance Act. The Guarantee Fund is managed by MABISZ.
- i) Internal Regulations:* the agreement regulating the relationships between the National Bureaux, adopted by the Council of Bureaux at its General Assembly on 30 May 2002 (promulgated by Commission Decision 2003/564/EC, OJ L 192/23 31.07.2003);
- j) green card:* the international certificate (card) of MTPL insurance issued by an insurer under the authority of the National Bureau for the insured, in proof of the compulsory MTPL insurance coverage required in the country visited by the insured;
- k) correspondent:* insurer, other organisation or person designated by an insurer operating in another Member State or in a third country, with the approval granted by the National Bureau of the country of its operation, for the handling and settlement of any accident caused by its insured in the correspondent's country;
- l) foreigner:* the term defined in the Insurance Act;
- m) preliminary certificate of coverage:* the certificate issued by the insurer prior to the conclusion of the insurance contract in proof of risk covered by the insurer;
- n) motor race:* a sports event organised on a closed racing ring or a public road section closed to traffic, for motor vehicles;

- o) *injured party*: any person or organisation entitled to compensation in respect of any loss caused by a motor vehicle;
- p) *Information Centre*: the term defined in the Insurance Act;
- q) *Claims Representative*: the term defined in the Insurance Act;
- r) *Compensation Body*: the term defined in the Insurance Act;
- s) *Claim Settlement Agent*: in case of cross-border service (Freedom of Services / FoS) specified in Article 3. point 24. of the Insurance Act the person or organisation commissioned by the insurer or authorised to settle claims originating from accident caused with motor vehicles and/or to represent the insurer in court or out-of-court procedures;
- t) *Registration Plate Agreement (hereinafter: Multilateral Guarantee Agreement)*: the agreement concluded between National Bureaux on the basis of which the authorities of the countries that have signed the agreement accept, instead of the certificate embodied by the green card, the plate number of the motor vehicle together with the country sign, as proof of the insurance coverage required in the given country;
- u) *Member State*: the term defined in the Insurance Act;
- v) *premium tariff*: the calculation method applied in the establishment of individual premiums.

Article 2

(1) The operator of a motor vehicle normally based in Hungary shall conclude a liability insurance contract with an insurer as per Article 1 e) to cover any damage that may be caused in the course of the operation of the motor vehicle - up to the limit amounts specified in paragraph (2) and shall keep such insurance contract in effect by regular premium payments. A motor vehicle may be operated in the territory of the Republic of Hungary only if these criteria are met.

The insurance contract shall be governed by the Hungarian law, including cases where such contract is concluded for amounts exceeding the limit amounts specified in paragraph (2).

(2) The insurer or the Guarantee Fund shall settle claims in respect of a claim event in case of damage to property up to HUF 500 million per claim event, while in case of claims originating from personal injury it shall settle claims up to HUF 1,250 million per claim event under a given contract, regardless of the number of the injured parties. The above amounts shall include all claims that may be imposed under any legal title in relation to a claim event, along with the costs of claim enforcement as well as interests.

(3) The obligation specified in paragraph (1) shall - unless otherwise provided by law - be borne by the current operator of the motor vehicle from the issue of the registration plate for the motor vehicle until the withdrawal of the motor vehicle from use in traffic. In case of the licensing of temporary operation in traffic or in case of the issue of a temporary vehicle licence the liability insurance (preliminary certificate of coverage) shall cover at least the period covered by the temporary licence for operation in traffic or the temporary vehicle licence. During the period of suspension specified in point 6(1) of *Annex I* (temporary withdrawal of the motor vehicle from use in traffic) the motor vehicle operator shall not bear an obligation to keep the insurance contract in effect by regular insurance premium payments.

(4) Upon the death of the motor vehicle operator the motor vehicle may be used in traffic if the person/organisation that has taken possession of the motor vehicle has reported the fact of the death to the insurer and keeps the insurance contract in effect by regular premium payments. Such contract may be kept in effect by premium payments until the entry into force of the resolution closing the probate of will at the latest.

(5) The insurer, the Guarantee Fund, the National Bureau, the Claims Representative and the Compensation Body shall pay the losses caused in the course of the operation of the motor vehicle as specified herein.

(6) The organisation of a motor race shall conclude different liability insurance for vehicles participating in the race (training) from the liability insurance specified herein.

(7) The insurance contract concluded between the parties shall not deviate from the provisions hereof to the disadvantage of the insured or the injured party.

Article 3

(1) The territorial scope of an insurance contract shall cover the area of the European Economic Area and Switzerland, along with the territories of countries that have joined the international green card system with whose national offices the Hungarian National Bureau has concluded agreements. The list of the countries participating in the international agreement shall be disclosed by Hungarian Financial Supervisory Authority (hereinafter: Supervision) as specified in Article 16 (9) hereof.

(2) In case of damage caused by an insured outside the territory of the Republic of Hungary in the territory of any of the countries specified in the above paragraph (1) the extent to which the insurer shall be obliged to settle the claim shall be in accordance with the legal regulations on motor vehicle liability insurance of the country in which the claim event has taken place. If the minimum limits of liability specified in the contract exceeds the extent prescribed in the country in which the claim event has taken place the liability of the insurer shall extend to the limits covered by the insurance contract.

(3) If a motor vehicle operator lacking a liability insurance contract (preliminary certificate of coverage) causes damage - using its motor vehicle normally based in Hungary - in the territory of another Member State the Guarantee Fund shall settle the claim of the injured party or the reimbursement claim of the foreign National Bureau or the Compensation Body or the Guarantee Fund of the Member State concerned, as laid out in paragraph (2). In case of damage caused in a country that is not a Member State the Guarantee Fund shall bear such obligation on the basis of the relevant agreement between the relevant National Bureaux.

Article 4

(1) The conclusion of the insurance contract is certified by the insurance policy or the certification sheet made out by the insurer (as specified in Appendix 2). The maintenance of the insurance contract by regular premium payment is proven by the receipt slip of the cash transfer order in proof of payment (cheque) or the certificate made out by the insurer, with respect to the given period of premium payment. The Hungarian language document in proof of insurance coverage (the insurance policy or the certificate sheet made out by the insurer as specified in Appendix 2) shall state that the insurance contract is governed by the Hungarian law. If the insurance contract has been concluded with an insurer without headquarters or branch unit in Hungary under a cross-border service (FoS), the document in proof of the insurance coverage shall also include data pertaining to the name and address of the Claim Settlement Agent.

(2) A motor vehicle may be put into operation in traffic (licensing) and entries concerning the motor vehicle operator may be recorded in the vehicle licence, the change of the registration plate of the motor vehicle and the technical inspection of the motor vehicle may be carried out only if the existence of MTPL insurance has been proven. Coverage may be proven by the presentation of

a) the documents specified in paragraph (1):

- aa) insurance policy and - after the expiry of the coverage period specified in the policy - cheque or proof of payment pertaining to the given period of premium payment, or
- ab) the certificate sheet as specified in Appendix 2, or
- b) the preliminary certificate of coverage regulated in point 4(2) and (3) of Appendix 1, with data contents specified in Appendix 2.

(3) Data provision and data management between the insurer and the Central Data Processing, Registration and Election Office of the Ministry of the Interior (hereinafter: Office) shall be governed by the provisions of the Insurance Act.

(4) The insurers shall pay a fee to the Office for the provision of the information as per paragraph (3) and the permanent operation of the computerised registry and data supply system required for such data provision. The amount of such fee shall equal 0.5 % of their quarterly income originating from MTPL insurance of vehicles normally based in Hungary, to be transferred to the office by the last day of the month following the quarter covered by such payment.

(5) On request by an injured party living in another Member State or by the information centre of another Member State or by the information centre of a third country - under a cooperation agreement pertaining to this - the Information Centre shall promptly communicate the name and address as well as other contact data of the liability insurer, the number of the insurance policy and the data of the Claims Representative of the insurer working in the country of residence of the injured party. Data pertaining to the insurer and the insurance contract shall be communicated as of the date of the claim event while the data pertaining to the Claims Representative shall be communicated as of the date of the answer to be given in response to such request. If the Information Centre cannot, for any reason, provide the information so requested, by the deadline specified in the agreement concluded between the information centres concerned, this fact shall be communicated to the requesting party not later than the date of expiry of such deadline, providing the reasons.

(6) If the motor vehicle involved in the claim event did not have a valid liability insurance contract at the time of the claim event this fact shall be communicated by the Information Centre along with the data of the Guarantee Fund, to the party requesting the data.

(7) The data of Claims Representative of the insurers and any change to such data shall be promptly communicated by the Information Centre to the information centres of the other Member States and to the information centres of third countries with which such agreements have been concluded. The insurer designating the Claims Representative shall be in charge of ensuring the validity of such data. The list of the Claims Representatives shall be made accessible on the Internet as well, through the home page of MABISZ.

Article 5

(1) The operator and the driver of a motor vehicle under vehicle licensing obligation shall produce the certificate of the existence of the insurance contract and the fact that it is kept permanently in effect through premium payment, in the cases specified by law.

(2) The Office shall check the validity of the liability insurance contracts by comparing the vehicle register to the register of insurance policies and shall compile a list of the data of motor vehicle operators without valid contracts.

(3) If it is proven that a motor vehicle is not covered by a valid MTPL insurance or by a preliminary certificate of coverage, on the basis of the notification by the Office, the notary of the municipal government - specified in a separate rule of law, performing tasks of a district centre - with competence in respect of the place of residence (head office) of the motor vehicle operator shall promptly call on the motor vehicle operator to certify the existence of an effective insurance coverage. If the motor vehicle operator fails to certify the existence of an effective insurance coverage by presenting, within 8 days of receipt of the instruction, the certification sheet as specified in Appendix 2 or the relevant insurance policy together with the receipt slips of the cash transfer orders in proof of payment (cheque) covering the given insurance period, the notary shall withdraw the motor vehicle from traffic as specified in a separate rule of law. Seeking of legal remedy against the resolution on the withdrawal of the motor vehicle from traffic shall have no delaying effect.

(4) If the motor vehicle may be kept in operation without a vehicle licence (vehicle not subject to vehicle licensing obligation) it may be operated in traffic on public road only if there is a sign on the motor vehicle in proof of the existence of a valid MTPL coverage. The insurer shall issue the sign in proof of the existence of an insurance contract and the insurance policy against payment of the insurance premium.

(5) The payment of the insurance premium on motor vehicles kept in operation by the Hungarian Army shall be proven by the vehicle licence made out to the name of the Magyar Honvédség (Hungarian Army).

Article 6

(1) A proposal concerning the conclusion of an insurance contract under conditions specified in Annex 1, in accordance with the tariffs applied by the insurer, submitted by the motor vehicle operator of a motor vehicle normally based in Hungary, shall be accepted by the insurer concerned, up to the amounts specified in Article 2 (2).

(2) If an insurance contract lapses during the insurance period owing to non-payment of the insurance premium the motor vehicle operator shall conclude a contract covering the remaining part of the given insurance period with the insurer with which it had concluded the insurance contract that has lapsed owing to non-payment of the insurance premium. Exclusively the insurer with which the insured had concluded the contract that has lapsed owing to default of payment during the given insurance year shall be entitled and obliged to accept the new proposal of the motor vehicle operator.

(3) During the effective period of an insurance contract no other liability insurance may be effectively concluded for the same insurance period.

(4) An insurer that has concluded a liability insurance contract with a person submitting an insurance proposal for the given insurance period and has notified the insured about the cancellation of such insurance contract with effect from the turning day of the insurance period or if the insurance contract of the insured lapsed during the given insurance period owing to non-payment of the insurance premium, shall not be obliged to accept the proposal submitted by the motor vehicle operator for the insurance period immediately following the insurance period in which the previous contract lapsed.

Article 7

- (1) The insurer, the National Bureau and the Guarantee Fund shall be obliged to settle claims instead of the person liable for the accident up to the insurance amount limits specified in Article 2 (2). Several claim events resulting from the same cause, related to one another in respect of time, shall qualify as a single claim event.
- (2) If the justified claims for compensation made by several entitled claimants in relation to a single claim event exceeds the amount specified for damage on a 'per claim event' basis the claims for compensation shall be satisfied in accordance with the ratio of the total compensation claim amount to the amount specified in Article 2 (2).
- (3) If the insurer, the National Bureau and the Guarantee Fund is obliged to pay annuity in the way of compensation, in the distribution of the insurance compensation the principal value of the annuity shall be taken into account. If the principal amount of the expected future annuity payments exceeds the amount available from the insurance compensation specified in the contract the insurer shall establish the amount of the annuity by pro-rata reduction of the amounts of the annuities to be paid.
- (4) If as a result of a claim event the amount per claim event specified for the given claim type (property damage, personal injury) is used up, an injured party not taken into account in the distribution of the insurance compensation amount may enforce a compensation claim if the insurer has disregarded the injured person for reasons for which the injured party cannot be held responsible. In this case the damage shall be compensated for by re-allocation of the insurance compensation amount specified for the given type of claim in a way as a result of which the compensation amount equals the sum that would have been paid to the injured party upon the original allocation of the insurance compensation amount.
- (5) The same procedure shall be applied by the insurer also when the claim for compensation by one or more injured parties increases after the distribution of the insurance compensation amount for reasons for which the injured party or parties cannot be held responsible (e.g. as a result of deterioration of health status).
- (6) If the insurer has compensated as specified in paragraphs (2) - (5) for the damage suffered by an injured party not taken into account originally, within five years of the date of payment the insurer shall - on account of the reallocation of the insurance compensation amount - be entitled to claim refunding by the rest of the injured parties concerned, of the amount in excess of the newly established shares of compensation, from the amounts paid in compensation to such injured parties. The insurer shall notify the injured parties of the possibility to effect reallocation in the course of the claim settlement process, simultaneously with the first payment of a compensation on a claim.
- (7) If the claim for compensation of one or more damaged parties is reduced in comparison to the amount taken into account upon the allocation of the insurance compensation amount the rest of the damaged parties shall be entitled to compensations equalling the new ratios of compensation resulting from the re-allocation of the amount available for compensation.

Article 8

(1) The injured party shall be entitled to enforce its claim for compensation pursuant to the provisions hereof under the conditions of the insurance contract against the insurer as specified herein of the party causing the accident or against the Guarantee Fund as well. The injured party may, at its discretion, enforce claims imposed on the insurer, also against the Claim Settlement Agent, with legal effect extending to the insurer as well.

(2) Upon the satisfaction of the criteria specified herein Guarantee Fund shall - as specified in Articles 7 and 15 hereof - settle the claim of the injured party even if the motor vehicle operator that has caused the damage had no insurance coverage at the time of the claim event, despite the statutory obligation to have insurance coverage. The Guarantee Fund shall be entitled to start legal actions to enable the performance of its tasks specified herein and to enforce its claim.

(3) The insurer shall be obliged to settle the claim of the injured party even if the claim event occurs within 30 days after the lapse of the insurance contract owing to non-payment of the insurance premium. The period following this shall be governed by the provisions laid out in Article 14.

(4) In the case of a vehicle not subject to the vehicle licensing obligation (including certificate sheet conferring right for operation in traffic) the deadline specified in paragraph (3) shall start from the expiry of the term specified in the insurance contract.

(5) An injured party shall report the claim event within 30 days of its occurrence, to the insurer. In the case of late notification - except where the injured party can prove that missing the deadline was caused by factors beyond its control - the legal consequences of late performance shall not be applied to the insurer, the Claim Settlement Agent, the Guarantee Fund and the National Bureau.

Article 9

(1) If - outside the territory of the Republic of Hungary – the accident is caused in another Member State of the European Economic Area or in another member state of the green card system by the operation of a motor vehicle normally based in another member state (with the exception of motor vehicles normally based in Hungary) and the injured party with place of residence or head office in the territory of the Republic of Hungary has a claim for compensation (“Visitors Claim”) against the MTPL insurer of the motor vehicle that has caused the accident the injured party may also submit its claim for compensation to the Claims Representative designated to Hungary by the liability insurer of the motor vehicle that caused the accident. The injured party may, at its discretion, also submit its claim directly against the person that has caused the accident or against the liability insurer of that person.

(2) In relation to a compensation claim a Claims Representative with place of residence or head office in the territory of the Republic of Hungary shall collect all information required for the settlement of the compensation claim and shall take all actions required for the completion of the claim settlement process during which he/it shall use the Hungarian language.

(3) The liability insurer as specified in paragraph (1), of the person that has caused the accident, or his Claims Representative shall, within three months of the submission of the claim for compensation, provide the party that has suffered the accident:

a) with a reasoned offer of compensation in the cases where liability is not contested and the damages have been quantified; or

- b) with a reasoned reply concerning the points made in the claim for compensation, in cases where liability is denied, or it has not been clearly determined or the amount of the damages could not be quantified.

Article 10

- (1) In the cases specified in paragraph (2) the Compensation Body shall provide service to an extent aligned to the obligation of the liability insurer as specified in Article 9(1) - even instead of such insurer.
- (2) The claim of the injured party for compensation may be submitted to the Compensation Body only if
 - a) the liability insurer as specified in Article 9 (1) or the Claims Representative has not provided a reasoned reply as specified in Article 9 (3) to the points made in the claim for compensation even after passing of three months of the submission of a claim for compensation to the liability insurer of the motor vehicle that had caused the accident,
 - b) the liability insurer as specified in Article 9 (1) has failed to appoint a Claims Representative to Hungary except if the injured party has submitted the claim for compensation directly to the liability insurer and it has provided a reasoned reply or a reasonable compensation proposal within three months, or
 - c) the motor vehicle or the liability insurer as specified in Article 9 (1) has not been identified after passing of two months following the accident.
- (3) The claim shall be submitted within two months following the expiry of the deadlines specified in paragraph (2) or in the case specified in Article (2) b) two months after the date when the injured party learned or could have learned of the fact that no Claims Representative had been appointed.
- (4) The claim as specified in paragraph (1) shall lapse if the injured party turned directly to the court against the liability insurer as specified in Article 9 (1) or if the insurer or its Claims Representative settles its obligations.
- (5) In the lawsuit procedure against the Compensation Body the injured party may only ask for the establishment of the fact that the criteria for the obligation of the Compensation Body to settle the claim exist and that the claim has not yet lapsed.
- (6) The property insurer, the liability insurer and the social security bodies shall not be entitled to claim reimbursement of its services by the Compensation Body.

Article 11

- (1) The Compensation Body shall notify, promptly upon the receipt of the claim of the injured party, the liability insurer as defined in Article 9 (1) of the party that has caused the accident or its Claims Representative. If these have not fulfilled their obligation as specified herein the Compensation Body shall notify the Compensation Body to which the liability insurer as defined in Article 9 (1) is obliged to pay contributions under the relevant contract. The Compensation Body shall promptly notify the party that has caused the accident of the fact that it is going to take action concerning the establishment of its performance obligation within two months of receipt of the claim submitted by the injured party.

(2) The Compensation Body shall be entitled to reimbursement to the extent of the compensation provided for the injured party, to be provided by the Compensation Body to which the liability insurer as defined in Article 9 (1) is obliged to pay contributions under the relevant contract.

(3) The Compensation Body shall be under obligation to reimburse amounts provided by Compensation Bodies of other Member States, in accordance with the relevant Hungarian legal regulations, if the insurance contract has been concluded with an insurer as specified in Article 1 e). As a result of such reimbursement the claim of the injured party against the party that has caused the accident and against its liability insurer shall pass onto the Compensation Body.

(4) If the party that has caused the damage had no liability insurance coverage the Compensation Body may enforce its claim for reimbursement against Guarantee Fund.

(5) In respect of the handling and settlement of the reimbursement claims between the Compensation Bodies the provisions of the agreements concluded between such organisations shall be observed.

Article 12

The effect of the final and enforceable decision by court concerning the rejection of the claim for compensation of the injured party shall extend to the insured as well if such decision has been made by the court in a legal action involving the injured party and the insurer, the Claim Settlement Agent, the National Bureau or the Guarantee Fund.

Article 13

(1) Insurers shall pay contributions to the National Bureau and the Guarantee Fund in proportion to their premium revenues during the relevant year from the MTPL insurance as specified herein, to an extent as will provide coverage for the performance of the obligations borne by such organisations and for their operating costs. The minimum amount to be paid by an insurer under such heading shall be HUF 2 million per quarter. Insurers that are not members of MABISZ may launch their operations after making the declaration concerning the assumption of the commitment to effect the payments provided for herein, and submitting such declaration to the Supervision.

(2) The Guarantee Fund and the National Bureau shall settle accounts with the insurers to the extent of the amounts so paid, by 31 January following the year under review.

Article 14

(1) A claim by an injured party caused by a motor vehicle of a motor vehicle operator lacking a contract despite the insurance obligation or with an unidentified motor vehicle in the territory of the Republic of Hungary may also be enforced against the Guarantee Fund, with the exceptions laid out in Article 15 hereof. The claim of the injured party shall be settled by the Guarantee Fund even if the damage has been caused with a motor vehicle not put into operation in traffic or by one withdrawn from operation in traffic.

(2) The Guarantee Fund may commission any one of the insurers to settle the claims.

(3) The Guarantee Fund shall submit the profit and loss statement prepared in accordance with the relevant separate piece of legislation each year, to the Supervision.

Article 15

- (1) The Guarantee Fund shall be obliged to settle claims exclusively to the extent to which the injured party cannot claim compensation for his/its loss on the basis of social security insurance or property and liability insurance.
- (2) Reimbursement claims originating from property and liability insurance or social security insurance shall not be covered by the Guarantee Fund.
- (3) The liability of the Guarantee Fund shall not extend to damage caused by an unidentified motor vehicle operator to motor vehicles, the road, transport structures and objects constituting accessories to road, electrical and communication equipment or other public utility infrastructure, their accessories or advertisement carrier installations.
- (4) Within 30 days of the occurrence of the claim event the injured party shall report claim event caused by an unidentified motor vehicle, to the Guarantee Fund. If the injured party fails to effect such notification for reasons within the scope of its control as a result of which substantial circumstances can no longer be established, the Guarantee Fund shall be free of its liability.
- (5) If there is a dispute between the Guarantee Fund and the insurer as to which of them is obliged to compensate the innocent injured party for his/its loss the amount of the compensation shall be advanced by the Guarantee Fund and the Guarantee Fund shall settle accounts with the insurer of the party that has caused the accident later on. The amount of the compensation shall also be advanced by the Guarantee Fund if there is a dispute between insurers as to which of them is obliged to compensate the innocent injured party for his/its loss.
- (6) An injured party of a third country shall be compensated by Guarantee Fund for its loss exclusively if similar compensation is payable to Hungarian citizens at the time of the accident in the country of the injured party.
- (7) The Guarantee Fund shall be entitled to claim payment for all of its expenditures and costs incurred in the settlement of the claim of the injured party by the motor vehicle operator lacking an insurance contract, or on a joint and several basis, by the owner and driver of the motor vehicle not put into or withdrawn from operation in traffic. Such costs may also be established on a flat rate basis.

Article 16

- (1) A motor vehicle normally based in a third country may enter the territory of the Republic of Hungary from the territory of a third country and/or may be operated in traffic in the territory of the Republic of Hungary only if
 - a) its motor vehicle operator (driver) has an international certificate in proof of effective liability insurance coverage, or
 - b) the motor vehicle bears the registration plate and the country sign of a country that has joined the Multilateral Guarantee Agreement or with the National Bureau of which the (Hungarian) National Bureau has concluded an agreement on this issue.

(2) If the motor vehicle operator (driver) of a motor vehicle normally based in a third country fails to prove the existence of valid MTPL insurance in the way specified in paragraph (1), upon entering the territory of the Republic of Hungary it shall be obliged to conclude a contract for a definite period of time (border insurance) with an insurer or group of insurers as per Article 1 e) hereof and shall maintain such during his stay in Hungary and shall keep the policy in proof of such insurance with him. Such contract shall be governed by the Hungarian law and it shall provide coverage for any accident caused in the territory of the European Economic Area or Switzerland.

(3) No document as specified in paragraph (2) (border insurance) shall be required for motor vehicles put into operation in a Member State of the European Economic Area or in Switzerland or if the motor vehicle not subject to motor vehicle licensing obligation is normally based in a country that is a Member State of the European Economic Area or in Switzerland.

(4) The provisions laid out in paragraph (1) shall not apply in cases where the insurance obligations borne by motor vehicle operator of foreign military vehicles stationed in or in transit in the territory of the Republic of Hungary are regulated differently by special rules of law.

(5) Upon the entering by a motor vehicle normally based in a third country the territory of the Republic of Hungary the customs authority shall check whether the requirements laid out in paragraph (1) are met.

(6) If damage is caused in the territory of the Republic of Hungary by the operation of a motor vehicle normally based in a third country the claim for compensation may also be submitted to the National Bureau. The National Bureau may commission any one of the insurers or its legal representative to carry out the tasks relating to the settlement of the claims and the representation of the National Bureau in legal action. If the insurer of the motor vehicle that has caused the accident has concluded a contract - with consent of the National Bureau - with a correspondent as specified in Article 1 k) to settle claims of an accident caused by its insureds in the territory of the Republic of Hungary the claims shall be settled and the National Bureau shall be represented in legal action - unless otherwise provided by the National Bureau - by such correspondent or its representative.

(7) Correspondent may be an insurer as specified in Article 1 e) hereof, an organisation performing activities of claim settlement for such insurer or a Claims Representative as specified in Article 1 q) hereof

(8) If the accident is caused in the territory of the Republic of Hungary by the operation of a motor vehicle normally based in a third country and the regular place of residence of the foreign injured party is not in any of the Member States of the European Union the injured party may enforce claim for compensation against the National Bureau based on paragraph (6) only if the Hungarian injured party is entitled to a similar compensation at the time of the accident in the country of such injured party.

(9) The National Bureau shall promptly notify the Supervision of any change in respect of the

- a) countries participating in the green card system, that have concluded bilateral agreements with the National Bureau,
- b) countries that have concluded separate bilateral agreements with the National Bureau.

The Supervision shall disclose the list of the participating countries by 15 January each year, in the Hungarian Official Gazette (Magyar Közlöny).

Article 17

- (1) An insurer without head office or branch in the territory of the Republic of Hungary may provide MTPL insurance in the territory of the Republic of Hungary through cross-border provision of services (FoS) only if it has commissioned a Claim Settlement Agent for the performance of such operation.
- (2) A Claim Settlement Agent shall have a permanent head office or place of residence in the territory of the Republic of Hungary.
- (3) The data pertaining to the Claim Settlement Agent, the designation of the Claim Settlement Agent or any change to his data or the change of the person proceeding as Claim Settlement Agent shall be communicated by the insurer to the Supervision not later than 8 days after such changes.
- (4) The list of the Claim Settlement Agents designated by insurers and changes in their data shall be disclosed by the Supervision on an ongoing basis on its Internet homepage and once every quarter in the Financial Gazette (Pénzügyi Közlöny).
- (5) In the case of the provision of cross-border services the insurer shall submit to the Supervision the documents pertaining to the contract - including contractual terms and conditions - in Hungarian language, not later than one month before starting its activity.

Article 18

- (1) The premiums to be applied by the insurer in the next year shall be established by the insurer in a breakdown by the motor vehicle categories listed in *Annex 2* and by the bonus-malus categories specified in *Annex 3*. An insurer shall apply individually established premiums in its tariff system within the various categories and bonus-malus classes, according to its announced premium tariff.
- (2) An insurer shall not alter its announced premium tariffs during a year.
- (3) An insurer shall disclose the terms and conditions of insurance and its premium tariffs in effect as well as those to be applied in the next year as published not later than 30 October, in two daily papers of nationwide circulation, in its premises open to its customers as well as on the Internet.
- (4) If the insurer is engaged in the provision of motor third party liability insurance services through provision of cross-border service (FoS) and has no organisation unit in the territory of the Republic of Hungary it shall ensure that the documents specified in paragraph (3) are posted at the head office or place of residence of the Claim Settlement Agent for information of the customers.
- (5) During the effective term of a contract the premium categorisation of an insured motor vehicle and its insurance premium in accordance with the premiums announced shall change with effect from the first day of the next insurance year.
- (6) The insured may cancel the insurance contract with effect from the end (the last day) of the insurance year in a written notice submitted at least 30 days in advance, without having to specify reasons. Such cancelling shall be effective with respect to the insurer if it is received by the insurer before the deadline. If the insured does not exercise its right to cancel the insurance contract it shall remain in effect in accordance with the modifications announced by the insurer.

Article 19

(1) This Decree shall enter into force on 1 July 2004. The provisions hereof shall apply to contracts already in effect on the day of its entry into force with the exception of contracts concluded for definite periods of time.

(2) Claims originating from before the date of entry into force hereof shall be governed by the statutes in effect on the day of the claim event.

(3) Claims for compensation originating from accidents that occurred before 30 June 1991 shall be governed by the legal regulations in effect at the time of origination with the difference that in such cases the obligations of the insurer specified in the relevant legal regulations shall be effected by the state via the Organisation Managing Subsidies and Annuities.

Article 20

Simultaneously with the entry into force hereof the following shall lapse:

- a) Government Decree No. 61/1997. (IV. 18.) on certain conditions of the performance of financial and supplementary financial services falling in the scope of licensing by the National Bank of Hungary,
- b) Government Decree No. 171/2000. (X. 13.) on the mandatory motor third party liability insurance of motor vehicle operator,
- c) Government Decree No. 198/2002. (IX. 14.) on the amendment to Government Decree No. 171/2000. (X. 13.) on the mandatory motor third party liability insurance of motor vehicle operator.

Article 21

(1) Following the promulgation of this Decree MABISZ shall join the agreements with Compensation Bodies and Guarantee Funds and Information Centres of the other Member States as per Directive 2000/26/EK Article 6 (1) concerning the rights and obligations of such organisations and the refunding of compensation services.

(2) In the wake of the promulgation hereof MABISZ may conclude bilateral agreements of similar contents with organisations of third countries performing similar tasks.

Article 22

In respect of the subject matter of the Europe Agreement signed on 16 December 1991 in Brussels on the establishment of an association between the Republic of Hungary and the European Communities and their Member States, in accordance with Article 3 of Act No. I of 1994 on the promulgation of the Agreement, this Decree contains regulation compatible with the following Directives of the Council:

- a) 1972/166/EEC of 24 April 1972 on the on the approximation of the laws of Member States relating to insurance against civil liability in respect of the use of motor vehicles, and to the enforcement of the obligation to insure against such liability,
- b) Council Directive 1972/430/EEC of 19 December 1972 amending Council Directive 72/166/EEC of 24 April 1972 on the approximation of the laws of the Member States relating to insurance against civil liability in respect of the use of motor vehicles and to the enforcement of the obligation to insure against such liability,
- c) Second Council Directive 1984/5/EEC of 30 December 1983 on the approximation of the laws of the Member States relating to insurance against civil liability in respect of the use of motor vehicles

- d) Directive 1990/232/EEC of 14 May 1990 on the approximation of the laws of the Member States relating to insurance against civil liability in respect of the use of motor vehicles,
- e) 2000/26/EC of 16th May 2000 on the approximation of the laws of the Member States relating to insurance against civil liability in respect of the use of motor vehicles and amending Council Directives 73/239/EEC and 88/357/EEC.

Annex 1 to Government Decree No. 190/2004. (VI. 8.)

General terms and conditions of motor vehicle liability insurance

1. The compulsory motor vehicle liability insurance (hereinafter: insurance) covers the settlement of well-founded compensation claims and the rejection of unfounded compensation claims imposed on insureds due to an accident caused by the operation of a motor vehicle specified in the insurance contract.

2. The justification of a claim for compensation shall be established by the insurer by comparing the statement made by the insured concerning its responsibility and the available facts and data, according to the liability of the insured.

3. (1) In the case of motor vehicles subject to vehicle licensing the insurance premium shall be paid in advance. The insurance premium shall be paid to the insurer for the period of insurance coverage - from the day of its beginning until its end. The insurance premium shall be paid for the whole insurance period - except the case of the lapsing of the contract as specified in point 7 hereof and of contracts concluded for definite periods of time.

(2) The insurance premium for motor vehicles not subject to vehicle licensing shall be paid in a lump sum in advance for the period (term) of the insurance contract.

(3) The first premium of insurance shall - unless otherwise agreed between the parties - be paid upon the conclusion of the insurance contract and its subsequent premiums shall be due on the first day of the period, as specified in the insurance contract (proposal) subject to the frequency of payment, covered by the payment. The parties may agree on payment frequency shorter than one year (e.g. one or several months intervals, quarterly, semi-annual) as well.

(4) Upon the end of the thirtieth day following the due date of premium payment the contract shall lapse if the premium in arrears has not been settled by that time, the insured has not been granted respite and the insurer has not enforced its premium claim through court procedure.

(5) Depending on the tariff system applied by the insurer the motor vehicle operator shall be entitled to no claims bonus or shall be obliged to pay a surcharge (malus) in accordance with the number of claim events caused by the insured, resulting in payment obligation for the insurer. In the case of the lapsing of interest or the cancelling of the insurance contract with effect from the turning day of the insurance period the insurer that was providing the coverage which has been terminated shall make out a certificate on the loss history of the motor vehicle operator - stating that the motor vehicle operator had caused no accident or on the claims paid - with contents specified in *Annex 1* (bonus-malus certificate).

4. (1) The insurance coverage shall start - unless otherwise agreed - on the day following the day of the payment of the first insurance premium to the insurer or when the parties agree on delayed insurance premium payment or the insurer enforces its claim for insurance premium through court procedure.

(2) In order for the risk to be covered by the insurer to commence already before the conclusion of the insurance contract a declaration of acceptance needs to be issued by the insurer or the person authorised by the insurer to issue such declaration.

(3) Releasing of the preliminary certificate of coverage required for the putting into operation of the motor vehicle in traffic shall qualify as acceptance of the preliminary cover. The motor vehicle operator shall conclude the liability insurance with the insurer releasing the certificate, within thirty days of the issuance of the certificate. Failure to do so shall entail lapsing of the preliminary coverage upon the expiry of the thirtieth day.

5. (1) An insurance contract shall be concluded for an indefinite period of time. In the cases specified by law and in the list of tariffs a contract may be concluded for a definite period of time as well.

(2) The insurance period shall be identical with the calendar year.

(3) In the case of motor vehicles not subject to the vehicle licensing obligation the term of the insurance shall be the period specified in the insurance certificate.

6. (1) An insurance contract shall be suspended for a period of two to six months if the insured presents the documents, as specified in a special law, in proof of the temporary withdrawal of the motor vehicle from operation in traffic. Suspensions shall commence from the first day of the month following its notification to the insurer and shall last until the day of the resuming of operation in traffic, the date of which shall be notified by the motor vehicle operator to the insurer. If the motor vehicle operator fails to report the returning of the motor vehicle into operation in traffic within six months the contract shall lapse owing to lapsing of interest. The starting date of premium payment shall be governed by the provisions laid out in point 3 (1) hereof.

(2) The provisions laid out in paragraph (1) shall not apply to motor vehicles not subject to the vehicle licensing obligation and to motorcycles.

7. (1) In the case of the lapsing of the insurance coverage due to the lapsing of interest the coverage of the insurer shall end upon the withdrawal of the motor vehicle from operation in traffic or upon the transferring of its ownership. The insurer may claim payment of the insurance premium up to the last day of the insurance cover.

(2) In the case of the motor vehicle operator of a motor vehicle not subject to the vehicle licensing obligation the insurance contract shall lapse even before the day of termination specified in the contract, upon the last day of the month in which the insured returns the insurance certificate to the insurer along with the marking in proof of the existence of the insurance contract, stating the reasons for such returning.

8. The insurer, the Guarantee Fund and the National Bureau shall not compensate for damages:

- a) caused to items contained in the motor vehicle causing the accident if such items are not objects for personal use by those travelling in the motor vehicle;
- b) sustained by the motor vehicle causing the accident;
- c) incurred as damage to property originating from claims of the insureds of the motor vehicle causing the accident, against one another, or as unrealised gains,
- d) caused by radiating or toxic materials or products or in the course of actions by the health authorities aiming to terminate harmful effects of radiation;
- e) caused to the road surface without accident involving the motor vehicle;
- f) caused to the motor vehicle when used as an implement of a heavy duty machine without use in traffic,
- g) caused during loading/unloading a standing motor vehicle;
- h) qualifying as accident at work, caused during repair or maintenance of the motor vehicle;
- i) occurred during motor race or the required training;
- j) caused by environment pollution without accident involving the motor vehicle;
- k) results from permanent waste and deterioration to the condition of other property as a result of the operation of the motor vehicle;

l) occurred as a consequence of war, acts of war or terrorist act (as specified in Article 261 of Act IV of 1978 on the Penal Code).

9. (1) If the insurer, the National Bureau or the Guarantee Fund has settled the damage it shall be entitled to the rights of the insured or the motor vehicle operator lacking insurance with respect to the person that has caused the accident.

(2) The insurer or the National Bureau shall claim no reimbursement based on the above paragraph from employee (member) of the insured. Reimbursement may be claimed by the insurer from a relative of the insured living in the same household or from the person who used or drove the motor vehicle when the claim event occurred, only in the cases specified in paragraph (3).

(3) The insurer, the National Bureau or the Guarantee Fund may claim refunding of the amount it has paid in compensation:

- a)* from the driver who was driving the motor vehicle without permit by the motor vehicle operator or the person otherwise rightfully using the motor vehicle;
- b)* from the insured or in the case of several motor vehicles from any one of them or each of them on a joint or several basis if the accident has been caused by violating the law or deliberately;
- c)* from the insured or in the case of several motor vehicles from any one of them or each of them on a joint or several basis if the motor vehicle was driven under the influence of alcohol or other substances with negative impact on driving capability or if the driving of the motor vehicle was handed over to such person except if they could have not recognised the status of such person as under the influence of alcohol or other substances of similar impact (a person with blood alcohol level in excess of 0.8 per mill or breath alcohol level in excess of 0.5 mg/l shall qualify as being under the influence of alcohol);
- d)* from the insured or in the case of several motor vehicles from any one of them or each of them on a joint or several basis if the driver of the motor vehicle had no driving licence or if the driving of the motor vehicle was handed over to such a person unless they prove that they had good reason to assume that the person permitted to drive the motor vehicle had a driving licence;
- e)* from the motor vehicle operator if the accident has been caused by gravely neglected technical condition of the motor vehicle;
- f)* from the driver if the accident has been caused by failing to provide assistance or deliberate endangering in the framework of occupation;
- g)* from the insured if it failed to perform its obligation to provide information, report changes or damage at the time of the conclusion of the contract or the occurrence of the claim event or otherwise and this has had a substantial influence on the insurer's payment obligation;
- h)* from the motor vehicle operator if the claim event occurs during the 30 day period specified in Article 8 (3) hereof.

(4) If the insured is obliged to effect refunding in the cases listed in (1) c) and f) hereof within the limits of the services effected the insurer shall be entitled to enforce its refund claim up to a maximum of HUF 1 million in relation to a given claim event.

(5) If the insured is obliged to effect refunding in the cases listed in (1) d) and e) hereof within the limits of the services effected the insurer shall be entitled to enforce its refund claim up to a maximum of HUF 500,000 in relation to a given claim event.

(6) If the insured proves that it did not deliberately breached its obligation specified in paragraph (1) g) the insurer shall be entitled to enforce its refund claim up to a maximum of HUF 500,000 in relation to a given claim event.

(7) The insurer, the Guarantee Fund or the National Bureau shall not enforce refund claim on heirs of the deceased insured.

10. (1) The insured shall report the claim event - providing the data required for claim settlement and describing substantial circumstances - to his/its insurer within 8 days and shall present any decision of authorities relating to the claim event and pertaining to the insured, within 8 days of receipt, to the insurer. A motor vehicle operator lacking a valid insurance contract shall report the claim event within 8 days to the Guarantee Fund.

(2) The deadline for the reporting of a claim event that has taken place abroad shall commence on the day of returning to Hungary.

(3) Within 8 days the insured shall also report a legal action or out of court procedure initiated against the insured, in relation to the claim event. In this case the insurer shall be entitled to provide for the representation of the insured in the given procedure.

11. (1) Upon the conclusion of the contract the motor vehicle operator shall report all circumstances of relevance from the undertaking of the insurance.

(2) If a contract is concluded for reasons other than the changing of the owner (motor vehicle operator);

a) the motor vehicle operator shall present the documents in proof of the payment of the premiums on the insurance period preceding the year in question and - if the contract is concluded not before the first day of the current year's insurance period - on the year in question. The owner (motor vehicle operator) shall be obliged to pay insurance premium not paid before;

b) the amount of the premium not settled before shall equal a time-proportionate part of the premium established with respect to the given motor vehicle according to the premium tariffs applied in accordance with the claim history certificate - or if no such certificate exists, according to assignment to category M4;

c) the premium specified in *b)* shall be paid by the insurer to the Guarantee Fund from which the earlier liability insurer shall be entitled to the premium for the period during which it was covering the risk without premium payment, as specified in this Decree.

(3) If the insurance contract is concluded owing to change of the owner (motor vehicle operator) the new owner (motor vehicle operator) shall promptly conclude an insurance contract upon the transferring of the ownership of the vehicle. For the period between the transferring of the ownership of the motor vehicle and the date of the conclusion of the insurance contract the insured shall pay the time proportionate part of the premium of category A00 according to tariffs applied by the insurer concluding the contract and such amount shall be paid by the insurer to the Guarantee Fund.

(4) The motor vehicle operator shall report changes to the data in the policy within 8 days of change, under the burden of the legal consequences specified in point 9(3)g) hereof.

Motor vehicle categories

Passenger cars

of piston displacement

up to 850

851 to 1150

1151 to 1500

1501 to 2000

2001 to 3000

over 3001 cubic centimetres

Motorcycles

of piston displacement

up to 150

151 to 350

over 351 cubic centimetres

Buses

of passenger capacity

10 to 19

20 to 79

over 80.

Trolleybuses

Freight vehicles

of load bearing capacity

below 2

2 - 6

over 6 tonnes.

Tractors

Trailers

heavy trailers

light trailers

passenger car trailers, caravans

motorcycle trailers

Agricultural tractors

Slow vehicles

Heavyduty machines

Mopeds

Bonus-malus system

1. The insurer shall register its individual (covering a single risk only) MTPL insurance contracts concerning the motor vehicles specified in point 3.(1) hereof in accordance with the bonus-malus system regulated herein and shall set its insurance premiums in accordance with such system.

2. For the purposes of this Annex

a) *observation period*: the period extending from 1 July two years before the given insurance year up to 30 June of the year preceding the insurance year;

b) *claim events taken into account*: The claim events reported during any observation period preceding the given insurance year whose first payment of any amount (including part payment by the insurer as well) was to be settled only during the observation period preceding the given insurance year;

c) *individual contract concerned from the aspect of the bonus-malus system*: the liability insurance concluded by the given motor vehicle operator for a given motor vehicle.

3. (1) The bonus-malus registration system extends to passenger cars, lorries, buses, motorcycles, tractors and agricultural tractors (motor vehicle categories) with individual contracts.

(2) From the aspect of the bonus-malus registration system of passenger cars the first observation period extended between 1 July 1991 and 30 June 1992. Since then each observation period extends between 1 July and 30 June.

(3) From the aspect of the bonus-malus registration system of lorries, buses, motorcycles, tractors and agricultural tractors the first observation period extended between 1 July 1991 and 30 June 1992. Since then each observation period extends between 1 July and 30 June.

4. (1) In the case of a motor vehicle as per point 3 (1) with an individual contract the system is comprised of a basic, 10 bonus and 4 malus categories.

(2) For the next insurance period an insurer assigns the individual contracts to the categories as per paragraph (1) above, as described in the following table:

Bonus-malus categories in the case of passenger cars and motorcycles

Initial class	Claims taken into account during the observation period				
	no claim	1 claim	2 claims	3 claims	4 or more claims
B10	B10	B08	B06	B04	M04
B09	B10	B07	B05	B03	M04
B08	B09	B06	B04	B02	M04
B07	B08	B05	B03	B01	M04
B06	B07	B04	B02	A00	M04
B05	B06	B03	B01	M01	M04
B04	B05	B02	A00	M02	M04
B03	B04	B01	M01	M03	M04
B02	B03	A00	M02	M04	M04
B01	B02	M01	M03	M04	M04
A00	B01	M02	M04	M04	M04
M01	A00	M03	M04	M04	M04
M02	M01	M04	M04	M04	M04

M03	M02	M04	M04	M04	M04
M04	M03	M04	M04	M04	M04

Bonus-malus categories in the case of lorries, buses, tractors and agricultural tractors

Initial class	Claims taken into account during the observation period				
	no claim	1 claim	2 claims	3 claims	4 or more claims
B10	B10	B09	B08	B07	B06
B09	B10	B08	B07	B06	B05
B08	B09	B07	B06	B05	B04
B07	B08	B06	B05	B04	B03
B06	B07	B05	B04	B03	B02
B05	B06	B04	B03	B02	B01
B04	B05	B03	B02	B01	A00
B03	B04	B02	B01	A00	M01
B02	B03	B01	A00	M01	M02
B01	B02	A00	M01	M02	M03
A00	B01	M01	M02	M03	M04
M01	A00	M02	M03	M04	M04
M02	M01	M03	M04	M04	M04
M03	M02	M04	M04	M04	M04
M04	M03	M04	M04	M04	M04

5. (1) In respect of the contract concerned the advantages relating to the bonus-malus system are attached to the identity of the motor vehicle operator regardless of who was driving the motor vehicle of the operator.

(2) If the motor vehicle concerned is used by a third person without authorisation and this has been reported to the police, accident caused by the unauthorised driver of the motor vehicle shall not influence the categorisation of the contract.

6. (1) The contract of a motor vehicle operator entering the system for the first time shall be assigned to category A00, with the exception of the cases specified in point 10 hereof.

(2) The bonus categorisation already acquired in respect of a given contract shall be retained if the contract lapses on account of lapsing of interest and the motor vehicle operator concludes another contract for a motor vehicle falling in the same motor vehicle category (passenger car, motorcycle, bus, freight vehicle, tractor, agricultural tractor) with the same or with any other insurer.

(3) A new contract may be assigned exclusively to category A00 if the previous contract lapsed on account of lapsing of interest more than two years before the conclusion of the new one.

(4) If a motor vehicle operator already has a contract concerning the given motor vehicle and concludes a contract during its term for another motor vehicle falling in the same motor vehicle category the new contract shall be assigned to category A00. If the contract of a more favourably categorised motor vehicle lapses owing to lapsing of interest the bonus category acquired on the contract so lapsed may be transferred on the day following the lapsing of such contract to any other effective contract, concluded by the same motor vehicle operator for a motor vehicle falling in the same motor vehicle category (passenger car, motorcycle, bus, lorry, tractor, agricultural tractor).

(5) If the bonus-malus category as per paragraphs (2) and (4) is transferred to another contract the claim events that occurred during the term of the lapsed contract on the previous motor vehicle, that have not yet been taken into account shall be taken into account in the assignment of the new contract to an appropriate bonus-malus category.

(6) If the contract lapses owing to non-payment of the premium the bonus categorisation shall lapse and the new contract shall be assigned to category A00. The malus category of a contract that has lapsed owing to non-payment of the premium shall be retained upon the same motor vehicle operator concluding a new contract.

7. (1) If the motor vehicle operator fails to attach a certificate of data contents specified in Appendix 1 and in point 10 hereof the new contract shall be assigned to the bonus-malus category A00.

(2) Following the presentation of the certificate the contract is to be re-assigned to a category in accordance with the data contents of the contract with retroactive effect.

(3) If the motor vehicle operator fails to submit a certificate as defined in paragraph (1) within 90 days of the conclusion of the contract the insurer shall transfer the contract to category M04 with retroactive effect with the exception specified in point 6 (1) hereof.

(4) A certificate made out by an insurer may be used for a period of 30 days after its release.

8. (1) In order for the category of a contract to be improved by one step in the scheme from 1 January following the year under review the contract must have been in effect for at least 9 months during the observation period, and no claim event should have occurred under the scope of responsibility under the contract.

(2) If the insurance contract has been in effect for a period shorter than one month owing to putting into operation in traffic during the year or owing to suspension during the one year observation period but it has been in effect for at least 9 months, freedom from claim event shall also be taken into account by the insurer. If the motor vehicle operator caused no damage during the observation period but his/its contract was not effective for a 9 month period during the given period the bonus-malus category of the contract will not be changed.

(3) A claim event shall influence the bonus-malus category of the insurance year directly following the observation period during which the first payment had to be made in relation to the given claim event.

9. The motor vehicle operator shall be entitled to pay the entire amount of the claim, to the insurer within 6 weeks of receipt the written notice from the insurer concerning the total compensation amount paid, thereby preventing the downgrading of its bonus-malus category. In case the operator was partly liable for the claim the amount paid in compensation under the given contract shall be taken into account.

10. Upon request by the motor vehicle operator the insurer shall take period(s) certified by the motor vehicle operator on the basis of the certificate(s) of claim history issued by insurer(s) operating in other Member States into account, in the same way as the period specified in this Annex and the relevant contract shall be assigned to the appropriate bonus-malus category accordingly. A certificate may be taken into account if it specifies the period registered by such other insurer along with the number of claim events caused by the motor vehicle operator under the scope of the contract concluded with the insurer operating in the Member State concerned, for which first compensation amounts have already had to be paid and how many claim events it has caused on which no payments have taken place so far. Where more than one such certificates are submitted only the last period with complete certification shall be taken into account.

Claim history certificate

Name of motor vehicle operator: ...

Address of residence: ...

Date of birth: ...

Insured motor vehicle category:

make:

model:

registration plate (plate number):

chassis number:

Policy number: ...

Contract effective from: ...

Contract expires on: ...

Premium paid until: ...

Cause of termination:

Non-payment of premium Lapse of interest Cancellation Suspension Withdrawal from
operation in traffic

If data are not entered in the table no claim events entailing payment have taken place under the above policy number since the beginning of the contract.

Date of reporting of claim event	Date of first payment	

Bonus-malus category at the time of the lapse of the contract:

This certificate shall be valid for a period of 30 days after issuance.

Dated: ...

stamp

...
insurer

Certificate of compulsory liability insurance

Data of contracting party

Name:

Address of residence (head office):

Date of birth:

Mother's name:

Place of birth:

Number of personal identification document:

Tax administration number of other than natural person:

Reason for contracting party to conclude compulsory motor third party liability insurance:

Owner of vehicle motor vehicle operator registered in vehicle licence

Data of vehicle:

Category:

Registration plate (plate number):

Make:

Model:

Chassis number:

Name of insurer:

Address of insurer:

Name of Claim Settlement Agent *:

Address of Claim Settlement Agent *:

Policy number/proposal number: ...

Date of beginning of insurance cover: ...

Date of end of insurance cover: ... indefinite

Premium paid until: ...

The insurance contract is governed by the laws of the Republic of Hungary.

This certificate has been made pursuant to Government Decree No. 190/2004. (VI. 8.).

Dated: ...

...
Insurer

* To be filled out only in the case of a cross-border service (FoS)