

**Law 489 / 76 (Government Gazette A' 331)**  
**“Compulsory Insurance of Civil Liability**  
**arising from Motor Accidents”**

As CODIFIED by Presidential Decree 237 / 86 (Government Gazette A. 110) “Codification of provisions of Law 489 / 76 as completed and amended by Law 1569 / 85 (Government Gazette A. 183) and Presidential Decrees 1019 / 1981 (Gov. Gazette A. 253) and 118 / 1985 (Gov. Gazette A. 35)” and modified under:

1. Law 1867 / 89, article 16 para. 1 (Gov. Gazette A. 227)
2. Presidential Decree 264 / 91 “Compliance with the provisions of EEC Directive 84 / 5 on the approximation of Laws of the Member States relating to insurance against Civil Liability in respect of the Use of Motor Vehicles” (Gov. Gazette A. 98).
3. Presidential Decree 314 / 93 “Compliance with certain provisions of EEC Directive 90 / 332 / on the approximation of Laws of the Member States relating to the insurance against Civil Liability in respect of the Use of Motor Vehicles” (Gov. Gazette A. 134).
4. Law 2170 / 93 «Modification of Law Decree 400 / 70 regarding “Private Insurance Undertakings” and other provisions» (Gov. Gazette A. 150).
5. Law 2367 / 1995, article 16.
6. Presidential Decree 252 / 96 “Compliance to the provisions of a) Community Insurance EEC Directives 88 / 357, 90 / 618, 90 / 619, 92 / 49, 91 / 674, b) Directive 91 / 371 / EEC, EEC – Swiss Federation Agreement, c) Decision n. 94 / 1 / ECSC, EC, Agreement concerning the European Economic Area and d) the Convention concerning the admission of Austria, Finland and Sweden to the European Union” (Gov. Gazette A. 186).
7. Law 2496 / 97 “Insurance Contracts, Amendments of Legislation on Private Insurance and other provisions” (Gov. Gazette A. 87).
8. Law 2741 / 99 (Gov. Gazette A. 199)
9. Law 2753 / 99, article 16 (Gov. Gazette A. 249)
10. Law 2837 / 00 (Gov. Gazette A. 178)
11. Law 2919 / 01 (Gov. Gazette A. 128)
12. Presidential Decree 10 / 2003 (Gov. Gazette A. 7) “Conformity of Law Decree 400 / 70 (A 10) on “private insurance undertakings” as already in force and of Law 489 / 76 (A 331) regarding the “Compulsory Insurance of Civil Liability arising from Motor Accidents” as already in force, with the provisions of Directive 2000 / 26 / EEC of the European Parliament and of the Council of 16 May 2000 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 (L 181 / 20.7.2000)”.
13. Law 3419/2005 (Gov. Gazette A'297) “General Commerce Registry and modernization of Chamber of Commerce Legislation”, article 26, par. 2.

14. Law 3557/2007 (Gov. Gazette A'100) "Modification of Presidential Decree 237/1986 (Gov. Gazette A'110) whereby Law 489/1976 "Compulsory insurance of civil liability arising from motor accidents (Gov. Gazette A.331) and other provisions" was codified."
15. Law 3693/2008 (Gov.Gazette A' 174) "Harmonization of the Greek legislation with Directive 2006/43/EEC on statutory audits of annual accounts and consolidated accounts, amending Council Directives 78/660/EEC and 83/349/EEC and repealing Council Directive 84/253/EEC and other provisions."
16. Law 3746/2009 (Gov.Gazette A' 27) "Deposit and Investment Guarantee Fund (TEKE), incorporation of the Directives 2005/14/EC regarding the compulsory insurance of motor vehicles and 2005/68/EC regarding reinsurances and other provisions."

*It is noted that article 57 of Presidential Decree 237 / 1986 provides that: “In case of discrepancy between the text of this Decree and the text of the provisions codified, the latter shall prevail”.*

## **CHAPTER A**

### **General Provisions**

#### **Article 1**

For the purpose of this Law:

- a) “Motor vehicle” denotes a vehicle moving on the ground and not on rails, propelled by mechanical power or by electrical energy, regardless of the number of wheels. All trailers, either coupled to the main motor vehicle or not, and bicycles equipped with auxiliary motor shall also be considered as “motor vehicles”.
- b) “Insured” is the person whose liability is covered in accordance with the provisions of this law.
- c) “Injured party” is the person entitled to compensation for loss or injury caused by a motor vehicle
- d) “Insurer” is the insurance undertaking covering the risk as well as the Auxiliary Fund and the International Insurance Bureau provided in articles 16 and 26 respectively.
- e) The territory in which the vehicle is normally based is:  
The territory of the Member State of which the vehicle bears a registration plate, whether this be permanent or temporary; or in cases when 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.  
In case 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 based.  
In case neither registration nor insurance plates or distinguishing sign is required for certain types of vehicle, the territory of the State of residence of the vehicle’s keeper is deemed to be the territory in which the vehicle is normally based.
- f) “Insurance under Free Provision of Services in Greece”. means coverage of civil liability risks arising from motor vehicles, carriers’ liability excluded, by an insurer headquartered in another Member State or having a branch or agency in another Member State.

L. 3746/09  
Article 28

P.D. 252 / 96  
Art 34  
par. 1

#### **Note:**

*In case of reference to articles whose number does not respond to their head – title, the text of P.D. 237 / 86 shall prevail.*

- P.D 10 / 2003  
Article 2
- g) “Claims representative” within the meaning of this law, is the person appointed in Greece, subject to article 37a, by an insurance undertaking established in a Member State of EEC and the European Economic Area.
- h) “Compensation Body” is defined as the “International Insurance Bureau” of article 26 of this law.
- L.3557/2007  
article 1  
par 1
- i) The “Information Centre” is an organic unit of the Private Insurance Supervisory Committee as defined in Article 27b of this law.
- L.3557/2007  
article 1  
par. 2
- j) “Internal Regulations of the Council of Bureaux” (Règlement Général du Conseil des Bureaux) (L.192/23 – July 31, 2003), is the agreement which according to paragraph 2, article 2 of Directive 72/166/EE of the Council of April 24, 1972 (L103), integrated and replaced, as of August 1, 2003, pursuant to the decision of 28/7/2003 of the European Commission (L 192), all the provisions of the Uniform Agreement between Bureaux and the Multilateral Guarantee Agreement.
- L. 3746/09  
Article 29
- ja) By way of derogation from the indent (e) of the present Decree, when a vehicle is dispatched from another Member State to Greece as its final destination, Greece shall be considered to be the territory where the vehicle is normally based, immediately 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 Guarantee Fund shall be liable for the compensation provided for in paragraph 2 of Article 19 of the said Decree.

## Article 2

1. Owners or keepers of motor vehicles circulating in Greece on road, are obliged to have covered their third party liability arising therefrom, in accordance with the provisions of this law.  
Circulation of such vehicles in areas accessible to the public or to a number of persons entitled to use such areas shall be deemed as road circulation.
  2. A motor vehicle which is normally based in Greek territory and leaves its borders must carry an International Insurance certificate (Green Card) valid at least in the territories of the EU Member States, the states of the European Economic Area and the other states whose National Motor Insurers' Bureaux are bound to apply Section III of the Internal Regulations.
- L.3557/2007  
article 2  
par. 1
- L.3746/09  
Article 30
- The present paragraph is no longer effective when the certificate form and the special badge provided by article 5

paragraph 2 of the present decree include a compulsory imprint of the relevant data in Latin characters.

L.3557/2007  
article 2  
par. 2

3. Should a motor vehicle as mentioned above circulates within the territory of other countries not belonging to the EEA, it must carry the International Insurance certificate (Green Card), valid in those countries as provided for in section II of Internal Regulations. Any violation of the above renders the owner, keeper and driver of the motor vehicle are jointly and severally liable towards the Insurer and the Motor Insurers' Bureau, as provided for in the following articles.

### Article 3

L.3746/09  
Article 31  
Par.1

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 plate can deviate from the provisions about compulsory motor insurance as specified by a Private Insurance Supervisory Committee decision. All vehicles exempted as above must be provided with a document issued by the competent Greek authorities, certifying their status. In cases of vehicles belonging to foreign States or intergovernmental organisations, this certificate must also name the authority or organisation which is liable to pay any insurance indemnity and which may be sued before a competent Greek Court.

L. 3746/09  
Art.31  
Par.2  
(a new par. 2 is added and the existing paragraphs 2,3,4,5 are re-numbered into 3,4,5,6 respectively)

2. The Greek State and other entities exempted from compulsory motor insurance are liable to the injured party for the obligations provided by article 6 hereof for injury or damage caused by motor vehicles in Greece or on the territory of other EEC Member States.

In the case of accidents caused on the territory of other EEC Member States, the Motor Insurers' Bureau is, according to article 27 of the present Decree, competent for the settlement of claims.

3. By Presidential Decree issued upon proposal of the Minister of Development, motor vehicles belonging to public corporations or to public utility concerns which are of a financial standing able to insure the fulfilment of their obligations towards the injured parties, may be exempted from compulsory insurance, in accordance with the provisions of paragraphs 1 and 2 of Annex II of the European Convention, as ratified by Law 4147 / 1961.
4. The Minister of Development shall communicate to the other Member States and the Commission of the European Communities a list of the entities whose vehicles are exempted from compulsory insurance under the terms of

this Article.

L. 3746/09  
Article 31  
Par.3

5. The Private Insurance Supervisory Committee shall communicate to the other Member States and the European Committee 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 plate, as well as a list of Authorities and Organizations who are liable towards third party damages, in accordance with this article.

L.3746/09  
Article 31  
Par.4

6. The Motor Insurers' 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 based 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.

Par. 7 was added  
with article 49  
par.1 of  
L.3693/2008 (GG  
A'174/25.8.2008).  
Valid from  
1.7.2008

7. The Transport Companies referred to in article 1 paragraph 3 of L.2669/1998 (GG 283 A') "Athens – Piraeus and Suburbs Urban Transport Organization" (ETHEL S.A., ILPAP S.A., ISAP S.A.) fall under the exception of article 3 of L.489/1976 for the time period between the insurance contract expiry date and the signing of a new one by an open bid procedure, but only for a time period up until six months since the insurance contract expiry date. The above entities are obliged to fulfil by themselves their obligations against damaged persons for insurance risks during the time period of the exception.

#### **Article 4**

L.3419/05  
article 26  
par. 2

1. Insurance coverage as referred to in the preceding articles shall be underwritten by insurers lawfully operating in Greece in motor vehicle third-party liability insurance.

L. 2170/92  
Article 16  
Par. 1

2. In cases 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 subject to tariffs, the party liable subject to article 2, shall submit forthwith an application to the permanent special tariff commission for the determination of the premium and terms of the policy. This Commission is established by order of the Ministry of Commerce also regulating its operation. The Director of the Insurance Undertaking and Actuarial Department of the Ministry of Commerce shall be the President of the Commission, replaced by his lawful deputy, while Members of the Commission shall comprise one Actuary of the Competent Department and two representatives of the Association of Insurance Companies. The Commission is authorised to set special premiums and eventually any special insurance conditions after assessing



the nature, frequency, level and any other circumstance regarding the related risk. The Commission resolves by majority within ten ( 10 ) days. Its resolutions only come into force upon approval by the Minister of Commerce. In case the Commission fails to resolve within ten ( 10 ) days, the Minister of Commerce shall resolve on the matter. Upon submission of the related application to the permanent special commission, the applicant shall immediately submit to the insurance undertaking of his choice an application for insurance, also notifying the insurer on the initiation of the special tariff procedure. The insurance undertaking is not entitled to refuse the insurance coverage, which shall be provided from the time of submission of the related application for insurance, in accordance with the conditions provided under the above procedure.

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

- a. International insurance (green card) in accordance with the provisions of articles 5 par. 3 and 25 – 32\* hereof.
- b. Border insurance provided in articles 33 – 35\* hereof
- c. The insurance of members of the mutual insurance cooperatives against civil liability arising from the use of motor vehicles.

Par.4 is annulled  
by L.2170/93  
Article 16  
par.2

*(Par. 4 provided that in certain cases of increased risk, special premiums were laid down, approved under the procedure provided for in article 30 of P.D. 400 / 70).*

## Article 5

1. Without prejudice to the provisions of article 3 hereof, the circulation in Greece of motor vehicles not covered by insurance under article 2 hereof, is prohibited.
2. Insurance coverage shall be evidenced by certificate issued by the insurer, also specifying the period of insurance. The form of such certificate is determined by the Minister of Commerce. By resolution of the Minister of Commerce the form of a special certificate provided by the insurer to be compulsorily affixed on a visible part of the insured motor vehicle is also determined.
3. In case of a vehicle normally based in the territory of a country, the National Motor Insurers' Bureau of which has not subscribed to the Internal Regulations – Section III\*, under article 2 par. 2 hereof, insurance cover is deemed to be

L. 3557/2007

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\* see Note on p.1

\* **Note:**

*With L.3746/09, article 32 the phrase “or in the non – European territory of an EEC Member State” is deleted.*

- Article 2  
Par.4
- L.3746/09  
Article32
- L. 2496 / 97  
art. 37  
par.2
- L. 2741 / 99  
art. 10  
par. 5g
- in force in so far as this vehicle bears a valid International Insurance Certificate issued by a Bureau headquartered abroad and established to issue International Insurance Certificates, having signed with the Motor Insurers' Bureau in accordance with article 27 of the present Decree or by an insurer authorised to issue such certificates.
4. \*\*On vehicles circulating without the above special certificates, beyond the penalties set out in article 12, the following penalties shall also apply:
- a. Removal of the vehicle's license plates and circulation license by act of the Police for one (1) year. In case an accident is caused by a vehicle not bearing the above special certificate, the vehicle's license plates and circulation license are confiscated for two (2) years and in case of relapse for three (3) years. License plates and circulation license are only returned if the person liable produces the appropriate insurance certificate.
- [(b. *prohibition of vehicle transfer or engine replacement*), ANNULLED as from 1<sup>st</sup> January 2000 by virtue of article 16 par.3 of L.2753/199.]
- c. Imposition of a fine, confirmed by act of the Police Authorities, in favour of the Auxiliary Fund as set out in Art. 16 of L. 489 / 1976, of a sum in drachmas equal to 1,000 euros for buses and public use trucks, 500 euros for passenger and all other vehicles and 250 euros for two – wheeled vehicles. The above fines shall be collected in accordance with the provisions of the Code for the Collection of Public Revenues.
- A joint decision of the Ministers of Finance, Development, Public Order, and Transportations and Communications, published in the Government Gazette, may determine the details necessary for the implementation of this paragraph.
- [(d. *prohibition of issuance of the special certificate of circulation fees*), ANNULLED by virtue of article 45 of L. 2648 / 1998.]

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\*\* **Note:**

*Article 10 par. 5 (vii) of L. 2741 / 1999 provides that: «The Provisions of article 5 par.4 shall also apply by analogy to contractors' plant and machinery»*



**Remark:**

Article 103 of the Road Traffic Act provides that:

1. On drivers violating the provisions of articles 4 par. 3 (plates P – 6, P – 8 to P – 14, P 18 to P 20, P – 25, P – 26, P – 33 ), 5 par. 8 ( sections e, f, g ), 12 par. 7, 16 par. 2 and 3, 21, 23, 25, 34 par. 2 section 16, 17 and 18 and par. 3 to 7, 37, 39 par 2, 54 par. 1, 64, 68, 70, 78, 79 and 81 par. 1, 7, 6, 11, 12 and 13 of this Code, the administrative measure of withdrawal of the driving license, circulation license and the vehicle's license plates for ten (10) days is also imposed. The above measure is also imposed in cases where article 5 of L. 489 / 1976 is violated, regarding “compulsory insurance against civil liability arising from the use of motor vehicles”.

**Article 6**

1. Insurance must cover the civil liability of the vehicle's owner, keeper as well as that of any driver appointed to drive the vehicle or responsible for it, the civil liability of any person possessing the vehicle by theft or violence as well as of any person who has wilfully caused the accident being excluded.

P.D. 264 / 91  
art. 2  
para.1

2. Insurance coverage must include third party civil liability for death or bodily injury or damage to property including monetary compensation for bereavement or moral distress as well as liability for death or bodily injuries caused to members of the family of the insured, driver or any other person liable under the first paragraph, irrespective of any relation.

Insurance also includes the civil liability of the owner or keeper towards third parties in case the vehicle was stolen or possessed by violence.

Goods transported by the same vehicle are excluded from compulsory insurance.

Insurance does not cover civil liability to persons having voluntarily agreed to be carried in the vehicle, in so far as the insurer proves that these persons were aware that the vehicle had been deprived of its lawful holder by illicit means or that it was being used serving the purpose of committing a crime.

L. 2496 / 97  
Article 37  
par. 3

L.3746/09  
Article 33  
Par.1

3. a) The insurer is liable on the basis of a single premium, throughout the duration of the agreement, towards third parties who have sustained damage by the circulation of vehicles normally based in Greece, in the territory of Member States of the European Union, including the time period of the vehicle staying 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 provided for in article 2 par. 2 hereof.

b) The insurer is also liable towards nationals of other EEC Member States who have been injured or suffered damage by any vehicle normally based 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 for International Insurance. This liability shall be determined according to the provisions set out herein.

L. 2496 / 97  
art. 37  
para. 4.

c) The Bureau for International Insurance is also liable under the provisions of par. (a) for vehicles normally based in Greece which have caused injury or damage in the territory of the States referred to above.

L. 3557/2007  
article 3

d) The insurer has 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 for his insureds in cases where: aa) the driver of the insured motor vehicle has submitted a declaration accepting his responsibility regarding the cause of the accident, bb) the insurer has paid indemnity, according to the provisions hereof, to a person involved in the accident with his insured party.

e) When determining the premium for property damage of the insured motor vehicle, the insured motor vehicle's current value must be taken into account, calculated on the basis of model and age. If the insurer applies a premium that does not correspond to the actual value of the insured motor vehicle, the extra value amount is refunded to the policy holder or the insured with its statutory interest. If the above amount is not refunded, the Minister of Development can impose a fine on the insurer of up to four thousand (4.000) euro.

4. Where the vehicle shall be exposed to special risks of civil liability, the insurance must include such special risks as well, while a special insurance certificate must also be issued. In such cases, the provisions of article 4\* par. 4 shall apply. This obligation applies particularly in cases where the vehicle is due to participate in contests involving special risks, such as races or contests of speed, precision or dexterity (special coverage).

L.3746/09  
Article 33  
Par.2

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

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\* see note in art. 4 par. 4

compulsory insurance.

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

- a) 500,000 Euros for bodily injuries, per victim.
- b) 500.000 Euros 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 Euros for bodily injuries, per victim.
- b) 750.000 Euros 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 Euros for bodily injuries, per victim.
- b) 1.000.000 Euros for damage to property, per accident, irrespective of the number of victims.

The sums of this paragraph are subject to revision by the decision of the Private Insurance Supervisory Committee in accordance with the European Consumer Price Index, as provided by the Council Regulation (EEC) No 2494/95, of 23 October 1995, on the enactment of the Harmonized Index of Consumer Prices

L. 3746/09  
Article 33  
par. 3

6. The insurer is obliged to proceed to the following within three (3) months from the date the injured party presented his claim for compensation either directly to the insurance undertaking of the person who caused the accident or to his claims correspondent:

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

Failure by the insurer to comply with the case of passage a) of this paragraph entails the payment of default interest on the amount of compensation offered by the insurance undertaking to the injured party, upon expiration of the two-month\* period and until the day of the offer. Failure by the insurer to comply with the above obligations entails the imposition of the penalties provided for in paragraph 2 article 38 hereof, whereas repeated failure to comply entails, according to the decision of

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\* **Note:** The two-month period is mentioned in error, in essence the law refers to three-months, according to passage a) of paragraph 6.

the Private Insurance Supervisory Committee, the imposition of penalties either of article 120 of L.D. 400/1970 (Government Gazette A' 110), as it stands, or paragraph 1 article 38 of the present Decree. This regulation also applies to any settlement of claim made through the Motor Insurers' Bureau.

P.D. 10 / 2003  
article 3

7. In case 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 based in Greece or in the territory of other Member States and insured by an insurance undertaking established in Greece (having its headquarters or a branch in Greece), the insurance undertaking is obliged to proceed to the following within three ( 3 ) months from the date the injured party presented his claim for compensation either to the insurance undertaking or to its claims representative appointed in accordance with article 15 par. 1 section f) and article 20 par. 2A section f) of Law Decree 400 / 70 as currently in force:

- a) The insurance undertaking of the person who caused the accident or his claims representative is required to make a reasoned offer of compensation in cases where liability is not contested and the damages have been quantified, or
- b) The insurance undertaking to which the claim for compensation has been addressed or its claims representative is required to provide a reasoned reply to the points made in the claim in cases 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, entails the 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 entails the imposition of the penalties provided for in article 38 of P.D. 237 / 1986 (A 150) and as modified by L. 2170 / 93 and L. 2496 / 97 (A 87).

L. 3557/2007  
article 17  
par. 1a'  
(par. 8 is  
annulled)

*(Paragraph 8, providing that general conditions of the insurance policies covering motor vehicle accident liability would be determined by decision of the Minister of Commerce, is annulled.)*

## Article 6a

L.3557/2007

1. Insurance coverage before the issue of the insurance policy

article 4  
(new articles  
6a & 6b are  
added).

requires a provisional agreement proven by a provisional certificate and special badge issued by the insurer as provided in paragraph 2 of Article 5. The temporary certificate is valid until the insurance policy issuance and in any event up to thirty (30) days from its date of issue.

Reissue of a temporary certificate for the same insured perils is prohibited except in the case the issuing insurance undertaking goes into liquidation, during the period of its validity, or the suspension of its activities or refuses to assume the risk in question.

Sanctions provided for in article 12 of P.D.298/1986 are imposed on the intermediary in case of violation of the above section.

2. The insurance is valid within area limits prescribed in the insurance policy without prejudice to paragraph 3 of article 6.
3. Both the policy holder and the insured, are obliged, in the event of a change of their address, to inform the insurer of their new address, without delay and in writing. The insurer may proceed to any notification or communication to the policy holder or the insured at the last address declared by them.
4. If an accident is caused by a truck connected to a trailer, the insurers of the trailer and the truck, respectively, have joint and several (in solido) liability towards third party damages. The liability of these insurers is limited to the insured amount under the relevant policies, reserving on either side the right of recourse for distribution of losses.

#### **Article 6b**

L.3557/2007  
article 4

1. Excluded from insurance are damages caused by:
  - a) a driver lacking a statutory 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 infringement of the Road Traffic Code (Law 2696/1999, Government Gazette A'57), as it applies, provided that the infringement in question was in causal effect to the cause of the accident. If the motor vehicle involved in the accident is the property of a passenger motor vehicle rental enterprise, the insurer's right to recourse is exercised only 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 car license, provided the use in question is in causal effect with the cause

of the accident.

2. In addition to the cases in the previous paragraph, the insurance policy can also comprise other cases of exception of insurance coverage, provided that these cases concern optional insurance coverage. Every other exception is de jure invalid.
3. The exceptions mentioned above are valid only within the relationship of the insurer and his insured party. The insurer shall not be dispensed from his liability towards the injured third parties by invoking such exceptions.

L.3746/09  
Article 34

The insurer shall not be exempted also of his liability towards the injured passengers, invoking the exception of case b' paragraph 1 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 every other contrary contractual insurance policy clause shall be considered ineffective in relation to the compensation claim of such a passenger.

#### **Article 6c**

L. 3746/09  
Article 35

The policy holder or the insured has the right to ask of the insurance undertaking, or the liquidation officials, in the case of its winding up, at any time, for a certificate regarding third party compensation claims in relation to the motor vehicle or the motor vehicles covered by such an 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 officials, must provide such a certificate within fifteen days from the date such a request was submitted, otherwise the penalties of article 120 of L. D. 400/1970 as it stands, are imposed and applied accordingly

#### **Article 7**

P.D. 264/91  
Article 4

The following persons are not considered as third parties within the meaning of article 2 par. 1 and article 6 par. 2 hereof:

- 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 concluded the policy with the insurer
- d) the lawful representatives of the legal entity insured or of any unincorporated association.

#### **Article 8**

L.3557/2007  
article 5

1. In the event that the motor vehicle ownership is transferred by reason of death, the rights and obligations of the insured deceased are transferred de jure to the heir, unless the latter notifies the insurer in writing that he does not accept them,



within thirty (30) days of the devolution of inheritance and its cause.

L.3746/09  
Article 36

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

The insurance policy termination is valid against all, while no action is required on the part of the insurer.

L.3557/2007  
Article 5

3. If, according to the previous paragraph, after the transfer of the motor vehicle, a new insurance policy is signed for the same motor vehicle, the existing insurance relation ceases to have effect and the only party liable against injured third parties is the last insurer.

### **Article 9**

L.3557/2007  
article 6\*  
par. 1

1. The policy holder or the insured are obligated to immediately declare every accident involving the insured motor vehicle to the insurer, without intentional delay and within (8) working days of becoming aware of the accident.
2. The insured is obliged to take all possible action for limiting the damage and to provide the insurer with all documents and information according to the insurance policy. He is also obliged to provide, when asked by the insurer, any other document and information at his disposal which is considered necessary during present or future trial proceedings effected by the insurer.
3. In the case of an intentional breach of the obligations as defined in the previous paragraphs, the policy holder. or the insured may be obliged, by the decision of a competent court of law, to pay compensation to the insurer of up to two thousand (2.000) euro.

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**\*Note:**

*Provision of Law 3557/2007, article 6, paragraph 2, provides that:  
"By decision of the Minister of Development, issued within six (6) months from publication of the present, are prescribed the settlement and payment procedure of any compensation, proceeding from any insurance policy, due to the injured parties as provided by its conditions and the provisions of P.D. 237/1986, already in force, as well as more specific pertinent conditions and prerequisites and administrative sanctions imposed in case of their violation."*



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

### **Article 9a**

P.D. 10/2003  
Article 4

1. The injured party who is a permanent resident of Greece, in cases where the accident occurred:
  - a) within the territory of a Member State other than Greece and was caused by a vehicle normally based 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 National Bureau of international insurance has adhered to the green card system and the accident was caused by a vehicle normally based and insured in a Member State, shall submit an application to the claims representative appointed, in accordance with article 37a hereof, in Greece by the insurance undertaking of the person who caused the accident or directly to the insurance undertaking, presenting his claims arising from the accident.

The claims representative or the insurance undertaking is obliged to proceed to the following within three ( 3 ) months from the date the injured party presented his claim for compensation :

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

In case the injured party has not received the aforementioned documents within three months, then he may address himself to the “Compensation Body” in accordance with the procedures provided for in article 27a hereof.

### **Article 10**

1. The injured party has the right of a direct action against the insurer under the policy up to the amount insured.

L.3557/2007  
Article 7

2. This claim has a five (5) year limitation (prescription) period from the date of the accident, without prejudice to the provisions of the legislation in force regulating the suspension and interruption of the limitation period.
3. In the event that there are several injured parties and the aggregate indemnity exceeds the amount insured, the claim of each injured party against the insurer is reduced proportionately up to the completion of the whole amount insured. In case the insurer pays to any injured party an amount exceeding that of the latter's proportionate share, due to ignorance of the existence or the exact amount of other claims or in execution of a court judgement, the insurer's liability towards the remaining injured parties is limited to the remaining balance of the amount insured. The remaining injured parties have a right of recourse to recover from the one who has received the amount in excess.
4. In cases 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.

L.2741/99  
Article 10  
Par.h)

5. The court hearing of the principal action filed against an insurance undertaker, the Auxiliary Fund of article 19 hereof, or other party liable, for loss of income due to accident caused by a motor vehicle, shall be declared inadmissible, unless a document is produced certifying the prior service of a copy of the writ of action to the competent Public Financial Service of the plaintiff.

( Sub Par. Vi of this article of Law 2741/99 provides that: "*the provision under the above section also applies on currently pending cases, for which no final judgement has yet been rendered*")

### **Article 11**

L. 3557/2007  
article 8

1. The insurer may not oppose any objection against the claim brought by the injured party under the provisions of Article 10 paragraph 1 hereof, without prejudice to the insurer's right to bring such action against the beneficiary of insurance, the insured and the vehicle's driver.
2. As provided by Article 11a, cancellation, termination, expiry or suspension of the insurance policy may be opposed against an injured third party only if the accident occurred sixteen (16) days after notice of cancellation, termination, expiry or suspension has been given by the insurer.
3. In case of consecutive insurance policies only the last one is valid and the last insurer is solely liable for payment of indemnity to the injured third party. Previous insurance policies are de jure null and void; without requirement for

said notification or cancellation.

L.3746/09  
Article 37

4. The insurance undertaking does not oppose any own participation of the policy holder or the insured himself against the injured party who is entitled to compensation for loss or injury caused by a motor vehicle.

### **Article 11a**

L.3557/2007  
article 9

1. An insurance policy may be terminated at any time by the parties involved with a written agreement. It is the insurer's responsibility to notify the Information Centre about the termination of the policy as provided in article 27b which takes effect against third parties sixteen (16) days after the said notification.
- 2.a) The policy holder or the insured can terminate the insurance policy at any time with a written declaration served with a notice of receipt to the insurer or his appointed agent. The termination becomes valid after a thirty (30) day period from the service of the aforementioned declaration to the insurer.
- b) The insurer can only terminate the insurance policy for violation of an essential condition by the policy holder or the insured with a written statement, providing proof of the said violation. The beneficiary of insurance or the insured are notified, when the statement of termination is delivered with a notice of receipt or as registered mail, that non compliance with the violated essential condition within thirty (30) days of the service of documents will carry the termination of the insurance policy.
- c) The termination of contract is served at the address of domicile or residence of the policy holder or the insured as it appears in the insurance policy. The last address stated in writing by the beneficiary of insurance or the insured to the insurer is considered to be the address of domicile or residence.

The termination of contract will come into effect even if the policy holder or insured party have refused to take delivery of the notice, have not been found at the last stated address of domicile or residence, or have not collected such notice from the Post Office; unless the policy holder or the insured can prove that for reasons beyond their control it was not possible, to take notice of the termination of contract.

- d) If the insurer terminates the contract he is obliged to notify this to the Information Centre whose relevant certificate constitutes full proof of its content. If termination of contract is made by the beneficiary of insurance, the insurer notifies the Information Centre about the termination of contract.

3. The insurer can invoke the termination of insurance contract against an injured third party after a lapse of sixteen (16) days since its notification to the Information Centre as provided in section d' of the previous paragraph.
4. The insurance contract is valid for the period stated in the policy and is renewed each time, de jure, for an equal period, unless one of the parties notifies the other, with registered mail or notice on receipt, of its objection within thirty (30) days before the expiry date of the insurance policy.  
In this case the insurer can invoke, against an injured third party, the expiry of the insurance policy after a lapse of sixteen (16) days since he has notified the Information Centre.
5. The validity of the insurance policy is suspended by the insurer's issuance of an endorsement, following a written request by the policy holder. The insurer can invoke this suspension against an injured third party after the lapse of sixteen (16) days since he has notified it to the Information Centre.

The above suspension is valid for a definite or an indefinite period of time and in any case for a time period no shorter than thirty (30) days. If the suspension is issued for an indefinite period of time, the insurance policy again takes effect when the insurer receives the relevant written request by the beneficiary of the insurance.

If the above suspension is valid for a definite period of time, the validity of the insurance policy is extended for a period of time equal to the time of suspension or else the premium corresponding to the suspension time is refunded, at the agreement of the parties involved.

## Article 12

L. 2170/93  
Article 17  
Par. 1

Owners or keepers of any vehicle driven or permitted to be driven by third persons without being insured as provided in this law, shall be punished with two (2) up to twelve (12) month imprisonment and with a fine at least the equivalent in DRS of 300 ECU. The same penalties shall also apply to any person putting in circulation a motor vehicle he does not own and is not insured as provided herein.

### Note:

*In reference to the pursuance of the provisions of article 11a, which was added to the present law with L.3557/2007, article 9, the transitional provision of L.3557/2007, article 16, par.1 provides that:*

*"The provisions of article 9 of the present law take effect after the promulgation of the Presidential Decree as provided in P.D. 237/1986 article 27b, paragraph 1 as replaced by the present.*

*Pending the promulgation of this Decree, publications and notifications as provided by the above article 9 are made to the Insurance Companies Department of General Secretariat of Commerce.”*

L.3746/09  
Article 38

The provisions of article 103 of Law 2696/1999 shall apply in all other cases. (Government Gazette A' 110)

### **Article 13**

L.3557/07  
article 10  
par. 1  
(the former  
par. 2 & 3  
are  
re-numbered as  
paragraphs 1  
& 2 respectively  
and the  
re-numbered  
paragraph 1  
is replaced  
as above)

1. No control shall be conducted to verify the existence of valid insurance cover on vehicles entering or circulating in Greece, which are normally based in the territory of another State whose National Motor Insurers' Bureau has countersigned with the respective Greek Bureau section III of the Unified Agreement.

L. 3746/09  
Article 39

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 based in the territory of another EEC Member State and motor vehicles which are normally based within the territory of a third country and enter Greece through the territory of another EEC 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 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, when they are insured – under Greek or international insurance cover - in accordance with the provisions of this law, unless the amount claimed exceeds the amount insured, in which case the motor vehicle may be seized for the amount in

excess.

2. By exception, the injured party is entitled to proceed to the provisional distraint of the motor vehicle insured for claims arising from accidents caused by that vehicle, in cases where the owner, holder or driver of the vehicle fails to make to his insurer the declaration provided for in art. 9 hereof.  
The insurer may also proceed to the above action in case of recourse against the owner of the vehicle.

## **Article 15**

1. Permit to organise races or contests of speed, precision or dexterity by motor vehicles is only granted by the competent Authority if the existence of the general and special insurance cover provided in art. 6 hereof is confirmed and in so far as the civil liability of the organisers is covered against any accident arising from such an organisation and conduct of the race or contest.
2. Organising races or contests such as those referred to in the preceding paragraph without compliance to the provisions set out therein, is penalised as provided by art. 12 par.1 hereof.

## **CHAPTER B**

### **Auxiliary Fund**

#### **Article 16**

A legal entity of 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 is headquartered in Athens and is under the control and supervision of the Minister of Commerce. This entity shall be governed by the provisions of this Law.

#### **Article 17**

The object of the Auxiliary Fund is the payment of insurance indemnities for civil liability arising from motor accidents, as more particularly provided by art. 19 hereof.

#### **Article 18**

1. All insurance companies conducting 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 art. 1 f) hereof, the mutual co – operatives covering such risk, as well as public law corporations or

public utility organisations whose vehicles are exempted from compulsory insurance as provided by art. 3 par. 3 hereof.

*(Par. 2 provided that the members of the Auxiliary Fund were obliged to pay contributions in accordance with art. 20 and 23. This provision is ANNULLED by L. 2170 / 93, art. 18 par. 1 thereof).*

## Article 19

1. The Auxiliary Fund is obliged to pay to the injured parties the indemnity mentioned in par. 2 of this article with regard to death or bodily injuries or damage to property caused by motor accidents when:

L.3746/09  
Article 40  
Par.1

- a) The person liable remains unidentified. In this case, however, there is no obligation to pay indemnity for damage to property unless bodily injuries were caused at the same time demanding hospitalization, provided the police authorities have undertaken the case and the hospitalization lasted for a period of at least five days in a state or a private hospital.

- b) The accident was caused by vehicles in respect of which the obligation provided by art. 2 hereof has not been fulfilled.

Error correction  
(P.D. 264/91  
(Gov.Gazette  
143 A' )

The persons who willfully got on board the vehicle that caused the accident are exempted from this provision provided the Auxiliary Fund provides sufficient evidence of their knowledge that the vehicle was not insured.

P.D. 264/91  
Article 5  
Par.1

- c) The accident was caused by a vehicle driven by a person who intentionally caused the accident.

- d) The insurer became bankrupt or the execution of a court judgement against him was fruitless or the license for operation of an insurance undertaking has been revoked due to violation of the law.

L.2496/97  
Article 37  
Par.21

In this case, the Auxiliary Fund has the right to claim indemnity from the intermediary involved in the conclusion of the insurance policy of a sum not exceeding 1,500 ECU, unless the intermediary provides sufficient evidence that he was not aware and could not be reasonably expected to be aware of the impending insolvency and or license revocation. The above limitation of the intermediary's liability shall not apply if the latter acted fraudulently. Moreover, in this case the Auxiliary Fund shall have its own claim against any reinsurer for his obligations towards the insurer arising from the reinsurance agreement covering the liability arising from road accidents of motor vehicles.



L.3746/09  
Article 40  
Par.2

The accident was caused by certain types of motor vehicles or certain motor vehicles with a special registration plate whose third party liability is not covered in accordance to article 2 hereof. In this case, the Auxiliary Fund, which has already paid indemnity for bodily injuries or damage to property caused by a motor vehicle of a special kind or with a special registration plate of another Member State, has the right of recourse against the respective Auxiliary Fund of the territory where the vehicle is normally based.

L. 2496 / 97  
Art. 37  
Par. 26

2. Indemnity may not exceed the minimum insurance limits set out in art. 6 par. 5 applying at the time of the accident, while such claim is subject to the limitation provided by art. 10 par. 2 hereof.

L. 2837/2000  
Article 3  
Par. 4

In the cases laid down in the preceding paragraph, the Auxiliary Fund is obliged to pay interest calculated at 6 % annually.

The above rate may be modified by decision of the Minister of Development published in the Government Gazette.

3. In the cases laid down in par. 1, the injured party has the right of a direct action against the Auxiliary Fund, which however may not be exercised against the members of the latter.

Upon request of the party injured and based on the information provided by the latter, the Auxiliary Fund is obliged to give a reasoned reply in respect of the payment or otherwise of any compensation.

However, the Auxiliary Fund may not demand – in order to proceed to the payment of indemnity – that the injured party provide sufficient evidence that the person liable to provide compensation is not in position or refuses to pay.

4. Upon payment of the claim the Auxiliary Fund is subrogated to all the rights of the injured party arising from the accident against the person liable to pay compensation or his insurer. By exception, in cases set out in par. 1 d), the Auxiliary Fund is not subrogated to the rights of the injured party arising from the accident against the person liable to compensation; it is however subrogated to the privileged right of the insured provided by art. 10 of L.D. 400 / 70 “On Private Insurance Undertakings” ( Government Gazette 10 ).
5. The Auxiliary Fund shall only be liable to pay the sum 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.

L. 3557/07

The previous section does not apply in cases where the

article 10  
par. 2

Greek Motor Insurers' Bureau pays compensation according to the provisions hereof to foreign Motor Insurers' Bureaux for accidents occurring outside Greek borders.

P.D. 314/93  
Article 3

In case of disagreement between the Auxiliary Fund and the civil liability insurer on who is liable to 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 is in principle liable to compensate the victim. If it is finally decided that the civil liability insurer should have provided full or partial compensation to the victim, the insurer shall return to the Auxiliary Fund the amount due which was paid by the latter.

P.D. 10/2003  
Article 7  
(adds par.6 to art.19 of L.489/76. The former par.6 must therefore be re-numbered by correction)

6. The Auxiliary Fund is obliged to pay the indemnities 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 based in Greece, which are not insured
- b) unidentified motor vehicles when the accident occurred in Greece
- c) not insured vehicles of third countries whose National Bureaux for International Insurance are members of the green card system, provided the accident occurred in Greece.

Upon payment of the indemnity, the Auxiliary Fund is subrogated as provided for in par. 4 of this article.

L. 2919/2001  
Article 25  
Par. 3

[par. 6 currently in effect]

6. All indemnities paid by the Auxiliary Fund to beneficiaries of insurance compensation for civil liability arising from motor vehicle accidents, are free of stamp duty.

### **Article 20**

L.2367/95  
Article 16

1. a) For the fulfilment of the objects of the Auxiliary Fund, a contribution is imposed in favour of the latter, determined by decision of the Minister of Commerce calculated at a rate not exceeding 5 % on the net premium income of the class of motor vehicle civil liability. Such contribution is 70 % borne by the insurance undertakings and 30 % by those insured. In cases where such insurance is conducted under freedom of services within the meaning of art. 1 f) hereof, such contribution shall be calculated on the net insurance premiums received under insurance policies concluded under the freedom of services in Greece. This contribution is borne at a rate of 70 % by the insurance undertaking and 30 % by the insured. The rate payable by the insured is specified on the insurance policy and is exempted from any tax or other fiscal charge, apart from fiscal stamp duties. The stamp duty is rendered by the insurance undertaking in accordance with the provisions

P.D. 252/96  
Article 34  
Par.3

of the p.d. 160 / 1978 (Gov. Gazette A. 34).

- 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 such contributions have been collected or not.

In case of delayed payment, the contribution is increased by the current overdue interest rate.

The said contributions, with the exception of the sums required for the fulfilment of the obligations of the Auxiliary Fund, are invested under the responsibility of its Administrative Committee or deposited in an interest – bearing account with a Bank legally operating in Greece.

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

L.2496/97

Article 37

Par.25

(par 3 and 4 are re-numbered as 2 and 3 respectively)

- 2\*.In order to meet its obligations, the Auxiliary Fund may contract loans 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.

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

#### **Article 21**

1. The General Meeting of its members is the supreme body of the Auxiliary Fund, entitled to resolve on all matters while its resolutions are binding even on absent or dissenting members.
2. The General Meeting is exclusively competent to resolve on matters regarding:
  - a) the appointment or removal of the members of the Administrative Committee as defined in art. 22.
  - b) The approval or modification of the budget, statement of account and balance sheet.
  - c) The drafting of internal regulations governing the whole operation of the Auxiliary Fund according to the provisions of this law. Such regulations shall apply only upon approval by the Minister of Commerce and publication in the Government Gazette.
  - d) The conclusion of insurance to cover the insolvency of its members regarding the fulfilment of their obligations towards the Auxiliary Fund.
3. The number of votes at the disposal of each member during the next year in the Fund's General Meetings is determined in proportion to the contribution paid to the Fund by each member by decision of the Minister of Commerce issued annually and published in the Government Gazette.

#### **\* Note:**

Par. 2 was annulled by virtue of art. 37 par. 24 of L. 2496 / 1997 (Gov. Gaz. 87 A), which provides the following: "Par. 2 of art. 20 of L. 489 / 1976 is

hereby annulled. Monetary amounts which had been invested or deposited in bank accounts in accordance with the aforementioned par. 2 annulled, in favour of the Account for the Assistance of the Insured are invested in favour of the Auxiliary Fund, under the responsibility of the Administrative Committee, or transferred to the bank account provided in art. 20 par. 1 b) of L. 489 / 1976". Paragraphs 3 and 4 have been re – numbered into 2 and 3 respectively.

The Administrative Committee provided for in art. 22 hereof is obliged to submit by the end of November each year to the Ministry of Commerce a list of the members' contributions to the Auxiliary Fund for that year. Pending the issue of the above Ministerial Decision, each member is entitled to vote in General Meetings with one vote per one million DRS of motor vehicle premium income in the preceding year. Members with an income of less than one million DRS are entitled to one vote, regardless of the actual sum of premium income.

## **Article 22**

1. The administration of the Auxiliary Fund is conducted by the Administrative Committee which is obliged, under the conditions required by law, to take any measure necessary (contracting loans, engaging personnel, procurement of materials etc.) to facilitate the aims of the Auxiliary Fund. This Committee consists of 9 members elected by the General Meeting and 1 member without voting rights, appointed by decision of the Minister of Commerce. The Administrative Committee elects its Chairman among its elected members. It publishes in the Government Gazette (Bulletin for Sociétés Anonymes and limited liability companies) the annual report and the annual balance sheet of the Auxiliary Fund, which shall contain special chapters containing the annual statement of account and the annual balance sheet of the Assistance Account.
2. The Auxiliary Fund is represented both in court and out of court by the Chairman 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 are determined by decision of the Minister of Commerce published in the Government Gazette, upon opinion of the General Meeting of the members of the Auxiliary Fund:

- a) the composition, convening, operation and competence of the Administrative Committee provided by art. 22 hereof.
- b) the time and method of convening meetings, the quorum, voting on resolutions and operation of the General Meeting.

L. 2170/93  
Article 18  
Par.3 which  
repeals case under

a, while cases

b,c,d, and e are re-numbered as a, b, c, and d respectively.

c) any refund of amounts to the members during the operation of the Fund.

d) any details necessary to the operation of the Auxiliary Fund.

#### **Article 24**

The Auxiliary Fund may be dissolved by Presidential Decree issued on the proposal of the Minister of Commerce after the opinion of 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 by any member of the Fund to comply with the provisions of this law, the Presidential Decrees and the Ministerial Decisions issued for the implementation thereof shall entail the revocation of its license to operate in the branch of motor vehicle liability insurance.
2. A new license may only be granted to an insurance undertaking whose license had been revoked as provided in the preceding paragraph, after one year from the date of revocation and after thorough and complete settlement of all related obligations.
3. In case any member withdraws from the Fund due to the revocation of its license to operate the branch of motor vehicle liability insurance, the member shall be entitled to recover from the Fund, six months after the end of the fiscal year during which the license was revoked, any balance of its contributions, after deduction of its proportion of claims and expenses paid up to the time of its withdrawal and also of its proportion on the provisions for claims outstanding.
4. As from the date the insurance undertaking is declared bankrupt or its operation license is revoked due to violation of the law, the Auxiliary Fund shall be automatically subrogated to all rights and obligations of the insurance undertaking arising from 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 (Bulletin for Sociétés Anonyme and limited liability companies) the Minister of Commerce may also subject to the provisions of this law those insurance undertakings whose operation license has been revoked prior to the date on which this law comes into force. The Minister may, by decision, impose special conditions for the payment of indemnities from the Assistance Account in case the insurance undertaking is

declared bankrupt.

6. The provisions of this law as amended do not affect the provisions of Law 1380/1983 “Amendments and Completion of Provisions concerning Private Insurance Undertakings”

## **CHAPTER C**

### **International Insurance Bureau**

#### **Article 26**

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

#### **Article 27**

L.3557/07  
article 10  
par. 3a

1. The Motor Insurers’ Bureau shall settle claims and pay compensation on behalf of foreign Motor Insurers’ Bureaux, within the limits provided by the provisions hereof, regarding accidents caused by motor vehicles circulating in Greece which are normally based in the territory of States whose respective Bureaux apply Section II of Internal Regulations, provided these vehicles bear a valid International Insurance certificate (Green Card). In respect, however, of vehicles not subject to an insurance cover inspection as provided by article 13 paragraph 1 hereof, the aforementioned obligations of the International Motor Insurers’ Bureau subsist even if these vehicles do not bear an International Insurance certificate (Green Card), or even if they are not insured.

L.3557/07  
article 10  
par. 3b

L. 2496/97  
Article 37  
Par.8

2. Settlement of claims in Greece shall be conducted either directly by the International Insurance Bureau or by Members thereof acting as assessors , appointed by the Bureau, or by nominated correspondents of foreign insurers on the proposal of the Bureau of their country of establishment and upon approval of the Greek Bureau.

L. 2496/97  
Article 37, par. 9

3. The International Insurance Bureau shall also be liable to provide compensation for accidents which occurred in the territory of states with which the agreements provided by art. 2 par. 2 hereof have been concluded, caused by vehicles normally based in Greece. Similarly, the Bureau shall also be liable to provide compensation for accidents which occur on the territory of states with whose Bureau the Agreement provided by art. 30 par. 1 hereof has been concluded and according to this agreement, provided that the vehicle which caused the accident bears a valid International Insurance



certificate issued by the Bureau.

L.2496/97  
Article 37  
Par.10

4. a) When the vehicle which is normally based in Greece is uninsured, the International Insurance Bureau shall have a right of recourse against the owner, keeper and 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 art. 19 passages b', c', d' και e' of this decree.

L.3746/09  
Article 41

The same shall apply to accidents caused to nationals of other European Union Member States in accordance with the provisions of art. 6 par. 3 of that law.

- b) In case the insurer has paid compensation under art. 6 par. 3 a) hereof, which exceeds the limit of his liability, as defined in art. 29 par.1, the insurer shall have a right of recourse against the International Insurance Bureau for the amount paid in excess.

#### **Article 27a**

P.D. 10/2003  
Article 5 which  
adds art. 27a

1. The Compensation Body set out in art. 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 is a member of the green card system, by vehicles insured and normally based in the territory of a member state other than their state of residence, provided the following conditions are observed.
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 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 this case the injured party 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" upon presentation of the claim



as provided above, shall 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 months of the presentation of that claim.

4. The “Compensation Body”, based on the information provided by the injured party, shall settle the claim, within the above (2) two – month time limit, in accordance with the legislation of the state where the accident occurred and shall provide compensation, in so far as it is obliged to do so.

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

5. Upon payment of the indemnity, 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, in pursuance of the agreement concluded between the compensation bodies of the member states.
6. The “Compensation Body” is subrogated to all the rights of the injured party arising from the accident against the person that caused the accident or his insurance undertaking, 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 is 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 Security organisation.
8. The “Compensation Body” shall be liable to provide compensation to injured parties who are resident in Greece and have suffered an accident in another member state:
  - a) caused by an unidentified vehicle
  - b) in case 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 is payable in accordance with the procedure

provided by par. 4 of this article.

9. The “Compensation Body” has a right of recovery for the amount paid in accordance to par. 8, against:
  - a) the Auxiliary Fund of the member state in which the vehicle is normally based, in case the insurance undertaking remains unidentified,
  - b) the Auxiliary Fund of the member state in which the accident occurred, in case the vehicle remains unidentified,
  - c) the Auxiliary Fund of the member state in which the accident occurred in case of uninsured vehicles of third countries within the meaning of par. 8 of this article.
10. The “Compensation Body” shall not intervene or shall withdraw, when the insurance undertaking covering the person responsible or its claims representative has proceeded to the related action. Moreover, in case the injured party has sued directly the insurance undertaking, the Compensation Body is discharged from the obligation to provide compensation.
11. Ministerial Act No K4 – 4523 / 86 of the deputy Minister of Commerce “Organisation and Operation of the International Insurance Bureau” is appropriately modified and completed by decision of the Minister of Development. (Government Gazette / Bulletin of Sociétés Anonyme and limited liability companies 3087 / 23 – 10 – 1986).

P.D. 10/2003  
Art. 6 which adds  
article 27b

#### **Article 27b**

L.3557/07  
article 10  
par. 4

1. An Information Centre is hereby established as a unit of service to the public legal entity registered as “Private Insurance Supervisory Committee” (EΠ.E.I.A.) as provided in L.3229/2004 article 1 (Gov. Gazette A’38).

Following a proposal by the Ministers of Internal Affairs, Public Administration and Decentralisation, Economy and Finances and Development, a Presidential Decree shall regulate the incorporation of the said Information Centre into the Private Insurance Monitoring Committee, its structure, its organisation and operation, the number of organic posts for its employees by category, field, specialty and their types of employment relationship, as well as the specific qualifications of the managing director of the Information Centre and its employees, their knowledge in matters of information technology, database and network management, use of workstations and all relevant issues and details.

L.3746/09

2. The object of the information centre is to provide

Article 42  
Par.1

information to whatever party involved in a traffic accident:

- a) which was caused by a motor vehicle bearing Greek registration plates, or
- b) provided the accident occurred within the territory of a Member State of the European Union and the European Economic Area or it occurred within the territory of a third country whose National Insurance Bureau has adhered to the green card system and the accident was caused by motor vehicles normally based and insured in a Member State of the European Union and the European Economic Area.

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

For the fulfilment of 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 effect 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 art. 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 European Union or the European Economic Area, conducting motor vehicle civil liability insurance
  - A list of the vehicles exempted from compulsory insurance against civil liability according to art. 3 hereof and art. 4 b of EEC Directive 72 / 166.
- b) The Information Centre shall assist all parties entitled to obtain the information referred to under a) above and shall coordinate the collection and distribution of such information.

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\* **NOTE:** With Paragraph 2 of article 42 of Law 3746/09, the indent which provided the collection of information for the numbers of the Green Card or Frontier Insurance Certificates of the Greek Motor Insurers' Bureau for a particular type of vehicles according to article 4 element b of the Directive 72/166/EEC is deleted.

In order to collect the information under a) above, the Information Centre shall apply to the insurance undertakings and insurance co-operatives operating in Greece, conducting motor vehicle civil liability insurance, entities which are exempted from compulsory insurance (art. 3 hereof and art. 4b of EEC Directive 72 / 166) as well as the Registrars of vehicles. The collection of such information may be achieved by submission of the corresponding data by the above entities or through direct access of the Information Centre to the computerised records of the above entities – which the latter must ensure – so that the Information Centre obtains on line real time the information it requires.

All details regulating the collection of the relative information shall be determined by joint decision of the Minister of Development and other competent Ministers as the case may be.

4. The information mentioned in par. 3 a) of this article shall be kept for a period of seven 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 European Union Member States shall cooperate in order to exchange information, in accordance with 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 legally entitled, may request and be instantly delivered 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 trade name and address of the insurance undertaking or the organisation appointed for vehicles which fall under the exceptions set out in art. 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 vehicle's owner, usual driver or keeper, provided the injured party provides evidence of his legal right to obtain such information. In order to collect such information, the information centre applies either to the insurance undertaking or the entities referred to in par. 3 b) of this article.

6. All insurance undertakings headquartered in Greece, the mutual insurance co – operatives, the branches in Greece of insurance undertakings headquartered in the European Union or the European Economic Area 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, are obliged to provide the Information Centre with the following information:
  - the registration number of all vehicles for which they provide insurance against civil liability
  - the insurance policy number as well as its term of effect
  - 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 art. 4 b of EEC Directive 72 / 166.

The method to be applied for the submission of the above information as well as all related time limits are determined by Ministerial decision.

Failure by insurance companies to comply with the above obligations shall entail the imposition of penalties provided by art. 38 of L. 489 / 1976 (P.D. 237 / 86).

7. The Ministries of Transportation and Communication, Town Planning and Public Works, of Public Order, of Agriculture, of National Defence and Internal Affairs, of Public Administration and Decentralisation, as well as the Public Power Corporation shall provide the Information Centre with all information on vehicles they have registered or else ensure the Information Centre with direct access to the computerised records they keep. This information includes: registration numbers, full name of owner, address of residence or headquarters – in respect of legal entities – make and type of vehicle. Any modification of the above data shall be timely sent to the Information centre in case that direct access is not provided to their computerised archives.
8. A ‘Central Database’ operates at the Information Centre, which provides without delay to victims of traffic accidents, to insurers, or their legal representatives all basic data required for the claim settlement. By decision of the Private Insurance Supervisory Committee all special or technical matters and necessary details are determined for its implementation.

L.3746/09  
Article 42  
Par.3

P.D. 252 / 96  
Art. 34  
Par. 4

#### **Article 28**

1. All insurance companies conducting motor vehicle liability insurance, whether headquartered in Greece or abroad and whether they provide insurance cover through their establishment in Greece or through the free provision of

services as defined in art. 1 f) hereof, shall automatically and compulsorily obtain membership in 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 in cases where the insurer conducts motor vehicle liability insurance abroad from its establishment in Greece through the provision of services, for all sums the Bureau may be required to pay on account of these undertakings under the provisions of the international agreements between Bureaux.

2. The members of the Bureau are required to cover the civil liability of their insureds for accidents caused abroad by motor vehicles normally based in Greece, issuing for this purpose the appropriate international insurance certificate.
3. The certificate forms are supplied by the International Insurance Bureau, in the form that they are used internationally.
4. Companies headquartered abroad shall participate compulsorily and automatically in the Greek International Insurance Bureau, being subject to the provisions of art. 29 hereof.  
(The provision allowing these companies to issue cards of the Bureau of their head office has been repealed).
5. Mutual insurance co-operatives as defined in art. 35 par.4 of L.D. 400/70 as amended, shall also compulsorily become members of the International Insurance Bureau if they cover third party motor vehicle liability.

L.2496/97  
Art. 37  
par. 11

L.2496/97  
Art. 37  
par. 12

L.3557/2007  
article 17  
par. 1  
case b  
(entire section b'  
and letter "a"  
are deleted)

## Article 29

1. The liability of a member of the International Insurance Bureau deriving from the issue of an International Insurance certificate is limited to the amount specified in art. 6 par. 5 hereof. The amount exceeding the sum insured, according to the aforementioned paragraph, is paid by the International Insurance Bureau.

### Note:

By the transitional clause of L.3557/2007, article 16, par. 2, it is provided that:

"Within six (6) months of publication of the present Law in the Government Gazette all mutual insurance co-operatives regulated by the provisions of article 35, paragraphs 1 and 3 and leg. d. 400/1970, articles 36 and 37, as in force, shall become



members of the Motor Insurers' Bureau forasmuch as they cover the same perils.”

On the occurrence of an accident, the member providing insurance cover shall be obliged, to pay to the International Insurance Bureau the equivalent sum of the above limit, within ten working days from the date of notification by the International Insurance Bureau.

2. Any sums which a member has failed to pay in performance of its obligations provided by the preceding paragraph, shall be paid to the International Insurance Bureau by the other members in proportion to their insurance premium income relating to third party motor vehicle insurance liability during the business year preceding that of the accident, without prejudice to the International Insurance Bureau's right of recourse against the member liable.

3. Any member failing to comply with its obligations set out in par. 1 and 2, shall be subject to the penalties provided by art. 38 hereof.

L. 2496/97  
Article 37  
Par.13

4. By decision of the Administrative Committee, the International Insurance Bureau may refuse to supply International Insurance certificates to any member who fails to meet its obligations as provided by this Law and the relevant Ministerial decisions and it may further require that the member no longer issues International Insurance certificates with which it has already been provided and that it returns all forms not yet issued which remain in its possession.

P.D. 252/96  
Article 34  
Par.5

5. The provisions of paragraphs 1 to 3 of this article do not apply to insurance undertakings – members of the International Insurance Bureau which conduct third party motor vehicle liability insurance through the free provision of services as specified in art. 1 f) hereof. The obligations of these members regarding the issue of International Insurance certificates of the Greek Bureau are regulated by art. 27 par. 2 hereof and by the Uniform Agreement between Bureaux.

L. 3557/2007  
article 10  
par. 5  
(second section  
of par. 5  
is replaced  
as follows)

The liabilities of the above members arising from the issuance of an International Insurance certificate (Green Card) of the Greek Bureau are regulated according to article 27, paragraph 2 hereof and Section II of the Unified Agreement.

### **Article 30**

L. 3557/07  
article 10

1. The Motor Insurers' Bureau countersigns the text that includes the obligatory provisions of the Unified Agreement



par. 6

and is obliged to abide by these provisions as well as the provisions of Section II of this Agreement countersigned with the respective Bureaux regarding relations between these Bureaux based on the International Insurance certificate (Green Card).

Likewise, the Motor Insurers' Bureau is obliged to abide by the provisions of Section III of the Unified Agreement, based on the deemed insurance cover, whose text it has countersigned, with the Bureaux mentioned in the Annex of the decision of the European Committee dated 28.7.2003 (L192), of the member states of the European Economic Area and the associated states which acceded to the Multilateral Guarantee Agreement as per article 17 of the Unified Agreement.

The Motor Insurers' Bureau also signs all other agreements necessary for the fulfillment of its obligations.

2. Any agreement signed under the preceding paragraph, apart from the obligations it establishes between the contracting Bureaux, also creates direct rights and obligations of the individual members of the Bureau in respect of the policies each of those members has concluded.
3. Such agreement is exempted from any contribution in favour of the Jurists' Pension Fund or of any other legal entity.
4. Failure by any member to pay an insurance claim shall entail that all other members shall cover the amount paid by the Bureau, without prejudice to the right of recourse against the company which has issued the policy.

### **Article 31**

L.3746/09  
Article 43

1. An International Insurance Certificate is issued on completion of a printed form supplied by the Bureau according to the internationally used standard form.
2. This certificate is issued in order to enable the insured to exercise his rights arising from the agreement signed between the Greek Bureau and the corresponding Bureau of the state in which the accident occurred.
3. The Motor Insurers' Bureau accepts and receives any loss advice regarding accidents caused in Greece by vehicles normally based outside the territory of Greece, in so far as it is required by article 27 hereof to settle the claim and pay compensation for the accident.
4. Under such circumstances, the Bureau acts as proxy of the foreign insurer. The party who suffered damage following an accident caused in Greece by a vehicle normally based

outside the territory of Greece has a direct action against the International Insurance Bureau in so far as the provisions laid down in this article are observed with respect to the vehicle, without prejudice to the right of action reserved to the Bureau which makes the payment.

### **Article 32**

1. In case a vehicle which is exempted from the insurance cover inspection under art. 13 par. 2 hereof has been involved in an accident in Greece, any Authority or insurance undertaking concerned with the accident is required to report promptly in writing to the International Insurance Bureau the territory in which the vehicle involved is normally based, its registration number and full insurance particulars of the vehicle(s) involved in the accident in Greece.
2. The International Insurance Bureau is required to forward the particulars so reported to the corresponding Bureau of the state in which every vehicle involved in the accident is normally based.

### **Article 33**

1. The Executive Authorities of the International Insurance Bureau are the General Meeting of its members and the Administrative Committee.
2. The Administrative Committee consists of ten members. One of them, without voting rights, is appointed by the Minister of Commerce while all other members are elected by the General Meeting. The Committee elects its Chairman among its elected members.
3. By decision of the Minister of Commerce issued upon the opinion of the General Meeting, and published in the Government Gazette, the contributions which every member of the International Insurance Bureau is obliged to pay shall be determined in accordance with the following provisions:

L 2496/97  
Article 37  
Par.14

- a) To cover operating expenses, the members shall pay to the International Insurance Bureau as a registration fee, a sum at least equal to the equivalent in DRS of 3,000 ECU. For the following years the contribution rate of each member shall be calculated in proportion to the insurance premium income from motor vehicle insurance during the previous accounting year.

L. 2496/97  
Article 37  
Par. 14

- b) To meet the obligations of the International Insurance Bureau arising from uninsured vehicles and from the direct settlement of claims from accidents caused in the

territory of the Greek State or abroad by vehicles normally based abroad or in Greece respectively, and also in order to meet the reinsurance costs for its obligations arising under this law, each member shall pay an annual contribution, calculated in proportion to its premium income from motor vehicle liability insurance during the previous accounting year. If the Administrative Committee estimates that the funds at any time available to the Bureau are insufficient to cover its outstanding obligations, each member shall contribute an additional proportionate sum within one ( 1 ) month from the date the related decision was taken.

P.D. 252/96  
Article 34  
Par. 6

4. Particularly in the case of insurance provided through the free provision of services within the meaning of art. 1 f) hereof, contributions to the International Insurance Bureau shall be calculated under the provisions currently in force for insurance undertakings established in Greece.

5. Art. 24 hereof shall apply by analogy in case a member fails to comply with its obligations set out in the preceding paragraph.

L.2496/97  
Article 37  
Par.15

6. Art. 25 hereof shall apply by analogy in case a member fails to comply with the obligations set out in this article in respect of contributions.

L. 2837  
Article 37  
Par. 15

7. As for the rest, articles 21 to 24 hereof shall apply for the International Insurance Bureau.

L. 2496/97  
Article 37  
Par. 16

8. By decision of the Minister of Development, issued upon a resolution of the General Meeting and published in the Government Gazette, additional 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**

L. 2170/93  
Article 18  
Par.5

By decision of the Minister of Commerce, issued upon a resolution of the General Meeting of the members of the International Insurance Bureau and published in the Government Gazette, the following shall be determined :

- a) The contributions payable by each member of the International Insurance Bureau as well as 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 as defined in art. 33 hereof.
- c) The time and method of convening, the quorum, voting on resolutions and operation of the General Meeting.

- d) Any refund of sums to the members during the operation of the Bureau.
- e) Any details necessary for the operation of the Bureau.

#### **Article 34a**

L.2496/97  
Article 37  
par. 18

1. Where in this law the term “Member State of the EEC” is used, the Member States of the European Union and of the European Economic Area are denoted.

L.3557/07  
Article 10  
par. 7

2. The obligations of the Motor Insurers’ Bureau, in their totality, which have arisen either before or after July 1, 2003, are regulated by the provisions of the Unified Agreement.

### **CHAPTER D**

#### **Frontier Insurance**

#### **Article 35**

1. Vehicles entering Greece on which insurance cover inspection is conducted, which do not bear a valid international insurance certificate, as provided for in art. 5 par. 3 hereof, shall be required upon entrance into Greek territory to obtain insurance cover through special insurance (“frontier insurance”) as provided for in the following article.
2. This special insurance (frontier insurance) shall be concluded for a period of 30 days and is not renewable. The provisions of art. 6 par. 3 here of shall apply likewise in this case.

#### **Article 36**

1. The International Insurance Bureau shall appoint at each border station and port of entrance 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 official performing police or customs duties. Such representatives may be indemnified by decision of the Minister of Commerce, at the expense of the Bureau.
2. Frontier Insurance is concluded in accordance with the conditions and premium tariffs applicable in the Greek State.
3. A special document is issued for frontier insurance, the form of which is determined by decision of the Minister of Commerce.

### **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 is liable towards the injured party, the latter having a direct action against the Bureau.
3. As for the rest, the provisions of law regarding the International Insurance Bureau shall apply to frontier insurance.

### **Article 37a**

P.D. 10/2003  
art. 8 which adds  
art.37a

1. The claims representative, who must be appointed in Greece pursuant to Art. 4 of the Directive 2000/26/EU by all insurance undertakings established in any member state of the E.U or the E.E.A. and conducting insurance class 10 “motor vehicle civil liability Insurance”, the 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, be competently authorised to represent the insurance undertaking appointing him and to fully satisfy all claims of the injured parties who 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 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 public authorities with respect to such claims. Moreover, he shall proceed to any action defined in art. 9a hereof.
3. The compulsory appointment of a claims representative by no means affects the right of the injured parties or their insurers to bring direct proceedings against the person responsible for the accident or his insurer.
4. In case the claims representative fails to comply with the provisions of directive 2000 / 26 in order to satisfy the parties injured, the Supervisory Authority shall inform the corresponding Supervisory authority of insurances of the

state in which the insurance undertaking is established, in order to take all necessary measures.

## **CHAPTER E**

### **Final and transitory provisions**

#### **Article 38**

- |                                     |  |
|-------------------------------------|--|
| L.2170/93<br>Article 19<br>Par.1    | 1. Failure by an insurance undertaking to comply with the provisions hereof and with the Presidential Decrees and Ministerial acts issued for the implementation of this law, shall entail the withdrawal of its license for conducting motor vehicle liability insurance.   |
| L.3557/07<br>Article 10<br>Par.8    | 2. Beyond the consequences laid down in the previous paragraph, the Minister of Development can impose a fine of up to three thousand (3.000) euro on an Insurance company that: a) refuses, unjustifiably to underwrite or renew an insurance policy according to the conditions of obligatory insurance included in this law or b) does not conform to the provisions of this law and to the Presidential Decrees and Ministerial Decisions in execution thereof according to the conditions of the previous paragraph. This amount can be readjusted by a decision of the Minister of Commerce. |
| P.D. 10/2003<br>Article 5<br>Par.2  | The Minister may impose a fine of up to 20,000 euro to any insurance undertaking which fails to comply with the provisions of article 6 par. 7 of article 27b hereof and with the Ministerial acts issued for the implementation thereof.  |
|                                     | 3. In case the license to operate of a motor vehicle liability insurance undertaking is withdrawn under par. 1 of this article, the undertaking concerned shall cancel its policies in force, without prejudice to the provisions of art. 11 par. 2 hereof and shall refund to the insured the unearned premiums of such policies, after deducting an amount equal to 25 % of the premiums.  |
| L. 3557/07*<br>Article 10<br>Par. 9 | 4. In the event of the Hellenic Association of Insurance Companies not conforming to the provisions of article 4 par. 1 hereof, a fine of two thousand (2.000) to four thousand (4.000) euro is imposed.   |

#### **Article 39**

1. A levy of 1% on the net premium of the class of Motor Insurance may be imposed in favour of the National Road Fund by decision of the Minister of Commerce. Such levy may be increased up to 3 % by presidential decree issued on the proposal of the Minister of Commerce.

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**\*Note:**

Paragraph 1 of article 4, to which article 38 par.4 refers, and the violation of which imposes a fine on the H.A.I.C., concerned the



already annulled by L.3419/05 obligation of insurance companies to become members of the Hellenic Association of Insurance Companies.

2. The above levy is entered separately in the insurance policy and is payable by the insured.
3. The insurance undertakings are obliged to 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 par. 1 for the signalling of the national and provincial road network.
5. By decision of the Minister of Development part of the contribution provided for in par. 1 hereof may be made available to the Auxiliary Fund for the performance of its objectives. The details regarding the implementation of this paragraph shall be regulated by similar decision of the Minister of Development.

L.2496/97  
Art. 37  
Par. 27

*The provisions of articles 40-56 of P.D. 237/8 which codified the provisions of articles 22-28 of L. 1569/85 (Gov. Gaz. A183) regarding the constitution and operation of public law entity under the name "SEPTA" (Body of Special Surveyors if Motor Accidents) have been annulled with article 16 par.1 of L. 1867/89 (G.G. A227) .*

#### **Article 57**

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

#### **Article 58**

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

The publication and application of this Decree is entrusted to the Deputy Minister of Commerce.\*

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**\*Note:**

Par. 20 of article 37 of L. 2496 / 97 provides that where in the provisions of L. 489 / 1976, as amended, reference is made to the Minister of Commerce, the Minister of Development is denoted.

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**Remark:** Law 3557/2007 "Modification of Presidential Decree 237/1986" (Gov. Gazette A'110) whereby Law 489/1976 "Compulsory insurance of civil liability arising from motor accidents (Gov. Gazette A'331) and other provisions" was codified, provides the following:

1. The provisions of Law 2496/1997, as in force, (article 17, par. 1b) shall complementarily apply for all cases not specifically regulated by the provisions of P.D. 237/1986.
2. The Minister of Commerce's decision number K4/585/1978 (Gov. Gazette 795/Bulletin for Sociétés Anonymes and limited liability companies) is annulled. (Article 17 par. 1b)
3. All other general or specific provisions regulating cases dealt by this law or dissenting from the provisions of the law hereof are annulled. (Article 17 par. 2)
4. Finally it is noted that provisions of L. 3557/2007 (Gov. Gazette A' 100) come into effect after its publication in the Government Gazette, i.e. May 14, 2007, with the exception of the cases provided for differently in its specific provisions (L. 3557/2007, article 18).