

Brief Reference ACT 87

Brief reference to ACT 87/5.4.2016 of the Bank of Greece

Brief Reference to the content of ACT 87/5.4.2016 of the Bank of Greece (Government Gazette B' 1109/19.4.2016) on the Procedure for Settlement of Claims and Payment of Compensation from a Civil Liability Insurance Agreement for the use of cars.

This Act of the Bank of Greece is in force since 19 April 2016 (Article 10 of the Act) **and is applied by all insurance undertakings operating in Greece in the field of insurance against civil liability in respect of land motor vehicles** (Article 1 of the Act).

In application of **Article 7 par. 2** of the above Act of the Bank of Greece, which provides for a mandatory summary of the content of this Act in the insurance policy, the following are listed:

Claims Settlement Arrangements:

1. An insurance undertaking shall, pursuant to Article 6 (6) of Presidential Decree 237/1986, **submit** to the injured party, within **three months** from the date of receipt **of the Application for Compensation**, either **a) a written reasoned offer** of compensation in case the liability is not disputed and the damage has been assessed, or **b) a written reasoned reply (refusal)** on the points contained in the claim for compensation, where liability is disputed or has not yet been clearly established or where the damage has not been fully assessed. *(Article 3 of the Act, Article 6 par. 6 and 9 of Presidential Decree 237/1986)*
2. The insurance undertaking is obliged to deliver to the insured together with the insurance policy a **Road Accident Declaration form and a Claim for Compensation form** (Article 7 of the Act). **With the Claim for Compensation**, a model of which is given in the Annex to the Act, the injured party **is obliged to declare** to the insurance undertaking, inter alia, **the location of his vehicle**, in order to conduct an expert opinion

on his damages. The Claim for Compensation is submitted in any appropriate way (transmitted by letter, fax, e-mail, mobile phone message or submitted to the company itself. business and to offices designated by the company and posted on its website or natural or legal persons who provide a relevant proof of delivery of receipt. The minimum content of the Proof of Delivery – Receipt of Documents is the serial number of the issued receipt, the display of the mark and the name of the insurance undertaking, the indication of the name and address of the insured or injured person, his signature, the description of the type of document delivered and received, the date of delivery and receipt of the document, the name, capacity and signature of the official receiving it. The following **shall be treated** as proof of delivery – receipt of a document: **(a)** the Hellenic Post form. by signature of an employee of the insurance undertaking on receipt of a registered letter; **(b)** proof of transmission of a fax to the number displayed by the insurance undertaking on its website; **(c)** the proof of transmission to the electronic mail posted by the insurance undertaking on its website, **(d)** a mobile telephony message to the number posted by the insurance undertaking on its website and **(e)** the bailiff's service report. *(Article 4 and Annex to the Act)*

3. If the insurance undertaking considers that it is required, it shall carry out **an Expert Opinion on material damage** within 15 days if the accident occurred in Greece and within 25 days, as a rule, if it occurred abroad. These time limits start from the date on which the injured party's claim for compensation is submitted to the insurance undertaking and provided that the vehicle is located at the place where the injured party has notified him that his vehicle is located. *(Article 5 of the Act)*

1. The **insurance undertaking's offer of compensation shall include at least the exact amount of compensation offered to injured persons and the place, time and method of payment of the amount of compensation or compensation in full.** *(Article 6 (1) of the Act)*

2. The **payment period** indicated in the offer of compensation may not exceed ten days from the offer, unless otherwise specifically agreed by the parties. If compensation for the damage is agreed in its entirety, the period may not exceed 20 days from the agreement, unless otherwise specifically agreed by the parties. *(Article 6 par. 2 of the Act, Article 6 par. 8 of Presidential Decree 237/1986)*
3. **Without prejudice to the provisions of Law 2472/1997 on the Protection of Personal Data**, insured and injured persons are entitled to receive copies of all documents kept by the insurance undertaking relating to the damage suffered, for the outcome of which they have a legitimate interest, as well as proof of delivery and receipt. Copies of the documents shall bear the stamp of the insurance undertaking. *(Article 8 of the Act)*
4. For violation of the provisions of this Act, the imposition of the sanctions of article 256 par. 3 of Law 4364/2016. *(Article 9 of the Act)*