

Green Card Bureau Compendium

H - Hungary

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General information

Please provide the official full name of your Bureau.

What is the legal status (form) of your Bureau (non-profit organisation, association of legal entities, limited liability company, etc.)?

How is the ownership/membership of your Bureau structured (e.g. owned/controlled by all members equally, part of state government, etc.)?

Question N° 1

1.1. What was the date of the original Law, which introduced Compulsory Third Party Motor Insurance and what was the date of its entry into force?

Governmental Decree No. 42/1970. (X.27.) concerning compulsory liability insurance for motor vehicles.

Date of entry into force: 01.01.1971

1.2. What is the date of the present Law and of its entry into force?

Act LXII of 2009 on Insurance Against Civil Liability in Respect of the Use of Motor Vehicles

Date of entry into force: 01.01.2010

Question N° 2

2. Which are the classes of motor vehicles for which insurance is compulsory?

The compulsory liability insurance includes all motor vehicles. In the application of the law a motor vehicle is: "all vehicles which are driven by a built-in engine as well as trailers, semi-trailers, agricultural tractors, mopeds, slow vehicles under obligation to bear a registration plate and heavy duty machines.

Question N° 3

3. Is the Law applicable to foreign visitors?

Yes.

Question N° 4

4. Does the Law apply in respect of liability for both personal injury and damage to property?

Yes.

Question N° 5

5. What is the minimum limit of cover required for personal injury damage? State the minimum value of sum insured, date with effect from and please indicate whether the limit is per accident or per victim.

Type of vehicle	Personal injuries		Material damage	
	Per accident	Per victim	Per accident	Per victim
All	HUF 1.600 million / claim		HUF 500 million / claim	
Date of effect: 01/01/2010				

Question N° 6

6.1. Does the Law require cover in respect of passengers carried in the vehicle?

Yes.

6.2. Is there any category of passenger excluded from this cover?

No.

Question N° 7

7. Under what conditions is an insurer permitted by Law to reject a third party claim? Please specify.

The Insurer, the Guarantee Fund and the National Bureau shall not compensate for damages:

COUNCIL OF BUREAUX

- a) caused to items contained in the motor vehicle causing the accident if such items are not objects for personal use by those travelling in the motor vehicle;
- b) sustained by the motor vehicle causing the accident;
- c) incurred as damage to property originating from claims of the insureds of the motor vehicle causing the accident, against one another, or as unrealized gains,
- d) caused by radiating or toxic materials or products or in the course of actions by the health authorities aiming to terminate harmful effects of radiation;
- e) caused to the road surface without accident involving the motor vehicle;
- f) caused to the motor vehicle when used as an implement of a heavy duty machine without use in traffic, g caused to a motor vehicle standing during loading/loading-off;
- h) qualifying as accident at work, caused during repair or maintenance of the motor vehicle;
- i) occurred during motor race or the required training;
- j) caused by environment pollution without accident involving the motor vehicle;
- k) results from permanent waste and deterioration to the condition of other property as a result of the operation of the motor vehicle;
- l) occurred as a consequence of war, acts of war or terrorist act (as specified in Article 261 of Act IV of 1978 on the Penal Code).

Question N° 8

8. Is there a direct right of action by a third party against an insurer?

Yes.

Question N° 9

9. Does a claimant resident in a foreign country have a direct right of action against the local Bureau or the insurer representing the Bureau?

According to the Section 28 (2) of the Act LXII of 2009 the injured party has residence in another member state (member state shall mean any state that is a party to the Agreement on the European Economic Area, including Switzerland) has direct right of action against the insurance company established in the territory of the Republic of Hungary covering the person responsible against civil liability in the member state where his home (registered office) is located, or in the member state where the accident occurred, if the accident took place in any State that is a party to the green card system, other than the State where the injured party's home (registered office) is located.

Question N° 10

10.1. Does the Law require the insurer and/or Bureau to make an offer of compensation to a claimant within a specified time?

The prescription of the Civil Code according to which the indemnification is due immediately upon occurrence of the accident – being very advantageous to the damaged party – will stay in force also in the future.

The level of the late interest is adjusted to the basic interest determined by the bank of issue.

If yes, what is the nature of the damages to which the time-limit applies?

It applies to all motor third party liability claims.

10.2. What is the specific time-limit?

3 months in respect of claims falling under the 4th and 5th Motor Insurance Directive.

10.3. Which are the other provisions of the Law in this respect? (e.g. sanctions)

No other provisions (see under 10.1).

10.4. Are there any similar stipulations for provisional payments?

No.

Question N° 11

11.1. Is there a limitation period for legal proceedings against the insured or the insurer?

Yes.

If yes, please specify.

The general limitation period is 5 years.

In case of damage arising from hazardous operations the limitation period is 3 years in respect of the stricter rules of excuse. Subsequently the general rules are applicable.

The period of limitation for a claim cannot be less than five years if the damage has been caused wilfully or criminally. However, in respect of damages caused by the commission of a crime, the period of limitation for a claim shall not expire even after five years as long as the criminal offence remains punishable under the statute of limitation.

11.2. Are there any provisions in the Law which allow for the suspension or extension of that limitation period?

Yes.

If yes, please specify.

The limitation is suspended by a written notice regarding the performance of the claim, by an enforcement of the Court, furthermore by modification of the claim by consensus - including a compromise - finally, by the acknowledgement of the debt by the responsible party. After the ending of the legally binding procedure, interrupting the limitation, the limitation period begins again.

If the claim cannot be enforced by the entitled person because of an excusable reason, the claim can be enforced within 1 year counted from the ceasing of the obstacle even if the limitation term has expired or if less than a year remains therefrom.

Question N° 12

12.1. Is your Bureau a VAT liable entity?

12.2. If yes, please indicate the VAT number:

In this case is the service of claims handling by the Bureau VAT exempted?

12.3. Is an MTPL insurer in your market a VAT liable entity?

If yes, is the service of claims handling by an MTPL insurer VAT exempted?

12.4. Is a specialised claims handling office a VAT liable entity?

If yes, is the service of claims handling by this entity VAT exempted?

Question N° 13

[Note: Questions addressed to non-EEA Bureaux only. For EEA Bureaux, see Section 2 & 3]

13.1. Is there a Guarantee Fund in your Country?

N/A.

If yes, what are the conditions and limits of intervention of the Guarantee Fund?

N/A.

13.2. Are these conditions and limits applicable to non-residents whether they are the cause of, or victims of, accidents?

N/A.

Question N° 14 – For countries concerned by Section III of the Internal Regulations

14.1. Are there natural or legal persons (public or private) exempted from the obligation of compulsory MTPL insurance in your country? (Article 12.2 of the Internal Regulations)

If yes, please list the persons exempt from compulsory MTPL insurance:

In this case please also indicate the authorities or bodies responsible for compensation:

14.2. Are there certain types of vehicles or certain vehicles bearing a special plate exempted from the obligation of compulsory MTPL insurance in your country? (Article 12.3. of the Internal Regulations)

None. Tramways are not qualified as motor vehicles.

If yes, please list those vehicles:

N/A.

Question N° 15

15.1. Any other special features?

No.