

Green Card Bureau Compendium

IL - Israel

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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?

01/04/1950.

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

01/07/1970.

Question N° 2

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

All classes of vehicles propelled by mechanical power, trailers and trailers supported by a mechanically propelled vehicle.

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?

No. The Law applies only to personal injury

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 (Calculation of loss of income only up to 3 times the average income.)		Material damage	
	Per accident	Per victim	Per accident	Per victim
	Unlimited	Unlimited	No compulsory insurance	No compulsory insurance
Date of effect: 01/01/2002				
Maximum compensation for pain and suffering: €32,500				

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.

- Driver without a driving licence.
- If insurance cover is restricted to a named driver and another one is driving.
- Use of vehicle not allowed by the policy.

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?

Yes.

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?

No.

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

N/A.

10.2. What is the specific time-limit?

N/A.

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

N/A.

10.4. Are there any similar stipulations for provisional payments?

Provisional payments for proven expenses have to be made within 60 days of request.

Question N° 11

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

Yes.

If yes, please specify.

7 years.

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.

- For an injured minor the period of limitation starts when he reaches the age of 18.
- If a claim is lodged in Court the limitation period is suspended.

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?

The Guarantee Fund intervenes:

- when the insurance does not cover the accident.
- when there is no insurance.

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- if the accident was caused by a hit and run driver.

- when the Insurer is bankrupt

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?

Yes.

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)

N/A.

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

N/A.

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

N/A.

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)

Yes.

If yes, please list those vehicles:

Government owned motor vehicles.

Question N° 15

15.1. Any other special features?

The law is based on "no fault" (Absolute Liability). Insurance Certificates issued in the country cover also the driver.