

# Green Card Bureau Compendium

## IR – Islamic Republic of Iran

The information in this compendium is provided by the Green Card Bureau of the country concerned and serves an information purpose only. It is not intended to be comprehensive or complete, nor can it be guaranteed to be accurate or up to date. The Council of Bureaux nor the Green Card Bureau concerned accepts any responsibility or liability whatsoever in relation to the information provided in this document.

### General information

Green Card Bureau of Iran.

Our Bureau is part of a governmental company (Bimeh Markazi Iran), controlled by the State.

### 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?**

1968.

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

2008.

### Question N° 2

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

The compulsory insurance law applies to all classes of motor vehicles.

### 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
Private cars	Unlimited	Rls. 2,800,000,000	Rls. 70,000,000	N/A.
Motorcycles	Unlimited	Rls. 2,800,000,000	Rls. 70,000,000	N/A.
Buses	Unlimited	Rls. 2,800,000,000	Rls. 70,000,000	N/A.
Lorries	Unlimited	Rls. 2,800,000,000	Rls. 70,000,000	N/A.
<b>Date of effect:</b> 21/03/2017				

### Question N° 6

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

Yes (Actually passengers are included under the definition of "third party" according to MTPL Insurance Law).

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

No. (Based on MTPL Insurance Law, the driver of the vehicle responsible for the accident, - is excluded from third party definition).

### Question N° 7

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

Main damages not covered by MTPL Insurance Law, are as follows:

1. Direct or indirect damages resulting from the atomic and radioactive radiation.
2. Damages to the vehicle of the responsible party.
3. Damages to the consignments of vehicle of the responsible party.
4. Losses incurred due to penal conviction or payment of penalties

### Question N° 8

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

Yes. The victim (third party) is entitled to directly recourse to the insurance company to receive the compensation by presenting necessary documents.

### 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?

The Bureau's liability is limited to Green Card Claims under the System's rules and regulations. Green Cards issued by Bureau's member are only valid outside the territory of Iran.

### 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, but in traffic accidents resulted to bodily injuries other than death, the insurer of the responsible party of the accident and/or Bodily Injuries Indemnity Fund (BIIF) as per the case, is obliged to pay [but not to offer] immediately at least 50% of the compensation payable to the victim (third party) after receiving the required documentation, then to pay the balance after finalization of the exact amount to be paid for compensation.

**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?**

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.**

For bodily injuries there is no limitation period.

In case of financial losses, the 2 year time limit applies for legal proceedings by the insured against the insurer but only if the insured holding a valid insurance policy give notice of the accident to the insurer concerned, within 5 days.

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

No.

**If yes, please specify.**

N/A.

### **Question N° 12**

**12.1. Is your Bureau a VAT liable entity?**

Yes, The Green Card Bureau of Iran operates as one of the technical departments of "Bimeh Markazi Iran" (Central Insurance of the Islamic Republic of Iran), which the latter is considered as a firm having legal personality, registered in our country's Value Added Tax System under the reference Number of: 411111463363.

**12.2. If yes, please indicate the VAT number:**

411111463363.

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

No.

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

Yes.

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

No.

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

Yes.

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

No.

### **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?**

Yes. Bodily Injuries Indemnity Fund (BIIF).

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

In order to protect the victims of traffic accidents, bodily damages incurred to third parties, not payable due to lack or expiry of the policy, cancellation of insurance contract, suspension of procurement of the insurer, escaping (hit and run) and/or non recognizing of responsible of the accident and/or bankruptcy of the insurer or in general, bodily damages outside the conditions of policy (except - those mentioned as response to Ques. 7.1) will be paid by Bodily Injuries Indemnity Fund (BIIF).

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

They are applicable to victims of accidents.

### **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)**

N/A.

**If yes, please list those vehicles:**

N/A.

<b>Question N° 15</b>
-----------------------

**15.1. Any other special features?**

No.