

Green Card Bureau Compendium

LT - Lithuania

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General information

Please provide the official full name of your Bureau.

Motor Insurers' Bureau of the Republic of Lithuania.

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

The Bureau is association of legal entities.

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

The Bureau is controlled by all members equally.

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?

The Law on Compulsory Motor Third Party Liability Insurance of Vehicle Owners and Possessors of the Republic of Lithuania was passed by Parliament on 14th June 2001. The Law came into force on 30th June 2001.

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

The Law of the Republic of Lithuania on Compulsory Motor Third Party Liability Insurance of Vehicle Possessors (hereinafter- the Law) was passed by Parliament on 17th May 2007. The Law came into force on 11th June 2007.

Question N° 2

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

According to the Law motor third party liability insurance is compulsory for all vehicles which have to be registered as well as trailers, semi-trailers and mopeds.

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	5 000 000 €	N/A.	1 000 000 €	N/A.
Date of effect: 11/06/12				

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?

Yes, there is. Compensation is not paid to the passenger carried in the stolen vehicle, if the insurer will prove that passenger knew about the fact of theft.

Question N° 7

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

The Insurer shall not pay indemnification to the injured parties:

- when the damage occurred as a result of war, terrorist attacks, nuclear power impact, or during state emergency;
- when the vehicle was used and caused the damage in the territory of an airport, other restricted for the public road traffic areas or autodromes, during sport competitions, race or training sessions;
- when the damage is caused to the driver/user of the vehicle responsible for the damage and/or to other property of the insured or the owner, of the responsible vehicle. Also, compensation is not paid for any situated in the responsible for the damages vehicle property loss;
- when the damage is caused to a cargo or luggage transported in the liable persons' vehicle for a payment;
- for the loss of cash, jewellery and works of art, securities, documents, philately, stamp numismatic or similar collections.

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?

Claimant has a direct right of action against the local Bureau, but not against the insurer representing the Bureau.

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?

Yes.

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

Time-limit applies to both personal injury and damage to property.

10.2. What is the specific time-limit?

The responsible insurer and/or the Bureau are obliged to pay compensation within 30 days from the date on which the claim was presented.

If, within 30 days, it is impossible to investigate the circumstances as necessary to establish the fact of the insurance event and to assess the size of the damage, the compensation shall be paid within 14 days from the date when investigation of such circumstances could have been completed by making reasonable effort, but not later than within 3 months of the date on which the claim was presented. If the compensation

is awarded in a criminal, administrative or civil proceeding, the compensation must be paid within 14 days from the date of receipt of the effective decision, judgement or award.

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

Insurer who failed to pay indemnity within the time-limit may be fined by insurance supervisory authorities.

10.4. Are there any similar stipulations for provisional payments?

Time-limits for the provisional payments are the same as in point 10.2.

Question N° 11

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

Yes.

If yes, please specify.

According to the Civil Code of the Republic of Lithuania the limitation period for legal proceedings against the Insured or the Insurer is 3 years. Three years limitation period is counted from the date when a claimant learnt about the loss and about the person liable for the loss.

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.

According to the Civil Code of the Republic of Lithuania, the limitation period is interrupted by a law-suit or acknowledgment of the claim. The limitation period may be extended by the court.

Question N° 12

12.1. Is your Bureau a VAT liable entity?

No.

12.2. If yes, please indicate the VAT number:

N/A.

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

N/A.

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?

Yes, in case of claim handling according its own contract of compulsory insurance.

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?

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)

No.

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)

No

If yes, please list those vehicles:

N/A.

Question N° 15

15.1. Any other special features?

No.