

Green Card Bureau Compendium

RUS - Russia

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General information

Please provide the official full name of your Bureau.

Russian Association of Motor Insurers

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

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.)?

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?

Federal Law No 40-FZ on Mandatory Civil Liability Insurance of Vehicle Owners passed on 25 April, 2002 and came into force on 1 July, 2003.

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

The date of the last edition of the Federal Law No 40-FZ is 23.06.2016, the date of its entry into force is 01.09.2016.

The main innovations include possibility to conclude MTPL-contracts via the Internet and obligation of an injured party to present to an insurer damaged property for carrying out an expertise.

Important amendments as of 02.08.2014 and 01.10.2014 are:

A) The obligatory use (previously – on the choice of victim) of the procedure of direct claims settlement in case the accident involved not more than 2 vehicles (the vehicle with a trailer is considered as one vehicle) both insured by MTPI-policies, resulting in material damage only

B) New rules for simplified reporting of road accident: the parties of accident can fix the circumstances of an accident without calling the police under following conditions:

- not more than 2 vehicles participated in the accident (including the trailer)
- both vehicles should be insured by MTPL-policies,
- material damage only
- accident statement filled in

Important note: both parties should be ready to present the vehicles to the examination to the insurers under their demand

Maximum payment – 50 000 rubles (ca. 1040 euro), with some exceptions (see question No. 5)

C) The increase of the limit for compensation of the material damage (see question No. 5)

D) The maximum deterioration rate – not more than 50 % (till the date – maximum 80 %)

E) The indemnification can be exercised through payment or remanufacture

F) The increase of the limit for compensation of the bodily injuries (see question No. 5)

Question N° 2

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

The insurance is compulsory for all motor vehicles used for road transportation of people, cargos or equipment installed on it with the following exemptions:

- a) Motor vehicles with maximum design speed not more than 20 km an hour;
- b) motor vehicles, which due to their technical characteristics are not covered by the Russian Federation legislation which permits the use of motor vehicles in road traffic in the Russian Federation (means motor vehicles with less than 50 cubic centimetres engines);
- c) motor vehicles of the Armed Forces of the Russian Federation, other military forces, military formations and units, which include military service, except for buses, motor cars and trailers to them, any other transport vehicles used to support economic activity of the Armed Forces of the Russian Federation, military forces, military formations and units;
- e) Motor car trailers
- d) Vehicles without wheeled running gear (e.g. tracked and semi-tracked vehicles etc) and its trailers.

Question N° 3

3. Is the Law applicable to foreign visitors?

Yes it is. The foreign vehicle entering the territory of Russia must obtain a valid Green Card or (in case of its absence) – Russian MTPL-policy.

The Provisions of the Law regarding the direct claims settlement cannot be applied towards foreign visitors, as both parties should be insured with MTPL-policies, issued by Russian insurers.

The foreign visitors may use procedure of simplified reporting of road accident but RAMI recommends to call the police as maximum payment is still law and there are certain circumstances under which a harm doer' car should be physically presented to the insurer.

Question N° 4

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

Yes it does. The Law applies for both personal injury and damage to property.

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 (per accident)	Material damage (per accident)
All vehicles	160 000 rubles (ca. 3 300 euro) per every injured (With effect from 01/12/2007)	120 000 rubles (ca. 2 500 euro) if there is one victim; 160 000 rubles if there are two or more victims (With effect from 01/12/2007)
All vehicles	500 000 rubles (ca. 10 400 euro) per every injured (With effect from 01/04/2015), no limitations per accident	400 000 rubles (ca. 8 300 euro) per every injured (With effect from 01/10/2014), no limitations per accident

In case of use of the simplified accident' reporting procedure the maximum sum of payment is restricted by 50 000 rubles (with effect as of 02/08/2014 till 01.10.2019). with an exception for accidents occurred in the territory of 4 regions (Moscow, Moscow region, Saint-Petersburg and Leningrad region) under the condition that such accidents were fixed with assistance of the photo- and video recording tools, which exclude the

possibility to change the information fixed, and supporting by evidences captured by global satellite-based navigation tools – in this case the sum of payment is 400 000 rubles.

Question N° 6

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

Yes, it does (within the same limits).

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

Yes, there is. The employees (when the latter fulfil their job responsibilities) are excluded from the cover providing that the appropriate harm shall be compensated for in accordance with the law prescribing the relevant type of compulsory insurance or compulsory social insurance.

Question N° 7

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

As provided in Article 6 of the Law the following risks are not insured:

- a) infliction of damage during the use of a motor vehicle other than that specified in the compulsory insurance contract;
- b) Infliction of moral harm or arising of the obligation to compensate for lost profit;
- c) Infliction of damage by the use of motor vehicles during automobile racing, test drive or driving lessons in dedicated places;
- d) Natural environment pollution;
- e) Infliction of damage by the cargo transported if the risk of such liability is subject to compulsory insurance in accordance with the law prescribing the relevant type of compulsory insurance;
- f) infliction of harm to the life or health of employees when the latter fulfil their job responsibilities if this harm shall be compensated for in accordance with the law prescribing the relevant type of compulsory insurance or compulsory social insurance;
- g) Responsibility to compensate for employer's loss caused by infliction of damage to an employee;
- i) Infliction of damage by the driver to the motor vehicle and trailer he drives, cargo transported, equipment installed on the motor vehicle or trailer, or any other property;
- j) Infliction of damage when the cargo is loaded to or unloaded from the motor vehicle;

k) damage or destruction of antiquarian or other unique things, buildings and structures of historical and cultural value, articles of precious metal or precious stones, cash, securities, religious things, works of science, literature and art, other intellectual property;

m) material and personal damage caused to the passengers if Russian legislation requires such risk to be covered by the compulsory carriers liability' policy.

Question N° 8

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

Yes, there is. If the sufferer wishes to use its right to insurance indemnity, it shall, at the earliest opportunity, notify the insurer of the occurrence of the insured event. As of 1 March, 2009 the Third Party will also have the right of direct claims settlement (means compensation for the damage caused to the sufferer's property paid by the insurer having entered into a compulsory insurance contract with the suffered motor vehicle owner – the provision covers only MTPL-contracts issued by Russian insurers, is not applicable towards foreign third parties).

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 procedure for the claimant resident in a foreign country is the same to the procedure for the claimant resident in Russia. If he wishes to use the right to insurance indemnity, he shall, at the earliest opportunity, notify the insurer of the occurrence of the insured event. If the claimant is not satisfied with the amount of compensation paid by the insurer or the insurer refuses to pay the claimant has the direct right of action against the Insurer. As of 01.09.2014 the third party is obliged to present the claim to the insurer before initiating any court procedures against him.

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 insurer as well as the Bureau is not obliged to make an offer of compensation to a claimant.

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?

The insurer may (but not obliged), on the sufferer's application pay a part of the insurance indemnity corresponding to the actually measured part of the reported damage until the total size of the indemnifiable damage is measured.

Question N° 11

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

Yes, there is a 3 years limitation period for actions against the insurer and insured. This period is estimated from the moment of insured accident. But this period does not extend on the actions against the insured person related to the compensation of harm caused to the life and health.

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

The Civil Code of the Russian Federation allow for the suspension of the limitation period in following events:

- 1) The claiming was interfered by extreme and unpreventable circumstance (force majeure);
- 2) The claimant or the respondent is engaged in the Army;
- 3) The Russian Government established the moratorium to delay the execution of obligations;
- 4) Suspension of action of the law or the other legal act regulating the corresponding relations.

In some cases, when the court recognizes valid the reason of the miss of limitation period on the circumstances connected with the claimant (heavy illness, a helpless condition, illiteracy, etc.), the broken right of the citizen is a subject to protection. The reasons of the miss of limitation period can be admitted valid if they take place for the last six months of limitation period and if this period is equal to six months or less than six months - during a statute of limitation.

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?

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N/A.

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

No

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

N/A.

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

No

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

N/A.

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, there are two special reserves.

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

When providing compulsory insurance, insurers shall make up:

- a reserve for financial support of benefits of bankruptcy procedure applied to the insurer or revocation of insurance license from the insurer (guarantee reserve);

a reserve for financial support of benefits of unknown harm-doer responsible for the harm caused to the sufferer or lack of the compulsory insurance contract which insured the harm-doer liability because of his failure to fulfil insurance liabilities (current benefits reserve).

Amounts of allocations to the guarantee reserve and the current benefits reserve shall be established in compliance with insurance rates.

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

In the Russian Federation foreign individuals, stateless persons and foreign legal entities may be paid benefits as citizens of the Russian Federation and the Russian legal entities.

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.

Question N° 15

15.1. Any other special features?

The Russian legislation regulates the question of truck/trailer liability in different way as in most other countries – truck and trailer, even connected to each other, are considered as 2 different independent vehicles. The owner (or owners) of both vehicles (truck and trailer) are responsible for any damage caused by the specific vehicle. In case of an accident occurred under participation of the truck and trailer the payment has to be made under the insurance contract of the vehicle (truck or trailer) that has directly contacted the vehicle (or any other kind of property) of the third party that lead to the occurrence of damage.

The circumstances of the accident are to be determined on the basis of police report (or on the basis of the accident statement - if the procedure of simplified accident' reporting is used) - if there is indicated that the main damage was caused by the trailer (e.g. by backing run) the payment will be made by the trailer' insurer; if both vehicles have directly contacted the damaged vehicle, the indemnification will be paid by both insurers in 50/50 ratio.

An exception of this rule is a particular situation which was specially considered by The Russian Supreme court on 29.01.2015 – if the truck was insured while trailer was not, the payment has to be made under the insurance policy of the truck (irrespective of the vehicle indicated as liable in the police report).