

## MEMORANDUM OF UNDERSTANDING

In the spirit of the Brussels agreement from 19 April 2013 and

Between the Association of Serbian Insurers (UOS) and the Kosovo Insurance Bureau (KIB) as authorized entities responsible for vehicle insurance issues in the jurisdiction of each Party with the facilitation of the Council of Bureaux (COB), and

On the Mutual Recognition of Motor Third Party Liability Insurance (MTPL) and arrangements for the processing and payment of claims.

WHEREAS:

UOS and KIB wish to provide arrangements for:

- a) The reciprocal recognition and acknowledgement of valid MTPL, and
- b) The processing and payment of claim damages as a result of accidents caused by vehicles with valid insurance coverage in the jurisdiction of each party.
- c) The implementation of this MoU under the jurisdiction of each party.

UOS and KIB agreed as follows:

### I. DEFINITIONS

For purposes of this Memorandum of Understanding (MOU):

“Handling Bureau” means UOS, KIB or any authorized member - insurance company or any other legal entity, which is allowed to handle and settle claims under the provisions of this MOU and which requests reimbursement from an insurance company member of UOS or KIB under the terms of this MOU.

“Guaranteeing Bureau” means the bureau, whether UOS or KIB, which guarantees for reimbursing claims paid out by the Handling Bureau according to the procedures set forth in this MOU and claims on behalf of its members under liquidation or bankruptcy.

"The Insurer" means any insuring company member of KIB or UOS which is authorized/licensed to conduct the business of compulsory third party liability insurance in respect of the use of motor vehicles in the jurisdiction of each party, who issued the policy of insurance for the vehicle causing damage.

## II. MUTUAL COVERAGE - MTPL

1. Users of motor vehicles registered in one Party who are in possession of a valid insurance for the territory of the other Party may freely enter and travel in that jurisdiction. A copy of a specimen of each insurance policy (MTPL issued by UOS, MTPL+ issued by KIB) is attached to this Memorandum as Annex I.
2. In case the users of motor vehicles of one Party do not present a valid insurance upon entry into the jurisdiction of the other Party, they will be obliged to contract mandatory border/boundary insurance.
3. The control of possession and validity of the insurance coverage will be made at the IBM crossing points. Both parties will establish point of contacts in order to immediately verify the insurance coverage in case of doubt. An electronic verification may be established at the IBM crossing points for the control of possession and validity of the insurance coverage.
4. Damage caused by the use of motor vehicles without valid insurance in the other party's jurisdiction will be reimbursed by the guarantee funds of the party where the accident took place. If one of the Parties fails to provide above mentioned electronic verification, that Party shall guarantee for the reimbursement of claims arising from the accidents caused by the uninsured vehicles from its jurisdiction.
5. Claims by third state injured parties will be treated as claims by domestic injured parties.
6. Limits of insurance compensation (see Annex II) will be considered valid until the termination of the MOU or otherwise notified by a party, in case of legislative amendments.
7. Each party will inform the other party with sufficient notice of any legislative amendment pertaining to the scope of this MOU.

### III. HANDLING AND CLAIMS COMPENSATION

1. An initial list of names and addresses of insurance companies member of the respective bureau is annexed to this MOU (see Annex III). Each party shall promptly notify the other party of any changes within fifteen (15) days of their knowledge of any change.
2. All claims should be handled by the Handling Bureau in respect of legal and regulatory provisions applicable in the jurisdiction, where the accident occurred, relating to liability and compensation of injured parties.
3. This MOU shall cover the reporting, handling and payment of claims for personal injury or for property loss or damage sustained as a result of an accident in the jurisdiction of one Party, caused by vehicles duly registered in the other Party with a valid insurance as per Annex I.
4. In case of accident, the Handling Bureau is obliged to notify as soon as possible the Guaranteeing Bureau/Insurer of all claims and shall act in the best interests of the Guaranteeing Bureau/ Insurer as if it had issued the insurance.
5. After the compensation has been paid, the Handling Bureau is obliged to submit to the Guaranteeing Bureau/Insurer all the necessary documents to justify the payment. This should include the police report containing information of the participants in the said accident (including statements directly provided by the parties as annexes to the police report), photographs of the accident scene and the damaged vehicle, professional expertise regarding the damage value, medical documentation (as required in the rules of the relevant regulatory bodies and with due respect to data protection principles) ,along with a copy of the proof of the valid insurance as per Annex I. The police report will be provided in accordance with the applicable legislation, including on the use of language in each party's jurisdiction. The Handling Bureau will inform the Guaranteeing Bureau/Insurer if the motor vehicle's user has not signed the police report.

For accidents occurring within the limit of fifty (50) kilometers (as per GPS coordinates) of the border/boundary, indications will be made as to whether a driver has requested the additional presence of a native speaker police officer and whether the latter has signed the police report.



6. The provisions of this MOU will not apply to mutually agreed vehicle accident reports (constat amiable).

#### IV. HANDLING OF CLAIMS

1. The Guaranteeing Bureau/Insurer is obliged to reimburse the Handling Bureau of the other party, the full amount of compensation paid by the other party's Handling Bureau in respect of a claim within the scope of this MOU, as well as handling fees and all other costs incurred during the claim handling, as set out in paragraphs 2 and 3 below.
2. The handling fees of the handling bureau are calculated at the rate of 15 % of the total amount of compensation, subject to a minimum handling fee of EUR 200.00, and a maximum fee of EUR 3,500.00.
3. The sums disbursed for external services in the handling and settlement of each claim and all costs specifically incurred for the purposes of a legal action which would have been disbursed in similar circumstances by an insurer established in the jurisdiction of the accident, in accordance with the procedures set out in the Article 5.1.2 of Internal Regulations of the Council of Bureaux.
4. The minimum handling fees shall be made even when the claim is handled without payment to the third party.
5. The exchange between currencies, for any payments due under this MOU shall be the official middle exchange rate, at the date on which the demand for reimbursement was presented by the handling bureau to the Guaranteeing Bureau/Insurer.
6. After completion of the handling of the claim by obtaining a signed "Discharge Form" from the claimant evidencing full and final settlement or an approved settlement of the indisputable part of the claim and executing payment indemnifying the claim:

For claims arising from accidents in one jurisdiction, the Handling Bureau of that jurisdiction, the correspondent or agent which handles the claim shall, within maximum twelve (12) months from the date of last payment to the claimant, directly notify the Guaranteeing Bureau/Insurer about the

processed and paid claim, along with the damage calculation and full set of pertaining documentation, as set forth above. In case reimbursement demand is communicated to the Guaranteeing Bureau/Insurer past twelve (12) months, such reimbursement demand may be refused by the Guaranteeing Bureau/Insurer and shall not be subject to guarantees by the Guaranteeing Bureau.

The Guaranteeing Bureau/Insurer shall after receipt of the reimbursement demand within 60 days from the date of submission, execute the payment of the reimbursement demand to the Handling Bureau.

If the reimbursement demand is not settled within 60 days from the date of the first reimbursement demand, the Guaranteeing bureau/Insurer shall pay penalty interest at the rate of 12 % per annum, calculated from the date of the first such demand to the date of receipt of the remittance by the Handling Bureau.

If within a period of sixty (60) days from the date of the first demand for reimbursement the Insurer has failed to pay the amount due to the Handling Bureau, the Handling Bureau may through UOS or KIB respectively, within the period of maximum twelve (12) months from the date of submission of reimbursement demand, request from the Guaranteeing Bureau reimbursement of the amount in question. In case activation of Guaranteeing Bureau's involvement is requested past twelve (12) months, such request may be refused by the Guaranteeing Bureau.

The Guaranteeing Bureau shall after receipt of the reimbursement demand within thirty (30) days from the date of submission, execute the payment of the reimbursement demand to the Handling Bureau.

If within a period of thirty (30) days from the date of the first demand for reimbursement the Guaranteeing Bureau has failed to pay the amount due to the Handling Bureau, the Handling Bureau may, through UOS or KIB respectively, seek from the COB an intervention including activation of guarantees, if necessary.

7. The exchange of documentation shall be done in electronic format and/or hard copies.

## V. CORRESPONDENT

1. The Guaranteeing Bureau on behalf of one of its Members may request the Handling Bureau to leave the handling and settlement of claims, including the handling fees, to a correspondent who may be:
  - a Member of the Handling Bureau;
  - an organisation established in the territory of the Handling Bureau and specialised, on behalf of the insurers, in the handling and settlement of claims arising out of accidents caused by a motor vehicle.
2. If the Handling Bureau approves the request, it thereby gives authority to the nominated correspondent to handle and settle the claims in its name. It undertakes to inform Third Parties of this authority and to forward to the correspondent all notifications relating to such claims.
3. As per article 4.1 of COB Internal Regulations, the approval of a correspondent shall be granted automatically when requested in the name of a member of the Guaranteeing Bureau for any establishment of this member in the jurisdiction of the Handling Bureau, provided that such establishment is authorized to transact insurance against civil liability in respect of the use of motor vehicles.
4. If the Handling Bureau has not responded within three (3) months from the day of receiving the request for nomination, the nomination of the correspondent shall be considered as valid and in force.
5. For its part the Member of the Guaranteeing Bureau, in requesting the appointment of a nominated correspondent, undertakes to entrust all claims in the territory of accident to that correspondent and to forward to that correspondent all documentation relevant to such claims.
6. As a duly authorised agent of the Handling Bureau, the nominated agent becomes responsible to this bureau for the handling of the claim and has to take into account any directions, whether general or specific, received from the Handling Bureau.



7. The Member of the Guaranteeing Bureau shall undertake to the Handling Bureau that its correspondent shall settle claims in full compliance with the Third Party provisions of the compulsory Motor insurance Law of the Handling Bureau.
8. The Handling Bureau may, at any time and without being required to give a reason, take over the handling of any claim and revoke the correspondent's authority for the particular claim or generally.
9. The role of the correspondent is without prejudice to the involvement of COB in the settlement of claims.

#### VI. Council of Bureaux - COB

1. At the request of UOS, KIB or in case of complaints by third parties, COB shall provide its assistance, mediation and arbitration during the implementation of this MOU.
2. UOS and KIB agree to entrust COB with the settlement of their claim disputes in accordance with COB mediation and Internal Regulations rules. In case of non-compliance with COB decisions with serious financial consequences, a party has the right to terminate the MoU in accordance with article IX.2.
3. UOS and KIB agree to provide in English all necessary documentation in case of dispute, including proofs of payments and a copy of the reimbursement demand.
4. UOS and KIB agree to consider decisions in conformity with COB Mediation and Arbitration Rules, as final and to act accordingly.
5. Disputes for an amount below 500€ will not be presented to COB.
6. At the initiative of COB, the implementation of this MOU and, in particular, COB responsibilities will be reviewed.

7. COB may invite UOS and KIB to review parts of the MOU and may unilaterally end parts or all of its responsibilities under this MOU, with a six (6) months notice period, in which case the MoU shall be terminated at the end of the notice period.

#### VII. GUARANTEE

1. UOS and KIB will provide guarantees to COB.
2. COB will confirm to UOS and KIB the reception of the guarantees provided.
3. In case of termination of this MOU, the guarantees will remain in place until the settlement of all claims.

#### VIII. IMPLEMENTATION COMMITTEE

1. An implementation committee comprising of the following members will be established:
  - The Chairperson of each bureau/association;
  - The Secretary General of each bureau/association;
  - A maximum of three additional experts of each bureau/association.
2. Implementation committee meetings shall be convened on request of either party, and should take place at least once a year. Time and venue of the meetings shall be mutually agreed.
3. At the request of UOS, KIB or at its initiative, COB may attend the implementation committee. The parties will inform COB of the meetings of the implementation committee, its agenda and will provide a copy of the outcome of proceedings.
4. The exchange of documentation shall be done in an electronic form and/or in hard copy.

#### IX. ENTRY INTO FORCE AND TERMINATION OF MOU

1. This MOU shall enter into effect thirty (30) days after signature by UOS and KIB.



2. UOS or KIB may terminate this MOU by giving at least sixty (60) days notice of termination in writing to the other bureau. When written notice is sent by mail, it is deemed to have been given on the date the notice was sent as verified by the official mail stamp.
3. A claim arising from an accident, occurring before the expiry date of the insurance of the motor vehicle's user involved, shall be handled and paid in conformity with the provisions of this MOU, only if the accident occurred before the date of termination of this MOU.

X. MONITORING AND SUPERVISION

1. Monitoring and supervision of the implementation of the MOU shall be made by the authorized bodies in compliance with the applicable legal regulations.

XI. LANGUAGE

1. Any correspondence between parties to this MOU, whether oral or written, related to provisions of this MOU, shall be conducted in English.

Signed in Brussels, on 23 June 2015, with three (3) original copies in English.

On behalf of the Kosovo Insurance Bureau (KIB)

Mr. Faton Abazi

Director

As witnesses:



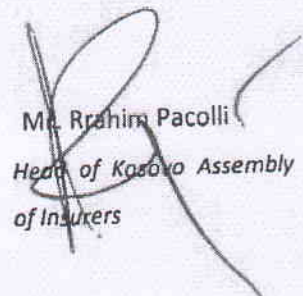
Ms. Greet Floré

Secretary-General of Council of Bureaux



Ms. Edita Tahiri

Minister for Dialogue, Kosovo



Mr. Rrahim Pacolli

Head of Kosovo Assembly  
of Insurers











Kosovo Law on compulsory motor liability insurance No 04/L - 018.

Article 13 - Underwriting coverage limitation - insurance limits.

1. Obligation of the insurer from the contract of motor liability insurance is limited to the compulsory amount of insurance valid according to the Law, at the day when the accident incurred, unless a higher amount of insurance has been contracted.
2. The minimal compulsory insurance amount for contracting the motor liability insurance, according to paragraph 1 of this Law, shall be as following:
  - 2.1. For damages in persons, in insured case, regardless of the number of damaged persons, one million (1.000.000) €;
  - 2.2. For damages in property, in insured case, regardless of the number of damaged persons, two hundred thousand (200.000) €;
  - 2.3. For damages caused when operating the bus and motor vehicles destined to transport hazardous materials, there shall be applied the double of minimal insurance amounts defined in sub-paragraphs 2.1 and 2.2 of this paragraph.
3. In case that there are some parties damaged from an event and the total amount of the damage exceeds the insurance amount defined in paragraph 2 of this Article, the rights of the damaged parties towards the insurer shall be decreased in proportional manner.
4. Decision on changing the height of minimal insurance amounts shall be approved by the Government of Republic of Kosovo, with the proposal of CBK. This change of amounts shall be published in official gazette of Kosovo.
5. CBK shall determine, for the insurer, the frame of contracting the underwriting coverage on minimal insurance amount.

As per Article 22 of the Law on Compulsory Traffic Insurance, the MTPL Limits of insurance (minimum amounts of insurance coverage) in Serbia are as follows:

1. Personal injuries: EUR 1.000.000 per accident
2. Property loss/damage: EUR 200.000 per accident

**LIST OF NAMES AND ADDRESSES OF INSURANCE COMPANIES MEMBER OF RESPECTIVELY KIB AND UOS**

For KIB:

1. **Insurance Company ILLYRIA**  
Square Nëna Terezë No 33  
10000 Prishtina - Kosovo  
Remzi Shala - Director of Department of Damages
  
2. **Insurance company KOSOVA E RE**  
"Agim Ramadani" No 1  
10000 Prishtina - Kosovo  
Halim Mujku - Director of Department of Damages
  
3. **Insurance company SIGURIA**  
"Luan Haradinaj" Ll.a  
10000 Prishtina - Kosovo  
Xhavit Pacolli - Director of Department of Damages
  
4. **Insurance company INSIG**  
Q.Pejton, Street "Pashko Vasa" No 6  
10000 Prishtina - Kosovo  
Engjell Gina - Director of Department of Damages
  
5. **Insurance company SIGAL**  
Branch Drini Kosovo  
"UCK" street No 60  
10000 Prishtina - Kosovo  
Kimeti - Director of Department of Damages
  
6. **Insurance company CROATIA SIGURIMI**  
"Fehmi Agani" 69 D/1-2  
10000 Prishtina - Kosovo  
Nexhmedin Asllani - Director of Department of Damages



- 7. Insurance company DARDANIA**  
"Nëna Terezë"  
10000 Prishtina - Kosovo  
Muhamed Boja - Director of Department of Damages
- 8. Insurance company ELSING**  
Trepça Street, No 15  
10000 Prishtina - Kosovo  
Qerim Aliqka - Director of Department of Damages
- 9. Kompania e sigurimit SIGKOS**  
Sylejman Vokshi" Pallati i Kuq  
10000 Prishtina - Kosovo  
Agim Hoxha - Director of Department of Damages
- 10. Insurance company SIGMA**  
Branch "SIGMA"  
Pashko Vasa n.n  
10000 Prishtina - Kosovo  
Bali Mamuti - Director of Department of Damages
- 11. Insurance company PRISIG j.s.c.**  
"Fazli Grajçevci"  
1000 Prishtina - Kosovo  
Tel.: +381 38 221 000  
[www.prisig-ks.com](http://www.prisig-ks.com)
- 12. Insurance company KSSCARDIAN JSC**  
"Anton Çetta" 5a  
10000 Prishtina - Kosovo  
Tel : +381 38 777 444  
+386 49 90 90 90  
[info@scardian.com](mailto:info@scardian.com)  
[www.scardian.com](http://www.scardian.com)

No.	Insurer	Code	Address	Phone	Fax	e-mail	website
1.	AMS osiguranje a.d.o.	SRB-AM	Ruzveltova 16, 11000 Beograd	+381113343539	+381113343593	zelena.karta@ams.co.rs	<a href="http://www.ams.co.rs">www.ams.co.rs</a>
2.	AS osiguranje a.d.o.	SRB-AS	Bul. Mihajla Pupina 165c, 11070 Novi Beograd	+381112608676	+381112608684	info@as-osiguranje.rs	<a href="http://www.as-osiguranje.rs">www.as-osiguranje.rs</a>
3.	AXA neživotno osiguranje a.d.o.	SRB-AX	PC Ušće - Bulevar Mihajla Pupina 6, 11070 Novi Beograd	+381112200420	+381112200401	nikola.ilic@axa.rs	<a href="http://www.axa.rs">www.axa.rs</a>
4.	DDOR Novi Sad a.d.o.	SRB-NS	Bul. Mihajla Pupina 8, 21000 Novi Sad	+381216616022	+381216624831	ivana.zepina@ddor.co.rs	<a href="http://www.ddor.co.rs">www.ddor.co.rs</a>
5.	Dunav osiguranje a.d.o.	SRB-D	Mekenzijeva 65, 11000 Beograd	+381113441725	+381112431780	greencard@dunav.com	<a href="http://www.dunav.com">www.dunav.com</a>
6.	Generali Osiguranja Srbija a.d.o.	SRB-G	Vladimira Popovica 8, 11000 Beograd	+381113116864	+381113113256	greencard@generali.rs	<a href="http://www.generali.rs">www.generali.rs</a>
7.	Milenijum osiguranje a.d.o.	SRB-ML	Bulevar Mihajla Pupina 10 L, 11070 Novi Beograd	+381117152300	+381117152300	mios@milenijum-osiguranje.rs	<a href="http://www.milenijum-osiguranje.rs">www.milenijum-osiguranje.rs</a>
8.	Sava osiguranje a.d.o.	SRB-SV	Bul. Vojvode Misica 51, 11000 Beograd	+381113644801	+381113644889	office@sava-osiguranje.rs	<a href="http://www.sava-osiguranje.rs">www.sava-osiguranje.rs</a>
9.	Triglav Osiguranje a.d.o.	SRB-TO	Milutina Milankovica 7a, 11000 Beograd	+381113404918	+381113122400	biljana.tomanovic@triglav.rs	<a href="http://www.triglav.rs">www.triglav.rs</a>
10.	Uniqa nezivotno osiguranje a.d.o.	SRB-UQ	Milutina Milankovica 134g, 11000 Beograd	+381112024100	+381112024142	info.stete@uniqa.rs	<a href="http://www.uniqa.rs">www.uniqa.rs</a>
11.	Wiener Stadtische osiguranje a.d.o.	SRB-WS	Trestinog Cveta 1, 11070 Novi Beograd	+381112209959	+381112120196	office@wiener.co.rs	<a href="http://www.wiener.co.rs">www.wiener.co.rs</a>

	Association of Serbian Insurers Udruženje osiguravača Srbije	UOS ASI	Milencija Popovica 5b/II, Novi Beograd	+381112927900 +381112927950	+381112927900	greencard@uos.rs	<a href="http://www.uos.rs">www.uos.rs</a>
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