



## COMPULSORY CIVIL LIABILITY INSURANCE OF MOTOR VEHICLE OWNERS

(Pursuant to Decree No 03/2021/ND-CP and Circular 04/2021/TT-BTC dated on 15<sup>th</sup> January 2021)

### Chapter I GENERAL PROVISIONS

#### Article 1. Scope

This Decree prescribes compulsory civil liability insurance of motor vehicle owners:

1. Compulsory civil liability insurance of motor vehicle owners.
2. Management and use of motor vehicle insurance fund.
3. Management, operation and extraction of database on compulsory civil liability insurance of motor vehicle owners.
4. Responsibilities of ministries, ministerial agencies and relevant organizations in implementing compulsory civil liability insurance of motor vehicle owners.

#### Article 2. Regulated entities

This Decree applies to:

1. Motor vehicle owners participating in traffic and operating within Socialist Republic of Vietnam territory.
2. Insurance enterprises permitted to implement compulsory civil liability insurance of motor vehicle owners as per the law.
3. Agencies, organizations and individuals related to implementation of compulsory civil liability insurance of motor vehicle owners.

#### Article 3. Term interpretation

In this Decree, terms below are construed as follows:

1. “motor vehicle user” refers to an owner of motor vehicles or an individual assigned by owner of motor vehicles to legally utilize and operate motor vehicles.
2. “motor vehicles” include road motor vehicles and heavy-duty vehicle, in which:
  - a) “road motor vehicles” include automobiles; tractors; trailers and semi-trailers towed by automobiles and tractors; motorcycles; motorized tricycles; mopeds (including electric mopeds) and similar vehicles according to Law on Road Traffic.
  - b) “heavy-duty vehicles” include construction machines, agricultural and forestry machinery and other heavy-duty machines used for national defense and security purposes according to law on Road Traffic.
3. “third party” refers to individual(s) whose health, life or assets are damaged by motor vehicles, except for following individuals:
  - a) Vehicle operators and individuals riding the vehicles.
  - b) Vehicle owners except for cases in which vehicles have assigned other organizations and individuals to utilize and operate the vehicles.
4. “insurance beneficiary” refers to motor vehicle user or operator whose civil liability is insured according to insurance contracts.
5. “active motor vehicle” refers to a motor vehicle currently under control of operators, including moving, stopping and parking.
6. “traffic participation” refers to participation of motor vehicle owners and operators in road traffic with motor vehicles.

### Chapter II

#### COMPULSORY CIVIL LIABILITY INSURANCE OF MOTOR VEHICLE OWNERS

##### Section 1. INSURANCE REQUIREMENTS

#### Article 4. Insurance participation principles

1. Insurance enterprises and insurance buyers shall implement compulsory civil liability insurance of motor vehicle owners according to this Decree.
2. For each motor vehicle, responsibility for paying for compulsory civil liability insurance of motor vehicle owners shall only derive from a single insurance contract.



3. In addition to participation in compulsory civil liability insurance of motor vehicle owners according to this Decree, motor vehicle owners and insurance enterprises may agree to extend insurance requirements, excess insurance liabilities and respective additional insurance premiums. In this case, insurance enterprises are responsible for separating compulsory civil liability insurance of motor vehicle owners in certificates of insurance.

**Article 5. Scope of compensation**

1. Non-contract damage such as health, life and assets done to a third party by motor vehicles.
2. Damage to health and lives of passengers done by motor vehicles.

**Article 6. Certificate of compulsory civil liability insurance of motor vehicle owners (hereinafter referred to as “certificate of insurance”)**

1. Certificates of compulsory civil liability insurance of motor vehicle owners are proof of concluding compulsory civil liability insurance contracts between motor vehicle owners and insurance enterprises. Each motor vehicle shall be issued with 1 certificate of insurance. Motor vehicle owners whose certificates of insurance are lost must request insurance enterprises (which have previously issued the lost certificates of insurance) in writing to reissue certificates of insurance.
2. Upon purchasing compulsory civil liability insurance of motor vehicle owners, motor vehicle owners shall be issued with certificates of insurance by insurance enterprises. Insurance enterprises shall only issue certificates of insurance for motor vehicle owners if the motor vehicle owners have adequately paid insurance premiums or agreed with the insurance enterprises on deadline for paying insurance premiums according to Ministry of Finance.
3. Certificates of insurance shall be designed by insurance enterprises and include following details:
  - a) Name, address and phone number (if any) of motor vehicle owners.
  - b) License plate or chassis number, engine number.
  - c) Type of vehicle, payload, number of seats and use purpose in case of automobiles.
  - d) Name, address and hotline number of insurance enterprises.
  - dd) Civil insurance liabilities for third party and passengers.
  - e) Responsibilities of motor vehicle owners and operators in case of accidents.
  - g) Insurance duration, insurance premiums and payment deadline of insurance premiums.
  - h) Date of issue of certificates of insurance.
  - i) Number code and barcode registered, managed and used according to Ministry of Science and Technology to enable storage, transmission and extraction of ID information of insurance enterprises and basic contents of certificates of insurance.
4. In case of issuance of electronic certificates of insurance, insurance enterprises must comply with Law on Electronic Transactions and guiding documents; Electronic certificates of insurance must closely comply with applicable regulations and law and Clause 3 of this Article.

**Article 7. Insurance premiums and payment thereof**

1. Insurance premiums refer to payment made by motor vehicle owners to insurance enterprises when purchasing compulsory civil liability insurance of motor vehicle owners.
2. Ministry of Finance shall prescribe insurance premiums on the basis of statistical figures to ensure payment capacity of insurance enterprises corresponding to insurance requirements, insurance liabilities and level of risks by type of motor vehicles and use purposes.
3. Based on accident records of each motor vehicle and insurance enterprises’ risk tolerance capacity, insurance enterprises shall consider and increase insurance premiums. Insurance premiums can be increased by up to 15% of insurance premiums prescribed by Ministry of Finance.
4. For motor vehicles permitted to purchase insurance with duration other than 1 year, insurance premiums shall be determined based on insurance premiums prescribed by Ministry of Finance and insurance duration. To be specific:

$$\text{Payable insurance premiums} = \frac{\text{Annual insurance premiums by types of motor vehicles}}{365 \text{ (days)}} \times \text{Insurance duration (days)}$$

In case insurance duration is 30 days or less, payable insurance premiums shall be determined by dividing annual insurance premiums by types of motor vehicle by 12 months.



5. Insurance premiums shall be paid according to regulations of Ministry of Finance.

**Article 8. Insurance liability**

1. Insurance liability refers to the maximum payment potentially made by insurance enterprises for damage to health, lives and assets of third party and passengers done by motor vehicles in accidents within scope of compensation.

2. Based on practical costs for medical examination, treatment and care services and asset damages, Ministry of Finance shall prescribe liabilities of compulsory civil liability insurance of motor vehicle owners.

3. The insurance liability for the loss of life or health is VND 150 million /person/accident.

4. The insurance liability for property damage caused by:

a) Two-wheeled motorcycle, three-wheeled motorcycle, motorcycle (including electric motorcycle) and other similar-structured motor vehicles according to Law on Road traffic is VND 50 million /accident.

b) Motor vehicles; Tractors; Ro-mooc or Semi-Romooc towed by motor vehicles or tractors; by specialized motorbikes according to Law on Road traffic is VND 100 million/accident.

**Article 9. Duration and effect of insurance**

1. Insurance duration is specified on certificates of insurance, to be specific:

a) For motorcycles, motorized tricycles, mopeds (including electric mopeds) and similar vehicles according to Law on Road Traffic, the minimum insurance duration is 1 year and the maximum insurance duration is 3 years.

b) For remaining motor vehicles, the minimum insurance duration is 1 year and the maximum insurance duration shall conform to valid period of periodic technical safety and environmental protection inspection which has more than 1 year of valid period.

c) For following cases, insurance duration shall be less than 1 year: Foreign motor vehicles which temporarily import for re-export participate in traffic within Socialist Republic of Vietnam territory for less than 1 year; service life of motor vehicles is less than 1 year as per the law; temporarily registered motor vehicles according to regulations of Ministry of Public Security.

d) In case motor vehicle owners who have multiple vehicles participating in insurance at different times in a year wish to unify insurance participation time in the following year, insurance duration of these vehicles may be less than 1 year and equal to remaining valid period of the first contract concluded in that year. Insurance duration of the following year for insurance contracts and certificates of insurance which have been unified in terms of participation time shall conform to Point a and Point b Clause 1 of this Article.

2. Insurance effect shall start and end according to the duration specified on certificates of insurance.

3. In case shift in ownership of motor vehicles takes place within the duration specified on certificates of insurance, all insurance benefits related to civil responsibilities of the former motor vehicle owners shall remain valid for the new motor vehicle owners.

**Article 10. Termination of insurance contracts**

1. Insurance contracts shall be terminated in case vehicle registration certificates or vehicle license plates must be revoked according to Ministry of Public Security.

2. Insurance contracts shall be terminated in case motor vehicle owners fail to adequately pay insurance premiums according to Clause 5 Article 7 of this Decree.

3. Insurance contracts shall be unilaterally suspended in case of changes to factors which serve as the basis for calculating insurance premiums thereby lead to increase and/or decrease of insured risks.

**Article 11. Legal consequences of terminating insurance contracts**

1. In case of termination of insurance contracts specified under Clause 1 Article 10 of this Decree:

a) Insurance buyers and insurance beneficiaries must inform insurance enterprises in writing, attach certificates of insurance to be terminated and certification for revocation of vehicle registration certificates, license plates or decisions of competent agencies on revoking vehicle registration certificates, license plates.

Insurance contracts shall be terminated from the date on which insurance enterprises receive notice on termination of insurance contracts. Date of termination of insurance contracts shall be determined as follows:

- In case insurance buyers and insurance beneficiaries send notice in person or via postal service, termination of insurance contracts shall start from the date on which the termination is noted in records of insurance enterprises.



- In case insurance buyers and insurance beneficiaries send notice via fax or e-mail, termination of insurance contracts shall start from the date on which insurance enterprises receive fax or e-mail.

b) Within 5 working days from the date on which notice is received, insurance enterprises must refund insurance premiums to insurance buyers and insurance beneficiaries corresponding to remaining duration of insurance contracts which insurance buyers and insurance beneficiaries have paid insurance premiums after deducting reasonable costs related to insurance contracts. Insurance enterprises shall not refund insurance premiums in case insured events have occurred and compensation liabilities have derived before insurance contracts are terminated.

c) In case insurance buyers and insurance beneficiaries fail to inform termination of insurance contracts but insurance enterprises have adequate evidence for eligibility of motor vehicles for termination of insurance contracts according to Clause 1 Article 10 of this Decree, insurance enterprises must inform insurance buyers and insurance beneficiaries in writing and provide evidence for eligibility of motor vehicles for termination of insurance contracts.

If insurance buyers and insurance beneficiaries fail to adopt procedures for terminating insurance specified under Point a Clause 1 of this Article after 15 days from the date on which notice is received, insurance contracts are automatically terminated. Insurance enterprises shall refund insurance premiums as specified under Point b Clause 1 of this Article. In case insured events take place within 15 days from the date on which insurance enterprises notify insurance buyers and insurance beneficiaries about termination of insurance contracts, insurance enterprises must be responsible for compensating for insurance beneficiaries.

2. In case of termination of insurance contracts specified under Clause 2 Article 10 of this Decree:

a) Insurance contracts shall be terminated on the day following the day on which insurance buyers and insurance beneficiaries pay insurance premiums.

Within 5 working days from the date on which insurance contracts terminate, insurance enterprises must inform insurance buyers and insurance beneficiaries in writing about terminating insurance contracts and refunding the excess insurance premiums (if any) to insurance buyers and insurance beneficiaries or requesting insurance buyers and insurance beneficiaries to pay insurance premiums up to the point of terminating insurance contracts.

b) Insurance enterprises shall not refund insurance premiums in case insured events have occurred and compensation liabilities have derived before insurance contracts are terminated.

c) Insurance enterprises are not obliged to compensating insurance beneficiaries in case of insured events. Insurance contracts shall be terminated from the date on which insurance buyers or insurance beneficiaries receive notice on termination of insurance contracts. Date of termination of insurance contracts shall be determined as follows:

- In case insurance buyers and insurance beneficiaries send notice in person or via postal service, termination of insurance contracts shall start from the date on which insurance buyers or insurance beneficiaries provide confirmatory signature for receiving the notice.

- In case insurance buyers and insurance beneficiaries send notice via fax or e-mail, termination of insurance contracts shall start from the date on which insurance enterprises receive fax or e-mail.

d) Insurance contracts shall continue to be valid from the date on which motor vehicle owners adequately pay insurance premiums and receive written consensus of insurance enterprises.

3. In case of unilateral termination of insurance contracts specified under Clause 3 Article 10 of this Decree:

a) If insurance enterprises reject reduction to insurance premiums in case of unilaterally suspending insurance contracts due to changes to factors which serve as the basis for calculating insurance premiums which lead to decrease of insured risks:

Insurance buyers must issue written notice within 5 working days from the date on which insurance enterprises refuse to reduce insurance premiums. Insurance contracts shall be terminated from the date on which insurance enterprises receive notice on termination of insurance contracts. Legal consequences of terminating insurance contracts shall conform to Point b Clause 1 of this Article.

b) If insurance buyers reject increase to insurance premiums in case of unilaterally suspending insurance contracts due to changes to factors which serve as the basis for calculating insurance premiums which lead to increase of insured risks:

Insurance enterprises must issue written notice within 5 working days from the date on which insurance buyers reject increase to insurance premiums. Insurance contracts shall be terminated from the date on which insurance buyers receive notice on termination of insurance contracts.



Within 5 working days from the date on which insurance contracts are terminated, insurance enterprises must refund insurance premiums to insurance buyers and insurance beneficiaries corresponding to remaining duration of insurance contracts which insurance buyers and insurance beneficiaries have paid insurance premiums after deducting reasonable costs related to insurance contracts.

Insurance enterprises shall not refund insurance premiums in case insured events have occurred and compensation liabilities have derived.

#### **Article 12. Damage assessment**

1. In case of accidents, insurance enterprises or individuals authorized by insurance enterprises must closely cooperate with motor vehicle owners, motor vehicle operators and third party or legal representatives of relevant parties in assessing damage to identify cause and level of damage. Assessment results must be made into documents bearing signatures of relevant parties. Cost for damage assessment shall be incurred by insurance enterprises.

2. In case motor vehicle owners or motor vehicle operators fail to agree on causes and level of damage identified by insurance enterprises, both parties may solicit independent assessors unless otherwise agreed upon under insurance contracts. In case parties fail to agree on soliciting independent assessors, either party may request courts where the damage is done or where insurance beneficiaries reside to appoint independent assessors. Conclusion of independent assessors is obligatory for the parties.

3. In case conclusion of independent assessors differs from conclusion of insurance enterprises, insurance enterprises must pay for the independent assessors. In case conclusion of independent assessors corresponds with conclusion of insurance enterprises, motor vehicle owners and motor vehicle operators must pay for the independent assessors.

4. In case assessment cannot be implemented due to force majeure or objective causes, insurance enterprises may rely on records and conclusions of competent authorities and relevant documents to identify causes and level of damage.

#### **Article 13. Insurance exclusion**

Insurance enterprises shall not compensate for following cases:

1. Damage done intentionally by motor vehicle owners, motor vehicle operators or victims of the accidents.

2. Vehicle operators intentionally fleeing the scene after committing accidents without exercising civil responsibilities of motor vehicle owners. Vehicle operators intentionally fleeing the scene after committing accidents and exercising civil responsibilities of motor vehicle owners shall not be included under insurance exclusion.

3. Operators who are not within adequate age range to operate motor vehicles as per road traffic laws; operators who do not carry legitimate, proper driving license (driving license with template number at the back inconsistent with the latest template number in information system for managing driving license) issued by competent authorities at the time of accidents or carry inappropriate driving license when operating motor vehicles which require specific driving license. In case driving license of operators are revoked or suspended, the operators are considered to be not carrying driving license.

4. Damage that causes indirect consequences including: reduced commercial value, damage related to use and utilization of damaged assets.

5. Damage to assets caused by operators who have alcohol in breath or blood, or use narcotics or other prohibited stimulants as per the law.

6. Damage to assets which are lost or stolen as a result of the accidents.

7. Damage to special assets including: gold, silver, precious stones, financial instruments namely money, antiques, precious fine arts, and cadavers.

8. War, acts of terrorism, earthquake.

#### **Article 14. Insurance claims**

1. If accidents within insurance liabilities occur, insurance enterprises must reimburse insurance beneficiaries for the payment that has been made or will be made to the accident victims by the insurance beneficiaries.

In case insurance beneficiaries decease or lack legal capacity according to judicial decisions, insurance enterprises shall directly compensate the accident victims, victims' heirs (in case the victims have deceased) or victims' representatives (in case the victims lack legal capacity according to judicial decisions or are under 16 years of age).

2. Within 3 working days after being notified by insurance buyers or insurance beneficiaries about accidents, insurance enterprises must pay advance compensation for damage to health and lives, to be specific:

a) In case accidents have been identified to be within scope of compensation:



- 70% of insurance claims as per the law/person/case in case of fatalities.
- 50% of insurance claims as per the law/person/case in case of bodily injuries receiving emergency medical treatment.
- b) In case accidents have not been identified to be within scope of compensation:
  - 30% of insurance liabilities as per the law/person/case in case of fatalities.
  - 10% of insurance liabilities as per the law/person/case in case of bodily injuries receiving emergency medical treatment.

3. Insurance claims:

a) Specific compensation for health and lives is determined for each type of injury and casualty under Schedule for health and life compensation under Annex I attached to this Decree or according to agreement (if any) between insurance beneficiaries and victims or victims' heirs (in case the victims have deceased) or victims' representatives (in case the victims lack legal capacity according to judicial decisions or are under 16 years of age) but must not exceed the amount specified under Annex I attached to this Decree. In case judicial decisions are made, judicial decisions shall prevail as long as the amount specified under Annex I attached to this Decree is not exceeded.

In case multiple motor vehicles constitute to health or life damage, compensation amount shall be determined by levels of fault of insurance beneficiaries as long as total compensation amount must not exceed insurance liabilities.

In case of accidents which are entirely caused by third party as determined by competent authorities, health and life insurance for the third party shall equal 50% of the amount specified under Annex I attached to this Decree or agreement (if any) between insurance beneficiaries or victims' heirs (in case victims have deceased) or victims' representatives (in case victims lack legal capacity according to judicial decisions or are under 16 years of age) but must not exceed 50% of the amount specified under Annex I attached to this Decree.

b) Specific asset compensation/accident is determined based on practical damage and levels of fault of insurance beneficiaries but must not exceed insurance liabilities.

4. Insurance enterprises are not obliged to pay for the excess insurance liabilities according to Ministry of Finance except for cases in which motor vehicle owners participate in voluntary insurance contracts.

5. In case multiple compulsory civil liability insurance contracts are concluded for a single motor vehicle, compensation shall be determined only according to the first concluded contract. Insurance enterprises must refund 100% of paid insurance premiums for the remaining insurance contracts.

**Article 15. Insurance claim dossiers**

Insurance enterprises are responsible for cooperating with insurance buyers and relevant parties in producing insurance claim dossiers and being legally responsible for accuracy, adequacy and legitimacy of insurance claim dossiers. Insurance claim dossiers shall compose of following documents:

1. Documents related to vehicles, vehicle operators (certified true copies or copies bearing confirmation of insurance enterprises) provided by insurance buyers or insurance beneficiaries:

a) Vehicle registration (or certified true copies of vehicle registration and master registers of valid notice of receipt of credit institutions during the period in which the credit institutions hold master registers of vehicle registration) or documents on transfer of vehicle ownership and certificates of vehicle origin (in case vehicle registration is not available).

b) Driving license.

c) ID cards, Citizen Identity Cards, passports or other personal documents of vehicle operators.

d) Certificates of insurance.

2. Documents proving damage to life and/or health (copies of medical establishments or copies bearing confirmation of insurance enterprises) provided by insurance buyers or insurance beneficiaries:

a) Written proof of injuries.

b) Medical records.

c) Excerpts of death certificates, death notices, written confirmation of police authorities or assessment results of forensic examining bodies in case victims decease while mounting vehicles or decease due to accidents.

3. Documents proving property damage provided by insurance buyers or insurance beneficiaries:

a) Valid invoices and instruments on repair and/or replace of properties damaged due to traffic accidents (in case insurance enterprises repair and remediate the damage, the insurance enterprises are responsible for collecting such documents).



b) Documents, invoices and instruments related to additional costs incurred by motor vehicle owners to reduce the damage or follow instructions of insurance enterprises.

4. Copies of relevant documents of police authorities collected by insurance enterprises in lethal accidents for third party and passengers, including: notice of traffic accident investigation, verification, resolution results or notice of accident investigation and resolution results.

5. Assessment records for identifying causes and levels of damage produced by insurance enterprise on the basis of consensus between insurance enterprises and insurance buyers, insurance beneficiaries.

**Article 16. Deadline for claim request and payment**

1. Deadline for requesting claims shall be 1 year from the date on which accidents occur except for cases of delay due to objective reasons or force majeure as per the law.

2. Within 5 working days from the date on which accidents occur (except for force majeure), insurance buyers or insurance beneficiaries must send notice of accidents in writing or electronically to insurance enterprises.

3. Deadline for making claim of insurance enterprises shall be 15 days from the date on which adequate applications for insurance claims are received and 30 days from the date on which adequate applications for insurance claims are received in case verification is required.

4. In case of rejecting insurance claims, insurance enterprises must inform insurance buyers or insurance beneficiaries in writing about reasons of rejection within 30 days from the date on which adequate applications for insurance claims are received.

**Article 17. Rights of insurance buyers and insurance beneficiaries**

In addition to rights under Law on Insurance Business, insurance buyers and insurance beneficiaries have the rights to include insurance premiums in business expenditure in case insurance buyers are manufacturing entities; allocate insurance premiums in recurrent operation expenditure of agencies and entities in case insurance buyers are administrative agencies or service providers of the Government.

**Article 18. Obligations of insurance buyers and insurance beneficiaries**

In addition to obligations under Law on Insurance Business, insurance buyers and insurance beneficiaries have the obligations to:

1. Cooperate with insurance enterprises in inspecting vehicle conditions before issuing certificates of insurance.

2. Promptly inform insurance enterprises to adopt appropriate insurance premiums for the remaining duration of insurance contracts in case of changes to factors which serve as the basis for calculating insurance premiums thereby increasing insured risks.

3. Always carry valid (physical or electronic) certificates of insurance when participating in traffic and present these documents at request of traffic police and other competent authorities as per the law.

4. Comply with regulations on road traffic safety.

5. In case of traffic accidents, be responsible for:

a) immediately informing insurance enterprises to cooperate in resolving, treating, limiting further damage to health, life and property, and protecting accident scenes; immediately informing the nearest police authorities or local governments to cooperate in resolving the accidents as per the law and cooperate with authorities in investigating and verifying causes of accidents.

b) refraining from moving, dismantling or repairing properties without consensus of insurance enterprises; except for cases in which such activities are necessary to ensure safety, prevent damage to health, life and properties or according to request of competent agencies.

c) collecting and providing documents required under insurance claim dossiers within responsibilities of insurance buyers and insurance beneficiaries for insurance enterprises according to Article 15 of this Decree.

d) enabling insurance enterprises to verify documents by the insurance buyers and insurance beneficiaries.

6. Notify victims or heirs or representatives of the victims about claims paid by insurance enterprises for each case of damage to health and life according to Point a Clause 3 Article 14 of this Article and pay claims.

7. Inform insurance enterprises in writing according to Point a Clause 1 and Point a Clause 3 Article 11 of this Decree.

**Article 19. Rights of insurance enterprises**

In addition to rights under Law on Insurance Business, insurance enterprises have the rights to:



1. Request insurance buyers and insurance beneficiaries to fully and truthfully provide details specified under certificates of insurance; inspect motor vehicle conditions before issuing certificates of insurance.
2. Reduce up to 5% of property damage claims in case insurance buyers or insurance beneficiaries fail to notify insurance enterprises about accidents according to Clause 2 Article 16 of this Decree or fail to notify in case of changes to factors which serve as the basis for calculating insurance premiums thereby increasing insured risks after insured events have occurred.
3. After paying advance compensation according to Point b Clause 2 Article 14 of this Decree, requesting Board for operating motor vehicle insurance funds to reimburse the advance payment in case accidents are identified to be within insurance liability exclusion or in case the advance payment exceeds insurance claims when the accidents are within scope of compensation.
4. Request police authorities to provide copies of documents related to accidents specified under Clause 4 Article 15 of this Decree.
5. Propose revision of principles, clauses, insurance premium schedules and compulsory civil liability insurance of motor vehicle owners depending on practical implementation of the insurance.

**Article 20. Obligations of insurance enterprises**

In addition to obligations under Law on Insurance Business, insurance enterprises have the obligations to:

1. Sell compulsory civil liability insurance of motor vehicle owners according to this Decree and issue certificates of insurance for insurance buyers according to Clause 3 Article 6 of this Decree.
2. Establish and maintain round the clock operation of hotline to promptly receive information on accidents, instruct and answer insurance buyers, insurance beneficiaries and relevant parties about issues related to compulsory civil liability insurance of motor vehicle owners.
3. Integrate ability to search certificates of insurance on website of insurance enterprises to enable inspecting and supervisory authorities and insurance buyers, insurance beneficiaries to search and verify insurance duration and effect of certificates of insurance.
4. Within 1 hour after receiving notice on the accidents, insurance enterprises must inform insurance buyers, insurance beneficiaries and motor vehicle owners about safety measures to minimize loss of life and property, provide guidelines on applications and procedures for requesting insurance claims; closely cooperate with insurance buyers, insurance beneficiaries, third party and relevant parties within 24 hours in organizing assessment of damage to determine causes and level of damage which serve as the basis for insurance claims.
5. Inform insurance buyers, insurance beneficiaries and accident victims about compensation for life, health and pay according to Point a Clause 3 Article 14 of this Decree.
6. Clarify principles, clauses and premiums of compulsory civil liability insurance of motor vehicles to enable insurance buyers and insurance beneficiaries to distinguish compulsory civil liability insurance of motor vehicle owners from other forms of voluntary insurance.
7. Actively collect documents required under insurance claim dossiers within responsibilities of insurance enterprises according to Article 15 of this Decree.
8. Pay advance compensation, pay compensation quickly and precisely according to this Decree.
9. Inform insurance buyers in writing according to Point c Clause 1, Point a Clause 2 and Point b Clause 3 Article 11 of this Decree.
10. Pay police authorities fees for copying accident documents and records provided as per the law and keep secrets during investigation process.
11. Within 15 days before insurance expires, inform insurance buyers and insurance beneficiaries about expiration of insurance contracts.
12. Contribute to motor vehicle insurance fund according to Article 26 of this Decree.
13. Keep separate accounts of insurance premiums, premiums, compensations and costs related to compulsory civil liability insurance of motor vehicle owners. Costs related to compulsory civil liability insurance of motor vehicle owners do not include non-commission financing for insurance agencies which insurance agencies are eligible for benefiting according to Ministry of Finance, promotion and payment discount in any shape or form.





14. Develop, implement and assign personnel to control implementation of professional principles and procedures, control risks, control internally, anti-fraud in insurance business related to compulsory civil liability insurance of motor vehicles.

15. Be subject to inspection and supervision of competent authorities when implementing compulsory civil liability insurance of motor vehicle owners.

16. Organize implementation of compulsory civil liability insurance of motor vehicle owners.

**Article 21. Conflict resolution**

All conflicts that derive from insurance contracts shall be resolved on the basis of negotiation first and foremost, if negotiation cannot be reached, parties have the rights to settle conflicts via commercial mediation, commercial arbitration or courts.