**Framework Mechanism**

 **of Cooperation between Insurance Entities of the Republic of Moldova and Pridnestrovie on Compulsory Motor Vehicle Owners’**

**Civil Liability Insurance Contracts**

May 8, 2015 Chisinau

In accordance with the Protocol Decision on the Framework Mechanism of Cooperation between Insurance Entities of the Republic of Moldova and Pridnestrovie on Compulsory Motor Vehicle Owners’ Civil Liability Insurance Contracts of April 10, 2015,

the insurance entities (hereinafter referred to as the Parties), signatories of this Framework Mechanism, have concluded this Framework Mechanism of cooperation on the following:

1. Subject Matter of the Agreement
	1. The Parties shall create conditions for the implementation of paragraphs 4 and 5 of the Protocol Decision on the Framework Mechanism of Cooperation between Insurance Entities of the Republic of Moldova and Pridnestrovie on Compulsory Motor Vehicle Owners’ Civil Liability Insurance Contracts.
	2. The signatories to this document shall issue insurance policies. The Parties’ insurance policy must contain, at a minimum:

а) name, place of residence of the Parties to the agreement;

б) object of insurance: civil liability;

в) date of commencement and term of insurance.

1. Insured Event
	1. Within the framework of the Compulsory Motor Third Party Liability insurance an insured event shall be deemed an accident committed by a motor vehicle whose owner has fulfilled the obligations under the Compulsory Motor Third Party Liability insurance, resulting in damage, if it has been sustained:

a) both when the motor vehicle is moving and when it is parked;

b) as a result of accidental disconnection of a trailer, semi-trailer or other types of trailers whilst the motor vehicle is in motion;

c) because of devices or appliances with which the motor vehicle has been fitted;

d) as a result of leakage, spillage, or accidental falling of transported substances, materials, or objects;

e) when entering or leaving a motor vehicle.

* 1. The policy holder shall not be liable if the accident is caused solely by the fault of the injured Party.
	2. Upon the insured event, the participants of the accident shall notify and apply to the insurance companies that have issued insurance policies.
1. Documents Required to Establish an Insured Event

The documents required to be submitted to the other Party on occurrence of the insured event shall obligatorily include:

а) copies of documents establishing the fact and circumstances of commission of the motor vehicle accident;

б) an explanation of the policy holder or the motor vehicle user regarding commission of the road traffic accident, except for cases of severe bodily injuries or death of the policy holder or the user which occurred due to the road traffic accident or cases of evasion from liability;

в) an injured person’s claim on establishment of damage, determination and payment of insurance compensation.

1. Relationship of the Parties in Providing the Required Documents
	1. On the occurrence of an insured event in the territory of one of the Parties under the motor vehicle owners’ civil liability insurance policy (contract), the insurance entity of one of the Parties, which is licensed to effect motor vehicle owners’ civil liability insurance in the territory of that Party and has concluded a motor liability policy (contract), shall request the information required for the payment of insurance compensation from the insurance entity of the other Party.
	2. Upon receipt of an official request, the insurance entity of one of the Parties shall request all necessary information about the occurred insured event from the relevant competent authorities and organizations and upon receipt transmit it to the insurance entity of the other Party within 15 days.
	3. In order to exchange information promptly, insurance entities of the Parties shall exchange the necessary documentation electronically with the subsequent sending of a full package of documents in hard copy.
2. Insurance Payments

Upon occurrence of an insured event, the insurance entity, which has concluded a CMTPL insurance contract, shall establish and carry out compensation for damage caused by the vehicle owner to the injured person, within the limits of the insurer’s liability established in the Republic of Moldova and Pridnestrovie.

1. Settlement of Disputes.

The exchange of information on the accession of insurance entities to the Framework Mechanism, as well as the discussion of disagreements related to the implementation of this Framework Mechanism provisions and the finding of appropriate solutions, is carried out within the expert (working) groups on transport and road development as appropriate with the participation of Political Representatives from Chisinau and Tiraspol.

1. Final and Transitional Provisions
	1. The Parties undertake to inform each other in writing about the difficulties encountered, which may lead to the non-fulfillment of certain obligations under the Framework Mechanism of Cooperation in order to agree and take necessary measures to eliminate them. The response period to the written request of one of the Parties to the other Party shall not exceed 10 (ten) calendar days from the date of receipt of this request.
	2. CMTPL insurance contracts concluded before the signing of this Framework Mechanism shall be recognized valid as long as they are in force.
	3. The validity period of this Framework Mechanism of Cooperation is set until May 8, 2016 subject to prolongation upon consent of the Parties.
	4. Each of the Parties may terminate this Framework Mechanism early if it notifies the other Party of its decision in writing. In this case, this Framework Mechanism shall be deemed null and void thirty (30) days after receipt of such notice by the other Party.
	5. This Framework Mechanism of Cooperation shall be drawn up in two (2) copies, each of which shall be in the possession of the Political Representatives.