

Pursuant to Article 158-j, Point 1) of the Law on Insurance Supervision (Official Gazette of the Republic of Macedonia Nos. 27/02, 84/02, 98/02, 33/04, 88/05, 79/07, 08/08, 88/08, 56/09, 67/10 and 44/11), the Council of Experts of the Insurance Supervision Agency adopted the following

RULEBOOK

ON THE MINIMUM CONTENTS OF RECORDS AND THE MANNER OF REPORTING, RESERVING AND LIQUIDATING THE CLAIMS BY THE INSURANCE COMPANIES

I. General Provisions

Article 1

This Rulebook prescribes the minimum contents of records and the manner in which the claims for damages (hereinafter: the claims) are reported, reserved and liquidated by the undertakings which operate in the field of insurance in the group of non-life insurance (hereinafter: the Undertakings).

II. Records of Claims

Article 2

- (1) The Undertaking shall be required to keep a master record of claims within a Book of Claims.
- (2) In addition to the master records within the Book of Claims, the Undertaking shall also keep the following individual records of claims:
 1. Records of claims arising from Green Card,
 2. Records of service claims,
 3. Records of guarantee fund claims,
 4. Records of recourse claims,
 5. Records of rent claims, and
 6. Record of lawsuits.
- (3) In addition to the master and individual records, the Undertaking shall be required to prepare an Inventory of Claims as part of the overall claims records.
- (4) The data in the master and individual records and the Claims Inventory shall be generated from the Undertaking's information system.

Book of Claims

Article 3

- (1) The Book of Claims shall be a document for strict record-keeping.
- (2) The Book of Claims shall be kept in the following manner:
 - centralised, at the level of the Undertaking,
 - for a single calendar year,
 - in electronic form.
- (3) In the Book of Claims for a current year only those claims shall be recorded which have been reported to the Undertaking for the first time, regardless of the date of the occurrence of the claim.
- (4) The Undertaking shall balance the Book of Claims on 31st of December of the current calendar year, with the ordinal number of the last reported claim on that day.
- (5) The Undertaking shall prepare an overview of claims for each class of insurance separately, with a position on 31st of December of the current year, and the credibility of the overview shall be verified with the signature of the person in charge of the Claims Department and the seal of the Undertaking.
- (6) The Book of Claims in terms of Paragraph (4) of this Article shall be balanced with regards to the reporting of new claims for the current calendar year, but it shall remain open and active until the settlement of all claims entered therein.

Records of Claims arising from Green Card (ZK/AO)

Article 4

The records of claims arising from Green Card shall include the claims that have been processed and paid by foreign insurance undertakings or their claims representatives, in the name of and for the account of a domestic insurance undertaking.

Records of Service Claims (ZK/UG)

Article 5

The records of service claims shall include the claims that have been processed and paid by domestic insurance undertakings in the name of and for the account of a foreign insurance undertaking.

Records of Guarantee Fund Claims

Article 6

Records of Guarantee Fund claims shall include the claims that the Undertaking has processed

and paid arising from uninsured and unknown motor vehicles and other cases stipulated by law for which the Undertaking has the right to return of the compensation for the claims paid from the Guarantee Fund.

Record of Lawsuits

Article 7

The records of lawsuits includes all the initiated court cases against the Undertaking where the claimant is seeking compensation of their damages by way of a court proceeding.

Records of Recourse Claims

Article 8

The records of recourse claims shall include all the receivables the Undertaking has arising from the right to compensation of the amount paid to the insured, or the insurance beneficiary, from the recourse debtor.

Records of Rent Claims

Article 9

The records of rents of non-life insurance shall include the rent claims recorded in the Book of Claims after the final determination of the rent in a court or an out-of-court proceeding.

Inventory of Claims

Article 10

- (1) The Inventory of Claims shall comprise an Inventory of Liquidated but Unpaid Claims and an Inventory of Reserved Claims in the Undertaking, as per insurance classes, with a position on 31st December of the current business year.
- (2) The claims inventory of the previous business year shall be an integral part of the Book of Claims for the current business year.
- (3) The claims inventory shall be prepared, controlled and verified by an Inventory Commission set up by the Undertaking.

Records Completion Method

Article 11

The minimum contents of the master and individual records of claims and the claims inventory referred to in Article 2 of this Rulebook is prescribed in Annex 1 to this Rulebook and constitutes an integral part thereof.

III. Reporting, Reserving and Liquidation of Claims

Article 12

- (1) The claim shall be reported by submitting a special form prescribed by the Undertaking or by another written application (hereinafter: Claims Application).
- (2) Following are mandatory elements in any Claims Application:
 - Name and surname / name of the injured party
 - Unique identification number / unique taxation number of the injured party
 - Residential address of the injured party
 - Date and place of the claim report,
 - Date of claim incurrence,
 - Information about the insurance policy,
 - Description of the event causing the claim,
 - Signature / signature and seal of the insured / the injured party
- (3) The Insurance Undertaking shall be required to record the reported claim in its Book of Claims the latest within 2 work days from the day of the reception of the Claims Application.
- (4) The moment the Claims Application becomes recorded in the Book of Claims, the claim receives a unique number generated by the claims information system.
- (5) The Insurance Undertaking shall be required to open a case that will be referenced with the same number as recorded in the Book of Claims.

Article 13

- (1) The Undertaking shall be required to prescribe, by way of an internal rulebook, a List of Required Documentation necessary for the claim to be processed and liquidated and the deadlines within which the Undertaking may request additional documentation necessary for the settlement of the claim.
- (2) Any document received shall include the date of reception.
- (3) The documentation in the case file and the electronic records of documentation shall have to contain identical information.

Article 14

- (1) At the moment of recording of the claim in the Book of Claims, the Undertaking shall be required to set aside an initial amount of claim reserves corresponding to the initial information about the claiming amount, or an average reserved amount in case the claiming amount cannot be determined at that particular moment.
- (2) With any addition provision of evidence documentation that may prerequisite a change to the initially reserved claiming amount, the Undertaking shall be required to make the change in the claims reserves within three days from the day of reception of the additional documentation.

(3) The Undertaking shall record any change of the claim reserved amount in the Book of Claims and shall enter the date of the change, and shall make an entry thereof also in the reservations history.

Article 15

(1) Upon settlement of the claim, the Undertaking shall be required to notify the claims applicant in writing about the settled claim, therewith informing about: The amount of the claim compensation, the possibility and the deadline for petitioning to the Undertaking in case of client dissatisfaction and the deadline for the claim payment which shall not exceed 14 days from the day of the claim liquidation.

(2) The client's petition shall not postpone the payment of the undisputed portion of the claim.

IV. Transitional Provisions

Article 16

Provisions of Articles 2, 3, 4, 5, 6, 7, 8, 9, 10 and 11 of this Rulebook shall come into force on 01.04.2012, and shall apply to all claims reported to the Undertaking for the first time as of 01.01.2012.

V. Final Provisions

Article 17

This Rulebook shall enter into force on the day of its promulgation in the Official Gazette of the Republic of Macedonia.

No. 0201-4495/2
Skopje, 28.12.2011

President of the Council of Experts
Dr. Klime Poposki

MINIMUM CONTENTS OF RECORDS OF CLAIMS**1. BOOK OF CLAIMS**

1. Claim number
2. Date of claim incurrence
3. Date of reporting the claim to the Undertaking
4. The insured:
 - Type of the insured (physical person / legal entity)
 - Name and surname / name of the legal entity
 - Policy number
 - Insurance duration (from – to)
 - Type of vehicle
 - Geographic designation
5. The injured party:
 - Type of the insured (physical person / legal entity)
 - Name and surname / name of the legal entity
6. Type of claim (M, NM, MŠ)
7. Amount of claim reserve
8. Amount of reserves for direct costs for claims processing
9. Total reserved amount
10. Date of liquidated material claim
11. Amount of liquidated material claim
12. Date of liquidated non-material claim
13. Amount of liquidated non-material claim
14. Liquidated amount of direct costs for claims processing
15. Total liquidated amount
16. Date of payment of the material claim
17. Amount of payment of the material claim
18. Date of payment of non-material claim
19. Amount of payment of non-material claim
20. Paid amount of direct costs for claims processing
21. Total paid amount
22. Insurance class
23. Tariff (Code)

24. Cause of claims (Code)

25. Date of archiving

2. OVERVIEW OF CLAIMS

1. Total number of reported claims
2. Total number of reserved claims
3. Total amount of reserved claims;
4. Total number of liquidated claims
5. Total amount of liquidated claims
6. Total number of paid claims
7. Total amount of paid claims
8. Total number of liquidated claims
9. Total number of liquidated but unpaid claims
10. Total amount of liquidated but unpaid claims

3. RECORDS OF CLAIMS ARISING FROM GREEN CARD

1. Claim number
2. Date of claim incurrence
3. Date of reporting
4. The causing party of the claim
5. The injured party
6. Vehicle registration number (of the injured party and the causing party)
7. Liquidated amount arising from the claim
8. Commission for claim processing
9. Total paid amount arising from claim
10. Date of payment
11. Date of archiving

4. RECORDS OF SERVICE CLAIMS

1. Claim number
2. Date of reporting
3. Date of claim incurrence
4. The injured party
5. The causing party (a foreign insured)
6. Vehicle registration number (of the injured party and the causing party)
7. Refunder

8. Liquidated amount
9. Paid amount
10. Refunded amount
11. Commission for claim processing
12. Date of refunding of the amount
13. Date of archiving

5. RECORD OF GUARANTEE FUND CLAIMS

1. Claim number
2. Date of reporting
3. Date of claim incurrence
4. The injured party
5. The causing party for the claim
6. Type of vehicle
7. Vehicle registration number
8. Liquidated amount
9. Paid amount
10. Date of payment
11. Amount of refunding from GF
12. Date of refunding from GF
13. Commission
14. Date of archiving

6. RECORD OF LAWSUITS

1. Claim number
2. Number of claim subject to lawsuit
3. Date of reporting the claim to the Undertaking
4. Information about the injured party:
 - Name and surname / name of the injured party
 - Policy number
 - Insurance duration (from – to)
5. Power of Attorney
6. Lawsuit date
7. Number of the court proceeding case
8. Value of the lawsuit claim
9. Principal debt

10. Interest
11. Court processing costs
12. Date of archiving of the claim

7. RECORDS OF RECOURSE CLAIMS

1. Claim number
2. Number of recourse claim
3. Recourse grounds
4. Date of opening of the recourse claim (date of payment of the claim)
5. Amount of the recourse receivable
6. Name and surname / name of the recourse debtor
7. Method of payment of the recourse receivable
8. Date of payment
9. Collected amount
10. Date of closing the recourse claim
11. Note
12. Date of archiving

8. RECORDS OF RENT CLAIMS

1. Claim number
2. Date when entry was made of the rent claim
3. Rent beneficiary:
 - Name and surname
 - Address
4. Reserves brought forward on 1st January of the current year
5. Total amount of paid monthly rents in the current year
6. Reserves on 31st December of the current year
7. Date of archiving

9. INVENTORY OF RESERVED CLAIMS

1. Claim number
2. Policy number
3. Date of reporting the claim to the Undertaking
4. Amount of reserved material claim
5. Amount of reserved non-material claim
6. Amount of reserves for direct costs for claims processing

7. Total amount of the reserves

10. INVENTORY OF LIQUIDATED BUT UNPAID CLAIMS

1. Claim number
2. Policy number
3. Date of liquidating the claim of the Undertaking
4. Amount of liquidated material claim
5. Amount of liquidated non-material claim
6. Amount of liquidated direct costs
7. Total liquidated amount