

The Government Of The Union of Myanmar  
Ministry Of Finance And Revenue

Notification

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(2<sup>nd</sup> May,2003)

The Ministry Of Finance and Revenue in exercise of the powers conferred under sub-section (a) of section 41 of the Myanma Insurance Law and with the approval in the Cabinet meeting 14/2003 held on 2<sup>nd</sup> May, 2003 by the Government of the Union of Myanmar makes the following Rules.

**Chapter I**  
**Title and Definition**

1. These Rules shall be called the Third-Party Liability insurance Rules.
2. The expressions contained in these Rules shall have the same meanings as defined in the Myanma Insurance Law. Moreover the following expressions shall have the meanings as defined hereunder.
  - (a) **Third Party** means any other person than an Insured and the Insurer under these Rules.
  - (b) **Motor Vehicle** means a vehicle or machine capable of being driven to move by means of mechanical, electrical of some other power.
  - (c) **Insured** means a person having paid premium for Third-Party Liability Insurance under these Rules.
  - (d) **Premium** means a consideration payable for Third-Party Liability Insurance.

- (e) **Victim** means a person who deceases, sustains injury or whose property is damaged because of a motor vehicle insured. This expression also includes the legal beneficiary to the Deceased.
- (f) **Property** means all properties both moveable and immovable including an animal except human-beings.
- (g) **Indemnity** means a sum of money determined by the Myanma Insurance as payable to a Victim.
- (h) **Registration Authority** means the organization entitled to register motor vehicles.

## Chapter 2

### Duties of a Motor Vehicle owner

- 3. A motor vehicle owner shall :-
  - (a) pursuant to section 15 of the Myanma Insurance Law, have his vehicle compulsorily insured with the Myanma Insurance against third-party liability.
  - (b) pay the premium charged by the Myanma Insurance to it or the organization authorised thereby on registration of his motor vehicle or renewal of the registration.
  - (c) apply to the Myanma Insurance if he so desires for exemption from payment of premium for the period for which he was permitted by the registration authority not to renew the registration.
  - (d) pay to the Myanma Insurance in a lump sum the premium due and the fine for the period not exempted by the registration authority.
  
- 4. A motor vehicle owner shall :-
  - (a) pay to the Myanma Insurance in a lump sum the premium and the fine charged thereby in respect of his failure to have his vehicle insured against third-party liability.

- (b) in the event of an accident caused by or in connection with his vehicle, report the same to the authority concerned, the police station and the Myanma Insurance.

5. Where the Myanma Insurance becomes liable to pay an indemnity in respect to death, bodily injury or property damage caused to a third party by a motor vehicle for which no premium had been paid, the owner thereof shall pay to the Myanma Insurance the premium due together with the fine and all the expenses incurred.

### Chapter 3

#### Duties and rights of a Victim

6. Where a motor vehicle causes death, bodily injury or property damage to a third-party or the Insured, the Victim shall claim the indemnity from the Myanma Insurance in the prescribed forms within the periods stipulated below:-

- (a) 12 months from the date of death following the accident.
- (b) 24 months from the date of accident for a bodily injury and
- (c) 12 months from the date of accident for damage to property.

7. The Victim is entitled to

- (a) the level of indemnity determined by the Myanma Insurance.
- (b) apply to the Myanma Insurance with a duly executed affidavit or on oath for consideration by giving a valid reason why he had failed to file the claim within the period stipulated by the Rule 6, in case he failed to claim in time.
- (c) the indemnity, only after the lapse of 24 months from the date of accident in the event of the Deceased's body not being recovered.

- (d) plead to the Ministry unless he is satisfied with the final decision of the Myanma Insurance in connection with the indemnity claimed.

## Chapter 4

### Duties and Rights of the Myanma Insurance

8. The Myanma Insurance may:-
- (a) cooperate and coordinate with other governmental organizations for the purpose of effecting third-party liability insurance as well as a claim for indemnity.
  - (b) communicate and cooperate with the relevant organizations situated within and without Myanmar for the purpose of effecting third-party liability insurance and disbursement of indemnity in respect of motor vehicles entering or leaving Myanmar.
  - (c) after a due scrutiny pay or reject the claim.
  - (d) interrogate the persons concerned in connection with a claim for indemnity.
  - (e) for the purpose of the third-party liability insurance, fix and revise the following:-
    - (a) premium rate
    - (b) rate of indemnity
    - (c) rate of fine and
    - (d) commission rate

The scale of indemnities shall be fixed with the approval of the Ministry by notification in the official Gazette.
  - (f) impose a fine on the owner for failing to effect third-party liability insurance for his motor vehicle.
  - (g) fix and revise premium rates and a scale of indemnities either in foreign exchange or Myanmar kyats and prescribe and revise the

procedures to be followed and the terms and conditions to be observed in respect of a foreign motor vehicle entering or passing through Myanmar. The scale of indemnities shall be determined with the approval of the Ministry by notification in the official Gazette.

- (h) charge the premium in foreign exchange in respect of a foreign motor vehicle entering of passing through Myanmar.

9. The Myanma Insurance shall pay the indemnity to the Victim in the following order:-

- (a) the Deceased's
  - (1) legal spouse
  - (2) offspring (including adopted children)
  - (3) parents
  - (4) brothers and sisters
  - (5) legal inheritor in accordance with the customary law of the Deceased, in case the Deceased had no brother nor sister
  - (6) in the case of a dispute about the question of law as regards the legal inheritor in (5) above, the beneficiary finally sanctioned by a court of law having jurisdiction over such a case.

Explanation - In the case of the death of a religious person, or a person engaged in religious affairs, the indemnitee shall be the person selected by the highest personage or the highest religious organization of the Deceased's faith who are entitled to make such a selection.

- (b) the Injured,
- (c) the Owner of the property damaged.

Explanation – Provided that nothing in this Rule shall apply to the damage to and loss of the property carried on the motor vehicle and cash, jewellery and personal effects carried by the Victim.

10. The Myanma Insurance shall indemnify the Victim in respect of death, bodily injury or property damage caused to a third-party by a motor vehicle for which no premium had been paid.

11. Where a motor vehicle owner fails to pay, pursuant to these Rules, premium, fine and expenses payable to the Myanma Insurance, it is entitled to cause the owner to pay the unpaid amount as being the land revenue remaining unpaid.

## **Chapter 5**

### **Duties of the Myanma Police Force**

12. Where a motor vehicle in an accident causes death, bodily injury or property damage to a third-party or the Insured the relevant police station shall:-

- (a) assign a policeman to go immediately to the scene of the accident and inspect it.
- (b) report immediately to the Myanma Insurance in the prescribed forms, fully stating the following:-
  - (1) number and date of the first information report
  - (2) where and how the accident had occurred
  - (3) names, national registration numbers and addresses of the driver and owner of the motor vehicle concerned together with its registration number.
  - (4) names, national registration number and address of the Deceased, the Injured or the Owner of the property damaged.
  - (5) a list of the properties damaged and estimated value there of in case properties are damaged and
  - (6) their finding and opinion about the accident

**Chapter 6**  
**Miscellaneous**

13. The Myanma Insurance shall cause other governmental organizations to enable the drivers and conductors to be insured with the Myanma Insurance against third-party liability in pursuance of the Motor Traffic Act 1964 and the Motor Traffic Rules.
14. The Myanma Insurance shall not be liable to pay any indemnity in respect of death, bodily injury or property damage directly or indirectly caused by or attributed to
- (a) the deliberate act of the Deceased, the Injured or the Owner of the property damaged
  - (b) the outbreak of a war or warlike operations
  - (c) a strike
  - (d) a riot and
  - (e) insurrection and insurgency
15. The hospital concerned under the Ministry of Health shall furnish a medical report to the Victim in respect of death or bodily injury caused to a third-party or the Insured by a motor vehicle.
16. The Ministry may set up and assign a requisite body to enable the Myanma Insurance implement the provisions of these Rules.
17. Whoever fraudulently collects, attempts to collect or abets the claimant to collect a third-party liability insurance indemnity from the Myanma Insurance shall be prosecuted in accordance with the existing laws.
18. The Third-Party Liability Rules (Pyithu Hluttaw Rules No.4 of 1976) are hereby repealed by these Rules.

(Major General Hla Tun)  
Minister

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