



COUNCIL OF BUREAUX

42nd General Assembly – 29th & 30th May 2008 - Lisbon

Proceedings and Recommendations

42nd General Assembly of the Council of Bureaux

DAY 1: Thursday, 29th May 2008 - 9:30 to 17:00 hours

Opening Ceremony

Welcome Addresses

- Mr. Luis Sanches – President, Portuguese Green Card Bureau
- Mr. Fernando Nogueira – President, Portuguese Insurance Supervisory Authority
- Mr. Pedro Seixas Vale – President, Portuguese Association of Insurers
- Mr. Gerd Böehmer – Chairman of Victoria Insurance Company
- Mr. Ulf Blomgren – President, Council of Bureaux

Presentation from Guest Speaker

- European Commission Speech presented by Mr. Alan Beverly, Internal Market and Services

Proceedings and Recommendations

1. President's Report (Ulf Blomgren)

The President, Mr. Ulf Blomgren, will present his oral report to the General Assembly.

2. Membership Issues (Ulf Blomgren)

The President, Mr. Ulf Blomgren, will present the report on Membership Issues. **[Report N° 2]**

The Management Committee recommends to the General Assembly that:

Recommendation N° 2 - 1

RAMI is admitted to membership under the status of a transitional member as of 1st January 2009 until its possible advancement to the status of a full member is agreed by the General Assembly according to the Transitional Membership Financial Guarantees Criteria, and provided that the financial guarantees (reinsurance contract and bank guarantee) are activated by 15th October 2008 for the bank guarantee and 1st November 2008 for the reinsurance program in light of its review clause. RAMI will also be assigned to Contribution Group A.

3. Specific Rules Committee (Silvio Lovetti – I)

Mr. Silvio Lovetti, Chairman, will present the report of the Specific Rules Committee [Report N° 3].

The Committee recommends to the Committee of Signatories that:

LIST OF DECISIONS TO BE DELETED

Recommendation N° 3 - 1

The Decisions taken by the General Assembly and by the Committee of Signatories of the Multilateral Guarantee Agreement before 1st July 2003, detailed herewith, are deleted because they are no longer consistent with the new rules of the Internal Regulations.

LIST OF DECISIONS TO BE KEPT

Recommendation N° 3 - 2

The Decisions taken by the General Assembly and by the Committee of Signatories of the Multilateral Guarantee Agreement before 1st July 2003, detailed herewith, are kept because they are still consistent with the new rules of the Internal Regulations.

LIST OF DECISIONS TO BE KEPT AS REVISED

Recommendation N° 3 - 3

The Decisions taken by the General Assembly and by the Committee of Signatories of the Multilateral Guarantee Agreement before the 1st July 2003, detailed herewith, are kept as revised because they are still consistent with the new rules of the Internal Regulations

IMPLEMENTATION OF THE EXPLANATORY MEMORANDUM

Recommendation N° 3 - 4

A mandate is given to the Secretary General to modify the Explanatory Memorandum to include the Decisions taken by the 2008 Committee of Signatories in relation to the interpretation of Section III of the Internal Regulations and for a general revision of its format.

RECAST OF EC DECISIONS (UPDATE OF THE INTERNAL REGULATIONS AND THE MULTILATERAL AGREEMENT)

Recommendation N° 3 - 5

The provisions of the Internal Regulations (notably, Art. 11, Art. 12 and Art. 14 of Section III and Art. 20.2 of Section VII) and of the Multilateral Agreement (notably, preamble, Art.3, Appendix 2 and Appendix 3) detailed herewith are modified in light of the need to update them to be consistent with the current situation.

4 General Rules Committee (Jakub Hradec - CZ)

Mr. Jakub Hradec, Chairman, will present the report of the General Rules Committee [Report N° 4]

The General Rules Committee recommends to the General Assembly that:

Recommendation N° 4 -1

Article 19 of the Internal Regulations is modified as follows:

“Article 19 Resolution of disputes between Bureaux

Any dispute arising out of these Internal Regulations or related to them shall be resolved by mediation or by arbitration.

The rules of mediation and arbitration are dealt with in a separate regulation approved by the General Assembly of the Council of Bureaux.”

Recommendation N° 4 -2

The preamble, Section 1, Section 6 (Art. 19) & Section 7 (Art. 20.1) of the Internal Regulations detailed herewith are modified in light of the need to update them to be consistent with the current situation.

Recommendation N° 4 -3

The Explanatory Memorandum is modified by the insertion of the following text as regards Article 6.1 of the Internal Regulations:

“Guarantee Call ‘pro forma’

After having settled the claim(s), the Bureau of the country where the accident took place (or the agent that it has appointed for the purpose) sends a demand for reimbursement pursuant to Article 5.1 of the Internal Regulations to the insurance undertaking which issued the Green Card or the insurance policy relating to the vehicle involved in the accident.

However, in certain circumstances (for example, in the case of absence of insurance, a false Green Card, an insurance undertaking in winding-up proceedings, a Bureau operating frontier insurance, Art. 4.7.§2 of the I.R., etc.), this demand for reimbursement is addressed directly to the Bureau concerned. In this case, if the Bureau receiving the demand does not execute the reimbursement within the two month period then no Guarantee Call can be sent to the Bureau. This is on the basis of the legal principle according to which it is not possible to be the guarantor of one’s own debt.

This lack of feasibility indirectly leads to the fact that the non-payment of the demand for reimbursement by this Bureau will not appear on the list of unexecuted Guarantee Calls which has

to be sent to the Secretariat of the Council of Bureaux within the framework of the continuous monitoring of the Members' fulfilment of Guarantee Calls.

In order to avoid this unsatisfactory situation, the Bureaux (or their agents) are asked in the situation envisaged hereabove, to issue "pro forma" Guarantee Calls to the Bureaux which do not respect the two-month period and as such allowing the Council of Bureaux Secretariat to draw a report on the matter. Terms and conditions of Art. 6 of the Internal Regulations shall also apply to the Guarantee Calls pro forma".

5 Green Card (Martin Metzler - CH)

Mr. Martin Metzler, chairman, will present the report of the Working Group on Green Card [Report N°5].

The Working Group recommends to the General Assembly that:

Recommendation N° 5 - 1

The proposed revised Green Card as shown in Annex no 1 to this Report is adopted as from 1st January 2009 with a two year transitional period (ending on 31st December 2010) and replaces the current version of the Green Card.

Recommendation N° 5 - 2

The proposed explanations related to the revised Green Card as shown in Annex no 2 to this Report are to be integrated into the Explanatory Memorandum.

Recommendation N° 5 - 3

Any remaining question arising out of the revised Green Card Format adopted by this GA or contested explanation of its interpretation in this report should be brought to the knowledge of the General Rules Committee which will deal with the issue including the possible wording to be inserted in the Explanatory Memorandum as taken from this report. The whole interpretation (under the Internal Regulations Section II Specific Rules governing contractual relations between Bureaux based on the Green Card) shall be subject to a comprehensive wording to be prepared by the General Rules Committee and adopted at the General Assembly 2009.

6 Oral presentation of the updates made to the IR & MA

7. Constitutional Issues (Jens Peter Tranberg - DK)

Mr. Jens Peter Tranberg will present the report on Constitutional Issues. [Report N° 7]

The Management Committee recommends to the General Assembly that:

Recommendation N° 7 - 1

The provisions of the Constitution and its annex (Internal Rules) detailed herewith are modified in light of the need to update them.

This version of the Constitution and the Internal Rules (CoB Election Procedure) shall come into force with immediate effect at the time of the day on which it is adopted by the General Assembly in Lisbon (29th May 2008).

To achieve this, the Management Committee recommends to the General Assembly that:

Recommendation N° 7 - 2

As a consequence of the approval of the Constitution the budget for the year 2008 is to be raised by 17,500 Euros to cover the President's travelling expenses from 1st July to 31st December 2008.

8. Scope of the Green Card System (Françoise Dauphin - F)

Mrs. Françoise Dauphin, Chairman, will present the report of the Working Group on the Scope of the Green Card System [Report N° 8].

9. Monitoring (Mariusz Wichtowski – PL)

Mr. Mariusz Wichtowski, chairman, will present the report of the Monitors. [Report N° 9]

The Management Committee recommends to the General Assembly that:

Recommendation N° 9 - 1

The Transitional Membership of the Bureau of Lithuania is terminated and that the Bureau becomes a Full Member of the Council of Bureaux with retroactive effect from 15th October 2007.

Recommendation N° 9 - 2

The Title in Table 3's "Standard & Poor's Financial Strength Rating" is replaced by: Standard & Poor's Financial Strength Rating or - if there is no rating of Standard & Poor's - equivalent rating from another rating agency approved by the Monitors.

The Monitors are obliged to inform the Management Committee about all decisions on the approval of the equivalent rating.

10. Financial Stability Working Group (Jakub Hradec – CZ)

Mr. Jakub Hradec will present the report of the Financial Stability Working Group [Report N° 10]

The Management Committee recommends to the General Assembly that:

Recommendation N° 10 - 1

The Mediation Rules are approved and will be brought into effect as of 1st July 2008.

11. Reinsurance (Jan Gunnar Knudsen - N)

Mr. Jan Gunnar Knudsen will present the report of the Reinsurance Working Group [Report N° 11].

12. 2008 Election of Committees (Ulf Blomgren - President)

The President, Mr. Ulf Blomgren will present the report on the Election of Committees [Report N° 12].

The Management Committee recommends to the General Assembly that:

Recommendation N° 12 - 1

The list of Bureaux by Regional Group, presented in Annex 1, are elected to serve on the 2008-2011 Management Committee.

Recommendation N° 12 - 2

The list of Bureaux proposed by Group “A” and the Regional Groups, presented in Annex 1, are elected to serve on the 2008-2011 Application and Monitoring Committees.

Recommendation N° 12 - 3

The three members proposed under the rules established by the 2000 General Assembly in Geneva are elected to serve on the 2008-2009 Committee of the Internal Auditors.

Recommendation N° 12 - 4

The persons proposed by the Management Committee, as mentioned in Annex 1, are nominated as Vice-President /Chairman of Committee for the period 2008-2011.

Recommendation N° 12 - 5

In light of the successful accomplishment of their respective tasks, the Working Group on Green Card and the Working Group on the Overhaul of the Constitution are dismantled as from the date of this GA onwards.

DAY 1: Thursday, 29th May 2008 – 17:00 to 17:30

Meeting of the Signatories of the Multilateral Agreement

1. Appointment of the chairman of the Specific Rules Committee.

Day 2: Friday, 30th May 2008 - 09:30 to 13:00 hours

13. CEA Intervention (Sandrine Noël, Head of Non-Life Insurance, CEA)

Mrs. Sandrine Noël will present the report of the Comité Européen des Assurances **[Report N° 13]**

14. Internal Auditors (George Tzanis - GR)

Mr. George Tzanis, chairman, will present the report of the Internal Auditors **[Report N° 14]**

The President will present the recommendation of the Management Committee that:

Recommendation N° 14-1

The General Assembly adopts the 2007 Annual Report and Audited Accounts as prepared by the External Auditors and approved by the Management Committee at its meeting in Paphos on 28th March 2008.

15. Correspondents (Françoise Dauphin – F)

Mrs. Françoise Dauphin will present an oral report on Correspondents.

16. Next Meeting

17. Closing Address (Ulf Blomgren – President)
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Workshop:

1. “Financial Stability Assessment Tools”