

Road Accident Victims Compensation Law, 1975

Chapter One: Interpretation

1. In this Law -

"Road accident" - an occurrence in which bodily damage is caused to a person as a result of the use of a motor vehicle, for purpose of transportation; an event caused as a result of an explosion or catching fire of the vehicle, caused by an element of the vehicle or by a material essential for the vehicles ability to operate, even if resulting from a cause outside the vehicle, will be deemed as a road accident; as will an event caused due to an impact with a vehicle parked in a forbidden place, or an event caused by use of the mechanical power of the vehicle, provided that the said use did not change the original purpose of the vehicle; however, an event, resulting from an intentional act designed to cause damage to a person or property of the same person, and the damage caused as a result of the action itself and not by the effects of the action on the uses of the motor vehicle, will not be deemed as a road accident;

"Bodily damage" - death, illness, injury or a physical, mental or intellectual defect, including harm caused to a device required for the operation of one of the body parts, which was attached to the injured persons' body at the time of the road accident;

"Use of a motor vehicle" - driving a motor vehicle, entering or exiting thereof, parking, pushing or towing thereof, roadside treatment or roadside repair of the car, performed by the user or by another person not in the course of his occupation, including the rolling down or turning over of the motor vehicle, disengagement or falling of a part of the motor vehicle or it's cargo while in transit, as well as disengagement or falling of, as mentioned, from a standstill or parked motor vehicle, while not in maintenance of a person in the line of his business, and excluding the uploading or downloading of cargo while the motor vehicle is standing still;

"Victim" - a person to whom bodily damage has been caused in a road accident, except if caused by an act of hostility as defined in the Acts of Hostility Victims Compensation Law - 1970;

"The Insurance Ordinance" - the Motor Vehicle Insurance (Third-Party Risks) Ordinance [New Version] - 1970;

"Insurer" - according to its meaning in the Insurance Ordinance, including a

person exempt from the duty of insurance under Sections 4 to 6 thereof;

"Motor vehicle" or "Vehicle" – a vehicle propelled by mechanical power over land, and its main objective is to be used for land transportation, including train, tractor, a mobile vehicle capable of moving by mechanical power on a road, and a towed vehicle or supported by a motor vehicle, and excluding wheelchair, handicap's carriage, and escalators.

"Israeli" – a person listed in the Population Registration, managed under the Population Registration Law – 1965, and any person who holds permit for temporary stay according to the Entry to Israel Law – 1952;

"The Zone", "The Agreement", "Palestinian Authority Liability Areas", "A Zone's Insurer", "An Insurer from the Palestinian Civil Liability Areas" – as defined in the Insurance Ordinance.

"The Zones" – as defined in The Law of Implementing the Peace Agreement Between the State of Israel and the Hashemite Kingdom of Jordan – 1995.

Definitions (Amended 1983, 1985, 1990, 1994, 1995, 1997)

Chapter Two: Liability

Article 1: Compensation for Bodily Damages (Amended 1989)

2. (a) A person using a motor vehicle (hereinafter: "the driver") must compensate the victim for bodily damage caused to him in a road accident in which the vehicle was involved.

(a1) the driver of an Israeli vehicle must compensate the victim who is Israeli, or a foreign tourist for bodily damage caused to him in a road accident in which the vehicle was involved, even if the accident occurred in the Zone or the Palestinian Civil Liability Areas or the Zones and the accident will be deemed to have taken place in Israel.

For the purpose of this Section –

"a Foreign Tourist" – according to its meaning in the Tourism Services Law 1976, excluding any resident of the Zone or the Palestinian Civil Liability Areas provided he was damaged while touring according to its meaning in the said Law;

"An Israeli Vehicle" – A vehicle listed in Israel or need have been listed in Israel according to any Law, or a vehicle, that need not be listed, whose

owner is Israeli.

(a2) cancelled

(b) Where the vehicle was used with the permission of the owner or possessor, liability will also be incurred by the person who permitted its use.

(c) The liability is absolute and entire and it is immaterial whether or not there was fault on the part of the driver and whether or not there was fault or contributory fault on the part of others.

Liability of a Driver of a Vehicle (Amended 1994 1995, 1997, 1998)

3. (a) In the case of a road accident in which several vehicles were involved, each driver will incur the liability for bodily damages caused to a person traveling in his vehicle.

(b) Where a person is injured outside the vehicles in a road accident in which several vehicles were involved, the drivers will be jointly and severally liable towards him; amongst each other, they will bear the liability in equal shares. For the purpose of distributing the liability amongst the drivers under this Subsection, a vehicle is deemed to be involved in a road accident, if at the time of the accident there was contact between it and any other vehicle, or between the it and the injured person.

Accident Involving Several Vehicles (Amended 1985)

4. (a) The provisions of Sections 19 to 22, 76 to 83, 86, 88 and 89 of the Torts Ordinance [New Version] (hereinafter: "the Torts Ordinance") apply to the right of a victim for compensation for bodily damage, however -

(1) in calculating the compensation in respect of loss of earnings and loss of earning capacity, no income higher than triple the national wage average will be taken into account (hereinafter: "the Maximum Income"); should the loss of earning and the loss of earning capacity be less than one hundred percent, the maximum income will be reduced at the same ratio in which the capacity is less than one hundred percent; for the purpose of this Subsection - "the national wage average" is according to the data of the Central Bureau of Statistics or the average income according to the National Insurance Law [Combined Version] - 1968, as prior to the determination of the compensation - the greater one of the above two.

(2) Where the said compensation exempt from Income Tax, the loses of the injured for the purpose of these compensation will be calculated according to the income of the injured upon the deduction of the Income Tax applied to it

at the time of the determining of the compensation, provided that the reduction for the purpose of said deduction will not exceed 25 percent of the income according to which the said compensations be calculated.

(3) Compensation for non monetary damages will not exceed one hundred thousand Liras; the Minister of Justice, having consulted the Constitution, legislation and Knesset Judicial Committee, may increase this amount.

(b) The maximum amount under Subsection (a) (3) will be linked to the consumer price index from the coming into force of this Law or from the date of the increase of the amount, accordingly; The Minister of Justice may, with the approval of the Constitution, Legislation and Juridical Committee of the Knesset, prescribe, by regulations, tests for calculating the compensation referred to in the said paragraph.

(c) The Court may give judgment by manner of compromise regarding the rights of an injured person under this Law, if the parties to the claim have agreed to grant the Court the aforesaid authority; such judgment may be appealed as any other ruling.

Remedy for Bodily Damage (Amended 1985, 1989)

Article 2: Prompt Payments (Amended 1989)

5. (a) In this Chapter -

"Dependants" - any person entitled to compensations according to Section 78 of the Tort Ordinance.

"Demand" - As set in the regulations.

(b) A person liable to compensation under this Law will pay the victim or his dependants, as part of the compensation, within 60 days of receiving his written demand -

(1) expenses for the purpose of recovery, including hospitalization fees, incurred by the victim;

(2) monthly payments sufficient, pending a final decision in the matter of compensation, for the recovery of the injured, his welfare costs and upkeep, as well as the upkeep of his family members who depend on him for their upkeep, or the upkeep of his dependants as the case may be; such upkeep costs will be determined having considered the income of the injured prior to the road accident, provided that if the income exceeded the maximum income, only

the maximum income will be taken into account.

(c) The provisions of this Section will also apply to an insurer who has provided insurance in respect of liability under this Law, including insurance referred to in Section 3 (a) (2) and Section 3 (d) of the Insurance Ordinance.

(d) Payment according to paragraphs (1) or (2) of Subsection (b), is referred to hereinafter as "Prompt Payments".

Prompt Payment (Amended 1989, 1994)

5A. (a) After 60 days from submitting a demand for compensation in accordance with Section 5, the victim who has not received compensation, may file to Court a demand for prompt payment, even separately from the claim for other compensation in respect of the same road accident (hereinafter: the main claim).

(b) Notwithstanding the provisions of the Courts Law [Combined Version] - 1984, a request for prompt payment will be filed to the Magistrates Court of the local jurisdiction to hear the claim, however, if the main claim has already been filed to any Magistrates Court or to a District Court, the motion for prompt payment will be filed to the same Court.

Motion to Court for Prompt Payment (Amended 1989)

5B. (a) Should the Court be of the opinion that the applicant is allegedly entitled for compensation under this Law, it is entitled to decide to order payments of prompt payment to the applicant; the aforesaid decision of the Court will set the deadline for submission of the main claim (hereinafter - the deadline), however the aforesaid decision will not derogate from the provisions of Section 5 of the Prescription Law - 1958.

(b) Should the requester file no main claim by the deadline, the prompt payment will cease by that date; should the requester file a main claim and later revokes it, the prompt payment will cease on the date of revoking the claim.

Court's Decision (amended 1989)

5C. The Court's decision in the request for prompt payment will not constitute res judicata in respect of the main claim.

Decision in the Request Not Res Judicata (amended 1989)

5D. A liable who did not make a prompt payment upon request at the due time,

will pay additional yearly interest and linkage payments of 12% on the overdue amount, which will be calculated from the aforesaid date and until the date on which payment is made, unless the Court finds that there are circumstances justifying a lower interest rate. In this Section -

"date" -

(1) with regard to Section 5(b) (1) - 60 days from the date of receiving the claim;

(2) with regard to Section 5(b) (2) - the date which is set by the Court as the date for monthly payment;

"linkage" - as defined in the Adjudication of Interest and Linkage Law - 1961.

Delayed Payments Interest (amended 1989)

5E. (a) Once the Court has reached a decision for prompt payment, it will not require an additional request for prompt payment or request to change an earlier decision unless six months have expired since the earlier decision and the circumstances have changed to a degree which justifies a new decision; a request for an additional decision or request to change an earlier decision should be filed to the same Magistrates Court in which the request for prompt payment was filed.

(b) The Court will not rule on prompt payment for a period exceeding two years from the date of the road accident for which the request for prompt payment was made.

(c) The Court may, on grounds to be recorded, to change the periods specified in Subsections (a) and (b).

Restrictions with regard to the Request (amended 1989)

5F. The Minister of Justice will be empowered to enact the following ordinances -

(1) special procedure for request of prompt payment;

(2) definitions of "continuing expenses" and "nursing expenses" for the purpose of Section 5(b) (2).

Ordinances [amendment 1989]

5G. (a) In the aforementioned circumstances of Section 5B(b), and in addition, if a main claim is rejected after the defendant has already paid prompt payment to the claimant, the defendant will be entitled to reimbursement of the payment from:

- (1) the claimant;
- (2) the person liable for the damage according to any Law;
- (3) the Fund as meant in Section C (hereinafter: the Fund);

This will be applicable to the amount which the defendant paid to the claimant as prompt payment, and which exceeds the amount awarded in the main claim.

(b) If the Fund has paid to the claimant a prompt payment as mentioned in Subsection (a) or reimbursed aforesaid payment to the defendant, it will be entitled to reimbursement from the claimant or from the person responsible for the damage according to any Law, and their liability to it under this Law will be separately and jointly; for the purpose of claims prescription period under this Subsection, the date on which said payment or reimbursement was made will be the date of the cause of action.

(c) If the Fund has reimbursed the defendant for payment according to Subsection (a), the defendant will be obliged to extend it any assistance requested and take any reasonable action to assist it to realize its right under Subsection (b), and will take no action which may prejudice the said right or prevent realization of the right.

(d) Monies to be reimbursed under Subsection (a) and (b) will be returned with the addition of cost of living linkage and interested as defined in Adjunction of Interest and Linkage Law 1961.

Entitlement to Reimbursement of Prompt Payment [amendment 1989]

Article 3: Miscellaneous (Amended 1989)

6. The Minister of Justice may, with the approval of the Constitution, Legislation and Juridical Committee of the Knesset, prescribe by regulations -

- (1) the authority of the Court to decide that compensation for loss of earning capacity and continuing expenses will be wholly or partly defrayed by periodical payments linked to the consumer price index;
- (2) cases in which the victim may request an increase of the prompt payments

awarded;

(3) the rights of dependants of a victim who died after periodical payments were awarded to him.

Periodical Payments

6A. (a) The Minister of Justice may prescribe by regulations, with the approval of the Constitution, Legislation and Juridical Committee of the Knesset, instructions with regard to the appointment of an expert who will opine with regard to the degree of the medical disability, or any other medical matter, including the method of victim's rehabilitation, and with regard to the expert's authorities and obligations.

(b) Having appointed such expert as aforesaid in Subsection (a), the following instructions will apply:

(1) Parties will be entitled to summon the expert to Court for questioning, but not be entitled to submit additional expert evidence on the subject of the proceedings, except with the permission of the Court in special circumstances which will be recorded;

(2) Both parties will be entitled to put questions to the expert, in writing, for the clarification of the opinion he submitted.

(3) The Court will set the expert's fees, and these will be paid by the parties or one of them, as instructed by the Court.

Medical Expert (amendment: 1985)

6B. The degree of disability as a result of injury caused to him in the same road accident having been designated under any law prior to the hearing of evidence in a claim under this Law, this ruling will also apply for the purposes of claim under this Law; however the Court will be entitled to permit the parties in the claim under this Law to submit evidence to contradict this designation, if it is convinced that such permission is justified by special reasons that will be recorded.

Designation of Disability under Other Law (amendment: 1985)

7. The following victims will not be entitled to compensation under this Law:

(1) a person who intentionally caused the accident;

(2) a person who was driving the vehicle in contravention of the Penal Law Amendment (Use of Vehicles without Permission) Law, 1964, or who was in the vehicle knowing that it was being so driven;

(3) a person who was driving the vehicle without having a license to drive it, except where the license had lapsed by reason of non-payment of a fee;

(4) a person who was using or was helped by the vehicle to commit a felony;

(5) a person who was driving the vehicle without insurance in accordance with the Insurance Ordinance, or while the insurance he held did not cover his use of a vehicle;

(6) the owner of a vehicle or a person who was using it, who allowed another to drive the vehicle while he held no insurance in accordance with the Insurance Ordinance or while the insurance he held did not cover the aforesaid liability, and who was injured in a road accident which occurred while driving, whether he was in the vehicle or outside of it.

Restriction on Victims Entitlement (amendment: 1989)

7A. Notwithstanding the aforesaid in Section 7(5), a person injured when driving a vehicle with permission from its owner or from its user, without insurance in accordance with the Insurance Ordinance, or while the insurance does not cover his use of a vehicle, and he did not know of the fact, and in the circumstances could not have reasonably known, will be entitled to claim from the Fund as though he had been entitled under Section 12(b).

Entitlement of Permitted Driver to Claim (amendment: 1989)

7B. Dependants of a victim will be entitled to claim compensation under this Law even if the injured himself is not entitled to do so under Section 7, and if an person injured while driving without insurance in accordance with the Insurance Ordinance or while the insurance does not cover the aforesaid liability had dependants, they will be entitled to said claim from the Fund.

Entitlement of Dependants to Claim Under This Law (amendment: 1989)

8. (a) A person whom a road accident provides cause of action under this Law, including a claim according to insurance as defined in Section 3(a) (2) of the Insurance Ordinance, will not have a cause of action for bodily damage under the Torts Ordinance, unless injured in an accident caused intentionally by

another.

(b) A person who without the provisions of Section 22(b) would have cause of action from the aforesaid road accident as defined in Subsection (a), will be deemed for the purposes of this Section as having cause of action under this Section.

(c) The instructions of Subsection (a) will not derogate from a claim under the Torts Ordinance for a person who has no cause of action under this Law.

Exclusivity of Cause of Action (amendment: 1989, 1994)

9. (a) A person who has paid compensation due under this Law will have no right of recourse against another person liable for compensation under this Law, excepting the right of recourse of each of the following -

(1) a person who is not entitled to compensation as specified in Section 7;

(2) a person not insured under the Insurance Ordinance or whose insurance does not cover the liability involved, other than a person who had annual insurance with expired within 30 days prior to the accident;

(3) the owner of a vehicle or user as defined in Section 7A.

(b) The liability of a person against whom recourse is had under Subsection (a) will be in accordance with the Torts Ordinance.

(c) the provisions of this Section will not affect the right of recourse itner se of persons involved in an accident in the manner indicated in Section 3(b).

Right of Recourse (amendment: 1989)

CHAPTER THREE: ROAD ACCIDENT VICTIMS COMPENSATION FUND

10. A Road Accident Victims Compensation Fund is hereby established.

Establishment of Fund (amendment: 1989)

11. The Fund will be a corporate body, competent in respect of any obligation, right or legal act; it will be an inspected body within the meaning of Section 9(2) of the State Comptroller Law [Consolidated Version], 1958.

Fund to be an Inspected Body Corporate

12. (a) The function of the Fund is to compensate any victim entitled to compensation under this Law who is unable to claim compensation from an insurer for any of the following reasons:

(1) the driver liable to compensation is not known;

(2) the driver is not insured under the Insurance Ordinance or his insurance does not cover the liability involved; this provision will not apply to a non-Israeli victim who drove a vehicle covered by the vehicle's international insurance card in accordance with the directives of the Insurance Ordinance.

(2a) an insurer to whom an Authorized Manager has appointed by the Commissioner of Insurance in accordance with Section 68(a) (3) of the Insurance Business Control Law - 1981 (hereinafter: Authorized Manager), as defined in the aforesaid Law, and as a result the insurer is unable to meet its obligations, and the Minister of Finance, at the recommendation of the Commissioner of Insurance, has confirmed it appropriate that the Fund act in accordance with this Section;

(3) the insurer is in liquidation.

(b) In the cases specified in Subsection (a), the victim will be entitled to receive compensation from the Fund just as he would be entitled to receive it from the insurer, and the Fund will pay to the hospital the expenses of the victim's treatment just as an insurer would have to pay under Section 28 of the Insurance Ordinance.

(c) The Fund is authorized to obtain assistance for the activities of a fund whose purpose is to compensate, in such cases as specified in Subsection (a), a victim whose injuries occurred in the Area; an agreement with regard to the aforesaid assistance will be subject to the approval of the Minister of Finance and consultation with the Minister of Justice and Minister of Transportation.

(d) In the event of a road accident in the Area of or within the Palestinian Authority or in the Areas, the Fund will compensate a non-Israeli victim who is entitled to compensation and is unable to claim compensation from an insurer for reasons specified in Section (2a) and (3) of Subsection (a); the compensation will be in accordance with the Law applicable to the site of the accident, and the Fund will have the rights specified in Sections 12A and 12B as applicable.

(d1) (1) A victim, who is an Israeli, filing a claim or request for immediate payment to the Court in Israel (hereinafter the Claim) against an insurer

from the Palestinian Authority Areas as defined in the agreement, or against the Palestinian Commission (hereinafter: the defendant), due to a road accident which occurred in Israel, in the Area or the areas under Palestinian civil responsibility, and the defendant did not file a Statement of Defense after a Statement of Claim was lawfully filed, or ceased to defend, the Court will order the presentation of a Statement of Defense to the Fund and notify the Palestinian Authority or the entity which it has authorized for such matter; if no Statement of Defense is filed or notification of resumption of its defense is received, according to the matter at hand, the Fund will conduct the defense of the claim within thirty days from the date on which the aforesaid notice is given and compensate the victim in accordance with the ruling handed down in the matter, the compensation will be in accordance to the Law applicable to the location of the accident and the rate applicable.

(2) The government will reimburse the Fund for costs and payments which the Fund has paid as a result of the claim, and have the right to deduct these from the amounts transferred as defined in Section 12 of the Law for Implementation of the Gaza Strip and Jericho Area Agreement (Economic Agreements and Miscellaneous) (Legislative Amendments) 1994, and will be considered for all purposes, including the guarantee of the committee according to the Agreement, as payment by irrevocable ruling against the defendant.

(e) The Fund will pay to a victim who is Israeli, who was injured in a road accident which occurred in the Area or areas under Palestinian authority or in the Areas, and for which liability is not covered under a policy issued by an insurer, supplementary compensation in the amount of the difference between the compensation to which he would have been entitled had the accident occurred in Israel, and the compensation to which he is entitled to receive under the Law of the site of the accident; the Fund is entitled to pay the costs of care of the said victim to a hospital, as an insurer is obliged to pay according to Section 28 of the Insurance Ordinance.

(f) The Fund is entitled to represent a victim, who is Israeli, in accordance with the power of attorney granted to it, in negotiations with an insurer from the Area or from the areas of Gaza and Jericho or with the Fund in the Area or in the areas of Gaza and Jericho, or in legal proceedings against them, and is entitled to join the said legal proceedings if it has a vested interest in their results.

(g) The Minister of Finance is empowered to establish rules in all matters pertaining to the discharge of functions within the Fund in accordance with the agreement and the instructions of Subsections (d) thru (f).

Function of Fund (amendment: 1980, 1993, 1995, 1996, 1997, 1998)

12A. (a) The Fund being subject to the aforesaid obligation in Section 12(a) (2a), it will be considered as a creditor of the insurer or receiver if a receiver has been appointed to the insurer with regard to the sum of liability.

(b) The Fund being subject to the aforesaid obligation in Section 12(a) (3), it will be considered by the receiver as a re creditor of the insurer for the sum of the liability.

The Fund as a Creditor (amendment: 1985, 1993)

12B. (a) In the event that an existing insurer for which an Authorized Manager was appointed or which is in liquidation, is insured by reinsurance against liabilities which it may undertake toward a third party and in an event where the Fund becomes liable in accordance with Section 12(a) (2a) or (3), the rights of the insurer toward the reinsurer of the said event will be transferred to the Fund, despite the aforesaid in other legislation, and the Fund will be entitled to claim from the reinsurer in accordance with these rights.

(b) An allegation which a reinsurer may allege toward an insurer may be alleged toward the Fund.

(c) A reinsurance contract and action of the insurer will not derogate from the rights provided to the Fund under this Law.

Rights of the Fund in Receivership (amendment: 1985)

12C. Without derogating from the functions of the Fund according to Section 12, the Fund will receive all additional assets and undertake all additional liabilities of any type, of Avner as defined in the Motorized Vehicle Insurance Law (Insurance In Conditions of Regulated Competition, Procedures for Transition Period and Instructions Pertaining to Avner) -1997 (hereinafter - Conditions of Competition Law), and in accordance with the instructions of the aforesaid Law; the Fund will operate as specified in this Section on the date to be set by the Minister of Finance for the transfer of assets or liabilities in accordance with the aforesaid Law.

Assets and Liabilities of Avner (amendment: 2000)

13. (a) The Fund will be managed by a Board of seven members appointed by the Minister of Finance for a period of three years; a majority will be

representatives of the Government and a minority representatives of the public who will include persons engaged in insurance business. The Minister of Finance will appoint one of the representatives of the Government to be the chairman of the Board.

(b) The first Board will be appointed not later than six months from the date of the adoption of this Law by the Knesset.

(c) The existence and powers of the Fund and the validity of its decisions will not be affected by the vacancy of the seat or a defect in the appointment or continued tenure of a member of the Board.

Management of Fund

14. (a) The Board will, within six months from the date of its Articles of Association, appointment, enact the Articles of Association of the Fund, which will include, inter alia, provisions as to the activities of the Fund, the procedure for filing claims with it and the handling thereof, and the modes of making variations in the Articles of Association.

(b) The Articles of Association and any variation or amendment thereof will require the approval of the Minister of Justice and the Constitution, Legislation and Juridical Committee of the Knesset and will be published in Reshumot (the official gazette).

Articles of Association

15(a) For the purpose of financing the activities of the Fund and ensuring its stability, the Minister of Finance will, after consultation with the Minister of Justice and the Minister of Transport, prescribe by order -

(1) the percentage of the insurance premiums or the amount out of the insurance premiums in New Israeli Shekels, which every insurance company will transfer to the Fund directly or through any insurer to the Fund's account;

(2) the percentage or the amount out of the insurance premiums in New Israeli Shekels which entities exempt from the duty of insurance under Section 4 to 6 of the Insurance Ordinance, will transfer to the fund.

(b) The Minister of Finance is authorized to prescribe by order in accordance with Subsection (a), the terms, dates and instructions on all aspects of transfer of amounts in participation of the Fund's financing.

(c) The Fund will receive the amounts specified in the Agreement from the

Palestinian Fund, as defined in the Agreement.

Financing (amendment 1994, 2000)

15A. For the purposes of payment of taxes, the Laws applicable to the State will be applicable to the Fund.

Taxes (amendment: 1985)

Chapter D: Miscellaneous Provisions

15B. The provisions of this Law will not apply for use of a competitive vehicle which has been granted a competitive vehicle license, except for use of the said vehicle for sport driving in a connecting section or during driving which is not sport driving, permitted according to Section 12(d) of the Sport Driving Law - 2005; for this purpose, "competitive vehicle", "sport driving", "competitive vehicle license" - as defined in the Sport driving Law - 2005.

16. (a) The National Council of the Chamber of Advocates will, with the approval of the Minister of Justice, prescribe a maximum tariff for the fee of an advocate for handling claims under this Law, provided that the fee determined by the result of the proceedings does not exceed 8 percent of the amount agreed to be paid to the victim or, where there were legal proceedings, 13 per cent of the amount adjudicated; a person who has paid a fee exceeding the maximum tariff will be entitled to have the excess refunded to him.

(b) The authority vested in the District Board of the Chamber of Advocates by the closing passage of Section 82 of the Chamber of Advocates Law -1961 will not vest in it in respect to a tariff prescribed under this Section.

Advocate's Fee

17. Cancelled.

Insurance Premiums (amendment 1980, 1997)

17A. The Minister of Finance, after consulting with the representative organization of the insurance companies, with the authorization of the committee as defined in Section 10A of the Competition Conditions Law, will be authorized to set arrangements for the allocation of liability risk among the insurers, taking the various vehicle types into account.

Arrangements for Allocation of Liability Risk (amended: 2000)

17B. Cancelled.

Additional Financing for Prevention of Road Accidents (amendment: 2000, 2004)

18. In the Insurance Ordinance -

(1) the expression "(Third-Party Risks)" in the title thereof will be deleted;

(2) in Section 1, the definition of "public road" is hereby repealed and the definition of "motor vehicle" will be replaced by the following definition:

"motor vehicle" means a vehicle propelled by mechanical power and includes a motorcycle with a side-car, a motor tricycle, a bicycle or tricycle assisted by a motor, a vehicle draw on or supported by a motor vehicle; "

(3) in Section 2 -

(1) the words "against third-party risks" in the marginal note will be deleted;

(2) the words "in a public road" and "in respect of third-party risks" in Subsection (a) will be deleted;

(4) section 3 will be replaced by the following Section:

"Requirements in respect of policy.

(a) A policy meeting the requirements of this Ordinance is a policy issued by an insurer who was authorized at the time of issue and which insures -

(1) the owner and the driver of the vehicle against any liability they may incur under the Road Accident Victims Compensation Law, 1975 (hereinafter - "the Law") and against any other liability they may incur in respect of the death or bodily injury of a person caused by or consequent upon the use of a motor vehicle;

(2) the owner of a vehicle driving the same and any person driving it with his permission in respect of bodily damage caused to him in road accidents within the meaning of the Law. ";

(b) A person insured under Subsection (a) (2) will be entitled to the same compensation as another injured person would be entitled to receive under the

Law. ";

(5) the following Section will be inserted after Section 6:

6A. "Duty to make compensation: a person exempt under Sections 4 to 6 from the duty of insurance will be liable to make every compensation which an insurer would have to make if an insurance policy under Section 3(a) existed. ";

(6) the words "and to compensate the insured person who was driving the vehicle or a person who was driving it with the permission of the insured person for bodily damage caused to him in a road accident in the meaning of these terms in the Law" will be added at the end of Section 12;

(7) section 14(b) is hereby repealed;

(8) the closing passage of Section 16, beginning with the words "and any sum paid by an insurer" will be deleted;

(9) the words "For the purposes of this Section, "insurer" includes the Road Accident Victims Compensation Fund under the Road Accident Victims Compensation Law, 1975" will be added at the end of Section 19;

(10) Section 22 is hereby repealed;

(11) the words "on a public road" in Sections 39 and 40 will be deleted.

Amendments of the Insurance Ordinance

19. In the National Insurance Law [Consolidated Version], 1968) the words "or the Road Accident Insurance Law, 1975" will be inserted after the words "under the Tort Ordinance [New Version]" in Section 150(a).

Amendment of National Insurance Law

20. In the State Service (Benefits) Law [Consolidated Version], 1970), the words "or the Road Accident Victims Compensation Law, 1975" will be inserted after the words ("under "The Tort Ordinance")" in Section 60(a).

Amendment of the State Service (Benefits) Law

21. In the Permanent Service in the Defense Army of Israel (Benefits) Law, 1954) the words "or the Road Accident victims compensation Law, 1975" will be inserted after the words "the Civil Wrongs Ordinance, 1944" in Section 60(a).

Amendment of Permanent Service in the Defence Army of Israel Law

22(a) Subject to the aforesaid in Subsection (b), the State will for the purposes of liability under this Law be treated like any other owner of a vehicle,

(b) In circumstances where the State has no liability for damages under one of the Sections 5 - 7 of the Civil Wrongs (Liability of the State) Law, 1952) it will also be exempt from liability under this Law as well, or under the Insurance Ordinance, and this will apply to whoever is exempt from damages under Section 7B of the aforesaid Law.

(c) This Section will apply to an action or failure which occurred prior to the date of its coming into force, however this will not derogate from a final ruling given prior to said date.

Liability of the State and its Agents (amended: 1989)

23. (a) This Law will come into force on the 1st Tishri, 5737 (25th September, 1976). Accidents which occurred before the coming into force of this Law will be dealt with in accordance with the previous Law.

(b) Upon the coming into force of this Law, the property of the Road Accident victims Fund managed by the Israel Union of Insurance companies will pass to the Fund, and the handling of the claims arising out of road accidents which occurred before the coming into force of this Law will be continued by the Fund in accordance with the conditions and procedures of the said body.