



Number 32 of 2024

Motor Insurance Insolvency Compensation Act 2024



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CONTENTS

PART 1

PRELIMINARY AND GENERAL

Section

1. Short title, collective citations, construction and commencement
2. Interpretation
3. Regulations, etc.
4. Expenses

PART 2

COMPENSATION BODY

5. Authorisation of body as State's compensation body for purposes of Act and Articles 10a and 25a of Directive
6. Funding and costs and expenses of Compensation Body
7. Reporting requirements of Compensation Body
8. Publication of winding-up of insurer (domestic)
9. Presentation and processing of motor claims by Compensation Body
10. Reimbursement procedures of Compensation Body
11. Subrogation
12. Engagement and co-operation with other interested parties
13. Co-operation between stakeholders
14. Special provisions applicable to insurer (domestic) subject of voluntary winding-up proceedings

PART 3

DIRECTIVE, FUND AND MIIC FUND

15. Integration of insurer (domestic) carrying on motor third party liability insurance in another Member State into Fund for purposes of Directive
16. Audit of certain completed claims
17. Audit of certain uncompleted claims

18. Agency to submit report to Minister on audits carried out under section 16 or 17, etc.

PART 4

PERSONAL DATA

19. Definitions (Part 4)
20. Disclosure and processing of personal data
21. Provisions supplementary to section 20
22. Regulations – personal data

PART 5

MISCELLANEOUS AND CONSEQUENTIAL

23. Power to specify form of documents
24. Amendment of section 1 of Act of 1964
25. Amendment of section 2 of Act of 1964
26. Contributions to Fund by insurers (domestic) carrying on motor third party liability insurance in other Member States
27. Section 3 and Act of 2024
28. Amendment of section 3E of Act of 1964
29. Circumstances in which Compensation Body or compensation body (other) to be creditor of relevant insurer
30. Amendment of section 5 of Act of 1964
31. Amendment of section 6 of Act of 1964
32. Amendment of section 8B of National Treasury Management Agency (Amendment) Act 2000
33. Amendment of section 28 of Value-Added Tax Consolidation Act 2010
34. Amendment of Regulations of 2015
35. Provision supplementary to section 34

ACTS REFERRED TO

Assisted Decision-Making (Capacity) Act 2015 (No. 64)
Central Bank Act 1942 (No. 22)
Civil Liability Act 1961 (No. 41)
Data Protection Act 2018 (No. 7)
Insurance Act 1964 (No. 18)
Insurance Acts 1909 to 2021
Interpretation Act 2005 (No. 23)
National Treasury Management Agency (Amendment) Act 2000 (No. 39)
Road Traffic Act 1961 (No. 24)
Taxes Consolidation Act 1997 (No. 39)
Value-Added Tax Consolidation Act 2010 (No. 31)



Number 32 of 2024

Motor Insurance Insolvency Compensation Act 2024

An Act to give further effect to Directive 2009/103/EC of the European Parliament and of the Council of 16 September 2009¹ relating to insurance against civil liability in respect of the use of motor vehicles, and the enforcement of the obligation to insure against such liability, as amended by Directive (EU) 2021/2118 of the European Parliament and of the Council of 24 November 2021² and for that purpose and other purposes to amend the Insurance Act 1964, the National Treasury Management Agency (Amendment) Act 2000, the Value-Added Tax Consolidation Act 2010 and the European Union (Insurance and Reinsurance) Regulations 2015 (S.I. No. 485 of 2015); and to provide for related matters. [8th October, 2024]

Be it enacted by the Oireachtas as follows:

PART 1

PRELIMINARY AND GENERAL

Short title, collective citations, construction and commencement

1. (1) This Act may be cited as the Motor Insurance Insolvency Compensation Act 2024.
- (2) *Sections 24 to 31* and the Insurance Acts 1909 to 2021 may be cited together as the Insurance Acts 1909 to 2024 and shall be construed together as one.
- (3) The collective citation the National Treasury Management Agency Acts 1990 to 2024 includes *section 32* and those Acts and that section shall be construed together as one.
- (4) *Section 33* shall be construed together with the Value-Added Tax Acts.
- (5) This Act shall come into operation on such day or days as the Minister may by order or orders appoint either generally or with reference to any particular purpose or provision and different days may be so appointed for different purposes or different provisions.

Interpretation

2. (1) In this Act—

¹ OJ No. L263, 7.10.2009, p. 11

² OJ No. L430, 2.2.2021, p. 1

“Act of 1964” means the Insurance Act 1964;

“Agency” means the State Claims Agency;

“Bank” means the Central Bank of Ireland;

“Compensation Body” means Comhlacht na hÉireann um Chúiteamh Mótair;

“compensation body (other)” means the body of a Member State (other than the State) authorised as the compensation body for that Member State for the purposes of Articles 10a and 25a of the Directive;

“Directive” means Directive 2009/103/EC of the European Parliament and of the Council of 16 September 2009³ relating to insurance against civil liability in respect of the use of motor vehicles, and the enforcement of the obligation to insure against such liability, as amended by Directive (EU) 2021/2118 of the European Parliament and of the Council of 24 November 2021⁴;

“enactment” has the meaning assigned to it by the Interpretation Act 2005;

“financial year”, in relation to the Compensation Body, means the financial year of the body for the time being authorised under *section 5(1)* as the compensation body referred to in *section 5(1)(a)*;

“Fund” means the Insurance Compensation Fund established by section 2 of the Act of 1964;

“injured party” means any person entitled to compensation in respect of any loss or injury caused by a vehicle within the meaning of section 56(9) of the Road Traffic Act 1961;

“insurer authorised in another Member State” means an insurance undertaking that—

- (a) has been granted an authorisation, under the law of a Member State (other than the State), by the authority in that Member State charged by the law of that Member State with the duty of supervising the activities of insurance undertakings in that Member State, and is consequently authorised to carry on the business of insurance in the State in accordance with one or more of the authorising regulations within the meaning of the Act of 1964, and
- (b) writes insurance contracts covering risks falling within class 10 in Part 1 of Schedule 1 to the Regulations of 2015;

“insurer (domestic)”—

- (a) subject to *paragraph (b)*, means an insurance undertaking (other than an insurer authorised in another Member State) that—
 - (i) is authorised, under the Regulations of 2015, to carry on the business of non-life insurance within the meaning of those Regulations, and

3 OJ No. L263, 7.10.2009, p. 11

4 OJ No. L430, 2.2.2021, p. 1

(ii) writes insurance contracts covering risks falling within class 10 in Part 1 of Schedule 1 to the Regulations of 2015,

and

(b) includes an insurance undertaking referred to in *paragraph (a)* the authorisation of which referred to in that paragraph has been revoked by the Bank;

“Member State” has the meaning assigned to it by the Act of 1964;

“MIIC Fund” has the meaning assigned to it by the Act of 1964;

“Minister” means the Minister for Finance;

“motor claim” means a claim that is made in respect of insurance business falling within any of the following classes in Part 1 of Schedule 1 to the Regulations of 2015:

- (a) class 1(d) (injury to passengers);
- (b) class 3 (all damage to or loss of land motor vehicles and land vehicles other than motor vehicles);
- (c) class 7 (all damage to or loss of goods in transit or baggage, irrespective of the form of transport);
- (d) class 10 (all liability arising out of the use of motor vehicles operating on the land, including carrier’s liability);

“MTPL insurance obligation” means the motor third party liability insurance obligation under Article 3 of the Directive (excluding carrier’s liability);

“Regulations of 2015” means the European Union (Insurance and Reinsurance) Regulations 2015 (S.I. No. 485 of 2015);

“reimbursement claim” shall be construed in accordance with *section 10(3)(c)*;

“relevant insurer” means—

- (a) an insurer (domestic), or
- (b) an insurer authorised in another Member State;

“relevant purposes” means the purposes referred to in *section 5(1)(a)*;

“resident in another Member State”, in relation to an injured party, means—

- (a) if the injured party is an individual, the party is habitually resident in a Member State (other than the State), or
- (b) if the injured party is a legal person, the party’s sole or head office is situated in a Member State (other than the State);

“resident in the State”, in relation to an injured party, means, subject to *subsection (4)(a)*—

- (a) if the injured party is an individual, the party is habitually resident in the State, or

(b) if the injured party is a legal person, the party's sole or head office is situated in the State;

“specified”, in relation to a form, means specified under *section 23*;

“voluntary winding-up proceedings” means collective proceedings which are solvent as construed in accordance with the definition of “winding-up proceedings” in Regulation 270 of the Regulations of 2015;

“winding-up decision”, in relation to a relevant insurer, means a decision referred to in Regulation 275 of the Regulations of 2015 to open up winding-up proceedings with respect to the relevant insurer;

“winding-up proceedings”, in relation to a relevant insurer, means the relevant insurer is subject to winding-up proceedings within the meaning of Regulation 270 of the Regulations of 2015.

- (2) A word or expression that is used in this Act and is also used in the Directive has, unless the context otherwise requires, the same meaning in this Act as it has in the Directive.
- (3) A reference in this Act to an injured party (other than in the definition of “resident in the State” in *subsection (1)*) includes a reference to a person acting on behalf of the injured party.
- (4) For the avoidance of doubt—
 - (a) whether or not an injured party is resident in the State shall be determined by virtue of the party's residence status at the time (if any) that the party presents a claim under *section 9* to the Compensation Body, and
 - (b) the reference in *subsection (3)* to a person acting on behalf of the injured party includes the liquidator (within the meaning of Regulation 270 of the Regulations of 2015) of a relevant insurer.

Regulations, etc.

3. (1) Every order under *section 5(1)(b)* or *17(1)(a)* or regulation made by the Minister under this Act shall be laid before each House of the Oireachtas as soon as may be after it is made and, if a resolution annulling the order or regulation is passed by either such House within the next 21 days on which the House has sat after the order or regulation is laid before it, the order or regulation shall be annulled accordingly, but without prejudice to the validity of anything previously done thereunder.
- (2) Regulations made under this Act may contain such incidental, supplementary and consequential provisions as appear to the Minister to be necessary or expedient for the purposes of the regulations.

Expenses

4. Any expenses incurred by the Minister in the administration of the Act shall, to such extent as may be sanctioned by the Minister for Public Expenditure, National

Development Plan Delivery and Reform, be paid out of moneys provided by the Oireachtas.

PART 2

COMPENSATION BODY

Authorisation of body as State's compensation body for purposes of Act and Articles 10a and 25a of Directive

5. (1) (a) Subject to *paragraph (b)*, the body known as the Motor Insurers' Bureau of Ireland is hereby authorised as the compensation body for the State for the purposes of this Act and Articles 10a and 25a of the Directive.
- (b) (i) Subject to *paragraph (c)* and *subsection (5)*, the Minister may, where he or she is satisfied that it is in the interests of the effective and efficient performance of the Compensation Body's functions in relation to the relevant purposes to do so, by order, authorise a body other than the Motor Insurers' Bureau of Ireland to be the compensation body referred to in *paragraph (a)* with effect from a date specified in the order.
- (ii) The order may provide for such transitional arrangements as the Minister considers necessary or expedient to reflect such authorisation, including matters relating to—
- (I) the transfer of records, data and information,
 - (II) the preparation of final accounts,
 - (III) the continued performance, by the body ceasing to be the compensation body referred to in *paragraph (a)*, of functions specified in the order in relation to the relevant purposes until a date, or an event, specified in the order, and
 - (IV) such incidental, supplementary and consequential provisions as will assist the body becoming the compensation body referred to in *paragraph (a)* in performing its functions in relation to the relevant purposes.
- (c) The Minister may exercise his or her power under *paragraph (b)* in relation to a body authorised under that paragraph to be the compensation body referred to in *paragraph (a)* in such a way as to authorise a body other than the body first-mentioned in this paragraph to be such competent body and *paragraph (b)* shall, with all necessary modifications, be construed accordingly.
- (d) The body for the time being authorised under this subsection to be the compensation body referred to in *paragraph (a)* shall, for the relevant purposes, be known as Comhlacht na hÉireann um Chúiteamh Mótair.

- (2) (a) Subject to *paragraph (b)*, the Compensation Body shall provide compensation to injured parties resident in the State (and regardless of whether the accident concerned occurred in the State or another Member State) at least up to the limits of the MTPL insurance obligation, for damage to property or personal injuries caused by a vehicle insured by a relevant insurer, from the moment when the insurer is subject to a winding-up decision.
- (b) *Paragraph (a)* shall not prejudice the operation of section 3BA of the Act of 1964.
- (3) (a) The Compensation Body shall have the power to negotiate and conclude an agreement, for the performance of its functions in relation to the relevant purposes, in accordance with Articles 10a and 25a of the Directive, with one or more than one compensation body (other).
- (b) Where the Minister exercises his or her power under *subsection (1)(b)* to authorise a different body as the compensation body referred to in *subsection (1)(a)*, that different body shall, in its capacity as the Compensation Body, be bound by the provisions of any agreement referred to in *paragraph (a)* which have any force or effect on or after that different body becomes such compensation body.
- (4) (a) Where there is a failure by the Compensation Body to perform one or more than one of its functions in relation to the relevant purposes, the Minister may, after having regard to—
- (i) the circumstances giving rise to the failure,
 - (ii) the consequences if the failure is not remedied,
 - (iii) the impact, or potential impact, of the failure on one or more than one injured party, and
 - (iv) any proposal put to the Minister by the Compensation Body to remedy the failure,
- by notice in writing given to the Compensation Body, request that the Compensation Body perform the function or functions the subject of that failure within the period specified in the notice for the purpose, being a period reasonable in all the circumstances of the case.
- (b) The Compensation Body shall comply with a request given to it under *paragraph (a)*.
- (5) (a) Subject to *paragraph (b)*, the Compensation Body may, by notice in a form specified by the Minister for the purposes of this paragraph, make a request to the Minister to exercise his or her power under *subsection (1)(b)* to authorise a different body to be the compensation body referred to in *subsection (1)(a)*.
- (b) Subject to *paragraph (c)*, a request referred to in *paragraph (a)* shall specify a date, being a date not earlier than the second anniversary of the date on which the Minister receives the request, on which the Compensation Body wishes the

Minister to comply with the request and, accordingly, the Minister shall comply with the request on the date so specified.

- (c) A request referred to in *paragraph (a)* shall not be construed to prejudice the generality of the Minister's power under *subsection (1)(b)* and, accordingly, that power may be exercised, as the Minister thinks fit, before the date referred to in *paragraph (b)* specified in the request.
- (6) Any person who is or was a director, or other officer or employee, of the body for the time being authorised under *subsection (1)* as the compensation body referred to in *subsection (1)(a)* shall not be liable in damages for anything done, purported to be done or omitted to be done in such body's performance of one or more than one of its functions in relation to the relevant purposes unless the act or omission is shown to have been done, purported to have been done or omitted to have been done, as the case may be, in bad faith.

Funding and costs and expenses of Compensation Body

6. (1) Subject to section 5 of the Act of 1964, the Bank shall, as expeditiously as possible and having regard to the time limits specified in paragraph 7 of Article 10a, or paragraph 7 of Article 25a, of the Directive, cause to be paid out of the Fund to the Compensation Body sums providing for—
- (a) compensation referred to in paragraph 1 of Article 10a, or paragraph 1 of Article 25a, of the Directive to injured parties resident in the State at least up to the minimum required by the MTPL insurance obligation, and
- (b) compensation payments for motor claims in accordance with the Act of 1964.
- (2) Subject to section 5 of the Act of 1964, the Bank shall, as expeditiously as possible, and having regard to the time limits specified in *section 10(4)*, cause to be paid out of the Fund to the Compensation Body sums providing for—
- (a) compensation referred to in paragraph 1 of Article 10a, or paragraph 1 of Article 25a, of the Directive, in each case at least up to the minimum required by the MTPL insurance obligation, for injured parties resident in another Member State where an insurer (domestic) carrying on motor third party liability insurance in that other Member State is the subject of a winding-up decision, and
- (b) the reimbursement referred to in *section 10(3)*.
- (3) The Compensation Body shall, in respect of each financial year, cause to be kept proper and usual accounts of—
- (a) claims paid and costs and expenses incurred in performing its functions in relation to the relevant purposes, and
- (b) the costs and expenses referred to in *paragraph (a)* that are defrayed from the Fund.

Reporting requirements of Compensation Body

7. (1) Where in any financial year (in this subsection referred to as the “relevant year”) the Compensation Body has provided compensation referred to in *section 5(2)* and received or paid reimbursement (if any) under *section 10*, it shall, not later than the expiration of the first 7 months of the immediately succeeding financial year, prepare and submit to the Minister a report in writing containing, at a minimum—
- (a) a statement of the amounts of such compensation paid during the relevant year,
 - (b) a statement of the amounts of such reimbursement (if any) received during the relevant year,
 - (c) a statement of the costs and expenses incurred by the Compensation Body during the relevant year, and
 - (d) a statement setting out, in general terms, the operations of the Compensation Body during the relevant year, in particular as regards any matter that the Compensation Body is satisfied should be brought to the attention of the Minister.
- (2) The Minister shall, as soon as is practicable after receiving the report referred to in *subsection (1)*, cause a copy of it to be laid before each House of the Oireachtas.
- (3) The Minister may, by notice in writing given to the Compensation Body, request the Compensation Body to give to the Minister such information relating to the performance of its functions in relation to the relevant purposes as is specified in the notice and the Compensation Body shall, not later than 28 days after it receives the notice, comply with that request.

Publication of winding-up of insurer (domestic)

8. (1) Where an insurer (domestic) has become the subject of a winding-up decision, the Bank and the insurer (domestic) shall each, as soon as is practicable after that decision has been made but, in any case, not later than 5 working days after that decision has been made, give notice in writing to the Compensation Body of—
- (a) that decision and the date on which it was made, and
 - (b) the name and address of the head office of the insurer (domestic).
- (2) The Compensation Body shall, as soon as is practicable after it receives a notice under *subsection (1)* from the Bank—
- (a) publish the notice on its website and in such other ways (if any) as it thinks fit, and
 - (b) give each compensation body (other) a copy of the notice.

Presentation and processing of motor claims by Compensation Body

9. (1) An injured party who is resident in the State and whose loss or injury is caused by a relevant accident may present a motor claim in the specified form to the Compensation Body.
- (2) The Compensation Body shall investigate the relevant claim and if it determines that the relevant insurer who wrote the relevant contract is an insurer authorised in another Member State, it shall, as soon as is practicable after it receives the relevant claim, by notice in writing inform the relevant insurer and the compensation body (other) concerned that it has received the relevant claim and provide each of them with a copy of the relevant claim.
- (3) (a) *Paragraph (b)* applies where the relevant insurer who wrote the relevant contract is an insurer (domestic) which has already investigated the precedent claim and—
- (i) both—
 - (I) the relevant insurer has presented the claim to the Compensation Body on behalf of the injured party in accordance with *subsection (1)*, and
 - (II) further steps in respect of the claim are required to be taken by—
 - (A) the relevant insurer,
 - (B) the Compensation Body, or
 - (C) the relevant insurer and the Compensation Body,
 - (ii) paid compensation in respect of the claim, or
 - (iii) denied the claim.
- (b) The relevant insurer, or its liquidator, as appropriate, shall, as soon as is practicable after the claim is presented, compensation is paid in respect of the claim or the claim is denied, as the case may be, make a return in the specified form in respect of the claim and give that return to the Compensation Body.
- (4) Where the relevant insurer is an insurer authorised in another Member State, the Compensation Body shall, as soon as is practicable after it is presented with the relevant claim, by notice in writing inform the compensation body (other) concerned and the relevant insurer that it has been presented with the relevant claim.
- (5) (a) The Compensation Body shall, not later than 3 months after it receives the relevant claim, assess the claim and—
- (i) where—
 - (I) it determines that compensation referred to in *section 5(2)* is liable to be paid in respect of the claim,
 - (II) the claim is not contested, and
 - (III) the damages in respect of the claim have been fully or partially quantified,

take the action required by *paragraph (b)*, or

(ii) where—

- (I) it determines that compensation referred to in *section 5(2)* is not liable to be paid in respect of the claim,
- (II) the claim is contested,
- (III) liability in respect of the claim is denied or has not been fully determined, or
- (IV) the damages in respect of the claim have not been fully quantified,

take the action required by *paragraph (c)*.

- (b) Where *paragraph (a)(i)* applies, the Compensation Body shall, subject to *section 17(1)(b)*, make, by notice in writing, a reasoned offer of compensation (which, in the case of damages referred to *paragraph (a)(i)(III)* which have only been partially quantified, shall only relate to the damages so quantified) to the relevant claimant in respect of the relevant claim setting out the grounds on which liability and damages have been assessed.
- (c) Where *paragraph (a)(ii)* applies, the Compensation Body shall give notice in writing to the relevant claimant setting out the grounds on which—
 - (i) compensation referred to in *section 5(2)* will not be paid in respect of the relevant claim, or
 - (ii) it has not yet been determined whether or not such compensation will be paid,
 as the case may be.
- (6) Where the relevant claimant accepts the offer referred to in *subsection (5)(b)* by notice in the specified form (in this subsection referred to as the “acceptance notice”) given to the Compensation Body—
 - (a) the Compensation Body shall give the Bank notice in writing of the determination concerned referred to in *subsection (5)(a)(i)(I)* and, in the notice, request the Bank to transmit to the Compensation Body, out of the Fund, funds sufficient to enable the Compensation Body to pay the relevant amount to the relevant claimant,
 - (b) the Compensation Body shall pay the relevant amount to the relevant claimant not later than 3 months after it receives the acceptance notice, and
 - (c) the payment of the relevant amount to the relevant claimant shall constitute full and final settlement of—
 - (i) subject to *subparagraph (ii)*, the relevant claim, or
 - (ii) in the case of damages referred to in *subsection (5)(a)(i)(III)* which have only been partially quantified, the relevant claim in so far as it relates to the damages so quantified.

(7) In this section—

“precedent claim”, in relation to the relevant claim, means a claim previously presented to the insurer (domestic) concerning, whether in whole or in part, the same relevant claimant and the same insured event;

“relevant accident” means an accident caused by a person whose insurance contract, at the time that the accident occurred, is written by a relevant insurer (including any successor thereto in so far as such contract is concerned) the subject of a winding-up decision made on or after 23 December 2023;

“relevant amount”, in relation to the offer referred to in *subsection (5)(b)*, means the amount of compensation the subject of the offer;

“relevant claim”, in relation to a relevant accident, means the motor claim referred to in *subsection (1)*;

“relevant claimant”, in relation to a relevant claim, means the injured party making the claim;

“relevant contract”, in relation to a relevant accident, means the insurance contract referred to in the definition of “relevant accident”.

Reimbursement procedures of Compensation Body

10. (1) Where—

(a) an injured party has received compensation under *section 9*, and

(b) the relevant insurer concerned is an insurer authorised in another Member State,

the Compensation Body shall, as soon as is practicable after paying such compensation, present a claim, to the compensation body (other) of that other Member State, for reimbursement of the amount of compensation that falls within the scope of the MTPL insurance obligation.

(2) (a) Without prejudice to sections 2(6) and 3F of the Act of 1964, where the Compensation Body receives reimbursement referred to in *subsection (1)*, it shall, as soon as is practicable after it receives such reimbursement, transmit the full amount of such reimbursement to the Bank.

(b) The Bank shall pay the amount transmitted to it under *paragraph (a)* into the Fund and the MIIC Fund in such proportions of that amount as is required by the Act of 1964.

(3) *Subsection (4)* applies where—

(a) an injured party has received compensation from a compensation body (other),

(b) the relevant insurer concerned is an insurer (domestic) that is—

(i) carrying on motor third party liability insurance in another Member State, and

- (ii) the subject of a winding-up decision,
and
 - (c) the compensation body (other) presents a claim (in this section referred to as the “reimbursement claim”), to the Compensation Body, for reimbursement of the amount (in this section referred to as the “reimbursement amount”) of compensation referred to in *paragraph (a)* that falls within the scope of the MTPL insurance obligation.
- (4) (a) The Compensation Body shall, as soon as is practicable after it receives the reimbursement claim and having regard to the time limits specified in *paragraph (b)*—
- (i) give the Bank notice in writing of the receipt of the claim and, in the notice, request the Bank to transmit to the Compensation Body, out of the Fund, funds sufficient to enable the Compensation Body to pay the reimbursement amount to the compensation body (other) concerned, and
 - (ii) attach a copy of the reimbursement claim to the notice.
- (b) The Compensation Body shall, as soon as is practicable after it receives the reimbursement claim but, in any case, not later than 6 months after it receives the claim or such shorter period (if any) as is agreed in writing between the Compensation Body and the compensation body (other) concerned, pay the reimbursement amount to the compensation body (other).

Subrogation

11. (1) Subject to *subsections (2) and (3)*, where the Compensation Body has paid compensation under *section 9* to an injured party, the Compensation Body shall be subrogated to the injured party’s rights and remedies against any party liable for the relevant accident (within the meaning of *section 9(7)*), including either or both of the following:
- (a) the person who caused the relevant accident (within the meaning of *section 9(7)*);
 - (b) the person’s relevant insurer as referred to in the definition of “relevant accident” in *section 9(7)*.
- (2) The rights and remedies referred to in *subsection (1)* shall not apply against the holder of the insurance contract concerned or, as the case may be, the other insured person who caused the accident referred to in that subsection, in so far as the liability of that holder or person would have been covered by the relevant insurer concerned on whose behalf the Compensation Body has paid the compensation referred to in *subsection (1)*.
- (3) The subrogation referred to in paragraph 10 of Article 10a, or in paragraph 10 of Article 25a, of the Directive provided for a compensation body (other), in the Member State in respect of which it is such body, is hereby acknowledged and, accordingly—

- (a) where the Compensation Body receives reimbursement under *section 10(1)* from a compensation body (other), the rights and remedies referred to in *subsection (1)* otherwise conferred on the Compensation Body in the case of the injured party concerned shall not be exercised by the Compensation Body but may, by virtue of this subsection, be exercised by that compensation body (other), or
- (b) where the Compensation Body pays reimbursement under *section 10(4)* to a compensation body (other), the rights and remedies referred to in *subsection (1)* otherwise conferred on the compensation body (other) in the case of the injured party concerned may, by virtue of this subsection, be exercised by the Compensation Body, as if those rights and remedies have been transferred to the Compensation Body by that compensation body (other).

Engagement and co-operation with other interested parties

- 12.** (1) The Compensation Body shall, in the performance of its functions in relation to the relevant purposes, engage, and co-operate as required, with other interested parties (including co-operate, subject to *Part 4*, by means of disclosures of information between the Compensation Body and such parties) and shall, by virtue of this section, have all necessary powers to do so.
- (2) The Compensation Body shall, as soon as is practicable after the commencement of this section, publish and maintain on its website a list of interested parties.
- (3) In this section, “interested parties” include, in addition to the interested parties referred to in paragraph 9 of Article 10a, and paragraph 9 of Article 25a, of the Directive—
- (a) the Bank,
 - (b) the Agency, and
 - (c) any other person who, in the opinion of the Compensation Body, will or may assist the Compensation Body in the effective and efficient performance of its functions in relation to the relevant purposes.

Co-operation between stakeholders

- 13.** (1) The public authorities shall co-operate with each other with a view to ensuring that the performance by the Compensation Body of its functions in relation to the relevant purposes operates in a way that contributes to promoting the best interests of—
- (a) the efficient and effective handling of claims under *section 9*,
 - (b) claimants under *section 9*,
 - (c) the efficient and effective handling of claims under *section 10(3)*,
 - (d) claimants under *section 10(3)*, and
 - (e) the Fund and the MIIC Fund.

- (2) Notwithstanding any other enactment but subject to *Part 4*, the Compensation Body may, in furtherance of the performance of its functions in relation to the relevant purposes, disclose information held by it to—
- (a) a public authority upon a request in writing made to the Compensation Body by the public authority for such disclosure where the Compensation Body is satisfied that the information is reasonably required by the public authority to facilitate the public authority in the performance of one or more than one of the public authority's functions, or
 - (b) a public authority, without a request referred to in *paragraph (a)* having been made to the Compensation Body by the public authority in respect of such disclosure, where the Compensation Body is satisfied that the information is reasonably required by the public authority to facilitate the public authority in the performance of one or more than one of the public authority's functions.
- (3) Notwithstanding any other enactment but subject to *subsection (4)* and *Part 4*, a public authority may disclose information held by it to—
- (a) the Compensation Body upon a request in writing made to the public authority by the Compensation Body for such disclosure where the public authority is satisfied that the information is reasonably required by the Compensation Body to facilitate the Compensation Body in the performance of one or more than one of its functions in relation to the relevant purposes, or
 - (b) the Compensation Body, without a request referred to in *paragraph (a)* having been made to the public authority by the Compensation Body in respect of such disclosure, where the public authority is satisfied that the information is reasonably required by the Compensation Body to facilitate the Compensation Body in the performance of one or more than one of its functions in relation to the relevant purposes.
- (4) (a) A reference in *subsection (3)* to a public authority shall not include the Revenue Commissioners.
- (b) *Subsection (3)* shall not prejudice the operation of—
- (i) section 33AK of the Central Bank Act 1942, and
 - (ii) section 851A of the Taxes Consolidation Act 1997.
- (5) The Compensation Body and a public authority may enter into a memorandum of understanding setting out the terms under which they will interact with each other in the performance of their respective functions.
- (6) In this section, “public authority” means—
- (a) the Bank,
 - (b) subject to *subsection (4)(a)*, the Revenue Commissioners, or
 - (c) the Agency.

Special provisions applicable to insurer (domestic) subject of voluntary winding-up proceedings

14. (1) (a) Without prejudice to the rights and remedies of an injured party under this Act and the Directive, an insurer (domestic) which is the subject of voluntary winding-up proceedings shall not—
- (i) on behalf of an injured party present a claim under *section 9* to the Compensation Body, or
 - (ii) otherwise direct or advise an injured party to present a claim under *section 9* to the Compensation Body.
- (b) Subject to sections 3A and 3K of the Act of 1964, all costs and expenses incurred by the Compensation Body in performing its functions in relation to the relevant purposes in the case of an insurer (domestic) the subject of voluntary winding-up proceedings shall be recoverable from the insurer (domestic) and, to that end, the Compensation Body shall take such steps as it considers reasonable in all the circumstances of the case to so recover such costs and expenses.
- (2) The Compensation Body shall transmit to the Bank any sums recovered under *subsection (1)* from an insurer (domestic) to the extent that sums were paid out of the Fund to cover the costs and expenses referred to in that subsection that relate to that insurer (domestic).

PART 3

DIRECTIVE, FUND AND MIIC FUND

Integration of insurer (domestic) carrying on motor third party liability insurance in another Member State into Fund for purposes of Directive

15. Where—

- (a) a reimbursement claim is presented under *section 10* to the Compensation Body for compensation referred to in *section 6(2)*, and
- (b) sufficient contributions referred to in *section 2A(1)* of the Act of 1964 have yet to be paid into the Fund,

the Minister may, on the recommendation of the Bank and having regard to the time limits referred to in *section 10(4)* within which the Compensation Body must operate in performing its functions in relation to the relevant purposes, advance to the Fund such sums as will enable the Fund to pay such compensation.

Audit of certain completed claims

16. (1) (a) Subject to *paragraph (b)* and *subsection (5)*, the Agency shall, on an annual basis, carry out an audit of a sample of relevant claims where no further steps need to

be taken under *section 9* or *10*, as appropriate, by the Compensation Body in respect of such claims.

- (b) For the avoidance of doubt, it is hereby declared that *paragraph (a)* shall not apply to any year in which there are no relevant claims to which that paragraph can apply.
- (2)
- (a) Subject to *paragraph (c)*, the Agency and the Compensation Body shall each have the power to negotiate and conclude an agreement in writing between them as to the timing and extent of audits referred to in *subsection (1)*.
 - (b) Subject to *paragraph (c)*, the Agency and the Compensation Body may amend the agreement referred to in *paragraph (a)* by a further agreement in writing negotiated and concluded between them.
 - (c) The Agency shall not conclude an agreement referred to in *paragraph (a)* or *(b)* except with the consent of the Minister.
- (3)
- (a) Subject to *paragraph (b)*, the Agency shall, as soon as is practicable after it completes an audit referred to in *subsection (1)*, prepare and give to the Minister a report in writing on the results of the audit, in particular as regards any matter that the Agency is satisfied should be brought to the attention of the Minister.
 - (b) The report referred to in *paragraph (a)* shall include any matter, relating to one or more than one claim to which *section 17(1)* applies, that the Agency is satisfied should be brought to the attention of the Minister.
 - (c) The Minister may from time to time, by notice in writing given to the Agency, request the Agency to provide the Minister with such information relating to the performance of the Agency's functions under this section as is specified in the notice and the Agency shall, as soon as is practicable after it has been given the notice, comply with that request.
- (4)
- (a) *Paragraphs (b), (c) and (d)* apply where—
 - (i) an audit referred to in *subsection (1)* determines that moneys were paid by the Compensation Body in error, or
 - (ii) an internal review conducted by the Compensation Body determines that moneys were paid by it in error.
 - (b) The Compensation Body shall take such steps as it considers reasonable in all the circumstances of the case to recover such moneys.
 - (c) The Compensation Body shall transmit to the Bank any moneys recovered pursuant to *paragraph (b)* as soon as is practicable after the Compensation Body receives such moneys.
 - (d) The Bank shall pay moneys transmitted to it under *paragraph (c)* into the Fund and the MIIC Fund in the same proportions as moneys were advanced from them to pay the moneys the subject of the error concerned.

- (5) An audit referred to in *subsection (1)* shall also extend to the costs and expenses incurred by the Compensation Body in performing its functions in relation to the relevant purposes in the case of the relevant claims falling within the sample concerned.
- (6) In this section—
- “relevant claim” means—
- (a) a claim under *section 9*, or
 - (b) a claim under *section 10(1)* or *(3)*;
- “sample”, in relation to relevant claims, means any, or any combination, of the following:
- (a) relevant claims made within a specified period of time;
 - (b) relevant claims in respect of which a payment was made;
 - (c) relevant claims in respect of which no payment was made;
 - (d) relevant claims in respect of which a payment was made pursuant to an order of a court.

Audit of certain uncompleted claims

17. (1) (a) The Minister shall, as soon as is practicable after the commencement of this section, by order, specify an amount (in this section referred to as the “relevant amount”) for the purposes of this section which he or she considers is an amount which is appropriate to trigger the auditing required by this section of claims under *section 9* which exceed that amount but without, at the same time, causing undue interference with the day-to-day operations of the Compensation Body in dealing with claims under that section.
- (b) Subject to *paragraph (c)*, the Compensation Body shall not, in respect of a claim under *section 9*, make an offer of compensation which exceeds the relevant amount until the claim has been audited in accordance with this section.
- (c) *Paragraph (b)* shall not apply in respect of an offer of compensation the amount of which has been determined by an order of a court.
- (2) Subject to *subsection (5)*, the Agency shall, as expeditiously as possible, audit each relevant claim.
- (3) (a) Subject to *paragraph (c)*, the Agency and the Compensation Body shall each have the power to negotiate and conclude an agreement in writing between them as to the timing and extent of audits referred to in *subsection (2)*.
- (b) Subject to *paragraph (c)*, the Agency and the Compensation Body may amend the agreement referred to in *paragraph (a)* by a further agreement in writing negotiated and concluded between them.

- (c) The Agency shall not conclude an agreement referred to in *paragraph (a)* or *(b)* except with the consent of the Minister.
- (d) An agreement referred to in *paragraph (a)* or *(b)* may be combined with an agreement referred to in *section 16(2)(a)* or *(b)*.
- (4) The Minister may from time to time, by notice in writing given to the Agency, request the Agency to provide the Minister with such information relating to the performance of the Agency's functions under this section as is specified in the notice and the Agency shall, as soon as is practicable after it has been given the notice, comply with that request.
- (5) An audit referred to in *subsection (2)* shall also extend to the costs and expenses incurred by the Compensation Body in performing its functions in relation to the relevant purposes in the case of each relevant claim.
- (6) In this section, "relevant claim" means a claim to which *subsection (1)* applies.

Agency to submit report to Minister on audits carried out under *section 16* or *17*, etc.

- 18.** (1) Subject to *subsection (3)*, the Agency shall, not later than the expiration of the relevant period after the making of the first winding-up decision on or after the commencement of this section and after consultation with the Bank and the Compensation Body, prepare and submit to the Minister a report in writing on the conclusions to be drawn from the audits it has carried out under *section 16* or *17*.
- (2) (a) Subject to *subsection (3)*, the Minister may, after consultation with the Bank, the Compensation Body and the Agency, by notice in writing given to the Agency request the Agency to prepare and submit to the Minister a report in writing on the conclusions to be drawn from the audits it has carried out under *section 16* or *17* during the period specified in the notice for the purpose.
 - (b) The Agency shall comply with a request under *paragraph (a)* as soon as is practicable.
 - (3) Without prejudice to the generality of *subsection (1)* or *(2)*, the report referred to in that subsection shall contain the following:
 - (a) an evaluation of whether, and to what extent, the governance procedures and controls in this Act (including any agreement referred to in *section 16(2)* or *17(3)*) relating to claims made under this Act are adequate or fit for purpose;
 - (b) where such governance procedures and controls are not considered adequate or fit for purpose, an assessment of what steps (which may be or include legislative amendments) may be taken to render such governance procedures and controls adequate or fit for purpose.
 - (4) In this section, "relevant period" means—
 - (a) the period prescribed by the Minister by regulations for the purposes of this paragraph, or

- (b) if no period stands so prescribed, 24 months.

PART 4

PERSONAL DATA

Definitions (*Part 4*)

19. In this Part—

“Article 10 data” means personal data referred to in Article 10 of the General Data Protection Regulation;

“General Data Protection Regulation” means Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016⁵ on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, and repealing Directive 95/46/EC (General Data Protection Regulation);

“personal data” has the meaning assigned to it by the General Data Protection Regulation;

“processing”, in relation to personal data, has the meaning assigned to it by the General Data Protection Regulation;

“special categories of personal data” has the meaning assigned to it by the Data Protection Act 2018;

“suitable and specific measures” means measures to safeguard the fundamental rights and freedoms of data subjects (within the meaning of the General Data Protection Regulation) in processing the personal data of those subjects and may include measures referred to in section 36(1) of the Data Protection Act 2018.

Disclosure and processing of personal data

- 20.** (1) Notwithstanding any other enactment, information disclosed under *section 12(1)* or *13(2)* or *(3)* may be or include personal data (including special categories of personal data and Article 10 data) where necessary and proportionate for the performance of the function concerned.
- (2) Notwithstanding any other enactment but subject to the taking of suitable and specific measures, the person to whom personal data (including special categories of personal data and Article 10 data) were disclosed under *section 12(1)* or *13(2)* or *(3)* as read with *subsection (1)* may process such data for the purposes for which the disclosure was made to the person.
- (3) Notwithstanding any other enactment but subject to the taking of suitable and specific measures, the Compensation Body may, in the performance of its functions in relation to the relevant purposes, process personal data (including special categories of

⁵ OJ No. L119, 4.5.2016, p. 1

personal data and Article 10 data) held by it or disclosed to it pursuant to a provision of this Act.

Provisions supplementary to section 20

21. Where personal data (including special categories of personal data and Article 10 data) are lawfully disclosed to the Compensation Body otherwise than under *section 12(1)* or *13(2)* or *(3)*, the Compensation Body may, subject to the taking of suitable and specific measures, process such data for the purposes for which the disclosure was made if such purposes are relevant to the Compensation Body's performance of its functions in relation to the relevant purposes.

Regulations – personal data

22. The Minister may by regulations prescribe suitable and specific measures for the processing of personal data (including special categories of personal data and Article 10 data) under this Act.

PART 5

MISCELLANEOUS AND CONSEQUENTIAL

Power to specify form of documents

23. (1) The Compensation Body may specify the form of documents required for the purposes of this Act as it thinks fit.
- (2) The Compensation Body's power under *subsection (1)* may be exercised in such a way as to specify 2 or more forms of any document (whether in paper or electronic form or both) referred to in that subsection, whether as alternatives, or to provide for particular circumstances or particular cases, as the Compensation Body thinks fit.
- (3) The form of a document specified under this section shall be—
- (a) completed in accordance with such directions and instructions as are specified in the document,
 - (b) accompanied by such other documents (including a statutory declaration) as are specified in the document, and
 - (c) if the completed document is required to be provided to—
 - (i) the Compensation Body,
 - (ii) another person on behalf of the Compensation Body, or
 - (iii) any other person,
- so provided in the manner (if any) specified in the document.

- (4) Without prejudice to the generality of the Assisted Decision-Making (Capacity) Act 2015 or *subsection (3)(a)*, the directions and instructions referred to in that subsection may specify the circumstances in which one of 2 persons, each of whom has attained the age of 18 years and each of whom has capacity to sign the form concerned specified under this section, may sign the form on behalf of the other person where the other person is physically unable to sign the form.

Amendment of section 1 of Act of 1964

24. Section 1 of the Act of 1964 is amended by the insertion of the following definitions:

“ ‘Act of 2024’ means the *Motor Insurance Insolvency Compensation Act 2024*;

‘Compensation Body’ has the meaning assigned to it by the *Act of 2024*;

‘compensation body (other)’ has the meaning assigned to it by the *Act of 2024*;

‘insurer (domestic)’ has the meaning assigned to it by the *Act of 2024*;

‘MTPL insurance obligation’ has the meaning assigned to it by the *Act of 2024*;

‘relevant insurer’ has the meaning assigned to it by the *Act of 2024*;

‘relevant purposes’ has the meaning assigned to it by the *Act of 2024*;

‘winding-up proceedings’ has the meaning assigned to it by the *Act of 2024*.”.

Amendment of section 2 of Act of 1964

25. Section 2 of the Act of 1964 is amended—

- (a) in subsection (6), by the insertion of the following paragraphs after paragraph (f):

“(fa) any sums paid to the Compensation Body—

- (i) during the course of the winding-up proceedings of a relevant insurer, or
- (ii) by virtue of the exercise by the Compensation Body of the rights and remedies referred to in *section 11(1) or (3) of the Act of 2024*,

to the extent that such sums are paid to the Compensation Body by virtue of the Compensation Body having paid the relevant amount within the meaning of *section 9 of the Act of 2024*,

- (fb) sums transmitted to the Bank pursuant to *section 14(2) of the Act of 2024*,

- (fc) unless otherwise specified in circumstances set out in regulations made under section 2A(1), contributions referred to in that section,”
- (b) in subsection (7)—
- (i) in paragraph (a)(ii), by the insertion of “and the *Act of 2024*” after “this Act”,
- (ii) by the insertion of the following paragraphs after paragraph (a):
- “(aa) sums to meet the costs and expenses necessarily incurred by the MIBI, on or after 1 January 2023 up to the date of the commencement of *section 5(1)* of the *Act of 2024*, in preparing itself to become the Compensation Body,
- (ab) subject to subsection (7A), sums to meet the costs and expenses incurred by the Compensation Body in performing its functions in relation to the relevant purposes,”
- and
- (iii) in paragraph (c), by the insertion of “and *section 6(1)* and *(2)* of the *Act of 2024*” after “this Act”,
- (c) by the insertion of the following subsection after subsection (7):
- “(7A) (a) The costs and expenses which fall within subsection (7)(ab) (which may include the costs and expenses incurred in contesting a claim) shall be determined by reference to an agreement in writing negotiated and concluded between the Minister and a body proposed to be authorised under *section 5(1)* of the *Act of 2024* as the compensation body referred to in *section 5(1)(a)* of that Act.
- (b) The Minister and the Compensation Body may amend the agreement referred to in paragraph (a) by a further agreement in writing negotiated and concluded between them.”
- and
- (d) in subsection (8)—
- (i) in paragraph (a), by the substitution of “Subject to paragraph (aa), the Bank”, for “The Bank”, and
- (ii) by the insertion of the following paragraphs after paragraph (a):
- “(aa) The Bank shall cause the abstract and report referred to in paragraph (a) to be prepared in such a way that the provisions of the abstract and of the report relating to the Compensation Body are readily identifiable as such.
- (ab) The Bank may, for the purposes of performing its functions under this subsection, by notice in writing given to the Compensation Body, request the Compensation Body to provide the Bank with

such information as the Bank may reasonably require for those purposes and the Compensation Body shall, as soon as is practicable after it receives the notice, comply with that request.”.

Contributions to Fund by insurers (domestic) carrying on motor third party liability insurance in other Member States

26. The Act of 1964 is amended by the insertion of the following section after section 2:

“2A. (1) (a) Subject to paragraph (b) and subsections (2), (3) and (4), the Minister may, after consultation with the Bank, by regulations prescribe requirements for insurers (domestic) which carry on motor third party liability insurance in other Member States as regards contributions to the Fund for the purposes of providing eligible compensation.

(b) Regulations (if any) made under this subsection may empower the Bank to establish a sub-fund of the Fund into which contributions referred to in paragraph (a) shall, unless otherwise prescribed in circumstances set out in the regulations, be paid and, if such sub-fund is established, any sums paid out of the Fund for providing eligible compensation shall be paid out of the sub-fund unless there is an insufficiency of moneys standing to the credit of the sub-fund in which case other moneys standing to the credit of the Fund may be used to cover the insufficiency.

(c) Where a sub-fund referred to in paragraph (b) is established—

(i) references in this Act, the *Act of 2024* or any other enactment to a sum being paid out of the Fund (howsoever expressed) shall, with all necessary modifications, be construed to take into account the effect of that paragraph and the regulations made under this subsection relating to the sub-fund, and

(ii) moneys standing to the credit of the sub-fund shall not be used for any purposes other than the following:

(I) providing eligible compensation;

(II) covering the costs and expenses incurred by the Compensation Body in providing eligible compensation;

(III) covering the costs and expenses incurred by the Bank in performing its functions under this Act in respect of the maintenance and administration of the sub-fund;

(IV) covering the costs and expenses incurred by the State Claims Agency in performing its functions under the *Act of 2024*;

- (V) repayment of moneys borrowed for the sub-fund and payments of interest on such moneys;
 - (VI) other sums properly payable out of the sub-fund.
- (d) Regulations made under this subsection may provide for the steps to be taken where a contribution referred to in paragraph (a) is not paid by an insurer (domestic) in accordance with this section and the regulations.
- (2) (a) Subject to paragraph (b) and subsections (3) and (4), the Minister may, after consultation with the Bank, in regulations made under subsection (1), prescribe the appropriate contribution referred to in subsection (1) together with the terms of payment of such contribution.
- (b) The rate of such contribution shall be set at a level which, in the opinion of the Minister, is appropriate having regard to the level of risk to which the Fund is exposed by virtue of *section 6(2)* of the *Act of 2024*.
- (3) The Minister shall, in making regulations under subsection (2), have regard to—
- (a) any recommendations made by the Bank in the consultation referred to in subsection (2)(a), and
 - (b) the following:
 - (i) the total amount of moneys currently standing to the credit of the Fund;
 - (ii) the sums (if any) due and owing to the Fund;
 - (iii) the desirability of ensuring that the total amount of moneys standing to the credit of the Fund is likely to be sufficient to meet payments that may become due to the Fund;
 - (iv) the likelihood of a call on the Fund;
 - (v) any sums advanced to the Fund under subsection (7);
 - (vi) such other factors as the Minister considers appropriate and, in particular, the likely impact that such regulations may have on insurers (domestic).
- (4) Regulations made under subsection (1) shall come into operation on 1 January next following the year in which the regulations were made.
- (5) The Minister shall, in regulations made under subsection (1), appoint, as collector for the purposes of this section and the regulations, the Bank, the Revenue Commissioners or any other person who, in the opinion of the Minister, has the requisite knowledge, expertise and experience to perform the functions of the collector for such purposes.

- (6) The Minister may, after consultation with the Bank, by regulations prescribe operational and governance requirements as regards contributions referred to in subsection (1).
- (7) Every regulation made by the Minister under this section shall be laid before each House of the Oireachtas as soon as may be after it is made and, if a resolution annulling the regulation is passed by either such House within the next 21 days on which the House has sat after the regulation is laid before it, the regulation shall be annulled accordingly, but without prejudice to the validity of anything previously done thereunder.
- (8) Regulations made under this section may contain such incidental, supplementary and consequential provisions as appear to the Minister to be necessary or expedient for the purposes of the regulations.
- (9) For the avoidance of doubt, it is hereby declared that the Bank may make recommendations in the consultation referred to in subsection (2)(a).
- (10) *Section 2* of the *Act of 2024* shall apply to the interpretation of this section and regulations made under this section as that section applies to the interpretation of that Act.
- (11) In this section, ‘eligible compensation’ means compensation referred to in *section 6(2)* of the *Act of 2024*.”.

Section 3 and Act of 2024

27. The Act of 1964 is amended by the insertion of the following section after section 3B:

“3BA. (1) Where—

(a) a claim is presented under *section 9* of the *Act of 2024*, or

(b) a claim is presented under *section 10(3)* of the *Act of 2024*,

the provisions of section 3 shall not apply to the claim or to the payment of a sum (if any) out of the Fund consequential to such claim.

(2) Subject to subsection (4), the total amount that may be paid out of the Fund under *section 6(1)* of the *Act of 2024* in respect of any sum due to a person under a policy shall not exceed (whether as one payment or as the total of a series of payments) 65 per cent of that sum, or €825,000, whichever is the less.

(3) Where a sum is due to a person under a policy by reason of a periodic payments order, the limitation prescribed by subsection (2) on payment out of the Fund shall not apply to the sum required to meet the liability of the insured under the periodic payments order.

(4) (a) Paragraph (b) applies where—

- (i) any compensation referred to in *section 6(1)* of the *Act of 2024* relates to the liability of the insured to a third party under a policy issued by a relevant insurer in respect of risks in the State issued by an insurer (domestic), and
 - (ii) a liquidator is appointed in respect of the insurer (domestic).
- (b) (i) Any compensation referred to in *section 6(1)* of the *Act of 2024* in respect of the MTPL insurance obligation in relation to personal injuries shall be paid in full.
- (ii) Any compensation referred to in *section 6(1)* of the *Act of 2024* in respect of injury to property shall be limited to the sum specified in *section 56(2)(a)* of the *Road Traffic Act 1961*, applying at the time the event giving rise to the claim occurred.
- (c) Where a liquidator is appointed in respect of an insurer (domestic), any amount payable by virtue of this subsection in respect of risks in the State, in excess of the limitation prescribed by subsection (2) on payment out of the Fund, shall be met by a payment out of the MIIC Fund to the Fund in accordance with *section 3E(5)*.
- (5) An amount due to a body corporate or unincorporated body of persons may not be paid out of the Fund under *section 6(1)* of the *Act of 2024* unless the sum is due in respect of the liability of the body to an individual or in respect of the liability of an individual to that body.
- (6) In this section, ‘periodic payments order’ has the same meaning as it has in Part IVB of the *Civil Liability Act 1961*.”.

Amendment of section 3E of Act of 1964

28. Section 3E of the Act of 1964 is amended—

- (a) in subsection (1)(a), by the insertion of “or 3BA(4)(c), or both such sections,” after “section 3(5A)(c)”, and
- (b) in subsection (2), by the substitution of “section 3(5A)(c) or 3BA(4)(c) applies, or both such sections apply,” for “section 3(5A)(c) applies.”.

Circumstances in which Compensation Body or compensation body (other) to be creditor of relevant insurer

29. The Act of 1964 is amended by the insertion of the following section after section 3J:

- “**3K.** (1) The Compensation Body shall, in the case of any compensation paid by it under *section 9* of the *Act of 2024* or reimbursement paid by it under *section 10* of that Act, be a creditor of the relevant insurer and the Compensation Body’s claim for the amount of such compensation or reimbursement, as the case may be, shall be—

- (a) treated as an insurance claim for the purposes of the European Union (Insurance and Reinsurance) Regulations 2015 (S.I. No. 485 of 2015), and
 - (b) admitted in the proceedings for the winding-up as a proved debt of the insurer having priority to any sum remaining due under the policy.
- (2) The compensation body (other) shall, in the case of reimbursement paid by it to the Compensation Body under *section 10* of the *Act of 2024*, be a creditor of the relevant insurer and the claim of the compensation body (other) for the amount of such reimbursement shall be—
- (a) treated as an insurance claim for the purposes of the European Union (Insurance and Reinsurance) Regulations 2015 (S.I. No. 485 of 2015), and
 - (b) admitted in the proceedings for the winding-up as a proved debt of the insurer having priority to any sum remaining due under the policy.”.

Amendment of section 5 of Act of 1964

30. Section 5 of the Act of 1964 is amended by the substitution of the following subsection for subsection (1):

- “(1) (a) The Minister may, on the recommendation of the Bank, advance from time to time to the Fund such sums as he or she thinks proper to enable payments out of the Fund under section 3, 3A, 3B and 3C to be made expeditiously.
- (b) Where the Fund does not have sufficient resources to pay the Compensation Body the sums referred to in *section 6(1)* or *10(4)* of the *Act of 2024*—
- (i) the Bank shall, within 5 working days of becoming aware of the insufficiency, give notice in writing of the insufficiency to the Minister, and
 - (ii) the Minister may, on the recommendation of the Bank and having regard to the time limits referred to in *section 9* or *10(4)*, as the case may be, of the *Act of 2024* within which the Compensation Body must operate in performing its functions in relation to the relevant purposes, advance to the Fund such sums as will enable the Fund to have sufficient resources to pay the sums first-mentioned in this paragraph.”.

Amendment of section 6 of Act of 1964

31. Section 6(7) of the Act of 1964 is amended by the insertion of “and the *Act of 2024*” after

“this section”.

Amendment of section 8B of National Treasury Management Agency (Amendment) Act 2000

32. Section 8B of the National Treasury Management Agency (Amendment) Act 2000 is amended—

(a) by the substitution of the following subsection for subsection (1):

“(1) In this section—

‘Act of 1964’ means the Insurance Act 1964;

‘Act of 2024’ means the *Motor Insurance Insolvency Compensation Act 2024*;

‘Compensation Body’ has the meaning assigned to it by the *Act of 2024*;

‘personal data’ has the meaning assigned to it by the *Act of 2024*;

‘processing’ has the meaning assigned to it by *Part 4* of the *Act of 2024*.”,

and

(b) in subsection (2)—

(i) in paragraph (f), by the substitution of “1964;” for “1964.”, and

(ii) by the insertion of the following paragraphs after paragraph (f):

“(g) acting as one of the interested parties within the meaning of *section 12* of the *Act of 2024*;

(h) the co-operation by it, pursuant to *section 13* of the *Act of 2024*, with the Compensation Body, the Central Bank of Ireland and the Revenue Commissioners;

(i) the carrying out, pursuant to *section 16* of the *Act of 2024*, of audits of samples of completed claims presented to the Compensation Body under that Act;

(j) the carrying out, pursuant to *section 17* of the *Act of 2024*, of audits of certain uncompleted claims presented to the Compensation Body;

(k) the preparation and submission to the Minister, pursuant to *section 18* of the *Act of 2024*, of a report on, *inter alia*, the conclusions to be drawn from the audits referred to in paragraphs (i) and (j) which it has carried out;

(l) processing personal data which, pursuant to *section 20* of the *Act of 2024*, has been disclosed to it by the Compensation Body.”.

Amendment of section 28 of Value-Added Tax Consolidation Act 2010

33. Section 28 of the Value-Added Tax Consolidation Act 2010 is amended by the insertion of the following subsection after subsection (3):

“(3A) (a) Where an injured party receives compensation pursuant to the *Act of 2024* in respect of any amount payable in respect of services of a barrister or solicitor, those services shall be deemed, for the purposes of this Act, to be supplied to, and received by, the holder of the contract of insurance concerned under which the injured party was covered in respect of loss or injury caused by a vehicle.

(b) In paragraph (a)—

‘Act of 2024’ means the *Motor Insurance Insolvency Compensation Act 2024*;

‘injured party’ has the meaning assigned to it by the *Act of 2024*.”.

Amendment of Regulations of 2015

34. The Regulations of 2015 are amended by the insertion of the following Regulation after Regulation 278:

“Provisions supplementary to Regulations 277 and 278

278A. A reference in Regulation 277 or 278 to an insurance claim shall, in the case of an insurance undertaking being wound up voluntarily as referred to in the definition of ‘winding-up proceedings’ in Regulation 270, also include a claim by the Compensation Body, within the meaning of the *Motor Insurance Insolvency Compensation Act 2024*, for its costs and expenses referred to in *section 14* of that Act, and Regulations 277 and 278 shall, with all necessary modifications, be construed accordingly.”.

Provision supplementary to section 34

35. The amendment of the Regulations of 2015 effected by *section 34* shall not prevent or restrict the subsequent amendment or revocation of those Regulations by a statutory instrument.