

**Instructions No. (27) of 2010**  
**Instructions of Determining the Volume of Underwriting in Compulsory Motor Insurance and the Amendments Thereof\***

**Issued by the Board of Directors of the Insurance Commission pursuant to the provisions of paragraph (B) of Article (5) of the Compulsory Motor Insurance Regulation No. (12) of 2010**

**Article (1):**

These Instructions shall be Known as (Instructions of Determining the Volume of Underwriting in Compulsory Motor Insurance and the Amendments Thereof of 2010), and shall come into force as of the date of its publication in the Official Gazette.

**Article (2):**

A- The words and phrases, mentioned in these Instructions shall have the meanings ascribed thereto in Article (2) of the Insurance Regulatory Act No. (33) of 1999 and the Amendments Thereof, unless otherwise indicated by context.

B- For purposes of these Instructions, the words and phrases mentioned hereunder shall mean the following:-

The Company : The Insurance Company obtained the license in Motor Insurance or the license in Land Motor Vehicles Liability Insurance class.

Comprehensive Insurance Policy : The Insurance policy that includes the coverage of the Compulsory Motor Insurance Policy and any other coverage agreed on between the insured and the insurance company.

**Article (3):**

The Company shall comply with the following:-

A- Setting a policy for the underwriting in compulsory motor insurance business accredited by the board of directors of the company which includes the following as a minimum:-

1- The technical basis accredited by the Company for determining premiums.

2- Mechanism for the Company to spread in all the Drivers and Vehicles Licensing Departments in the Kingdom.

3- Variation in underwriting for all vehicles types.

B- Reviewing the policy mentioned in paragraph (A) of this Article on regular basis by an expert actuary appointed or accredited by the Company, as the case may be.

**Article (4):**

A- The company shall comply that the gross premiums of the compulsory insurance for Jordanian vehicles shall not be less than (5%) and shall not exceed (75%) of

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\* These Instructions were published in the Official Gazette volume (5028) dated 2/5/2010 page (2548), and were amended according to Instructions No. (34) of 2010 "Instructions Amending Instructions of Determining the Volume of Underwriting in Compulsory Motor Insurance" published in the Official Gazette volume (5061) dated 17/10/2010 page (5940).

- the gross equity of the Company's business insured therewith inside the Kingdom.
- B- The Company which achieves the minimum percentage stipulated in paragraph (A) of this article shall not abstain from insuring vehicles according to the Compulsory Motor Insurance Regulation in force, it shall continue insuring the vehicles until it reach the maximum percentage stipulated in paragraph (A), subject to legal liability.
  - C- The Company shall take into consideration that the gross premium of the compulsory insurance for the Jordanian vehicles insured therewith shall not exceed for each month (6%) of the monthly gross equity of the company's business inside the Kingdom.
  - D- For the purpose of applying the provisions of paragraphs (A) and (B) of this article during the year 2010, the Company shall comply that the gross premiums of the compulsory insurance for Jordanian vehicles insured therewith shall not exceed (75%) of the gross equity of the Company's business insured therewith inside the Kingdom, during the period from the date these Instructions come into force and until 31/12/2010.

**Article (5):**

Compulsory Motor Insurance premiums underwritten with the comprehensive insurance policy, shall be excluded from the provisions of these Instructions.

**Article (6):**

The Director General shall issue the Decisions necessary for implementing the provisions of these Instructions.

**Board of Directors of the Insurance Commission**