MATURITY AND/OR DELAY OF OBLIGATIONS FOR COMPENSATION OF MATERIAL DAMAGE (ORDINARY DAMAGE) UNDER AUTO LIABILITY INSURANCE IN BOSNIA AND HERZEGOVINA

Summary: *The beginning of accruing statutory default interest on the obligation to compensate material damage based on automobile liability insurance is a very important legal issue, which the courts in Bosnia and Herzegovina are currently solving in the wrong way. According to the prevailing position of the courts in BiH, statutory default interest on the obligation to compensate for material damage begins to run from the date of occurrence of the material damage, regardless of whether the claim is based on automobile liability insurance or not. The basis for this position of the courts is the provision of Article 186 of the Law on Obligations of the Republika Srpska/Federation of Bosnia and Herzegovina, which prescribes the moment when the obligation to compensate damage is due. In view of the above, the author of this paper cannot get rid of the impression that the courts in BiH, through a superficial and incomplete interpretation of the provisions of substantive law in their decisions, arbitrarily determine the legal default interest on the compensation of material damage, mixing the legal terms maturity and delay of obligation to compensate damage. Namely, we are talking about two different legal institutes, which are closely related and on whose correct definition and determination depends the correct determination of the moment from which the legal default interest starts to be calculated on the established obligation to compensate the material damage.*

Keywords: *compensation for material damage, due date, delay, statutory default interest, automobile liability insurance, compensation claim*