


Content

| | |
|---------------|--|
| Title : | Regulations Governing the Management of the Insurance Association  |
| Date : | 2007.12.26 |
| Legislative : | 1.Promulgated on December 26, 2007 |
| Content : | <p>Article 1</p> <p>These Regulations are enacted pursuant to Article 165-3 of the Insurance Act (referred to as “the Act” hereunder).</p> <p>Article 2</p> <p>The term “insurance association” as used in the Act means The Non-Life Insurance Association of the Republic of China, The Life Insurance Association of the Republic of China, Insurance Agency Association of the Republic of China, National Taiwan Association of Insurance Brokering Companies, Surveyor Association of Taipei, and Surveyor Association of Kaohsiung.</p> <p>Article 3</p> <p>The articles of association of an insurance association (referred to as “association” hereunder) shall contain the following particulars in addition to requirements set out in Article 11 of the Commercial Organization Act:</p> <ol style="list-style-type: none">1.Protection of interests of members and their customers and mediation of business dispute.2.Assistance, guidance and counseling for members with respect to regulatory compliance and sound business operations.3.Propagating regulations and government policies and conducting research projects in coordination with the competent authority.4.Administration of members, member representatives and professional personnel.5.Upholding the business ethics of members.6.Imposition of disciplinary action on members that have violated laws or regulations, articles of association, rules or resolution of the association.7.Promoting and inspecting the self-regulation of members, improvement, communication and coordination of business operations of members.8.Other matters required of the association according to the Act, these Regulations, other laws or decrees. <p>Article 4</p> <p>Any change to the articles of association shall be filed with the Financial Supervisory Commission (the “Commission”) for recordation in fifteen (15) days after the fact.</p> <p>Article 5</p> |

An association shall submit the minutes of its members meetings and board of directors and supervisors meetings to the Commission for recordation in fifteen (15) days after the meeting.

Article 6

The board of directors of an association shall prepare an annual business plan and budget before the beginning of each calendar year (referred to as "the year" hereunder) and submit the same to the Commission after the business plan and the budget have been passed in members' meeting; the preceding provision applies to any subsequent amendment thereto.

Article 7

An association shall, within three months after the end of each year, file with the Commission an annual work report, as well as an income/disbursement statement and a balance sheet which have been approved by the board of directors, and acknowledged by the board of supervisors.

Article 8

Member representatives of an association shall be designated by the members themselves.

Article 9

The responsible person of an association shall be its chairman of the board who, in addition to possessing the qualifications set out in Article 22 of the Commercial Organization Act, shall meet the following requirements:

1.The responsible person of Non-Life Insurance Association of the Republic of China and Life Insurance Association of the Republic of China shall be free of situations specified in all subparagraphs under paragraph 1, Article 3 of the Guidelines for the Qualifications of Responsible Person of An Insurance Enterprise other than subparagraph 13.

2.The responsible person of Insurance Agency Association of the Republic of China shall, in addition to complying with the provisions for holding a post at an association, be free of situations specified in all subparagraphs in Article 7 of Regulations Governing Insurance Agents.

3.The responsible person of National Taiwan Association of Insurance Brokering Companies shall, in addition to complying with the provisions for holding a post at an association, be free of situations specified in all subparagraphs in Article 7 of Regulations Governing Insurance Brokers.

4.The responsible person of Surveyor Association of Taipei, and Surveyor Association of Kaohsiung shall, in addition to complying with the provisions for holding a post at an association, be free of situations specified in all subparagraphs in Article 7 of Regulations Governing Insurance Surveyors.

The preceding paragraph applies to the qualification requirements for employees of an association.

Article 10

An association shall draft employee service rules, which shall be approved by the board of directors and filed with the Commission. The preceding provision applies to any subsequent amendment thereto.

Article 11

Employees of an association shall not hold any concurrent position or honorary position at any of the member companies, unless it is otherwise consented by the board of directors and board of supervisors.

Article 12

The directors, supervisor and employees of an association shall not engage in any of the following conduct:

1. Having the obligation to keep confidential information acquired or secrets held in connection with their official duties under the prevailing regulations or a contract, but disclosing such information or secret to others.
2. Taking advantage of their official duties to engage in misrepresentation, fraud, or any other action sufficient to mislead others.
3. Any other conduct that violates the Act or is prohibited by the Commission.

Article 13

In case a director or supervisor of an association violates the law, is idle in performing their duties, abuses their authority, or acts in breach of the principle of good faith, the association should, in view of the severity of the act, impose proper disciplinary action and report to the Commission.

Article 14

An association shall set out self-regulations for members and submit the same to the Commission, and urge members to diligently observe the self-regulations.

The self-regulations in the preceding paragraph should cover due diligence and fiduciary duty of members, marketing and advertising by members, and protection of customer interests.

Article 15

In case of any of the following events, an association shall, in addition to immediately handling the situation, report to the Commission for recordation:

1. A member representative of the association has an incidence that renders him or her unfit to act as the responsible person of the association.
2. Enrollment or withdrawal of members.
3. The association imposes disciplinary action on a member for violation of laws or regulations, articles of association, self-regulations or resolution of the association.
4. Other matters to be performed or filed as required by the Commission.

Except for matters specified in subparagraph 2 of the preceding paragraph that shall be filed with the Commission in one month after the end of each quarter, matters in other subparagraphs shall be filed with the Commission in fifteen (15) days after the fact or completion.

Article 16

In case an association is found violating laws or regulations, or its articles of association, or acting beyond its authority, impairing public interest or idling in the affairs of the association, the Commission may impose a warning, revoke resolutions made by the association, or stop its business in part or in whole.

Article 17

Matters required of an association but not provided for herein shall be governed by the Commercial Organization Act or other applicable laws and regulations.

Article 18

These Regulations shall enter into force from the date of promulgation.