

Content

Title :	Insurance Act Ch
Date :	2015.02.04
Legislative :	Amendment to Article 8-1、29、64、122、130、136、143-4、144、149、163、167 ~167-4、168、171、171-1、178, addition of Article 138-4、143-5 and 143-6, promulgated per Presidential Order No. Hua -Zong-Yi-Zi-10400014291 dated February 4, 2015. With the exception of Article 143-4~143-6, 149 and 168 that will enter into force on January 1, 2016, the amended provisions will enter into force from the date of promulgation.
Content :	<p>Article 8-1 The term "insurance solicitor" as used in this Act means a person who solicits insurance business on behalf of an insurance enterprise, an insurance broker company, an insurance agent company, or a bank concurrently engaged in operating insurance agent or insurance broker business.</p> <p>Article 29 An insurer is liable to indemnify for damage caused by unforeseeable events or force majeure. However, this requirement is not applicable when limitations are expressly stated in the insurance contract. An insurer is liable to indemnify for damage caused by the fault of the proposer or insured. However, this rule is not applicable to loss caused by a willful act of the proposer or insured. Upon occurrence of death of the insured caused by any insured incident, the proposer or beneficiary shall notify the insurer. Upon receipt of the notice, the insurer shall contact the beneficiary at the latest address or via the contact number provided by the proposer to the insurer.</p> <p>Article 64 At the time a contract is entered into, the proposer shall make truthful representations in response to the written inquiries of the insurer. If the proposer has made any concealment, nondisclosure, or misrepresentation, and such concealment, nondisclosure, or misrepresentation is sufficient to alter or diminish the insurer's estimation of the risk to be undertaken, the insurer may rescind the contract; the same shall apply after the risk has occurred, provided that this provision does not apply where the proposer proves that the occurrence of the risk was not based upon any fact that it did or did not represent.</p> <p>Article 122 If the age of the insured has been misrepresented and the insured's actual age surpasses the limits on insurable age set by the insurer, the contract shall be void, and the insurer shall refund the insurance premium already paid by the insured. If misrepresentation of the insured's age results in premium payments that are lower than what they should be, the insured may make up the underpayment or the insured amount shall be reduced pro rata on the basis of the premium paid and the actual age of the insured, provided that upon occurrence of the insured incident and where the misrepresentation of the insured's age shall not be attributed to the insurer, the proposer shall not claim the underpayment. The insurer shall refund the overpayment, if misrepresentation of the insured's age results in premium payments that are higher than what they should be.</p> <p>Article 130 The provisions of Articles 102 to Article 105, Article 115, Article 116, and Articles 122 to Article 124 apply mutatis mutandis to health insurance.</p> <p>Article 136 Except with the approval of the competent authority, an insurance enterprise may only be organized as a company limited by shares or as a</p>

cooperative.

Business organizations other than insurance enterprises may not engage concurrently in the insurance business.

Where violations of the provisions in the preceding paragraph occur, the competent authority or the authority with jurisdiction over the line of business operated by the violator will act in conjunction with the judicial police authorities to suppress the illegal activity, and the case will be referred for prosecution. In the case of a legal entity, its representatives shall be jointly and severally liable for its relevant debts.

When carrying out the tasks referred to in the preceding paragraph, the authorities may search and attach account books and documents of the violators, remove signs and other fixtures, or take other necessary actions in accordance with the law.

An insurance enterprise organized as a company limited by shares shall issue its stock publicly unless another law provides otherwise or the competent authority has granted permission

When an insurance enterprise does not have publicly issued stock pursuant to the exclusions in the preceding paragraph, there shall be independent directors and a Board of Auditors. The Board of Auditors shall exercise the function of supervisor.

For the establishment of the independent directors and the Board of Auditors in the preceding paragraph and other matters to be followed, applicable provisions of Articles 14-2 to 14-5 of the Securities and Exchange Act shall apply.

When the tenure of incumbent directors or supervisors at insurance enterprises as is specified in Paragraph 6 is yet to expire upon enforcement of the articles amended on May 20, 2014, the said provisions shall apply as soon as their tenure expires. When the tenure of incumbent directors or supervisors expires within a year following enforcement of the amended articles, the provisions shall not apply until the tenure of re-elected directors or supervisors expires.

Article 138-4

An insurance enterprise shall post the existing contractual terms and conditions for the insurance products sold by it at its own website or the website designated by the competent authority, and also disclose the designated surcharges, coverage and statutory exclusions for the products and other insurance product information designated by the competent authority.

Article 143-4

An insurance enterprise's ratio of total adjusted net capital to risk-based capital (hereinafter referred to as the "capital adequacy ratio") may not be lower than 200%. Where necessary, the competent authority may adjust the ratio according to international standards.

The capital adequacy ratio referred to in the preceding paragraph may be categorized into the following:

1. Adequate capital;
2. Inadequate capital;
3. Significantly inadequate capital;
4. Seriously inadequate capital.

The adequate capital referred to in the preceding sub-paragraph 1 means that the capital adequacy ratio meets the minimum ratio defined in Paragraph 1. The seriously inadequate capital referred to in the preceding sub-paragraph 4 means that the capital adequacy ratio is less than 50% or the insurance enterprise's net worth is less than zero.

With regard to total adjusted net capital and risk-based capital as referred to in Paragraph 1, the competent authority shall prescribe regulations governing the following matters: their scope; the method for calculating their amounts; administration thereof; categorization of the capital adequacy ratio referred to in the sub-paragraphs 2 and 3 of Paragraph 2; and other compliance matters.

Article 143-5

An insurance enterprise which meets any of the following circumstances shall not distribute earnings, repurchase shares or refund capital stock in any form other than stock dividend or deposit as capital stocks subscribed by the members:

1. The capital adequacy ratio is categorized as inadequate capital, significantly inadequate capital or seriously inadequate capital;
2. The capital adequacy ratio, categorized as adequate capital, is likely to be degraded as that categorized in the preceding sub-paragraph if the enterprise distributes earnings, repurchases shares or refunds capital stock in any form other than stock dividend or deposit as capital stocks subscribed by the member.

The insurance enterprise referred to in the sub-paragraph 1 of the preceding paragraph shall not pay the responsible person any benefits other than remuneration, unless with approval from the competent authority.

Article 143-6

The competent authority shall adopt any or all of the following measures, subject to an insurance enterprise's capital adequacy ratio:

1. In the case of inadequate capital:

- (1) To order the insurance enterprise and its responsible person to put forward a plan for capital increase or another corrective action plan for finance or business within the specified period; where the insurance enterprise fails to submit the same within the specific period or fails to implement the plan, the competent authority may take supervision measures against the capital adequacy ratio;
- (2) To order the insurance enterprise to cease selling insurance products or restrict it to launch new insurance products;
- (3) To restrict the scope of fund utilization;
- (4) To restrict the remuneration, bonus, stock options, or other payments of similar properties to the responsible person of the insurance enterprise;
- (5) To take other necessary measures.

2. In the case of significantly inadequate capital:

- (1) To take the measures set forth in the preceding sub-paragraph;
- (2) To dismiss the responsible person of the insurance enterprise, and inform the authority in charge of company registration to cancel the registration of the insurance enterprise;
- (3) To suspend the responsible person from exercising his/her duties within a certain period;
- (4) To require the insurance enterprise to obtain prior approval by the competent authority itself for acquisition or disposal of any specific assets;
- (5) To order the insurance enterprise to dispose of the assets specified;
- (6) To restrict or forbid the insurance enterprise to extend loans to or conduct other transactions with the interested parties thereof;
- (7) To order the insurance enterprise to lower the remuneration of its responsible person, which, afterwards, shall not exceed 70% of the average remuneration paid to said responsible person within the 12 months before its capital adequacy ratio is categorized as significantly inadequate capital;
- (8) To restrict establishment of or order dissolution, within the specified period, of a branch or department; and
- (9) To take other necessary measures.

3. In the case of seriously inadequate capital: In addition to the measures referred to in the preceding sub-paragraph, the measures referred to in the sub-paragraph 1 of Paragraph 3 of Article 149 herein shall also apply.

Article 144

With respect to the policy provisions, premiums, and other relevant content for a given type of insurance policy, the competent authority shall prescribe regulations governing the following matters, taking into account the state of development of that type of insurance: procedures to be carried out before a policy is marketed; product review; and the actions to be taken when the content of a policy is incorrect, false, or in violation of the law.

In order to ensure sound operation of its insurance business, an insurance enterprise shall employ actuaries and appoint one of them as appointed actuary, who shall be responsible for setting premium rates, certifying various reserve, and handling other matters specified by the competent authority. Regulations governing qualification requirements, items to be certified, education and training, and other compliance matters shall be prescribed by the competent authority.

An insurance enterprise shall employ external actuaries responsible for handling the matters to be verified in the actuarial report defined by the competent authority. Regulations governing qualification requirements, frequency of verification, contents of the verification report, and other compliance matters shall be prescribed by the competent authority.

Appointment of the appointed actuary referred to in Paragraph 2 and employment of the external actuaries referred to in the preceding paragraph shall be subject to the consent of the board of directors and shall be filed to the competent authority.

The appointed actuary shall, in accordance with the principles of impartiality and fairness, provide various certified reports to the board of directors, as well as to the competent authority. The certified report and verification report shall be free from any misrepresentation, concealment, omission, or incorrect information, etc..

Article 149

If an insurance enterprise violates laws, regulations, or its articles of incorporation, or is suspected of improper management, the competent authority may issue an official reprimand or order it to take corrective action within a specified period of time, and may, depending on the circumstances, take the following disciplinary actions:

1. Restrict the scope of its business or funds allocations.
2. Order the insurance enterprise to suspend sales of an insurance product or products or restrict its launch of new insurance products.
3. Order the insurance enterprise to increase its capital.
4. Order removal of its managers or employees from their positions.
5. Revoke the resolutions of statutory meetings.
6. Dismiss its directors or supervisor(s), or suspend them from their duties for a certain period of time.
7. Any other necessary disposition.

If directors or supervisors are dismissed pursuant to the provisions of preceding paragraph, subparagraph 6, the competent authority shall notify the competent authority for company (cooperative) registration to revoke the registration of the directors and supervisors.

The competent authority shall assume conservatorship or receivership over the insurance enterprise, order the enterprise to suspend and wind up business, or liquidate the enterprise in the following manners:

1. Where the capital adequacy ratio is categorized as seriously inadequate capital, and the enterprise or its responsible person fails to complete the plan for capital increase or the corrective action plan for finance or business within the specific period required by the competent authority, the competent shall assume conservatorship or receivership over the insurance enterprise, order the enterprise to suspend and wind up business, or liquidate the enterprise within 90 days following expiration of said-noted period.
2. Where the enterprise' s finance or business gets worse seriously under the circumstances other than those referred to in the preceding subparagraph, the enterprise is incapable of paying its debts or fulfilling its contract obligations or is likely to undermine the rights of insured parties due to significantly deteriorating business or financial standing, the competent authority shall first mandate that the insurance enterprise submit a financial or business improvement plan. The plan must be approved by the competent authority. The competent authority may assume conservatorship or receivership over the insurance enterprise, order the enterprise to suspend and wind up business, or liquidate the enterprise in light of the varied severities of the conditions if the gains and losses or net value of the insurance enterprise show speedy deterioration or fail to show improvements despite assistance and accordingly result in the likelihood of said circumstances.

Where the insurance enterprise or its responsible person fails to complete said plan for capital increase or the corrective action plan for finance or business, or the consolidation plan within the specific period required by the competent authority, due to major domestic or international events that have a significant influence on the financial market system, the competent authority may order the insurance enterprise to set another specific time limit to complete the same or re-submit the plan for capital increase, or corrective action plan for finance or business, or consolidation plan.

In case of conservatorship, receivership, suspended business, rehabilitation, or dissolution as indicated in Paragraph 3, the competent authority may authorize another insurance enterprise, insurance-related institution, or professional to serve as conservator, receiver, rehabilitator, or liquidator. When the matters fall within the scope of the stabilization fund's jurisdiction as indicated in Article 143-3, the stabilization fund shall cooperate in related management.

A related institution or individual mandated by the competent authority as provided for under the preceding paragraph shall not be subject to the provisions of the Government Procurement Act when handling the matters for which it was mandated.

When an insurance enterprise is placed under receivership or ordered to suspend business and undergo rehabilitation, the provisions of the Company Act pertaining to temporary managers and inspectors do not apply, and with the exception of a reorganization filed for in accordance with the provisions of this Act, any other petition for reorganization, bankruptcy, or composition shall be automatically stayed, as shall any compulsory execution proceeding.

A receiver filing for reorganization in accordance with the provisions of this Act may petition the court to hear or rule upon its petition together with any petition for reorganization filed by the insurance enterprise under receivership before it was placed under receivership. The court may as necessary question interested parties before issuing a ruling.

If an insurance enterprise has been placed under conservatorship by the competent authority pursuant to the provisions of paragraph 4, subparagraph 1, the insurance enterprise may not perform any of the following acts without the consent of the conservator:

1. Make payments or dispose of property in excess of a limit prescribed by the competent authority.
2. Enter into any contract or undertake material obligations.
3. Any other matter that would significantly affect its finances.

The relevant provisions of Article 148 shall apply mutatis mutandis to the conservator's performance of his/her duties as conservator.

The competent authority shall prescribe regulations governing the procedures for conservatorship or receivership of insurance enterprises, the duties of conservators and receivers, fee burdens, and other compliance matters.

Article 163

An insurance agent, broker or surveyor shall have obtained permission from the competent authority, posted bond and obtained related insurance, and obtained a practice license before beginning business operation or practice.

The related insurance set out in the preceding paragraph means liability insurance for insurance agents and surveyors, and liability insurance as well as bonding insurance for insurance brokers.

The minimum amount of bond to be posted and the related insurance to be obtained as referred to in the preceding paragraph and the method of implementation shall be determined by the competent authority in consideration of the business operations, scope of business, and business size of insurance agents, brokers and surveyors.

Regulations governing compliance matters concerning insurance agents, brokers and surveyors, including obtaining of qualifications, eligibility conditions, procedures, and required documentation for application of permit, qualification requirements for directors, supervisors, and managerial officers and causes for dismissal, criteria for establishment of branch units, financial and business management, education and training, revocation of permit, and other matters of compliance shall be set forth by the competent authority.

A bank may operate either one of the insurance agent or insurance broker business concurrently upon approval of the competent authority, and shall apply the provisions about insurance agent or insurance broker referred to herein.

An insurance broker shall negotiate for the insurance contract on behalf of the insured or provide related services to the insured, with due diligence and loyalty.

An insurance broker shall provide a written analysis report and shall

expressly advise the insured or proposer of his/her remuneration, if any, prior to negotiating for the insurance contract on behalf of the insured. The content of said written analysis report and limit of the remuneration shall be defined by the competent authority.

Article 167

A non-insurance enterprise that engages in the operation of insurance business shall be punished by a prison term of not less than three years but not more than 10 years, and in addition may be assessed a criminal fine of not less than New Taiwan Dollars 10 million but not more than New Taiwan Dollars two hundred million. Where its gains from the crime are New Taiwan Dollars one hundred million or more, it shall be punished by a prison term of not less than seven years, and in addition may be assessed a criminal fine of not less than New Taiwan Dollars twenty-five million but not more than New Taiwan Dollars five hundred million.

Where a juristic person's representative, agent, employee or other staff commits the offense described in the preceding paragraph when practicing business, the offender shall be punished and said fine shall be imposed on the juristic person too.

Article 167-1

Any person who provides agent, broker, surveyor services for insurance enterprises or foreign insurance enterprises not approved under the Act shall be subject to a prison term of not more than three (3) years, and in addition thereto, a fine of not less than New Taiwan Dollars three million (NT\$3,000,000) but not more than New Taiwan Dollars twenty million (NT\$20,000,000). For violations deemed severe, the competent authority may order the violating insurance agent, broker, surveyor, or the bank operating the insurance agent or insurance business concurrently to suspend business, in whole or in part, or revoke the offender's practice license. Where a juristic person's representative, agent, employee or other staff commits the offense described in the preceding paragraph when practicing business, the offender shall be punished and said fine shall be imposed on the juristic person too.

Where the offender in the preceding paragraph is a juristic person, the responsible person of the offender shall be punished.

Any person who operates or practices the business of an insurance agent, broker or surveyor without a practice license is subject to a fine of not less than New Taiwan Dollars nine hundred thousand (NT\$900,000) but not more than New Taiwan Dollars four million five hundred thousand (NT\$4,500,000).

Article 167-2

In case of a violation of the regulations set forth in accordance with Paragraph 4 of Article 163 herein regarding financial or business management, or Paragraph 7 of Article 163 herein, or a violation of Paragraph 1 of Article 165 or Paragraph 5 of Article 163 applying said requirements mutatis mutandis herein, a time limit for rectification shall be specified, and in addition thereto, an administrative fine of not less than New Taiwan Dollars six hundred thousand (NT\$600,000) but not more than New Taiwan Dollars three million (NT\$3,000,000) may also be assessed. For violations deemed severe, an order may be issued to revoke the offender's permit and cancel his or her practice license.

Article 167-3

In case of a violation of Paragraph 3 of Article 165 herein or Paragraph 5 of Article 163 applying said requirements mutatis mutandis herein or failure to establish or implement internal control systems, audit systems, business solicitation systems or procedures are subject to a fine of not less than New Taiwan Dollars six hundred thousand (NT\$600,000) but not more than New Taiwan Dollars three million (NT\$3,000,000).

Article 167-4

When the competent authority dispatches officers to inspect the financial or business conditions of an insurance agent, broker, surveyor, or a bank operating the insurance agent or insurance broker business concurrently, or order an insurance agent, broker, surveyor or a bank operating the insurance agent or insurance broker business concurrently to report the condition of its business within a specified time limit pursuant to Paragraph 5 of Article 163 herein, Paragraph 4 of Article 165 herein to which Article 148 applies mutatis mutandis, a fine of not less than New

Taiwan Dollars three hundred thousand (NT\$300,000) but not more than New Taiwan Dollars one million five hundred thousand (NT\$1,500,000) will be imposed on the insurance agent, broker, surveyor or bank operating the insurance agent or insurance broker business concurrently if the insurance agent, broker or surveyor himself/herself or an responsible person or employee of the insurance agent, broker or surveyor, or the departmental supervisor, vice supervisor, or employee of the bank operating the insurance agent or insurance broker business concurrently has any of the situations:

1. Refusing to allow inspection or to open the safe or other storage rooms.
2. Concealing or destroying account books or documents related to the business or financial conditions of the insurance agent, broker or surveyor.

3. Refusing to respond to, or making false representation in response to an inspector' s queries without cause.

4. Missing the deadline for submission of financial reports, property list, or other related information and reports, or making false or incomplete representations, or missing the deadline for payment of inspection fees.

Where the competent authority dispatches an officer to conduct inspection of an affiliate of an insurance agent, broker, surveyor or bank operating the insurance agent or insurance broker business concurrently, or any other financial institution related thereto pursuant to Paragraph 5 of Article 163 herein, and Paragraph 4 of Article 165 herein to which Article 148 applies mutatis mutandis, the inspected entity that is remiss in submitting the financial statements, account books, documents, or relevant transaction records shall receive a fine of not less than New Taiwan Dollars three hundred thousand (NT\$300,000) but not more than New Taiwan Dollars one million five hundred thousand (TWD1,500,000).

Article 168

If an insurance enterprise violates the provisions of Article 138, paragraph 1, 3, or 5, or the provisions relating to business scope in regulations prescribed by the competent authority pursuant to Article 138, paragraph 2, an administrative fine of not less than New Taiwan Dollars nine hundred thousand but not more than four million five hundred thousand shall be imposed.

If an insurance enterprise violates the provisions of Article 138-2, paragraph 2, 4, 5, or 7, or Article 138-3, paragraph 1 or 2, or the provisions relating to the amount to be provisioned for the compensation reserve fund and the manner of such provisioning as set out in regulations prescribed by the competent authority pursuant to paragraph 2 of that same article, an administrative fine of not less than New Taiwan Dollars nine hundred thousand but not more than four million five hundred thousand shall be imposed; where the circumstances are severe, the enterprise's permit to engage in insurance trust business may also be revoked.

Where an insurance enterprise violates the provisions of Article 143, an administrative fine of not less than New Taiwan Dollars nine hundred thousand but not more than New Taiwan Dollars four million five hundred thousand shall be imposed.

Where an insurance enterprise violates Article 143-5 herein, or the competent authority takes measures in accordance with Article 143-6 herein, an administrative fine of not less than New Taiwan Dollars two million but not more than New Taiwan Dollars ten million shall be imposed.

Where any one of the following circumstances obtains with respect to the funds allocation of an insurance enterprise, an administrative fine of not less than New Taiwan Dollars nine hundred thousand but not more than New Taiwan Dollars four million five hundred thousand shall be imposed, or the enterprise shall be ordered to replace its responsible person; where the circumstances are severe, its business license may also be revoked:

1. A violation of Article 146, paragraph 1, 3, 5, or 7, or the provisions relating to administration and custody of special ledgers or the allocation of investment assets as set out in regulations prescribed by the competent authority pursuant to paragraph 6 of that same article, or a violation of provisions relating to the terms and conditions of derivatives trading by insurance enterprises, the scope thereof, transaction limits, or internal handling procedures as set out in regulations prescribed by the competent authority pursuant to paragraph 8 of that same article.

2. A violation of Article 146-1, paragraph 1, 2, or 3, or the provisions relating to eligibility conditions, scope and type of investments, and investment rules as set out in regulations prescribed by the competent authority pursuant to paragraph 5 of that same article; or a violation of Paragraph 2 of Article 146-5 herein to which Paragraph 3 of Article 146-1 herein applies mutatis mutandis.

3. A violation of the provisions of Article 146-2.

4. A violation of the provisions of Article 146-3, paragraph 1, 2, or 4.

5. A violation of Article 146-4, paragraph 1 or 2, or the provisions relating to investment rules or investment limits as set out in regulations prescribed by the competent authority pursuant to paragraph 3 of that same article.

6. A violation of the forepart of paragraph 1 of Article 146-5, or of the provisions relating to scope of or limits upon investments as set out in regulations prescribed by the competent authority pursuant to the latter part of that same article.

7. A violation of Article 146-6, paragraph 1 or 2, or the provisions relating to the method of reporting investments as set out in regulations prescribed by the competent authority pursuant to paragraph 3 of that same article.

8. A violation of the provisions relating to limits on loans or other transactions as set out in regulations prescribed by the competent authority pursuant to Article 146-7, paragraph 1, or of the provisions relating to procedures for the adoption of resolutions or limits on transaction size as set out in regulations prescribed by the competent authority pursuant to Article 146-7, paragraph 3.

9. A violation of the provisions of Article 146-9, paragraph 1, 2, or 3. Where a secured loan made by an insurance enterprise under Article 146-3, paragraph 3 or Article 146-8, paragraph 1 is not fully secured or the conditions are better than those extended to other loanees of the same class, the person responsible for the act shall be sentenced to imprisonment for not more than three years or detention, and in addition may be assessed a criminal fine of not more than New Taiwan Dollars twenty million.

Where a secured loan made by an insurance enterprise under Article 146-3, paragraph 3 or Article 146-8, paragraph 1 reaches or exceeds the monetary amount prescribed by the competent authority without approval by three-quarters of the directors present at a board of directors meeting attended by at least two-thirds of the directors, or where an insurance enterprise violates the provisions relating to loan limits and aggregate loan balances as set out in regulations prescribed by the competent authority pursuant to Article 146-3, paragraph 3, the person responsible for the act shall be assessed an administrative fine of not less than New Taiwan Dollars two million but not more than New Taiwan Dollars ten million.

Article 171

An insurance enterprise that violates the provisions of Paragraphs 1~4 of Article 144 herein, or Article 145 herein shall be assessed an administrative fine of not less than New Taiwan Dollars six hundred thousand but not more than New Taiwan Dollars three million, and in addition thereto may be ordered to remove and replace its underwriters or actuaries.

Where the certified actuary or external verification actuary appointed or employed by an insurance enterprise violates Paragraph 5 of Article 144 herein, the competent authority may, according to the severity of the circumstances, issue a warning, suspend the actuary from providing certification or verification services for three years, or order the insurance enterprise to replace the actuary.

Article 171-1

An insurance enterprise that violates the provisions of Article 148-1, paragraph 1 or 2 shall be assessed an administrative fine of not less than New Taiwan Dollars six hundred thousand but not more than New Taiwan Dollars three million.

An insurance enterprise that violates the provisions of Article 148-2, paragraph 1 by not making explanatory documents publicly available for inspection, or submitting explanatory documents that do not contain required information, or submitting explanatory documents containing

misrepresentations, shall be assessed an administrative fine of not less than New Taiwan Dollars six hundred thousand but not more than New Taiwan Dollars three million.

An insurance enterprise that violates the provisions of Article 148-2, paragraph 2 by failing to report to the competent authority or to provide a public explanation within the specified time period, or by making false representations in its reports to the competent authority or public explanations, shall be assessed an administrative fine of not less than New Taiwan Dollars three hundred thousand but not more than New Taiwan Dollars one million five hundred thousand.

An insurance enterprise that violates the provisions of Article 148-3, paragraph 1 by failing to establish or enforce internal control or auditing systems shall be assessed an administrative fine of not less than New Taiwan Dollars six hundred thousand but not more than New Taiwan Dollars six million.

An insurance enterprise that violates the provisions of Article 148-3, paragraph 2 by failing to establish or enforce internal handling systems or procedures shall be assessed an administrative fine of not less than New Taiwan Dollars six hundred thousand but not more than New Taiwan Dollars six million.

Article 178

With the exceptions of the provisions amended and promulgated on 30 May 2006, which will enter into force on 1 July 2007, and Article 177-1 amended on 14 June 2011 that will enter into force on a date as determined by the Executive Yuan. This Act shall enter into force from the date of promulgation, except that Articles 143-4~143-6 amended on January 22, 2015, Article 149 and Paragraph 4 of Article 168 herein shall enter into force as of January 1, 2016.