

Content

Title : Insurance Act C1

Date : 2016.12.28

Legislative : Amendment to Article 163 promulgated per Presidential Order No. Hua-Zong-Yi-Zi-10500161501 dated December 28, 2016.

Content : 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.

Within the applicable scope prescribed by the competent authority,
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 applicable scope and content of said written analysis report and
limit of the remuneration shall be defined by the competent authority.