

Content

Title :	Regulations Governing Investment of Investment-linked Insurance <b>Ch</b>
Date :	2020.11.05
Legislative :	Amended on 5 November 2020 per Order Ref. Jin-Kuan-Bao-Shou 10904942672 of the Financial Supervisory Commission.
Content :	<p>Article 19</p> <p>The insurer shall meet the following qualifications in selling the investment-linked insurance with discretionary investment services:</p> <ol style="list-style-type: none"><li>1. The ratio of proprietary capital to risk capital in the recent year shall comply with the adequacy ratio regulated in paragraph 1 of article 143-4 of the Act.</li><li>2. No grave punishment or no penalty up to more than NT\$3 million in total from competent authorities in the recent year. However, it is not limited to those who have made significant improvement and been approved by competent authorities.</li><li>3. Value at Risk has been applied to the risk assessment for their foreign investment, and the risk assessment shall be conducted at least once a week.</li><li>4. A risk control committee in the board of directors, or a risk control division with a risk chief or an executive in the equivalent rank shall be placed in a company to take full charge of overall risk control.</li><li>5. Ranked in the top eighty percent in the past year in terms of the results of the Treating Customer Fairly Principle evaluation of life insurance companies. The preceding provision does not apply to a life insurance company that could provide reasonable explanation (for not ranking in the top eighty percent) and such explanation is approved by the competent authority.</li></ol> <p>The value at risk as referred to in subparagraph 3 of the preceding paragraph shall be calculated on weekly basis with at least three years of sampling period, or on daily basis with at least one year of sampling period. The sample data shall be updated at least once a week and the confidence level shall be at least 99%. In addition, monthly back-test shall be conducted.</p> <p>Prior to applying for concurrently engaging in the discretionary investment business in accordance with Securities Investment Trust and Consulting Act, the insurer shall meet the qualification listed in paragraph 1 and approved by competent authorities.</p>

Data Source : Financial Supervisory Commission Laws and Regulations Retrieving System