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| Title : | Regulations for Establishment and Administration of Foreign Insurance Enterprises Ch |
| Date : | 2019.05.09 |
| Legislative : | Amended on May 9, 2019 |
| Content : | <p>Article 9</p> <p>A foreign insurance institution applying for permission to establish a branch within the territory of the ROC to conduct insurance business shall submit each of the following documents in duplicate to the competent authority for review: 1. Application for Establishment Permit by Foreign Insurance Enterprise (format as in Attachment 1). 2. Certificate of incorporation and business license. 3. A document evidencing the applicant' s approved scope of business, certified by the competent authority in the home country. 4. Documents evidencing that the competent authority in the applicant' s home country and the applicant' s board of directors have granted approval to the establishment of a branch in the ROC by the applicant. 5. The company' s articles of incorporation. 6. Business plan, specifying the business scope, business principles and policies, and specific implementation methods, including premises and facilities, internal organization and segregation of duties, personnel recruitment and training, business development plan, financial projections for the coming five years, and policy on reinsurance. 7. Documentation showing the name, nationality, job title, and domicile or residence of the person at the head office who is in charge of the financial and operational decisions for the company. 8. The name of the designated responsible person for the branch and document evidencing his or her qualifications. 9. The company' s balance sheets and income statements for the last three fiscal years, audited and certified by a certified public accountant recognized in the applicant' s home country. Where the application is filed on a date six months after the beginning of the current fiscal year, the balance sheet and the income statement for the first half of current year must also be submitted. 10. The full text of insurance laws and regulations of the applicant' s home country as designated by the competent authority. 11. A rating report prepared by an insurance rating agency recognized by the competent authority. 12. A document issued by the competent authority in the applicant' s home country certifying that no penalty has been recorded against the applicant for material regulatory violation in the last three years. Where the applicant has been established for less than three years, the applicant must submit a document certifying that no penalty has been recorded against it for material regulatory violation since its establishment. 13. Documentation issued by the competent authority in the applicant' s home country certifying that no material deficiency in anti-money laundering and countering terrorism financing that has not been remedied in the last five years. 14. Other documents as required by the competent authority.</p> <p>If any of the documents in the preceding paragraph cannot be furnished due to law of the home country, the applicant shall submit an equivalent document for reference.</p> <p>Where the documentation under the preceding two paragraphs cannot be furnished or presented in Chinese due to special circumstances, such documents shall be accompanied by Chinese translations. With the exception of documents referred to in subparagraphs 1 and 6 hereof, all other documents shall be notarized by an embassy, consulate or other overseas</p> |

representative office of the ROC.

Where the information provided in the documents under paragraph 1 or information provided elsewhere is incomplete, the application will be rejected. Where an application is returned for rectification but the applicant fails to make rectification within the time period prescribed by the competent authority, the application shall also be rejected.

Article 10

Within three months of the day of the issuance of an establishment permit, the head office of a foreign insurance enterprise shall remit the funds to be used as working capital pursuant to Article 7, and duly apply to the Ministry of Economic Affairs for issuance of an incorporation registration of its branch.

Where the enterprise fails to file with the Ministry of Economic Affairs within the time period set out in the preceding paragraph, or the Ministry of Economic Affairs does not grant approval, the competent authority may revoke its establishment permit. Notwithstanding the foregoing, before expiration of the time limit set forth in the preceding paragraph, an application may be filed with the competent authority for an extension if there is a legitimate reason; the period of extension shall be no longer than one month, and shall be limited to one time.

Article 11

Within three months after the head office of a foreign insurance enterprise obtains recognition from the ROC authorities and registers the incorporation of its branch, it shall pay a registration fee and license fee and furnish the following documents in duplicate in applying to the competent authority for issuance of a business license:

1. Business license application form (format as in Attachment 2).
2. Photocopy of the branch's certificate of incorporation.
3. Capital verification certificate.
4. Documentary proof that the bond required under Article 7 has been furnished.
5. Certified copy of the document granting power of attorney to the responsible person's representative.
6. A list of managerial officers, actuaries, underwriters, claims adjusters, and other key personnel, and documentary proof of their qualifications.

7. Branch operating rules and operating procedures.

8. Other documents as required by the competent authority.

If the application documents in the preceding paragraph are in a foreign language, a Chinese translation shall be attached for each.

Where there is legitimate reason, an application for extension of a deadline specified in paragraph 1 may be filed prior to the deadline; an extension may not be longer than three months, and shall be limited to one time. Where an extension has not been approved, the competent authority may revoke its establishment permit.

The operating rules of paragraph 1, subparagraph 7 shall cover the following matters:

1. Organizational structure and department functions.
2. Staffing, management, and training of personnel.
3. Internal control system.
4. Business principles and policies.
5. Operations manual and segregation of powers and duties.
6. Other matters.

Article 23

When the head office of a foreign insurance enterprise intends to establish a second or subsequent branch within the territory of the ROC, the branch established when it first applied for registration shall be treated as its main place of business, and the provisions of the Insurance Act and of other laws and regulations related to insurance enterprises shall apply *mutatis mutandis*.

Article 24

A foreign insurance enterprise shall suspend business operations if the

registration of its branch within the territory of the ROC is revoked by the Ministry of Economic Affairs or its business permit is revoked by the competent authority.

Before applying to nullify the registration of its branch pursuant to Article 378 of the Company Act, a foreign insurance enterprise shall first file with the competent authority for prior approval.

Article 27-3

A foreign insurance institution shall, within six months after obtaining the permission under the preceding article, set up the representative office after filing a registration application with the Ministry of Economic Affairs for establishing a representative office within the territory of the ROC pursuant to Paragraph 1, Article 386 of the Company Act, and submit a copy of the registration document together with a letter stating the date of setup and the address of the representative office to the competent authority for recordation.

Where a foreign insurance institution fails to file such an application with the Ministry of Economic Affairs within the time period prescribed in the preceding paragraph, the competent authority may void its permit.

However, if the institution has a justified reason, it may apply to the competent authority before the deadline set forth in the preceding paragraph for an extension. The extension shall not exceed two months and only one extension will be allowed.

Data Source : Financial Supervisory Commission Laws and Regulations Retrieving System