Content

Title：	Regulations Governing Implementation of Internal Control and Auditing System of Insurance Enterprises Ch
Date：	2020.08.20
Legislative：	11.Amended on 20 August 2020 per Order Ref. Jin-Kuan-Bao-Tsai 10904930471 of the Financial Supervisory Commission.
Content：	Article 30

The head office of an insurance enterprise shall, based on its size, business nature and organizational characteristics, establish a compliance unit directly under the general manager to take charge of the planning, management and implementation of regulatory compliance system.

The compliance unit shall establish the position of head office chief compliance officer who oversees the compliance matters and reports to the board of directors (council) and supervisors or the audit committee at least semiannually, and in case of any major regulatory violation, immediately inform the directors (council members) and supervisors, and report to the board of directors (council) on compliance matters.

The requirements for establishing a compliance unit and the position of head office chief compliance officer under the preceding two paragraphs are as follows:

1. An insurance enterprise whose total assets in the previous year as audited by a CPA exceed NTD 1 trillion shall set up a dedicated compliance unit that may also take charge anti-money laundering and combating terrorist financing (AML/CFT) affairs, but may not take charge of legal affairs unrelated to the planning, management and implementation of legal compliance system or any other affairs that may pose a conflict of interest. The head office chief compliance officer shall be a full-time job and shall not concurrently hold other positions except for concurrently serving as the head of dedicated AML/CFT unit without conflicts of interest.

2. For insurance enterprises not governed by the preceding subparagraph, their head office chief compliance officer shall be a full-time job and shall not concurrently hold other positions except for concurrently serving as the chief legal officer and the head of dedicated AML/CFT unit without conflicts of interest.

The head office chief compliance officer of an insurance enterprise shall have a position equivalent to a vice general manager and possess the leadership and the ability to effectively supervise the compliance works. The qualifications of head office chief compliance officer shall comply with the Regulations Governing Required Qualifications for Responsible Persons of Insurance Enterprises.

The branches of foreign insurance enterprises in Taiwan, reinsurance enterprises and insurance cooperatives may appoint a high level manager to act as the head office chief compliance officer under the preceding

paragraph, and insurance cooperatives are not subject to the restriction on head office chief compliance officer holding concurrently other internal positions under Paragraph 3 hereof.

Chief auditor, head of audit unit and internal auditors may not serve as the head office chief compliance officer under Paragraph 2 hereof.

The appointment and dismissal of head office chief compliance officer shall have the consent of at least the majority of all directors and be reported to competent authority for record.

The head office chief compliance officer, the head and personnel of the compliance unit of an insurance enterprise shall attend at least 20 hours of on-the-job training courses a year offered by the competent authority or institutions recognized by the competent authority or held internally by the financial holding company which is the parent company of the insurance enterprise or the insurance enterprise. The training courses shall cover at least the latest regulatory amendments and new insurance products launched.

The compliance officer of the business unit, product development and management unit, fund utilization unit, information unit and asset custody unit and other units of an insurance enterprise shall attend at least 15 hours of on-the-job training a year offered by the competent authority or institutions recognized by the competent authority or held internally by the financial holding company which is the parent company of the insurance enterprise or the insurance enterprise.

The compliance officer of a foreign branch of an insurance enterprise shall attend at least 15 hours of on-the-job training courses on regulatory compliance a year offered by the local competent authority or relevant institutions. If no such training course is available, the officer may attend the training courses offered by the competent authority or institutions recognized by the competent authority or held internally by the financial holding company which is the parent company of the insurance enterprise or the insurance enterprise.

The training methods for on-the-job training set forth in the preceding three paragraphs given by the insurance enterprise itself shall be approved by the board of directors (council), and the head office shall keep the attendance records of relevant personnel for reference.

When a dedicated AML/CFT compliance unit is set up under the compliance unit, the required training for AML/CFT compliance unit personnel before their appointment and the annual required training for them after their appointment shall observe the relevant AML/CFT regulations and is not subject to the provisions of Paragraph 8 of this article and Paragraph 2 of Article 33.

An insurance enterprise shall file the list of head office chief compliance officer, head and personnel of compliance unit and their reward/disciplinary records, qualifications and training records in the past three years with the competent authority via a Web-based information system.

Article 41
These Regulations shall be in force on the date of promulgation.
Except for the part on management of financial consumers' protection which has been in force since December 30, 2011, the provisions of Article 5

amended and promulgated on February 4, 2012 shall enter into force three months after the date of promulgation.

The provisions of Article 32-2 amended and promulgated on May 29, 2018 shall take effect six months after promulgation.

The provisions of Article amended and promulgated on August 20, 2020 shall have been in force since December 31, 2020.