

(translated from original Greek text)

**THE INSURANCE AND REINSURANCE BUSINESS AND OTHER RELATED MATTERS LAW
OF 2016**

ARRANGEMENT OF SECTIONS

PART I

DEFINITION AND INTRODUCTORY PROVISIONS

1. Short title.
2. Definition.
3. Subject matter of this Law.

PART II

**GENERAL RULES ON THE TAKING-UP AND PURSUIT OF DIRECT INSURANCE AND
REINSURANCE BUSINESS**

CHAPTER ONE

SCOPE OF APPLICATION AND EXCLUSIONS

SECTION 1

SCOPE OF APPLICATION

4. Scope of application with regard to the pursuit of insurance and reinsurance business.

SECTION 2

EXCLUSIONS FROM THE SCOPE OF APPLICATION

Subsection 1

General provisions

5. Exclusions for compulsory social security systems.
6. Exclusions and special provisions due to the size of undertakings.

Subsection 2

Non-life Insurance

7. Exclusions from the scope of application with regard to Non-life insurance operations.
8. Exclusions from the scope of application with regard to an assistance activity.
9. Exclusions with regard to mutual undertakings.

Subsection 3

Life Insurance

10. Exclusions with regard to Life insurance activities.
11. Exclusions with regard to organisations.

**Subsection 4
Reinsurance**

12. Exclusions with regard to reinsurance.
13. Reinsurance undertakings closing their activity.

CHAPTER TWO

TAKING-UP AND PURSUIT OF INSURANCE AND REINSURANCE BUSINESS

14. Authorisation to take-up the business of insurance and reinsurance.
15. Scope of application of the authorisation.
16. Ancillary risks.
17. Legal form of the insurance or reinsurance undertaking.
18. Name of the insurance or reinsurance undertaking.
19. Conditions for authorisation to pursue insurance or reinsurance business and the submission of an application.
20. Conditions for authorisation to extend the business of an insurance or reinsurance undertaking to another or other classes and the submission of an application.
21. Close links.
22. Policy conditions and scales of premiums.
23. Economic requirements of the market.
24. Scheme of operations.
25. Shareholders and members with qualifying holdings.
26. Authorisation procedure by the Superintendent.
27. Refusal of authorisation.
28. Right to recourse.
29. Prior consultation of the authorities of other member states.

CHAPTER THREE

SUPERVISORY AUTHORITY AND GENERAL RULES

30. Competent Supervisory Authority.
31. General responsibilities of the Superintendent and supervisory powers.
32. Maintaining financial stability and pro-cyclicality.
33. General principles of supervision.
34. The Superintendent and scope of supervision.
35. Transparency and accountability.
36. Prohibition of refusal of reinsurance or retrocession contracts.
37. Supervision of branches established in another member state.
38. Information to be provided for supervisory purposes.
39. Supervisory review process.
40. Capital add-on.
41. Supervision of outsourced functions and activities.

CHAPTER FOUR

CONDITIONS GOVERNING ACTIVITIES

SECTION 1
BOARD OF DIRECTORS AND ITS RESPONSIBILITY

42. Responsibility of Board of Directors.

SECTION 2
SYSTEM OF GOVERNANCE

43. General governance requirements.
44. Fit and proper requirements for persons who effectively run the undertaking or have other key functions.
45. Risk management.
46. Own risk and solvency assessment.
47. Internal control systems.
48. Internal audit.
49. Actuarial function.
50. Outsourcing.
51. Delegated acts of the Commission and regulatory technical standards.

SECTION 3
PUBLIC DISCLOSURE

52. Report on solvency and financial condition: contents.
53. Information by EIOPA.
54. Report on solvency and financial condition: applicable principles.
55. Report on solvency and financial condition: updates and additional voluntary information.
56. Report on solvency and financial condition: policy and approval.
57. Report on solvency and financial condition.

SECTION 4
QUALIFYING HOLDINGS

58. Acquisition or termination or reduction of holdings.
59. Assessment period.
60. Assessment.
61. Acquisition of holdings by regulated financial institutions.
62. Information to the Superintendent by the insurance or reinsurance undertakings.
63. Qualifying holdings and powers of the Superintendent.
64. Voting rights.

SECTION 5
PROFESSIONAL SECRECY, EXCHANGE OF INFORMATION AND CONVERGENCE OF SUPERVISORY PRACTICES

65. Obligation to be bound by professional secrecy.
66. Exchange of information between the Superintendent and the supervisory authorities of other member states and EIOPA.

67. Cooperation agreements with third countries.
68. Use of confidential information.
69. Exchange of information with other authorities.
70. Disclosure of information to public authorities responsible for financial legislation.
71. Transmission of information to central banks and monetary authorities.
72. Professional secrecy.
73. Supervisory convergence.

SECTION 6
AUDITING ACCOUNTS AND DUTIES OF AUDITORS

74. Duties of auditors.

CHAPTER FIVE
PURSUIT OF LIFE AND NON-LIFE INSURANCE ACTIVITIES

75. Pursuit of Life and Non-life insurance activities.
76. Separation of Life and Non-life Insurance.

CHAPTER SIX
RULES RELATING TO THE VALUATION OF ASSETS AND LIABILITIES, TECHNICAL PROVISIONS, OWN FUNDS, SOLVENCY AND CAPITAL REQUIREMENTS, MINIMUM CAPITAL REQUIREMENTS AND INVESTMENT RULES

SECTION 1
VALUATION OF ASSETS AND LIABILITIES

77. Valuation of assets and liabilities.

SECTION 2
RULES RELATING TO TECHNICAL PROVISIONS

78. General provisions.
79. Calculation of technical provisions.
80. Extrapolation of the relevant risk-free interest rate term structure.
81. Adjustment to the interest rate due to matching adjustment on assets and liabilities to the relevant risk-free interest rate term structure.
82. Calculation of the adjustment to the interest rate due to matching adjustment on assets and liabilities.
83. Volatility adjustment to the relevant risk-free interest rate term structure.
84. Other elements to be taken into account in the calculation of technical provisions.
85. Valuation of financial guarantees and contractual options included in insurance and reinsurance contracts.
86. Grouping.
87. Recoverables from reinsurance contracts and special purpose vehicles.

88. Data quality and application of approximations, including case-by-case approaches, for technical provisions.
89. Comparison against experience.
90. Appropriateness of the level of technical provisions.
91. Increase of technical provisions.
92. Delegated acts and regulatory and implementing technical standards.

SECTION 3 OWN FUNDS

Subsection 1

Determination of own funds

93. Own funds.
94. Basic own funds.
95. Ancillary own funds.
96. Approval of ancillary own funds by the Superintendent.
97. Surplus funds.
98. Delegated acts and regulatory and implementing technical standards.

Subsection 2

Classification of own funds

99. Characteristics and features used to classify own funds into tiers.
100. Main criteria for the classification into tiers.
101. Classification of own funds into tiers.
102. Classification of specific insurance own-fund items.
103. Delegated acts and regulatory technical standards.

Subsection 3

Eligible own funds

104. Eligibility and limits applicable to tiers 1, 2 and 3.
105. Delegated acts on the eligibility of own funds.

SECTION 4

SOLVENCY CAPITAL REQUIREMENT

Subsection 1

General provisions for the solvency capital requirement using the standard formula or an internal market

106. General provisions.
107. Calculation of the solvency capital requirement.
108. Frequency of calculation.

Subsection 2

Solvency capital requirement – Standard formula

109. Structure of the standard formula.
110. Design of the basic solvency capital requirement.

111. Calculation of the basic solvency capital requirement.
112. Calculation of the 'equity risk' sub-module: symmetric adjustment mechanism.
113. Capital requirement for operational risk.
114. Adjustment for the loss-absorbing capacity of technical provisions and deferred taxes.
115. Simplifications in the standard formula.
116. Harmonised technical inputs to standard formula calculation and implementing technical standards.
117. Significant deviations from the basic assumptions underlying the standard formula calculation.
118. Delegated acts and regulatory and implementing technical standards concerning sections 109 to 115.

Subsection 3

Solvency capital requirements – Full and partial internal models

119. General provisions for approval of full and partial internal models.
120. Specific provisions for the approval of partial internal models.
121. Delegated acts and implementing technical standards for solvency capital requirement internal models.
122. Policy for changing the full and partial internal models.
123. Responsibilities of the administrative, management or supervisory bodies.
124. Reversion to the standard formula.
125. Non-compliance of the internal model.
126. Significant deviations from the assumptions underlying the standard formula calculation.
127. Use test.
128. Statistical quality standards.
129. Calibration standards.
130. Profit and loss attribution.
131. Validation standards.
132. Documentation standards.
133. External models and data.
134. Delegated acts concerning sections 127 to 133.

SECTION 5

MINIMUM CAPITAL REQUIREMENTS

135. General provisions.
136. Calculation of the minimum capital requirement.
137. Delegated acts.
138. Transitional provisions.

SECTION 6

INVESTMENTS

139. Prudent person principle.
140. Freedom of investment.
141. Localisation and prohibition of pledging assets.
142. Delegated acts and regulatory technical standards for qualitative requirements.

CHAPTER SEVEN
INSURANCE AND REINSURANCE UNDERTAKINGS IN FINANCIAL DIFFICULTY OR IN AN IRREGULAR SITUATION

143. Identification and notification from the insurance and reinsurance undertakings of deteriorating financial situation.
144. Non-compliance with technical provisions.
145. Non-compliance with the solvency capital requirements.
146. Non-compliance with the minimum capital requirements
147. Prohibition of free disposal of assets within the territory of a member state.
148. Supervisory powers in deteriorating financial conditions.
149. Recovery plan and finance scheme.
150. Delegated acts and regulatory technical standards.
151. Withdrawal of authorisation and temporary authorisation to settle contracts.
152. Right to a hearing before the decision to withdraw the authorisation.
153. Publication of the withdrawal of the authorisation.
154. Prohibition to issue new policies after the withdrawal of the authorisation or after the decision of the Superintendent to suspend business.
155. Change of name.
156. Partial withdrawal and restriction of the authorisation to undertake insurance business only in one or more branches.
157. Return of authorisation to undertake insurance business in the event of withdrawal or amendment of the same.

CHAPTER EIGHT
RIGHT OF ESTABLISHMENT AND FREEDOM TO PROVIDE SERVICES

SECTION 1
ESTABLISHMENT BY INSURANCE UNDERTAKINGS

158. Terms and conditions to establish a branch in the Republic by an insurance undertaking of a member state.
159. Terms and conditions to establish a Cypriot insurance branch in another member state.
160. Communication of information.

SECTION 2
FREEDOM TO PROVIDE SERVICES BY INSURANCE UNDERTAKINGS

Subsection 1
General provisions

- 161. Freedom to provide services in the Republic by insurance undertakings of a member state.
- 162. Freedom to provide services by Cypriot insurance undertakings in other member states.

Subsection 2
Motor Vehicle Liability

- 163. Compulsory insurance on motor vehicle liability.
- 164. Equal treatment of persons submitting compensation claims.
- 165. Representative of insurance undertaking of a member state in the Republic.

SECTION 3
COMPETENCIES OF THE SUPERINTENDENT IN RELATION TO INSURANCE
UNDERTAKINGS THAT EXERCISE THE RIGHT OF ESTABLISHMENT AND FREEDOM TO
PROVIDE SERVICES

Subsection 1
Insurance

- 166. Language of documents.
- 167. Prior notification and prior approval.
- 168. Insurance undertakings of a member state who are in breach of this Law.
- 169. Cypriot insurance undertaking that exercises the right of establishment or freedom to provide services to other member states and breaches the legislative provisions of the said member states.
- 170. Advertising.
- 171. Taxes on premiums.

Subsection 2
Reinsurance

- 172. Reinsurance undertaking of a member state not complying with the provisions of this Law.
- 173. Cypriot reinsurance undertaking that exercises the right of establishment or freedom to provide services in another member state and breaches the legislative provisions of the said member states.

SECTION 4
STATISTICAL INFORMATION

- 174. Statistical information on cross border activities.

- SECTION 5**
TREATMENT OF CONTRACTS OF BRANCHES IN WINDING-UP PROCEEDINGS
- 175. Winding-up of Cypriot insurance undertakings.

176. Winding-up of Cypriot reinsurance undertakings.

CHAPTER NINE
THIRD COUNTRY INSURANCE UNDERTAKINGS (BRANCHES ESTABLISHED IN THE
REPUBLIC AND FALL UNDER INSURANCE OR REINSURANCE UNDERTAKINGS THE
HEAD OFFICE OF WHICH ARE LOCATED OUTSIDE THE UNION)

SECTION 1
TAKING-UP OF ACTIVITIES

- 177. Principles of authorisation to pursue insurance business and conditions.
- 178. Scheme of operations of the branch.
- 179. Technical provisions.
- 180. Solvency capital requirements and minimum capital requirements.
- 181. Advantages for a third country insurance undertaking with authorisation for establishment in more than one member state and which selects the Superintendent as its supervisory authority.
- 182. Accounting, prudential and statistical information and undertakings in financial difficulty.
- 183. Separation of Life Insurance and Non-life insurance activities.
- 184. Withdrawal, expiry or amendment of authorisation of third country insurance undertakings with a branch in the Republic.
- 185. Withdrawal of authorisation of undertakings with authorisation for establishment in more than one member state.
- 186. Implementation of this Section and agreements with third countries.

SECTION 2
REINSURANCE

- 187. Equivalence in relation to reinsurance undertakings.
- 188. Prohibition of pledging of assets.
- 189. Principles and conditions for conducting reinsurance activities.
- 190. E.U. agreements with third countries.
- 191. Withdrawal of authorisation to take-up reinsurance business by third country reinsurance undertakings.

CHAPTER TEN
SUBSIDIARIES OF INSURANCE AND REINSURANCE UNDERTAKINGS GOVERNED BY
THE LAWS OF THE THIRD COUNTRY AND ACQUISITIONS OF HOLDINGS BY THE
INSURANCE AND REINSURANCE UNDERTAKINGS

- 192. Informing the Commission by the Superintendent.
- 193. Third country treatment of Cypriot insurance and reinsurance undertakings.

CHAPTER ELEVEN
TRANSFER OF PORTFOLIO

194. Definition.

SECTION 1

TRANSFER OF PORTFOLIO OF LIFE INSURANCE POLICIES FROM A CYPRIOT INSURANCE UNDERTAKING TO ANOTHER CYPRIOT INSURANCE UNDERTAKING

195. Transfer of portfolio of life insurance policies from one Cypriot insurance undertaking to another Cypriot insurance undertaking.

196. Documents that are submitting together with the application for the issue of a court order.

197. Issue of a court order.

198. Matters that may be regulated by a court order.

199. Documents that are filed with the Superintendent in relation to the transfer.

200. Transfer of portfolio from a Cypriot insurance undertaking that is established in another member state to another Cypriot insurance undertaking in such an establishment.

SECTION 2

TRANSFER OF PORTFOLIO OF NON-LIFE INSURANCE POLICIES FROM A CYPRIOT INSURANCE COMPANY TO ANOTHER CYPRIOT INSURANCE COMPANY

201. Transfer of the portfolio of Non-life Insurance policies from a Cypriot insurance undertaking to another Cypriot insurance undertaking and transfer of the portfolio of reinsurance undertakings of Non-life reinsurance or Life reinsurance or reinsurance undertaking to another insurance or reinsurance undertaking.

202. Procedure prior to examining the application.

203. Prerequisites in approving the application.

204. Notification of the decision of the Superintendent.

205. Producing legal effects and legal consequences of approval.

206. Transfer of portfolio from a Cypriot insurance or reinsurance undertaking established in another member state to a Cypriot insurance or reinsurance undertaking established in another member state.

SECTION 3

TRANSFER OF PORTFOLIO FROM A CYPRIOT INSURANCE UNDERTAKING TO AN INSURANCE UNDERTAKING IN A MEMBER STATE AND VICE VERSA OR FROM A THIRD COUNTRY INSURANCE UNDERTAKING TO A THIRD COUNTRY OR A MEMBER STATE INSURANCE UNDERTAKING

207. Transfer of activities carried out in the Republic from a Cypriot insurance undertaking to a member state insurance undertaking.

208. Transfer of a business carried out of the Republic from a Cypriot insurance undertaking to an insurance undertaking in a member state.

209. Transfer of policies that were entered into within the Republic under the freedom of establishment or the freedom to provide services to an insurance undertaking of a member state.

210. Transfer of policies entered into within the Republic from a third country insurance undertaking to an insurance undertaking in a member state.

212. View or approval of the Superintendent to other competent supervisory authorities of member states.

213. Legal consequences in publishing the decision approving the transfer.

214. Transfer of reinsurance undertakings portfolio.

SECTION 4

TRANSFER OF A PORTFOLIO OF A CYPRIOT INSURANCE UNDERTAKING TO A THIRD COUNTRY INSURANCE UNDERTAKING OR A THIRD COUNTRY INSURANCE UNDERTAKING TO A CYPRIOT INSURANCE UNDERTAKING

215. Transfer of portfolio of a Cypriot insurance undertaking to a third country insurance undertaking.

216. Transfer of a third country insurance undertaking to a Cypriot insurance undertaking.

217. Transfer of portfolio of a Cypriot reinsurance undertaking to a third country reinsurance undertaking.

218. Transfer of portfolio of a third country reinsurance undertaking to a Cypriot reinsurance undertaking.

219. Transfer of portfolio of a Cypriot insurance undertaking or a third country insurance undertaking with a branch in the Republic to a third country insurance undertaking.

PART III

SPECIFIC PROVISIONS FOR INSURANCE AND REINSURANCE

CHAPTER ONE

APPLICABLE LAW AND CONDITIONS OF DIRECT INSURANCE CONTRACTS

SECTION 1 APPLICABLE LAW

220. Applicable law.

SECTION 2 COMPULSORY INSURANCE

221. Related obligations.

SECTION 3 GENERAL GOOD PROVISIONS

222. General good provisions.

SECTION 4
CONDITIONS OF INSURANCE CONTRACTS AND CONTRACTS

- 223. Non-life Insurance.
- 224. Life Insurance.

SECTION 5
INFORMATION TO COUNTERPARTIES

Subsection 1
General Insurance

- 225. General information for policy holders.
- 226. Supplementary information in the case of Non-life Insurance offered under the right of establishment or the freedom to provide services.

Subsection 2
Life Insurance

- 227. Information for counterparties.
- 228. The right to withdraw from the contract.

CHAPTER TWO
SPECIFIC PROVISIONS FOR GENERAL INSURANCE

SECTION 1
GENERAL PROVISIONS

- 229. Policy conditions.
- 230. Participation in national guarantee schemes.

SECTION 2
COMMUNITY CO-INSURANCE

- 231. Community co-insurance operations.
- 232. Participation in Community co-insurance.
- 233. Technical provisions.
- 234. Statistical data.
- 235. Treatment of co-insurance contracts in winding-up proceedings.
- 236. Exchange of information between supervisory authorities.
- 237. Cooperation on implementation.

SECTION 3
LEGAL EXPENSES INSURANCE

- 238. Scope of application of this Section.
- 239. Separate contracts.
- 240. Management of claims.
- 241. Free choice of lawyer.
- 242. Exception to the free choice of lawyer.
- 243. Arbitration proceedings.

244. Conflict of interest.

**SECTION 4
HEALTH INSURANCE**

245. Health insurance as an alternative to social security.

**CHAPTER THREE
SPECIFIC PROVISIONS FOR LIFE INSURANCE**

246. Prohibition on compulsory ceding of part of underwriting.

247. Premiums for new activities.

**CHAPTER FOUR
SPECIFIC PROVISIONS FOR REINSURANCE**

248. Finite reinsurance.

249. Special purpose vehicles.

**PART IV
SUPERVISION OF INSURANCE AND REINSURANCE UNDERTAKINGS IN A GROUP**

**CHAPTER ONE
GROUP SUPERVISION: DEFINITIONS, CASES OF APPLICATION, SCOPE OF
APPLICATION AND LEVELS**

**SECTION 1
DEFINITIONS**

250. Definitions.

**SECTION 2
CASES OF APPLICATION AND SCOPE OF APPLICATION**

251. Cases of application of group supervision.

252. Scope of application of group supervision.

**SECTION 3
LEVELS**

253. Ultimate parent undertaking at Community level.

254. Ultimate parent undertaking at national level.

255. Parent undertaking covering several member states.

CHAPTER TWO – FINANCIAL POSITION

**SECTION 1
SOLVENCY OF GROUP
Subsection 1
General Provisions**

- 256. Supervision of Group solvency.
- 257. Frequency of calculation.

Subsection 2

Choice of calculation method and general principles.

- 258. Choice of method.
- 259. Inclusion of proportional share.
- 260. Elimination of double use of eligible own funds.
- 261. Elimination of the intra-group creation of capital.
- 262. Valuation.

Subsection 3

Application of the calculation methods

- 263. Related insurance and reinsurance undertakings.
- 264. Intermediate insurance holding companies.
- 265. Related third country insurance and reinsurance undertakings.
- 266. Related credit institutions, investment firms and financial institutions.
- 267. Non-availability of the necessary information.

Subsection 4

Calculation methods

- 268. Method 1 (default method): accounting consolidation-based method.
- 269. Group internal model.
- 270. Approval of group internal model by the group supervisory authority and the obligations of the Superintendent.
- 271. Group capital add-on.
- 272. Method 2 (Alternative method): deduction and aggregation method.
- 273. Delegated acts concerning sections 258 to 267 and 268 to 272.

Subsection 5

Supervision of group solvency for insurance and reinsurance undertakings that are subsidiaries of an insurance holding company or a mixed financial holding company

- 274. Group solvency of an insurance holding company or a participating financial company.

Subsection 6

Supervision of group solvency for groups with centralised risk management

- 275. Subsidiaries of an insurance or reinsurance undertaking: conditions.
- 276. Subsidiaries of an insurance or reinsurance undertaking: decision on the application.
- 277. Subsidiaries of an insurance or reinsurance undertaking: determination of the solvency capital requirement.

278. Subsidiaries of an insurance or reinsurance undertaking: non-compliance with the solvency and minimum capital requirements.
279. Subsidiaries of an insurance or reinsurance undertaking: end of derogations for a subsidiary.
280. Delegated acts – Subsidiaries of an insurance or reinsurance undertaking.
281. Subsidiaries of an insurance holding company and a participating financial company.

SECTION 2

RISK CONCENTRATION AND INTRA-GROUP TRANSACTIONS

282. Supervision of risk concentration.
283. Obligation of Cypriot undertakings to notify particulars with regard to risk concentration.
284. Supervision of intra-group transactions.

SECTION 3

RISK MANAGEMENT AND INTERNAL CONTROL

285. Supervision of the system of governance.

CHAPTER THREE

MEASURES TO FACILITATE GROUP SUPERVISION

286. Group supervision by the Superintendent.
287. Powers and duties of the group supervisory authority and other supervisory authorities – College of Supervisors.
288. Cooperation and exchange of information between supervisory authorities.
289. Consultation between supervisory authorities.
290. Requests from the group supervisory authority to other supervisory authorities.
291. Cooperation with authorities responsible for credit institutions and investment firms.
292. Exchange of information and professional secrecy and confidentiality.
293. Access to information.
294. Verification of information.
295. Group solvency and financial condition report.
296. Group structure.
297. Administrative, management or supervisory body of insurance holding companies.
298. Enforcement measures.

CHAPTER FOUR

THIRD COUNTRIES

299. Parent undertakings outside the Community: verification of equivalence.
300. Parent undertakings outside the Community: equivalence.

- 301. Parent undertakings registered in a third country: absence of equivalence.
- 302. Parent undertakings outside the Union: levels.
- 303. Cooperation with third country supervisory authorities.

**CHAPTER FIVE
MIXED ACTIVITY INSURANCE HOLDING COMPANIES**

- 304. Intra-group transactions.
- 305. Cooperation with third countries.

**CHAPTER SIX
SUPPLEMENTARY SUPERVISION OF A FINANCIAL CONGLOMERATES**

- 306. Supplementary supervision of the Superintendent.

**PART V
REORGANISATION AND WINDING-UP OF INSURANCE UNDERTAKINGS
CHAPTER ONE**

SCOPE OF APPLICATION AND DEFINITIONS

- 307. Scope of application of this Part.
- 308. Definitions.

CHAPTER TWO – REORGANISATION MEASURES

- 309. Adoption of reorganisation measures – applicable law.
- 310. Information to the supervisory authorities.
- 311. Publication of decisions on reorganisation measures.
- 312. Information to known creditors and right to lodge claims.

**CHAPTER THREE
WINDING-UP PROCEEDINGS**

- 313. Prohibition of voluntary winding-up of an insurance undertaking without the prior transfer of the portfolio.
- 314. Opening of winding-up proceedings – Information to the supervisory authorities.
- 315. Applicable law.
- 316. Dependent undertakings.
- 317. Communication of application for dissolution to the Superintendent.
- 318. Compulsory dissolution and winding-up in the case of withdrawing the authorisation to pursue insurance business.
- 319. Voluntary dissolution prohibited.
- 320. Appointment of provisional liquidator.
- 321. Appointment of liquidator.
- 322. Transfer of portfolio.
- 323. Termination of Non-life insurance contracts.
- 324. Continuation of Life insurance business during winding-up.

- 325. Reinsurance contracts.
- 326. Variations in the investments of the undertaking.
- 327. Treatment of insurance claims.
- 328. Special register.
- 329. Compulsory dissolution and winding-up where the authorisation to pursue insurance business has been withdrawn.
- 330. Publication of decisions on winding-up proceedings.
- 331. Information to known creditors in other member states.
- 332. Right to lodge claims.
- 333. Languages and form.
- 334. Regular information to creditors.

**CHAPTER FOUR
COMMON PROVISIONS FOR ALL MEMBER STATES**

- 335. Effects on certain contracts and rights.
- 336. Rights *in rem* of third parties.
- 337. Reservation of title.
- 338. Set-off.
- 339. Regulated markets.
- 340. Detrimental acts.
- 341. Protection of third party purchasers.
- 342. Lawsuits pending.
- 343. Administrators and liquidators.
- 344. Registration of reorganisation measures.
- 345. Professional secrecy.
- 346. Treatment of branches of third country insurance undertakings.

**PART VI
GENERAL PROVISIONS**

- 347. Right of recourse to the Permanent Secretary and the right to judicial protection.
- 348. Cooperation with other member states and the European Commission.
- 349. Revision of amounts determined in this Law.

**PART VII
PROVISIONS WITH REGARD TO INSURANCE AND REINSURANCE UNDERTAKINGS
THAT ARE EXCLUDE FROM PART OF THE PROVISIONS OF THIS LAW UNDER SECTION**

6

- 350. Authorisation to conduct insurance business falling under section 6 of this Law.
- 351. Calculating technical provisions.
- 352. Calculating basic own funds.
- 353. Approved investments of insurance undertakings of section 6.
- 354. Calculating the solvency capital requirement.

355. Regulations.

PART VIII
MEDIATION SERVICES IN THE INSURANCE SECTOR
CHAPTER ONE
RIGHT TO CONDUCT MEDIATION BUSINESS

356. Definitions for the purposes of this Part.
357. Powers and competencies of the Superintendent with regard to mediation.
358. The pursuit of mediation in the insurance and reinsurance sector.
359. Exclusions.
360. Insurance agent.
361. Obligations of insurance agent. Criminal offence.
362. Insurance broker. Criminal offence.
363. Obligations of insurance broker.
364. Insurance intermediary.
365. Insurance consultant.
366. Associated insurance consultant.
367. Mediation contract. Criminal offence.
368. Representation of a mutual fund management company.
369. Additional requirements for customer protection in relation to insurance investment products.

CHAPTER TWO
RETAINING A REGISTER OF REGISTRATIONS OF PERSONS PURSUING MEDIATION
BUSINESS – CONDITIONS FOR REGISTRATION

370. Registers for the registration of legal and natural persons, pursuing mediation business.
371. Common conditions for the registration of legal and natural persons.
372. Conditions for the registration of natural persons.
373. General conditions for the registration of legal persons.
374. Specific conditions for the registration of a foreign mediation business undertaking.
375. Application for registration on a Register.
376. Registration on the Register and issuing a certificate of registration. Criminal offence.
377. Duration and renewal of registration on the Register.

CHAPTER THREE
DISMISSAL OF APPLICATION FOR THE REGISTRATION AND STRIKING OFF FROM THE
REGISTER

378. Dismissing an application for registration.
379. Grounds for striking off the Register. Criminal offence.
380. Representations against the decision to strike off and the right to recourse.

- 381. Return of certificate of registration. Criminal offence.
- 382. Information provided by the intermediary when providing mediation services.
- 383. Out of court settlement of disputes.

**CHAPTER FOUR
GENERAL AND CRIMINAL PROVISIONS WITH REGARD TO PURSUING MEDIATION
SERVICES**

- 384. Notifications of changes to the specified data. Criminal Offence.
- 385. Submission of statements by an insurance broker company.
- 386. Return of premiums.
- 387. Establishment of a branch or pursuing mediation business in a third country.
- 388. Freedom to provide services and establishment in member states of the Union.
- 389. Freedom to provide services and establishment in the Republic.
- 390. Criminal offence to assign business to persons who are not registered on the Registers.
- 391. Criminal offence to continue factoring business after the termination of the factoring contract.
- 392. Usurping the work of an intermediary.
- 393. False statements of an intermediary.
- 394. Administrative sanctions.

**PART IX
POWER TO COLLECT INFORMATION, ENTRY AND SEARCH – IMPOSING
ADMINISTRATIVE SANCTIONS – CRIMINAL PROVISIONS**

- 395. Power of the Superintendent to collect information. Imposing an administrative fine.
- 396. Power of the Superintendent to enter and search.
- 397. Entry and search procedure and imposing an administrative fine.
- 398. Actions of the Superintendent in the case of breaches.
- 399. Administrative fine.
- 400. Written notification of imposing a fine.
- 401. Collecting an administrative fine.
- 402. False declarations or announcements to deceive the public.
- 403. False declarations, concealing information or preventing control.
- 404. False accounts.
- 405. Pursuing insurance or reinsurance business without authorisation or by undertakings that do not satisfy the provisions of this Law.
- 406. Failure to notify non-commencement or stay of business of the undertaking.
- 407. Criminal offence in issuing new policies by an insurance undertaking whose authorisation was withdrawn.

- 408. Criminal offence for failure to return the authorisation.
- 409. Ties between insurance and other companies. Criminal offence.
- 410. Breach of provisions of this Law.
- 411. Criminal and civil liability for offences committed by legal persons.
- 412. Sanctions for breaching the implementation measures of the European Commission.

PART X

ADVISORY COMMITTEE – FINAL AND TRANSITIONAL PROVISIONS

- 413. Insurance Advisory Committee.
- 414. Proceedings before the Advisory Committee.
- 415. Vacancy.
- 416. Competencies of the Advisory Committee.
- 417. Notification of acquiring participations submitted before provisions 58 to 64 of this Law come into force.
- 418. Duration-based equity risk sub-module.
- 419. Trusts of existing insurance undertakings and release of deposits.
- 420. Rights acquired by existing reinsurance undertakings.
- 421. Gradual implementation.
- 422. Transitional provisions.
- 423. Transitional provisions for the risk-free interest rates.
- 424. Transitional provisions for technical provisions.
- 425. Gradual implementation of the transitional provisions for risk-free interest rates and technical provisions.
- 426. Operation of existing insurance undertakings and submitting a new application.
- 427. Legal process for examining applications – transitional provisions.
- 428. Cancellation or withdrawal of authorisation during the transitional period.
- 429. Proceedings before the Minister under the previous legislation.
- 430. Winding-up of undertakings and transfer of portfolio during the transitional period.
- 431. Issue of Regulations.
- 432. Issue of Directives.
- 433. Repeals.
- 434. Validity, Directives, Decisions or Administrative Acts etc that were issued under the Exercise of Insurance Business and Other Related Matters Laws of 2002 to 2013.