

## Administrative Measures on Insurance Licenses

### 保险许可证管理办法

#### Article 1

These Measures are formulated in accordance with the *Insurance Law of the People's Republic of China*, the *Administrative License Law of the People's Republic of China* and other laws and administrative regulations, for the purposes of strengthening administration of insurance licenses, regulating licensing activities in the insurance industry and maintaining the order of the insurance market.

#### Article 2

The China Insurance Regulatory Commission (hereinafter referred to as the "CIRC") shall be responsible for the issuance and regulation of insurance licenses.

Local offices of the CIRC shall exercise their functions of issuing and regulating insurance licenses within the scope of power authorized by the CIRC.

#### Article 3

The CIRC shall establish a supervisory and regulatory system for insurance licenses by following the principles of being legal, open, fair, convenient and efficient.

#### Article 4

The following insurance institutions within the territory of the People's Republic of China shall obtain insurance licenses according to law:

- 1) Insurance holding companies and insurance group companies that do insurance business;
- 2) Insurance companies and their branches;
- 3) Insurance asset management companies and their branches;
- 4) Insurance agency institutions, insurance brokerage institutions, insurance loss adjustment institutions and their branches;
- 5) Part-time institutional agents; and
- 6) Other insurance institutions specified by the CIRC.

#### Article 5

The "insurance licenses" mentioned in these Measures include the following types:

- 1) Legal person license and license for insurance business operation of insurance companies;
- 2) License for insurance sales services;
- 3) License for insurance agency business;
- 4) License for insurance brokerage business;
- 5) License for insurance loss adjustment business;
- 6) License for part-time insurance agency business; and
- 7) Legal person license and license for insurance asset management business of insurance asset management companies.

#### Article 6

Insurance licenses shall be exclusively designed and printed by the CIRC.

No other organization or individual shall design, print, issue, confiscate or take away insurance licenses without the authorization of the CIRC.

#### Article 7

The CIRC shall implement hierarchical administration on insurance licenses.

### **Article 8**

The local offices of the CIRC shall be responsible for delivering and replacing insurance licenses of the following institutions within their jurisdictions:

- 1) Branches of insurance companies;
- 2) Branches of insurance asset management companies;
- 3) Insurance agency institutions and their branches;
- 4) Insurance brokerage institutions and their branches;
- 5) Insurance loss adjustment institutions and their branches; and
- 6) Part-time institutional agents.

### **Article 9**

An insurance license shall contain the following information:

- 1) The name of the institution;
- 2) The code of the institution;
- 3) The domicile of the institution;
- 4) The business scope of the institution;
- 5) The territorial scope of the institution;
- 6) The date when the decision of licensing is made;
- 7) The date of issuing the license; and
- 8) The issuer.

No insurance license shall be valid unless it is stamped with the official seal of the CIRC.

### **Article 10**

Insurance institutions across the whole nation shall be coded in a unified way. The CIRC shall print insurance licenses according to the codes of insurance institutions.

The institution code of an insurance license shall be permanent. In case any information indicated on an insurance license changes, or an insurance license expires, or is lost or damaged, the insurance institution concerned shall apply for a new license which shall still use the original code.

In case the nature of an insurance institution changes, or it is relocated to another jurisdiction or terminated according to law, the code of the insurance institution shall become invalid automatically.

### **Article 11**

The information indicated on an insurance license shall be identical with that on the administrative licensing paper concerned.

### **Article 12**

In case the CIRC makes a decision of licensing and a license needs to be issued, it shall issue the license to the applicant.

The CIRC shall, within 10 days from the date when the decision of licensing is made, deliver the decision and the license to the applicant.

### **Article 13**

The CIRC shall deliver the decision of licensing and the license directly to the applicant, or by post in case direct delivery is difficult.

In the event of direct delivery, a receipt is needed and the applicant shall write down the date of receiving and leave a signature or seal on the receipt. In the event of delivery by post, the postal certificate shall be kept, and the date of post as indicated on the postal certificate shall be regarded as the date of delivery.

**Article 14**

In case direct delivery and post delivery of a decision of licensing are both difficult, the CIRC may deliver the decision by publishing an announcement of the matter. In that case, the decision of licensing shall be regarded as duly delivered 2 months after an announcement is published.

An applicant shall obtain its insurance license from the CIRC within 2 months from the date when the decision of licensing is delivered via announcement. If it fails to do so within the prescribed time frame, both the decision of licensing and the insurance license shall become invalid automatically.

**Article 15**

Insurance institutions shall keep their insurance licenses properly.

No organization or individual shall forge, alter, lease, lend or transfer insurance licenses.

**Article 16**

An insurance institution shall present its insurance license in an easily observed place in its business premise for inspection.

**Article 17**

The CIRC shall strengthen the information management of insurance licenses, establish a sound filing system for insurance institutions and disclose information related to insurance licenses according to law.

**Article 18**

In case any information indicated on its insurance license changes, the insurance institution shall return the original license to the CIRC and obtain a new one.

In case the abovementioned change needs to be approved by the CIRC, the insurance institution shall obtain a new insurance license from the CIRC within 2 months from the date when the change is approved. In case the change does not need to be approved by the CIRC, the insurance institution shall obtain a new insurance license from the CIRC within 1 month from the date when the change occurs.

**Article 19**

No validity period shall be set for the insurance licenses of the following insurance institutions:

- 1) Insurance holding companies and their branches;
- 2) Insurance group companies and their branches;
- 3) Insurance companies and their branches; and
- 4) Insurance asset management companies and their branches.

The validity period for the insurance licenses of the insurance institutions other than those listed above shall be set in accordance with relevant provisions of the CIRC.

**Article 20**

The insurance institution that needs to have its insurance license renewed at its expiration shall file an application with the CIRC for the renewal within the prescribed time frame.

The CIRC shall decide whether or not to approve the renewal prior to the expiration of the license. In case of approval, the insurance institution shall, within 10 days from the date when it receives the decision of approval, return the original license to the CIRC and obtain a new one.

**Article 21**

In case its insurance license is damaged, the insurance institution shall return the original license to the CIRC and obtain a new one.

**Article 22**

In case the insurance license is lost, the insurance institution shall, within 10 days from the date when it is aware of the loss, declare the invalidation of the license in the newspaper designated by the CIRC and apply to the CIRC for a new one by submitting a written explanation for the loss of the insurance license and the materials about the declaration of its invalidation.

**Article 23**

An insurance institution shall submit the following materials to the CIRC for application of a new insurance license:

- 1) Papers proving that the information indicated on its insurance license has changed (both the original and the photocopy);
- 2) Letter of introduction or authorization from the insurance institution;
- 3) Legal and valid identity certificate of the person assigned to obtain the insurance license (both the original and the photocopy); and
- 4) Other materials specified by the CIRC.

**Article 24**

An insurance institution receiving an insurance license or obtaining a new insurance license due to the change of any information indicated on its original license shall publish an announcement of the matter on the newspaper designated by the CIRC within 20 days from the date when it receives or obtains the license.

The announcement shall contain the following information:

- 1) The information indicated on the license;
- 2) The name of the legal representative or the person-in-charge of the insurance institution;
- 3) The business scope and territorial scope of the insurance institution; and
- 4) The domicile, postal code and telephone number of the insurance institution.

**Article 25**

An insurance institution shall return its insurance license to the CIRC within 15 days from the date when it is dissolved, cancelled by law or declared bankrupt pursuant to law.

**Article 26**

In any of the following circumstances, the CIRC shall invalidate an insurance license according to law and publish an announcement:

- 1) An insurance license expires and is not renewed;
- 2) The insurance institution is terminated according to law;
- 3) The decision of licensing is cancelled or withdrawn, or the insurance license is revoked according to law;

or

- 4) Any other circumstances specified by laws, administrative regulations and the CIRC.

**Article 27**

The CIRC shall dispose of the insurance licenses that have been cancelled or returned to it on a regular basis.

**Article 28**

An insurance institution being found in any of the following behaviors shall be subject to the CIRC's order for correction within a prescribed time frame. If the institution fails to correct within the prescribed time frame, it shall be subject to a fine in a sum not exceeding RMB 30,000 yuan:

- 1) Failing to return the original insurance license to the CIRC and obtain a new one as required in the event that the information indicated on its insurance license has changed;
- 2) Failing to report the loss of the insurance license to the CIRC as required;
- 3) Failing to present its insurance license at its business premise as required; or
- 4) Failing to publish an announcement on the newspaper as required by these Measures.

**Article 29**

An insurance institution being found in any of the following behaviors shall be subject to the CIRC's order for correction and a fine in a sum not exceeding RMB 30,000 yuan, and its senior management personnel directly responsible for the behavior shall be subject to a fine of RMB 5,000 yuan.

If the case is serious enough to constitute a crime, the offender shall be subject to criminal liabilities pursuant to law.

- 1) Forging, altering, leasing, lending or transferring an insurance license; or
- 2) Using an expired or invalid insurance license.

**Article 30**

The time frames prescribed in these Measures, except those based on months, shall be calculated in terms of working days, excluding statutory holidays.

**Article 31**

The CIRC shall be responsible for the explanation of these Measures.

**Article 32**

These Measures shall come into force as of September 1<sup>st</sup>, 2007.

End.