

Rules on Administration of Insurance Agency Institutions

保险代理机构管理规定

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Chapter 1 General Provisions

Article 1

For the purposes of regulating the business behaviors of insurance agency institutions and their branches, maintaining fair competition and market order, and promoting the healthy development of insurance industry, these Rules are formulated in accordance with *the Insurance Law of the People's Republic of China* (hereinafter referred to as the "*Insurance Law*") and other relevant laws and administrative regulations.

Article 2

The establishment of insurance agency institutions and their branches within the territory of the People's Republic of China shall be subject to approval of the China Insurance Regulatory Commission (hereinafter referred to as the "CIRC").

Without approval from the CIRC, no unit or individual shall conduct or conduct in disguised form insurance agency business within the territory of the People's Republic of China.

Article 3

The CIRC performs the responsibilities of supervising and regulating insurance agency institutions and their branches according to the *Insurance Law* and the authorization of the State Council.

Local offices of the CIRC exercise their powers and functions within the scope of authorization of the CIRC.

Article 4

"Insurance agency institution" in these Rules refers to an entity that fulfills the qualification requirements specified by the CIRC, has obtained the license for conducting insurance agency business (hereinafter referred to as the "License") with approval of the CIRC, engages in insurance business by and within the authorization of and collect commissions from insurance companies.

"Branches of an insurance agency institution" in these Rules refer to the branch companies and sales offices established by an insurance agency that operate insurance agency business within the scope authorized thereby.

Article 5

All insurance agencies and their branches shall abide by laws, administrative regulations and relevant stipulations of the CIRC and observe the principles of volition, honesty, credibility and fair competition.

Article 6

All insurance agency institutions and their branches shall submit relevant materials and report authentic information to the CIRC according to these Rules and be responsible for the authenticity of the substantial contents of the materials submitted.

Chapter 2 Administration of the Organization

Section 1 Establishment

Article 7

An insurance agency institution may take one of the following organizational forms:

1. Partnership;
2. Limited liability company;
3. Joint stock limited company.

Article 8

The following qualification requirements shall be fulfilled in order to establish an insurance agency institution,:

1. Registered capital or capital contribution reaches the minimum amount specified herein;
2. The articles of association or partnership agreement complies with the stipulations of laws;
3. Senior management personnel fulfill the qualification requirements specified herein;

4. The number of employees holding the Qualification Certificate of Insurance Agency Practitioners (hereinafter referred to as the "Qualification Certificate") exceeds 2 and is not less than half of the total employees;
5. Sound and complete organizational structure and management system are in place;
6. Fixed domicile or business premises that match its business scale;
7. Computer software and hardware facilities that match the business operation;
8. At least one insurance company's letter of intent for agency authorization.

Article 9

Where an insurance agency institution is established in the form of partnership or limited liability company, its registered capital or capital contribution shall not be less than RMB 500,000. Where it is established in the form of joint stock limited company, its registered capital shall not be less than RMB 10,000,000.

Article 10

Any entity or individual that is forbidden by laws or administrative regulations to invest in enterprises shall not become the promoter, shareholder or partner of an insurance agency institution.

Where an employee of an insurance company invests in an insurance agency institution, he shall inform the insurance company he works for of his investment.

Article 11

The name of an insurance agency institution and its branches shall contain the phrase "insurance agency" and shall not be the same with that of the existing insurance intermediaries.

Article 12

To apply for establishment of an insurance agency, all shareholders, promoters or partners shall designate a representative or jointly authorize an agent to handle application matters with the CIRC.

Article 13

For the application for establishment of an insurance agency institution, the following materials shall be submitted in duplicate to the CIRC:

1. "Application Form for Establishment of Insurance Agency Institution" signed by all shareholders, all promoters or partners;
2. "A Power of Attorney Regarding Application for Establishment of Insurance Agency Institution";
3. Articles of association or partnership agreement;
4. Photocopies of identity certificates and resumes of natural-person shareholders, promoters or partners, photocopies of business licenses of non-natural-person shareholders or promoters and their financial statements of the last year and such statements shall be stamped with the seal of finance;
5. Capital verification certificate issued by a capital verification organization with statutory qualification and the photocopy of the original bank receipt voucher evidencing payment of the capital;
6. Feasibility report, containing an analysis of the market and a business development plan for the next 3 years;
7. Photocopy of notice of preliminary approval of enterprise's name;
8. Internal management regime, including organizational setup, decision-making procedure, business, finance and personnel systems, etc.;
9. Business service standards;
10. Materials of application for qualification of intended senior management personnel and photocopies of Qualification Certificates of business personnel;
11. Letter of intent for agency authorization issued by an insurance company;
12. Certification document of domicile or business premises;

13. Description of computer software and hardware.

Article 14

After receipt of application materials, the CIRC may call investors together to indicate to them investment risks and conduct interviews concerning the application and make inquiries and learn about market development strategy, business development plan, internal control construction and relevant matters of the institution to be established.

Article 15

An insurance agency may set up 3 branches within 1 year after its establishment. The insurance agency institution that applies for the establishment of a branch shall fulfill the following requirements:

1. No serious violation of laws or regulations within 1 year before application;
2. Having a sound and complete internal control system;
3. The main person-in-charge to be appointed fulfills the qualification requirements specified herein;
4. Existing branches of the insurance agency operate normally;
5. Registered capital or capital contribution meets the requirements specified herein;

Article 16

An insurance agency institution established with a minimum registered capital or a minimum capital contribution specified herein may establish 3 branches. For the application for the establishment of each additional branch, registered capital or capital contribution of at least RMB 100,000 shall be added.

Where the registered capital or capital contribution of the insurance agency institution has already reached the amount required in the preceding paragraph when it applies for the establishment of a branch, it may not increase its registered capital or capital contribution.

Where the registered capital or capital contribution of an insurance agency reaches RMB 2,000,000, it need not increase its registered capital or capital contribution in order to establish a branch.

Article 17

For the application for establishing a branch, an insurance agency institution shall submit the following materials in duplicate:

1. "Application Form for Establishment of Insurance Agency Branch" ;
2. The resolution of the board of directors or all partners for establishing a branch;
3. The internal management framework of the branch to be established;
4. Audit report of the insurance agency institution for the previous fiscal year issued by an accounting firm;
5. Description of the supervision and inspection of insurance regulatory authority, administration of industry and commerce and taxation authority that the agency institution have accepted in the last year and relevant appendices;
6. Description of the enforcement of the insurance agency institution's agency contract in the last 2 years;
7. Materials of application for qualification of the main person-in-charge to be appointed;
8. Certification document of business premises;
9. Description of computer software and hardware.

Where an increase of registered capital or capital contribution is required, the capital verification certificate issued by a capital verification organization with statutory qualification and the photocopy of the original bank receipt voucher evidencing payment of capital shall also be submitted.

Article 18

The CIRC shall examine the application for establishment of an insurance agency institution or its branch in accordance with the law and, within 20 days from the date of accepting the application, make a decision as to

whether or not to approve the establishment. Where it decides not to approve the establishment, it shall notify the applicant in writing and state reasons therefor.

The CIRC may conduct an on-site checking and acceptance inspection according to its actual needs.

Article 19

Where the CIRC decides to approve the establishment of an insurance agency institution or a branch of an insurance agency institution, it shall issue a license to the applicant.

After receipt of the license, the applicant shall go through procedures of industrial and commercial registration according to relevant regulations and may commence business only after receiving a business license.

Article 20

Any insurance agency institution and its branches established in accordance with the law shall make announcements on the newspapers designated by the CIRC within 10 days from the date of business commencement.

Article 21

An insurance agency institution shall deposit guarantee funds or purchase professional liability insurance.

Where an insurance agency institution chooses to deposit guarantee funds, it shall deposit 20% of its registered capital or capital contribution as guarantee funds within 20 days after industrial and commercial registration.

Where an insurance agency institution increases registered capital or capital contribution, it shall correspondingly increase the amount of guarantee funds.

Article 22

The guarantee funds of an insurance agency institution shall be in the form of bank deposit or other forms recognized by the CIRC.

Guarantee funds in the form of bank deposit shall be put in a special account with a commercial bank operating nationwide. The deposit agreement shall contain the following provision: "Without the CIRC's written approval, no insurance agency institution shall use or dispose of guarantee funds. Where the bank fails to perform the obligation of examination, it shall bear a joint liability for the debt of the insurance agency institution within the limit of guarantee funds used."

Article 23

An insurance agency institution shall submit a photocopy of the deposit agreement of guarantee funds to the CIRC within 10 days from the date of the deposit of guarantee funds into the special account opened with a commercial bank.

Before January 31 of each year, an insurance agency institution shall submit to the CIRC a special report on the management of its guarantee funds of the last year.

Article 24

An insurance agency institution shall not use guarantee funds, except in one of the following circumstances:

1. Reduction of registered capital or capital contribution;
2. Entry into liquidation procedure in accordance with these Rules.

Article 25

Where an insurance agency institution applies for using guarantee funds due to reduction of registered capital or capital contribution, the following materials shall be submitted to the CIRC:

1. Application letter;
2. Materials certifying alteration of industrial and commercial registration concerning the reduction of registered capital or capital contribution.

Article 26

Where an insurance agency institution enters into liquidation procedure according to these Rules and applies for using guarantee funds, the liquidation committee shall submit the following materials to the CIRC:

1. Application letter;
2. Liquidation plan;
3. Certification of the recovery of various documents issued by the principal insurance company;
4. The original license.

Where an insurance agency institution is dissolved, the resolution of the shareholders' meeting or meeting of all partners for dissolution and liquidation matters shall also be submitted. Where an insurance agency institution is declared bankrupt in accordance with the law, relevant documents shall also be submitted.

Article 27

The License shall be placed at a conspicuous place in the business premises.

Article 28

The validity period of the license of an insurance agency institution is 2 years. The insurance agency shall apply to the CIRC for renewal 30 days before the expiration. To apply for the renewal of the license, the insurance agency shall submit the following materials:

1. Application letter;
2. The original license;
3. Audit report for the previous fiscal year issued by an accounting firm;
4. Balance sheet and profit statement by the end of the month before application;
5. Description of the insurance agency institution's compliance with insurance regulatory laws and regulations in the last 2 years;
6. Description of supervision and inspection of insurance regulatory authority, industrial and commercial administration and tax authority that the insurance agency institution has accepted in the last 2 years and relevant appendices;
7. Description of supervision of insurance industrial organizations that the insurance agency institution has accepted in the last 2 years;
8. Description of the institution's agency contract enforcement in the last 2 years.

Article 29

The CIRC shall not renew the license of an insurance agency in any of the following circumstances,:

1. No business conducted in the 6 consecutive months before the application of the renewal of the license;
2. Failure to conduct normal operation due to disorderly internal management;
3. Senior management personnel and business personnel do not fulfill the requirements specified in these Rules;
4. Failure to pay regulation fee in accordance with relevant stipulations.

Article 30

Where an insurance agency institution applies for the renewal of the License, the CIRC shall conduct comprehensive examination and evaluation of the operating status of the insurance agency institution in the last 2 years before the expiration of the license and make a decision as to whether or not to approve the renewal of the license. Where it decides not to renew the license, it shall state reasons in writing.

Article 31

No insurance agency institution or its branches shall forge, alter, rent, lend or transfer the license.

Section 2 Alteration and Termination

Article 32

An insurance agency institution shall report to the CIRC for approval of the following alterations:

1. Change of registered capital or capital contribution;
2. Change of organizational form.

Article 33

Where an insurance agency institution seeks to change its registered capital or capital contribution, it shall submit the following application materials to the CIRC in duplicate:

1. Application Form for Alterations of Insurance Agency Institution;
2. Resolution of shareholders' meeting or resolution of all partners for the alteration;
3. Photocopies of identity certificates and resumes of new natural-person shareholders or partners, photocopies of business licenses of new non-natural-person shareholders and their financial statements of the latest year and such statement shall be stamped with the seal of finance;
4. Capital verification certificate issued by a capital verification organization with statutory qualification;
5. Amended articles of association or partnership agreement;
6. Where the insurance agency institution reduces its registered capital or capital contribution, it shall submit the evidence to prove that it has made announcements on newspapers for at least 3 times;
7. Other materials specified by the CIRC.

Article 34

Where an insurance agency applies for the alteration of organizational form, it shall fulfill the requirements for the establishment of a new organizational form and submit the following application materials to the CIRC in duplicate:

1. Application Form for Alteration of Insurance Agency Institution;
2. Resolution of shareholders' meeting or resolution all partners for the alteration ;
3. Amended articles of association or partnership agreement;
4. Implementation plan;
5. Other materials specified by the CIRC.

Article 35

Within 20 days after accepting the application, the CIRC shall make a decision as to whether or not to approve the alteration of an insurance agency institution . Where it decides not to approve the application, it shall notify the applicant in writing and state reasons therefor.

Article 36

Where an insurance agency institution falls into one of the following circumstances, it shall report to the CIRC in writing within 5 days from the date of alteration of industrial and commercial registration:

1. Change of name;
2. Change of domicile or business premises;
3. Change of shareholders or investors;
4. Change of the names of promoters, shareholders or investors.

Article 37

Where a branch of an insurance agency institution makes the following alterations, it shall report to the CIRC in writing within 5 days from the date of alteration of industrial and commercial registration:

1. Change of name;
2. Change of business premises.

Article 38

Where an insurance agency institution makes the following alterations, it shall report to the CIRC in writing within 5 days from the date when relevant resolution or decision is made and submit relevant resolution or decision, amended articles of association or partnership agreement to the CIRC:

1. Change of equity structure or proportion of capital contribution;
2. Amendment of the articles of association or partnership agreement.

Article 39

Where the alteration of an insurance agency institution and its branches involves a change in the content of the License, the original License shall be returned for a new one.

Where the alteration mentioned in the preceding paragraph is subject to the approval of the CIRC, the insurance agency institution and its branches shall obtain a new License from the CIRC within 2 months from the date when the approval decision is made. Where the alteration mentioned in the preceding paragraph is not subject to the approval of the CIRC, the insurance agency institution and its branches shall obtain a new License from the CIRC within 1 month from the date of alteration of industrial and commercial registration.

Article 40

Where an insurance agency institution dissolves a branch, it shall report to the CIRC in writing within 5 days from the date when relevant resolution or decision is made and return the License of the dissolved branch and make announcements on the newspapers designated by the CIRC.

Article 41

Where an insurance agency institution or any of its branches makes the following alterations, it shall make announcements on the newspaper designated by the CIRC within 5 days from the date when the alteration decision is made:

1. Change of name;
2. Change of domicile or business premises.

Article 42

Approval by the CIRC must be obtained in accordance with these Rules for the establishment of a new insurance agency institution as a result of merger or split. The dissolution of an insurance agency institution as a result of merger or split shall be reported to the CIRC. Alterations of an insurance agency due to the merger or split is subject to approval from the CIRC or shall be reported to the CIRC in accordance with these Rules.

Article 43

Where an insurance agency institution falls into one of the following circumstances, the CIRC shall cancel the License in accordance with the law and make announcements:

1. The validity period of the license expires and no renewal has been applied for;
2. The validity period of the license expires and the CIRC, in accordance with laws, does not renew the license;
3. The business license is revoked by the administrative department of industry and commerce in accordance with the law;
4. Having not conducted insurance agency business for 6 consecutive months;
5. The license is withdrawn or revoked in accordance with the law;
6. The insurance agency institution is dissolved, closed down or declared bankrupt in accordance with the law;
7. Other circumstances specified by laws and administrative regulations where the License of the insurance agency institution shall be cancelled.

The insurance agency institution whose License is cancelled according to the preceding paragraph shall set up a liquidation committee in accordance with the law, organize liquidation in accordance with legal formalities and submit liquidation report to the CIRC.

Article 44

Where a branch of an insurance agency institution falls into one of the following circumstances, the CIRC shall cancel the License of the branch in accordance with the law and make announcements:

1. The License of the insurance agency institution with which the branch is affiliated is cancelled in accordance with the law;
2. Its business license is revoked by the administration of industry and commerce in accordance with the law;
3. Having not conducted insurance agency business for 6 consecutive months;
4. The License is withdrawn or revoked in accordance with the law;
5. Other circumstances specified by laws and administrative regulations where the license shall be cancelled.

Chapter 3 Qualification Administration

Section 1 Administration of Insurance Agency Practitioner Qualification and Practice Certificates

Article 45

“Insurance agency business personnel” in these Rules refers to the personnel of insurance agency institution and their branches engaged in the sales of insurance products or relevant loss survey and claim settlement.

Insurance agency business personnel shall pass the qualification test for insurance agency practitioners organized by the CIRC and obtain the Qualification Certificate.

Article 46

A person who takes the qualification test for insurance agency practitioners shall have a junior high school diploma or above.

Article 47

A person who enters for the qualification test for insurance agency practitioners shall submit the following materials:

1. Registration Form of Qualification Test for Insurance Agency Practitioners;
2. Photocopy of identity certificate;
3. Photocopy of academic credential;
4. Three recent small-size 2" bareheaded, fullfaced color photos.

Article 48

The CIRC shall issue the Qualification Certificate to those who pass the qualification test for insurance agency practitioners and fulfill the following requirements:

1. Full civil capacity;
2. Moral integrity.

Article 49

The Qualification Certificate shall not be issued to the person who falls into one of the following circumstances.

1. Having received a sentence for intentional crime and it has been less than 5 years since the completion of the sentence;
2. Having received an administrative penalty for dishonest activities such as fraud and it has been less than 3 years since the imposition of penalty;
3. Prohibited by a financial regulatory authority from entering the industry in a certain period of time and such period has not expired.

Article 50

Where a person taking the qualification test for insurance agency practitioners falls into one of the following circumstances, the result of test shall be invalid and the person shall be prohibited from taking the test within 2 years:

1. Providing false information for entrance of the test;
2. Violating rules of the test;
3. Other cheating acts.

Article 51

The validity period of the Qualification Certificate shall be 3 years from the date of issuance. A holder of the Qualification Certificate shall apply to the CIRC for renewal 30 days before the expiration of the validity period thereof.

Article 52

To apply for the renewal of the Qualification Certificate, a holder shall fulfill the following requirements:

1. Having received at least 60 hours of education on insurance knowledge and 30 hours on insurance laws and professional ethics every year in the last 3 years;
2. The holder has not received criminal or administrative penalties for fraud and serious violation of finance and insurance laws and regulations;
3. No intentional default on individual debt of a big amount.

Article 53

To apply for the renewal of the Qualification Certificate, a holder shall submit the following materials:

1. Application Form of Renewal of Qualification Certificate for Insurance Agency Practitioners;
2. Relevant certificates of engagement in relevant insurance business or continuing education in the previous 3 years.

Article 54

After a holder applies for the renewal of the Qualification Certificate, the CIRC shall make a decision as to whether or not to approve the renewal before the expiration of the Qualification Certificate. Where it decides not to renew the license, it shall state reasons in writing.

Article 55

In case of loss of the Qualification Certificate, the holder shall apply to the original issuer of the Certificate for reissuance.

Article 56

An insurance agency institution shall issue practice certificates to its insurance agency business personnel. Practice certificates can only be issued to the personnel who hold the Qualification Certificate and do not fall into any of the circumstances specified in Article 49 hereof.

Practice certificate is the certification for insurance agency business personnel to conduct insurance agency activities on behalf of insurance agency institution.

When conducting insurance agency business, insurance agency business personnel shall take the initiative to present the Qualification Certificate and practice certificate to clients.

Article 57

A practice certificate shall contain the following information:

1. Name of the business personnel and name and number of the personnel's identity certificate;
2. Serial number of the Qualification Certificate;
3. Serial number of the practice certificate;
4. Code of conduct for business personnel;

5. Description of responsibilities, powers and functions of the business personnel;
6. Insurance products that can be sold on agency basis;
7. Name, domicile or business premises of the insurance agency institution or the branch of an insurance agency institution;
8. Supervision and report telephone number;
9. Validity period of the practice certificate.

The practice certificates shall be printed under the supervision of the CIRC.

Article 58

Where an insurance agency business person falls into any of the following circumstances, the insurance agency institution shall cancel his practice certificate:

1. Resignation or dismissal;
2. Invalid Qualification Certificate;
3. Any of the circumstances specified in Article 49 hereof.

Article 59

Any insurance agency institution and its branches shall train and educate their business personnel in respect of insurance laws, professional knowledge and professional ethics. The training and education courses shall meet relevant standards of the CIRC.

Insurance agency business personnel shall accept training of no less than 80 hours before practising agency business. After practice commencement, each person shall accept training and education of no less than 36 hours each year, including legal knowledge training and professional ethics education of no less than 12 hours.

Article 60

An insurance agency institution shall submit to the CIRC an annual report on training of business personnel before January 31 of each year. The report shall contain the following:

1. Content, format and time of training on insurance law and professional knowledge, and professional ethics education for insurance agency business personnel in the last year;
2. Training plan for the current year.

Article 61

An insurance agency institution and its branches shall create files for administration of insurance agency business personnel to reflect their practition of insurance agency business all-roundly.

Article 62

Where other governmental regulatory department imposes administrative penalty or an insurance industry organization impose sanctions on any of insurance agency business personnel, the insurance agency institution concerned shall report to the CIRC in writing within 5 days from the date of knowing such fact.

Section 2 Qualification Administration of Senior Management Personnel

Article 63

The senior management personnel of an insurance agency institution or any of its branches shall fulfill the qualifications specified hereof.

The qualifications of the senior management personnel appointed by an insurance agency institution shall be reported to the CIRC for confirmation.

Article 64

As used in these Rules, the term “the senior management personnel of an insurance agency institution or any of its branches” refers to the following personnel:

1. The legal representative, general manager, deputy general manager(s) of an insurance agency institution adopting the company system or management personnel with the same functions and powers;
2. The executive partner of an insurance agency institution adopting the partnership system or management personnel with the same functions and powers;
3. Main persons in charge of branches of an insurance agency.

Article 65

The senior management personnel of an insurance agency institution or any of its branches shall fulfill the following requirements:

1. A junior college diploma or above;
2. Holding Qualification Certificate;
3. Minimum 2 years' experience in economic sector;
4. Moral integrity.

A person with over 10 years' experience in finance and insurance may not be restricted by item 1 of the preceding paragraph.

A person with over 3 years' experience in enterprise management may not be restricted by item 2 of the preceding paragraph.

Article 66

Whoever falls into any of the following circumstances shall not hold a senior management position in an insurance agency institution or any of its branches:

1. No civil capacity or restricted civil capacity;
2. Having received a sentence for committing the crimes of corruption, bribery, encroachment upon property, appropriation of property or disruption of social economic order and it has been less than 5 years since the completion of the sentence; or having been deprived of political rights for committing crimes and it has been less than 5 years since the expiration of the execution;
3. The person held a senior management position in a company or enterprise that went bankrupt and entered into liquidation because of poor management or revocation of business license as a result of violation of law, assumed personal responsibility or direct leader's responsibility therefore, and it has been less than 3 years since the completion of the liquidation of the company or enterprise;
4. The person held a senior management position in an insurance company or insurance intermediary whose License was revoked as a result of violation of law, assumed personal responsibility or direct leader's responsibility therefor and it has been less than 3 years since the revocation of the License;
5. The person has large amounts of outstanding personal debts that are due;
6. The person was forbidden by a financial regulatory authority to hold a senior management position in financial institutions within a certain period of time and such period has not expired;
7. The person is under the investigation by judicial authority, discipline inspection and supervision department or the CIRC;

8. The person received an administrative penalty imposed by the CIRC for deceiving insurance companies, policy holders, the insured or beneficiaries and it has been less than 5 years since the imposition of the penalty;
9. Other circumstances specified by the CIRC where a person is disqualified for holding a senior management position.

Article 67

Senior management personnel of an insurance agency institution or its branches shall not concurrently hold a position at an insurance company, another insurance agency institution, an insurance brokerage institution or an institution that has potential conflict of interests with such insurance agency institution or branch.

Article 68

To appoint senior management personnel, an insurance agency institution shall submit the following application materials in duplicate to the CIRC:

1. Application Form of Qualification for Senior Management Personnel of Insurance Agency Institutions;
2. The decision on appointing senior management personnel;
3. Photocopies of identity certificate and diploma of the senior management personnel to be appointed;
4. Photocopy of the Qualification Certificate and materials certifying relevant work experience.

Article 69

The CIRC shall make a decision as to whether or not to confirm the qualification of senior management personnel of an insurance agency institution or any of its branches within 20 days after accepting the application. Where it decides not to confirm the qualification, it shall give written notice to the applicant and state reasons therefor.

Article 70

Where senior management personnel to be appointed fall into any of the following circumstances, the insurance agency institution or the branch concerned shall submit materials for explanation. Where it provides false materials, conceals the fact, or does not submit the materials, the CIRC shall not approve the qualification of such candidate:

1. The candidate was once subject to criminal penalty;
2. The candidate was once investigated by judicial authority, discipline inspection or supervision department;
3. The candidate once received a administrative penalty imposed by financial and insurance supervision organs;
4. The candidate once received a sanction imposed by an insurance industry organization;
5. The candidate once committed dishonest acts including intentional nonfulfillment of due obligations of a high amount;
6. The candidate was once dismissed or removed from office by his employer;
7. The candidate once assumed personal responsibility or direct leader's responsibility for serious work mistakes or economic cases;
8. The candidate is still working at an insurance company or an other insurance intermediary at the time of application.

Article 71

The CIRC may interview the intended senior management personnel of an insurance agency institution and its branches and make relevant announcement.

Article 72

In case of internal transfer of senior management personnel of an insurance agency institution and its branches at the same level or from a high level to a low level, no confirmation of qualification is required.

Article 73

Where an insurance agency institution decides to remove a senior manager from office or agrees to his resignation, his qualification shall automatically become invalid from the date of decision.

Article 74

Where an insurance agency institution appoints or dismisses any senior management personnel, it shall report to the CIRC in writing within 5 days from the date of decision.

Article 75

Where an insurance agency institution appoints legal representative, general manager, executive partner or management personnel with the same functions and powers with the aforesaid personnel, it shall make announcement on the newspaper designated by the CIRC within 5 days from the date of decision.

Article 76

Where a senior manager of an insurance agency institution or any of its branches is suspected of economic crime and sued, the insurance agency shall report to the CIRC in writing within 5 days from the date of suit and within 5 days from the date of settlement.

Article 77

Where an insurance agency appoints a temporary person in charge under special circumstances, it shall report to the CIRC in writing within 5 days from the date of decision on appointment. The term of office of the temporary person in charge shall not exceed 3 months at most.

Chapter 4 Insurance Agency Relation Management

Article 78

An insurance company shall not entrust an agency institution that has not obtained the License to handle insurance business.

Where the insurance company entrusts an insurance agency institution or any of its branches to handle insurance business, it shall sign a written agency contract with the insurance agency institution or branch thereof. The authorization under an agency contract shall not exceed the operation zone and business scope of the insurance company.

Article 79

An insurance company shall pay insurance agency handling charges only to an insurance agency institution or any of its branches that has obtained the License in accordance with the law and in compliance with the stipulations of insurance financial management regime.

Any insurance company shall not pay handling fees, commissions or similar expenses of insurance agency to an agency that has not obtained the License.

Article 80

An insurance company shall establish valid insurance agency business management system and workflow, and create register for insurance agency institutions and their branches and accounting books of insurance agency business.

Article 81

An insurance company shall supervise the business behaviors of entrusted insurance agency institution and its branches and business personnel and assume liability in accordance with the law for false statement, misleading acts and other acts that harm the interest of the insured during the business course of an insurance agency institution and its branches.

Any insurance company shall stop and correct illegal insurance acts of an insurance agency institution and its branches and shall not abet or induce the insurance agency institution or its branches to commit illegal insurance acts.

Article 82

An insurance company shall provide training on insurance law and professional knowledge and education on professional ethics to the entrusted insurance agency institutions, their branches and business personnel.

Where an insurance company entrusts an insurance agency institution or any of its branches to sell new-type life insurance products, it shall provide special presale training to the business personnel of the insurance agency institution or its branches who are to sell new-type life insurance products for no less than 12 hours according to relevant stipulations of the CIRC.

Article 83

An insurance company may require entrusted insurance agency institutions or their branches to purchase professional liability insurance that matches the scale of their agency business or provide guarantee funds of a certain amount.

Article 84

An insurance company and its staffs must not engage in the following activities:

1. Retain or appropriate insurance premiums in collusion with entrusted insurance agency institutions or their branches or collect rebate from such insurance agency institutions, their branches or staffs;
2. Encroach upon, appropriate or obtain insurance indemnities by cheating in collusion with entrusted insurance agency institutions or their branches;
3. Collect handling fees, commissions or similar fees when underwriting direct business;
4. Pay handling fees, commissions or other illegal interests through entrusted insurance agency institutions or their branches to insurance applicants, the insured, or entities and individuals that have not obtained the License;
5. Utilize insurance agency business to engage in other fraudulent activities .

Chapter 5 Operating Rules

Article 85

To carry out insurance agency business, an insurance agency institution and its branches shall sign written agency contract with principal insurance companies. Agency contract shall not violate laws, administrative regulations and relevant stipulations of the CIRC.

Article 86

An insurance agency institution and its branches may operate the following insurance agency business:

1. Sell insurance products for the principal;
2. Collect premiums for the principal;
3. Conduct loss survey and handle claims for relevant insurance business for the principal;
4. Other businesses specified by the CIRC.

The specific agency authority of an insurance agency institution and its branches shall be agreed upon in the agency contract within the scope set forth in the preceding paragraph.

Article 87

Unless otherwise specified by the CIRC, the operation zone of an insurance agency institution shall be the province, autonomous region or municipality directly under the central government where its domicile is located.

Article 88

The business scope and operation zone of a branch of an insurance agency institution shall not exceed that of the insurance agency institution with which it is affiliated.

Article 89

Any insurance agency institution and its branches shall not operate insurance agency business beyond the business scope and operation zone of the principal insurance company. Where their insurance agency business involves cross-regional co-insurance, cross-regional underwriting and master policies and the CIRC has different provisions, such provisions shall apply.

Article 90

An insurance agency institution and its branches shall follow the business flow specified by the principal insurance company and accept the guidance, supervision, examination and verification of the entrusted insurance business by the principal insurance company.

Article 91

An insurance agency institution and its branches shall open independent account for premiums collected and shall not appropriate the funds in such account or directly deduct handling fees for insurance agency business.

An insurance agency institution and its branches shall reflect the premiums collected for different principal insurance companies in detail in accounting records.

An insurance agency institution and its branches shall hand in the premiums collected to the principal insurance company within the time limit agreed upon in the agency contract.

Article 92

During the continuous operation of an insurance agency institution, the number of insurance agency business personnel shall be more than 2 and no less than half of the total employees.

Article 93

Where an insurance contract contains clauses in respect of liability exemption or exclusions, insurance surrender and other expense deduction, cash value, hesitation period, etc., the insurance agency institution and its branches concerned shall definitely state such clauses clearly to insurance applicants.

Article 94

An insurance agency institution and its branches shall prepare standardized client notice. Client notice shall contain the name, domicile, business scope, agency authority, contact information and legal responsibilities of the insurance agency institution and its branches and the name, domicile, contact information and notes to insurance of the principal insurance company.

When carrying out business, the business personnel of an insurance agency institution and its branches shall present client notices and indicate the mode and proportion of the handling fees collected to the clients as they require.

Article 95

An insurance agency institution shall create special accounting books to record the revenue and expenditure of insurance agency business.

Article 96

An insurance agency institution and its branches shall create complete and standardized business files that shall contain the following information:

1. Name of insurance applicant;
2. Name of principal insurance company and type of insurance;
3. Time of collection and delivery of premiums to principal insurance company;
4. Amount of handling fees for insurance agency and the time of collection thereof;
5. Other important business information.

Article 97

An insurance agency institution and its branches shall satisfy the basic requirements in these Rules with regard to on the management of account for premiums collected of, business file management and business training. Where the principal insurance company has higher requirements on the management of account for premiums collected, business file management and business training, such requirements shall be satisfied.

Article 98

An insurance agency institution and its branches shall deliver to a principal insurance company all documents and materials provided by the principal insurance company or printed under the authorization of the principal insurance company and the undelivered premiums collected within 30 days from the date of termination of agency relation.

Article 99

An insurance agency institution and its branches has the obligation to keep confidential the information about the business, property and individual privacy of principal insurance companies, insurance applicants, the insured or beneficiaries known during operation.

Article 100

The external investment and external guarantee of an insurance agency institution shall not violate laws or administrative regulations. Any insurance agency institution shall not make investment by embezzling premiums or insurance benefits.

Where an insurance agency institution makes significant external investment or provides significant external guarantee, it shall obtain the written consent of the board of directors or all partners and report to the CIRC in writing within 10 days from the date of the occurrence of significant external investment or significant external guarantee.

Significant external investment refers to the investment in a lump sum or of an accumulative amount up to 50% of net assets of the insurance agency institution stated in financial statements for the previous fiscal year. Significant external guarantee refers to the investment in a lump sum or of an accumulative amount up to 50% of net assets of the insurance agency institution stated in financial statements for the previous fiscal year.

Article 101

Any insurance agency institution, its branches or its business personnel shall not engage in the following activities of deceiving insurance companies, insurance applicants, the insured or beneficiaries during insurance agency business operation:

1. Concealing important information pertaining to insurance contract;
2. Selling or publicizing insurance products in the institution's own name or in the branch's own name;
3. Preventing insurance applicants from performing the obligation of truthful disclosure or inducing them not to perform the obligation of truthful disclosure;
4. Divulging the information about the business, property and individual privacy of entrusting insurance companies, insurance applicants, the insured or beneficiaries known in the course of business;
5. Embezzling or retaining premiums or insurance benefits;
6. Obtaining insurance benefits by cheating in collusion with insurance applicants, the insured or beneficiaries.

Article 102

Any insurance agency institution, its branches, or its business personnel shall not engage in the following activities of unfair competition during insurance agency business operation:

1. False advertising and publicizing;
2. Fabricate and spreading false information and damage the commercial reputation of other insurance intermediaries;

3. Force, induce or limit insurance applicants to enter into an insurance contract or restrict the legitimate operation of other insurance intermediaries by taking advantage of administrative power, advantageous industrial position or occupational convenience and by other unrighteous means;
4. Give or promise to give interests other than those specified in insurance contract to insurance applicants, the insured or beneficiaries;
5. Pursue insurance agency business beyond the business scope and operational zone set forth in the License;
6. Refunding handling fees or doing so in a disguised form to insurance companies and their staffs;
7. Other activities of unfair competition.

Article 103

Any insurance agency institution or its branches shall not have insurance agency business relation with an institution or individual illegally engaging in insurance business or insurance intermediary business.

Article 104

Any insurance agency institution or its branches shall neither enter into an insurance contract in place of an insurance applicant nor accept the entrustment of an insurance applicant, insured or beneficiary to receive insurance benefits.

Article 105

An insurance agency institution and its branches shall take good care of business files and keep the original evidence and relevant materials of business operation for a period of no less than 10 years from the date of termination of insurance agency relation.

Chapter 6 Supervision and Administration

Article 106

An insurance agency institution and its branches shall submit relevant reports, statements and materials according to relevant stipulations of the CIRC.

Article 107

The statements, reports and materials submitted by an insurance agency institution and its branches shall be timely, accurate and complete, signed by the legal representative, executive partner, main person in charge or the person authorized by the aforesaid persons and stamped with the official seal of the institution or its branch. Electronic data shall meet IT standards specified by the CIRC.

Article 108

An insurance agency institution shall pay regulation fee to the account designated by the CIRC according to relevant stipulations.

Article 109

An insurance agency institution shall submit regulation statements to the CIRC within 10 days after the end of each quarter.

Article 110

An insurance agency institution and its branches shall submit to the CIRC a report on the management of the account for premiums collected of the previous year before January 31 of each year, which shall indicate the basic information of the account, the actual payment and book balance.

Article 111

An insurance agency institution shall employ an accounting firm to audit its finance, legal and regulatory compliance after the end of each fiscal year and submit to the CIRC financial statements including audit report, balance sheet and profit statement within 3 months.

The CIRC may require an insurance agency institution or its branches to submit special external audit report as circumstances demand.

Article 112

The CIRC may have regulatory conversations with the senior management personnel of an insurance agency institution and its branches according to the needs of supervision and administration and require them to account for the important events in their operation.

Article 113

The CIRC conducts on-site inspection of an insurance agency institution and its branches pursuant to law. The CIRC shall issue an inspection notice 5 days in advance to an insurance agency institution or any of its branches to be inspected, and the notice shall indicate the time of inspection, name list of inspectors and inspection requirements, etc.

The inspection notice may be sent by fax in advance to an insurance agency institution or any of its branches to be inspected and the original notice shall be presented at the time of inspection. Inspectors shall produce work certificate at the time of inspection.

Where the CIRC deems it necessary, it may directly conduct on-site inspection without prior notice.

Article 114

The on-site inspection of an insurance agency institution and its branches by the CIRC include all or part of the following contents:

1. Whether the procedures of examination and approval for establishment and alteration of the institution or the branch are complete;
2. Whether capital or capital contribution is true and full;
3. Whether guarantee funds are fully drawn or illegally used;
4. Whether business operation complies with laws and regulations;
5. Whether financial position is good;
6. Whether the reports, statements and materials submitted to the CIRC are timely, complete and true;
7. Whether internal control system is complete;
8. Whether the appointment of senior management personnel meets the requirements of these Rules;
9. Whether the responsibilities of management of business personnel in practicing activities are fully performed;
10. Whether public announcement is timely and true;
11. Whether computer facilities are good and whether the information system is operating well;
12. Other matters that the CIRC deems necessary to inspect.

Article 115

Where an insurance agency institution or any of its branch is suspected of seriously violating insurance laws, administrative regulations or these Rules, the CIRC has the right to order it to stop accepting new business or stop part of its business during the period of investigation.

Article 116

An insurance agency institution and its branches shall assist the CIRC in on-site inspection in accordance with the following requirements and shall not reject or hamper the supervision and inspection by the CIRC in accordance with the law:

1. Provide relevant documents and materials according to relevant stipulations and shall not transfer or hide relevant documents and materials;
2. Relevant senior management personnel, financial personnel and business personnel shall be present to provide explanations, answer questions, accept regulatory conversation and shall not intentionally evade, delay or hinder inspection.

Article 117

Where an insurance agency institution or any of its branches falls into one of the following circumstances, the CIRC may list it as the key object for inspection:

1. Abnormal changes in business or finance;
2. Failure to timely submit reports, statements or providing of false reports, statements, documents and materials;
3. It has engaged in serious illegal and regulation-violating activities or has received administrative penalties from the CIRC;
4. Other circumstances where the CIRC deems it necessary to conduct key inspections.

Article 118

During on-site inspection, the inspectors of the CIRC shall strictly abide by relevant laws of the State and administrative regulations and rules of the CIRC with regard to on-site inspection and shall not divulge the commercial information of an insurance agency institution and its branches known during on-site inspection.

Article 119

Where an insurance agency institution or its branches have the belief that the inspectors violate laws, administrative regulations and relevant stipulations of the CIRC, they may report or complain to the CIRC.

Any insurance agency institution and its branches have the right to apply for administrative reconsideration or start administrative proceedings against the administrative measures of the CIRC.

Article 120

The CIRC may authorize intermediaries including accounting firms to inspect an insurance agency institution and its branches. The authorization shall be in the writing form.

The CIRC shall inform the insurance agency institution and its branches of such authorization.

Chapter 7 Legal Liability

Article 121

Where any of senior management personnel or business personnel of an insurance agency institution or any of its branches are found, after leaving such insurance agency institution or branch, to have violated relevant regulations on insurance supervision and administration during his service at such institution or branch, he shall be held responsible in accordance with the law.

Article 122

Where an insurance agency institution is illegally engaged in insurance agency business without obtaining the License, the CIRC shall dissolve it. If a crime is constituted, it shall be investigated for criminal liability in accordance with the law. If no crime is constituted, the CIRC shall confiscate its illegal gains and impose a fine of 1 to 5 times the amount of the illegal gains upon it. Where there are no illegal gains or illegal gains are less than RMB 100,000, it shall be given a fine of RMB 100,000 to 500,000.

Article 123

Where an insurance agency institution is established by unrighteous means including deception and bribery, the CIRC shall revoke it in accordance with the law and give a warning to any investor who provides false materials and impose a fine of RMB 30,000. The investor concerned shall not apply for establishing an insurance agency institution again within 3 years.

Article 124

Where an insurance agency institution or any of its branches applies for administrative permission by concealing relevant information or providing false materials, the CIRC shall reject or disapprove its application and give it a warning.

Article 125

Where an insurance agency institution or any of its branches has obtained the administrative permission of the CIRC by unrighteous means including deception and bribery, the CIRC shall cancel the decision of permission in accordance with the law, give a warning to it and impose a fine of not more than RMB 30,000 upon it. Where cancellation of the decision on permission has no practical implications or inexecutable due to objective reasons, it shall be fined RMB 30,000.

Article 126

Where an applicant applies for the Qualification Certificate by concealing relevant information or providing false materials, the CIRC shall reject the application or not issue the Qualification Certificate and give him a warning. Such applicant shall not apply to the CIRC for the Qualification Certificate again within 1 year.

Article 127

Where a Qualification Certificate holder has obtained the Qualification Certificate by unrighteous means including deception and bribery, the CIRC shall cancel the Qualification Certificate in accordance with the law and give him a warning. Such certificate holder shall not apply to the CIRC for the Qualification Certificate again within 3 years.

Article 128

Where an insurance agency institution falls into one of the following circumstances, the CIRC shall order it to make correction and impose a fine of RMB 30,000 upon it. The senior management personnel directly in charge of the insurance agency institution and persons directly responsible shall be given a warning and an fine of RMB 10,000 to 30,000:

1. Division or merger without approval;
2. Change of organizational form, registered capital or capital contribution without approval.

Article 129

Where an insurance agency institution falls into one of the following circumstances, the CIRC shall order it to make correction and impose a fine of RMB 50,000 to 300,000 upon it. Where the circumstances are serious, the CIRC may restrict its business scope or order it to stop accepting new business. The senior management personnel directly in charge of the insurance agency institution and persons directly responsible shall be given a warning and a fine of RMB 10,000 to 30,000:

1. Failure to pay guarantee funds according to relevant stipulations;
2. Use of guarantee funds without approval.

Article 130

Where an insurance agency institution or any of its branches falls into one of the following circumstances, the CIRC shall order it to make correction and impose a fine of RMB 30,000 upon it. The senior management personnel directly in charge of the insurance agency institution and persons directly responsible shall be given a warning and fined not less than RMB 10,000 but not more than RMB 30,000:

1. Establishment of a branch without approval;
2. Appointment of senior management personnel without approval.

Article 131

Where an insurance agency or any of its branches falls into one of the following circumstances, the CIRC shall order it to make correction and impose a fine of RMB 20,000 upon it. Where there are no illegal gains, it shall be fined RMB 10,000. The senior management personnel directly in charge of the insurance agency institution and persons directly responsible shall be given a warning and a fine of RMB 5,000:

1. Forge, alter, rent, lend or transfer the License;
2. Use of expired or invalid License.

Article 132

Where an insurance agency institution or any of its branches or business personnel falls into any of the following circumstances set forth in Article 101 hereof, the CIRC shall order it or him to make correction and impose a fine of RMB 50,000 to 300,000. Where the circumstances are serious, the License shall be revoked. The senior

management personnel directly in charge of the insurance agency institution and persons directly responsible shall be given a warning and a fine of not more than RMB 30,000.

Article 133

Where an insurance agency institution or any of its branches does insurance agency business with institutions or individuals illegally engaging in insurance business or insurance intermediary business, the CIRC shall give it a warning and impose a fine of RMB 30,000 upon it. Where there are no illegal gains or illegal gains are less than RMB 10,000, it shall give a fine of RMB 20,000.

Article 134

Where an insurance agency institution or any of its branches fails to deliver various documents and materials provided by a principal insurance company or produced with the authorization of the principal insurance company and the undelivered premiums collected to the principal insurance company after an agency relation is terminated, the CIRC shall order it to make correction, give it a warning and impose a fine of RMB 5,000 to 20,000 upon it.

Article 135

Where an insurance agency institution or any of its branches or business personnel falls into one of the following circumstances set forth in Article 102 hereof, the CIRC shall order it or him to make correction and impose a fine of not less than RMB 10,000 but not more than RMB 30,000 upon it or him. The senior management personnel directly in charge of the insurance agency institution and persons directly responsible shall be given a warning and a fine RMB 10,000.

Article 136

Where an insurance agency institution or any of its branches issues or uses important business vouchers including invoices, receipts and insurance documents that do not comply with facts, the CIRC shall order it to make correction, give it a warning and impose a fine of not more than RMB 30,000 upon it.

Article 137

Where an insurance agency institution or any of its branches settles a claim on false grounds, the CIRC shall order it to make correction, give it a warning and impose a fine of RMB 30,000 upon it. Where there are no illegal gains, it shall be given a fine of RMB 20,000.

Article 138

Where an insurance agency institution or any of its branches falls into one of the following circumstances, the CIRC shall order it to make correction, give it a warning and impose a fine of not more than RMB 10,000 upon it. The senior management personnel directly in charge of the insurance agency institution and persons directly responsible shall be given a warning and a fine of RMB 5,000:

1. Failure to create special accounting books or business files according to relevant stipulations;
2. Failure to open independent account for premiums collected;
3. Direct deduction of agency handling charges from premiums collected;
4. Accept the entrustment of insurance applicants, the insured or beneficiaries to receive insurance benefits;
5. Making external investment or providing external guarantee in violation of relevant stipulations;
6. Entering into insurance contract on behalf of the parties concerned.

Article 139

Where an insurance agency institution or any of its branches operates beyond agency scope and impair lawful rights and interests of principal insurance companies, the CIRC shall give it a warning and impose a fine of not more than RMB 30,000 upon it.

Article 140

Where an insurance agency institution or any of its branches fails to submit relevant reports, statements, documents or materials in accordance with these Rules, the CIRC shall order it to make correction. Where it fails to make correction within the prescribed time limit, it shall be given a fine of RMB 10,000 to 100,000. The senior management personnel directly in charge of the insurance agency institution and persons directly responsible shall be given a warning and a fine of RMB 5,000.

Article 141

Where an insurance agency institution or any of its branches falls into one of the following circumstances, the CIRC shall order it to make correction and impose a fine of RMB 100,000 to 500,000 upon it. Where the circumstances are serious, the CIRC shall impose punishment upon it according to laws and administrative regulations. The senior management personnel directly in charge of the insurance agency institution or branch and persons directly responsible shall be given a warning and a fine of not more than RMB 30,000:

1. Provide false reports, statements, documents or materials;
2. Reject or hamper inspection and supervision specified by law.

Article 142

Where an insurance agency or any of its branches falls into one of the following circumstances, the CIRC shall order it to make correction and impose a fine of RMB 30,000 upon it. The senior management personnel directly in charge of the insurance agency institution or branch and persons directly responsible shall be given a warning and a fine of RMB 5,000:

1. Fail to pay regulation fee in accordance with relevant stipulations;
2. Fail to submit liquidation report in accordance with these Rules at the time of liquidation or the liquidation report intentionally conceals major facts or contains major omissions;
3. Refuse to hand back the License and thus violate these Rules.

Article 143

Where an insurance agency institution or any of its branches falls into one of the following circumstances, the CIRC shall order it to make correction, give it a warning and impose a fine of not more than RMB 10,000 upon it:

1. Fail to provide training on insurance law and professional knowledge and professional ethics education to business personnel ;
2. Fail to manage business files or special accounting books in accordance with relevant stipulations;
3. The actual term of office of the temporary person in charge exceeds the specified term;
4. Fail to go through the procedure for the registration of License alterations in accordance with relevant stipulations ;
5. Failure to perform the obligation of disclosure to insurance applicants, the insured and the public in accordance with relevant stipulations;
6. Failure to perform the responsibility of managing practice certificates in accordance with relevant stipulations.

Article 144

Where an insurance company falls into one of the following circumstances, the CIRC shall impose a fine of RMB 10,000 to 30,000 upon it. The senior management personnel directly in charge of the insurance agency institution and persons directly responsible shall be given a warning and a fine of not less than RMB 10,000 to 30,000:

1. Fail to create the register for insurance agency institutions and their branches or accounting books for insurance agency business in accordance with relevant stipulations;
2. Fail to train and manage insurance agency institutions and their branches in accordance with relevant stipulations, abet or induce insurance agency institutions or their branches to engage in illegal insurance activities;
3. Pay handling fees, commissions or similar expenses for insurance agency to an agency institution without the License;
4. Fail to stop and correct the irregularities of insurance agency institutions or their branches in time after finding out such activities;
5. Engage in any of the activities set forth in Article 84 hereof.

Chapter 8 Supplementary Provisions

Article 145

As used in these Rules, the term “insurance intermediaries” refers to insurance agency institutions, insurance brokerage institutions, insurance loss adjustment institutions and their branches.

As used in these Rules, the term “insurance companies” refers to insurance companies and their branches.

Article 146

Foreign-invested insurance agency institutions established with the approval of the CIRC shall be governed by these Rules. Where relevant international treaties to which China is a party or the CIRC have other provisions, such provisions shall apply.

Article 147

Chinese version of materials required by these Rules to be submitted to the CIRC shall prevail and the materials shall be submitted to the CIRC in the format prescribed by the CIRC. The CIRC may require applicants to submit the electronic documents of relevant materials as circumstances demand.

Article 148

The format of various forms required by these Rules to be submitted shall be formulated by the CIRC.

Article 149

Except those expressed in year and month, the time limits referred to in these Rules are calculated on the basis of working days and do not include statutory holidays.

Article 150

The CIRC is responsible for the interpretation and modification of these Rules.

Article 151

These Rules shall come into effect as of January 1, 2005. *Rules on Administration of Insurance Agency Institutions* promulgated by the CIRC on November 16, 2001 (CIRC Ordinance [2001] No.4) shall be repealed simultaneously.

End.