

26/06/2007
No 199 N

“On Approval of Procedure for Issuing Prior Consent for Transfer of Insurance Portfolio”

Pursuant to Article 123, part 4 and Article 125, part 2 of the Republic of Armenia law “On Insurance and Insurance Activities”, Article 20, clause “e” of the Republic of Armenia law “On Republic of Armenia Central Bank” and Article 16, part 1 of the Republic of Armenia law “On legal Acts”, the Republic of Armenia Central Bank Board hereby decided:

1. Approve “Procedure for Issuing Prior Consent for Transfer of Insurance Portfolio” (see attached).
2. This resolution shall enter into force from the date of entry into force of the Republic of Armenia law “On Insurance and Insurance Activities”.

**Republic of Armenia
Central Bank Chairman**

T. Sargsyan

PROCEDURE

ON ISSUING PRIOR CONSENT FOR TRANSFER OF INSURANCE PORTFOLIO

SECTION 1. GENERAL PROVISIONS

Prior consent for transfer of insurance portfolio shall be issued in accordance with the Republic of Armenia law “On Insurance and Insurance Activities” and this Procedure.

SECTION 2. PROCEDURE FOR ISSUING PRIOR CONSENT FOR TRANSFER OF INSURANCE PORTFOLIO

1. In order to receive prior consent of the Central Bank of the Republic of Armenia (hereinafter referred to as Central Bank), for transfer of insurance portfolio, persons receiving and transferring insurance portfolio should file application (in accordance with Appendix 1), including the following documents and information:
 - 1) documents and information stipulated by Article 125, paragraph 1 of the Republic of Armenia law “On Insurance and Insurance Activities”;
 - 2) list of insurance contracts transferred by separate insurance classes or sub-classes, including the following information: identification contract identification number, serial number, date of signature, name of policyholder (beneficiary, insured person), period of validity of insurance contract, insurance class, object of insurance, insurance cover, insurance premium, amount of unpaid insurance cover, periods of paying insurance premium, periods of delay in payment of insurance premium;
 - 3) types of reserves established against transferred portfolio and the relevant calculations approved by chief executive officer of the transferee and actuary qualified in accordance with procedure established by normative acts, or chief accountant or, in his absence, head of accounting department or division;
 - 4) types and amounts of transferred assets and copies of documents certifying rights and liabilities on them, if such documents were specified by draft insurance portfolio transfer contract;

5) in case of reinsurance of insurance risks committed under insurance contracts relating to insurance portfolio, consent of the transferor's reinsurer to continue reinsurance contract with transferee on reinsured part of transferred portfolio, or consent of transferee's reinsurer to reinsure insurance risks committed under insurance contract, as included in insurance portfolio;

6) date of insurance portfolio transfer;

7) other information supporting information defined in paragraph 1, clauses 1-6 of this Procedure, provided at applicant's discretion.

2. Central Bank may request additional information on transfer of insurance portfolio from transferor and transferee insurers in order to verify accuracy of information provided in paragraph 1 of this Procedure.

3. Central Bank shall take a decision to approve or reject issuing prior consent for transfer of insurance portfolio within 60 days after submission of application specified under paragraph 1 of this Procedure. Where Central Bank does not make a decision within 60 days, prior consent is deemed issued.

4. Period defined under paragraph 3 of this Procedure may be prolonged in order to receive information specified by paragraph 2 of this Procedure, but not more than for 30 days.

5. Where Central Bank rejects issuing prior consent for transfer of insurance portfolio, insurers transferring and receiving insurance portfolio may apply again to Central Bank for prior consent, subject to liquidation of reasons for rejection.

Appendix 1

to Appendix to "Procedure for Issuing Prior Consent for Transfer of Insurance Portfolio"

To: Central Bank Chairman

Mr./Mrs. -----

APPLICATION

Subject: Receiving prior consent on transfer of insurance portfolio)

Dear Mr/Mrs.: -----

_____and
(full name and address of transferor)

(full name and address of transferee)

Herewith, we would kindly request your prior consent for the transfer of insurance portfolio.

Pursuant to the Republic of Armenia law "On Insurance and Insurance Activities" and "Procedure for Issuing Prior Consent for Transfer of Insurance Portfolio" approved by the Republic of Armenia Central Bank Board Resolution No 199, of June 26, 2007 , please find attached documents required for issuing prior consent on transfer of insurance portfolio and their list.

Attachment: --- pages.

We, the undersigned, would like to assure you that we have reviewed in detail the information included in each of the attached documents. We would like to assure you that provided information is reliable and comprehensive, furthermore we realize that submission of a false document, or information will lead to rejection of the application. t

Herewith we would ask for your consent.

Persons submitting the application:

(name, surname and signature of competent person or transferor)

name, surname and signature of competent person or transferee)

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