

RULE no. 19/ 2018
On the distribution of insurance

In accordance with art. 2 par. (1) letter b), art. 3 par. (1) letter b), art. 6 par. (2) of the Government Emergency Ordinance no. 93/2012 on the establishment, organization and functioning of the Financial Supervisory Authority, approved with amendments and completions by the Law no. 113/2013, as amended and supplemented,

pursuant to the provisions of art. 36 par. (1) letters (a) to (e), (g) and (h) and (2) letters a), b) and e) - g) of the Law no. 236/2018 on the distribution of insurance,,

following the deliberations of the Board of the Financial Supervisory Authority within the meeting held on 28.11.2018,

The Financial Supervisory Authority issues the following rule.

CHAPTER I
General Provisions

Art. 1. – General Provisions

(1) This rule regulates:

a) insurance intermediaries, reinsurance and auxiliary insurance, their classification into categories;

b) legal relationships between distributors and their distribution channels;

c) the registration process for the intermediaries referred to in letter a) which includes:

(i) the registration of the main intermediaries by the Financial Supervisory Authority, hereinafter referred to as A.S.F., after the authorization of the insurance and/or reinsurance brokers, hereinafter referred to as brokerage companies, and the endorsement of the credit institutions and the investment firms, in order to carry out the distribution activity;

(ii) the registration of secondary intermediaries by companies and main intermediaries;

(iii) the registration system, the form and content of the A.S.F. registers and distributors;

d) the continuous supervision and monitoring process conducted by the A.S.F. regarding the distribution activity carried out by distributors, including the compliance with the rules of conduct;

e) requirements:

(i) on the preservation of the registration;

(ii) organizational and for reporting purposes;

(iii) on the merger and division of brokerage companies;

(iv) on the information and conduct in the development of the distribution activity;

f) the right of establishment and the freedom to provide services on the territory of the Member States for intermediaries authorized or endorsed by the A.S.F. and/or registered with the A.S.F.;

g) the right of establishment and the freedom to provide services on the Romanian territory for the insurance, reinsurance and auxiliary insurance intermediaries authorized and/or registered in a Member State, as well as their cooperation with the insurance and/or reinsurance companies and intermediaries registered with/authorized.;

h) the cooperation of the companies, which carry out the distribution activity on the territory of Romania on the basis of the freedom to provide services and the right of establishment, with the insurance, reinsurance and auxiliary insurance intermediaries authorized or endorsed by the A.S.F. and/or registered with the A.S.F.;

i) additional requirements for the distribution of insurance products with investment component;

j) the information that distributors provide to natural and legal entities, in their capacity as customers or potential customers;

k) the activity represented by the marketing of insurance contracts through distributors' websites and/or other by means of communication.

(2) The terms *consumer* and *customer* have the meanings provided in art. 1 par. (3) of the Law no. 236/2018 on the distribution of insurance, both in the content of this rule and the delegated documents or regulations, the regulatory technical standards, the implementing standards, the implementing documents and other documents issued by the European Commission or by the Council and the European Parliament, with direct applicability in the Member States.

Art. 2. – Definitions

(1) The terms and expressions used in this Rule have the meanings provided by Law no. 236/2018, Law no. 237/2015 regarding the authorization and supervision of the insurance and reinsurance activity, as subsequently amended and supplemented, as well as the following meanings:

1. *Agent* – secondary intermediary, natural person, irrespective of the tax regime in force, or a legal person, who carries out distribution activities under the responsibility of one or more undertakings, as the case may be, based on a collaboration agreement with them;

2. *Affiliated agent* - secondary intermediary, credit institution or investment firm that opts, according to art. 33 par. (3) of the Law no. 236/2018 to carry out its distribution activity as a secondary intermediary and which, under the responsibility of one or more insurers, concludes on their behalf contracts of insurance with the customers, according to the conditions stipulated in the concluded collaboration agreement;

3. *Auxiliary agent* - secondary intermediary of auxiliary insurances as natural person, irrespective of the tax regime in force, or legal person, who carries out distribution activities in accordance with par. (5) under the responsibility of one or more insurers, as the case may be, on the basis of a collaboration agreement with them;

4. *Management agent* - a natural or legal person with residence or domicile or registered office, as the case may be, in Romania, who, under the authorization held by an undertaking from another Member State which carries out the distribution activity in Romania on the basis of the freedom to provide services, has the right to coordinate a network of local providers, including intermediaries and auxiliary insurance intermediaries, on the basis of the authorization given by that respective undertaking in order to fulfill its mandate;

5. *Assistant* – secondary intermediary, natural person, irrespective of the tax regime in force, or legal person, who carries out the distribution activities under a collaboration agreement with a main intermediary in connection with its brokerage/intermediation mandate, under the full responsibility of the respective main intermediary;

6. *Auxiliary assistant* - secondary intermediary of auxiliary insurances as natural person, irrespective of the tax regime in force, or legal person, who carries out distribution activities in accordance with par. (5), based on a collaboration agreement with a main intermediary in

connection with the brokerage/intermediation mandate, under the full responsibility of the respective main intermediary;

7. *Insurance-reinsurance broker* - a natural person carrying out a distribution activity within a brokerage undertaking, based on an individual labor contract, other than the management of the respective undertaking;

8. *Electronic Marketing* - the insurance distribution activity carried out either remotely through the use of the online environment or through the use of other electronic means, regardless of the access device, namely fixed or mobile processing units;

9. *Brokerage undertaking* - main intermediary, Romanian legal person, authorized under the legal provisions, which:

a) within the main activity, carries out a distribution activity consisting of: providing advice to its customers or prospective customers, proposing insurance and/or reinsurance contracts, providing assistance for their management and performance, in particular in the case of a compensation undertaking, such as the damages procedures in the service/benefit of customers, negotiation with undertakings in order to obtain and conclude the best insurance and/or reinsurance contracts for them;

b) within the secondary activity, may perform the activities allowed pursuant to art. 19 par. (3);

10. *Executive management*:

a) in the case of a brokerage undertaking, a natural person or the natural persons who, according to the Articles of Incorporation and/or the decisions of the statutory bodies of the undertaking, is/are empowered to lead and coordinate the current activity, as well as invested with the competence to take responsibility of the undertaking, and in case of unavailability or job vacancy, the substitute by right is the administrator or the person appointed by the general meeting of the associates/shareholders;

b) in the case of credit institutions or investment firms acting as main intermediaries, the person or persons with management and administration tasks within the distribution department;

c) in the case of secondary intermediaries, the person or persons with management and administration tasks corresponding to the distribution activity;

11. *Conduct* – rules of conduct of the undertakings, intermediaries and auxiliary insurance intermediaries to ensure fair treatment towards the customers and to avoid unfair, disloyal fraudulent or abusive practices;

12. *Distribution based on the right of establishment* – the activity carried out on the territory of Romania through a branch or permanent presence of a distributor from a Member State;

13. *Distribution based on the freedom to provide services* – the activity carried out on the territory of Romania by a distributor from a Member State, either directly through the means of communication, such as telephone, internet, e-mail or temporary, under the conditions provided for in paragraph (7); this activity is different from that carried out through a branch or permanent presence;

14. *Division* - the operation consisting in dividing the entire patrimony of a brokerage undertaking which thus terminates its existence, between two or more existing or newly-incorporated brokerage undertakings;

15. *Software providers* - natural or legal persons having as their object of business the design, programming, development, management, updating or upgrading of IT solutions that allow electronic marketing in computer security parameters, whether intended for running on fixed or mobile access or processing units;

16. *Merger*- operation achieved by:

a) absorption, consisting in the absorption of one or more brokerage undertakings by another brokerage undertaking;

b) consolidation, consisting in the consolidation of two or more brokerage undertakings in order to form a new brokerage undertaking;

17. *Exempted intermediary* - secondary auxiliary insurance intermediary exempted from the obligation to register in the A.S.F. register, natural person, irrespective of the tax regime in force or legal person, which carries out distribution activities of insurance products that are complementary to their own goods or services according to their objects of activity, in accordance with art. 2 of the Law no. 236/2018;

18. *Brokerage mandate* - the contract between a customer as legal person and the brokerage undertaking, whereby the customer entrusts to it with the representation of the customer's interests in obtaining and negotiating the best offers for the conclusion of insurance

and/or reinsurance contracts, the provision of assistance before and during the management of the contracts, in particular in the case of a claim for damages; this contract may have onerous value if the parties so determine;

19. *Intermediation mandate* - the contract between a customer as legal person and the credit institution or the investment firm as the main intermediary, by which the customer entrusts to it with the representation of the customer's interests in obtaining and negotiating the best offers for the conclusion of the insurance contracts, the provision of assistance before and during the management of contracts, in particular in the case of a claim for damages; this contract may have onerous value if the parties so determine;

20. *Authorized agent* - the natural person from the Member State in which the intermediaries or the auxiliary insurance intermediaries establish a branch, under the right of establishment, who has the power to represent them and to engage in relations with third parties, supervisors and other institutions of that Member State;

21. *Online environment* – the means by which the activity is performed in real time through a remote computer access network, mainly through web/internet services;

22. *Electronic means of commerce* – all the elements by which distributors electronically sell insurance contracts such as Web services, IT solutions and hardware equipment;

23. *Cover note* - temporary document issued by the main intermediary and which:

a) is valid until the date on which the insurance policy is concluded by the insurer;

b) contains information on the identity of the insurer and that of the contractor/customer, the description of the insured risk, the insurance premium and the insured amount corresponding to a specified period;

c) ceases to have effect on the date specified therein, if the insurance contract is no longer concluded or is concluded under conditions other than those set out in the cover note;

d) constitutes evidence in the situation of insured risk occurrence;

24. *Conduct risk* - the risk to customers, insurers, the insurance industry or the insurance market that derives from the activities of undertakings and/or intermediaries in a way that does not ensure fair and equitable treatment to customers;

25. *Undertaking* – undertaking, as defined in art. 1, par. (2) point 56 of the Law no. 237/2015, as subsequently amended and completed;

26. *IT solutions* - online applications or on mobile terminals for electronic marketing, developed on behalf of the main insurers or intermediaries;

27. *Subagent*- a natural person carrying out a distribution activity within a legal person agent, on the basis of an individual labor contract, other than its manager;

28. *Affiliated subagent* – a natural person carrying out a distribution activity within an affiliated agent on the basis of an individual labor contract, other than its manager;

29. *Auxiliary subagent* - a natural person carrying out a distribution activity within an auxiliary agent as legal person, on the basis of an individual labor contract, other than its manager;

30. *Sub-assistant* - a natural person carrying out a distribution activity within an assistant as legal person, on the basis of an individual labor contract, other than its manager;

31. *Auxiliary sub-assistant* - a natural person carrying out a distribution activity within an auxiliary assistant as legal person, on the basis of an individual labor contract, other than its manager.

(2) By means of the electronic marketing provided for in par. (1) point 8, the following activities shall also be carried out, in compliance with the provisions of art. 15 of the Law no. 236/2018:

a) the promotion, the simulation, the registration, the centralization, the re-transmission, the processing or the storing of invitations to tender regarding insurance contracts, whether or not ended by their conclusion;

b) the issuance by electronic means or applications related to mobile devices of receipt documents;

c) the issuance and/or modification of insurance contracts as a result of an order transmitted by any electronic means.

(3) By means of the IT solutions provided for in paragraph (1) point 26, the following can be made directly, without redirection:

a) the presentation of the product creators' own products;

b) the submission of invitations to tender;

c) the execution of orders pertaining to insurance contract;

d) the issuance of insurance contracts.

(4) The management agent referred to in paragraph (1) point 4 is not an intermediary or auxiliary insurance intermediary according to the legal provisions.

(5) For the purpose of the definition stipulated in art. 3 par. (1) point 12 of the Law no. 236/2018, auxiliary agents and/or auxiliary assistants only distribute insurance products that are complementary to their own goods or services according to their objects of activity and where they include life and/or civil liability risks, they can be provided only with the good or service provided as part of their main professional activity.

(6) The term "insurer" used in this Rule has the meaning given in art. 1 par. (1) points 3 to 6 of the Law no. 237/2015, as subsequently amended and completed.

(7) The activity provided for in paragraph (1) point 13 is temporary in the following situations:

a) upon the cumulative fulfillment of the following conditions:

(i) the cooperation of the undertakings performing insurance activity on the basis of the freedom to provide services on the territory of Romania with the main intermediaries, is carried out under the conditions in which the latter have already concluded a brokerage/intermediation mandate with a customer, according to points 18 and 19, and that respective customer has requested the insurance product of the notified undertaking or if the product has been requested by a consumer;

(ii) the duration of the collaboration provided for in point (i) is for a maximum of 3 years;

(iii) if there are collaborations between the undertakings performing insurance activity on the basis of the freedom to provide services on the territory of Romania with different suppliers for the provision of services in order to obtain the technical support necessary for the optimal development of the activities, they are punctual and without continuity.

b) by appointing a management agent as defined in paragraph (1) point 4, with the fulfillment of the provisions of letter a).

(8) For the purposes of this rule, the phrase distribution activity has the meanings provided for in art. 3 par. (1) points 9 and 10 of the Law no. 236/2018.

(9) For the purpose of this Rule, the acronyms below have the following meanings:

1. *A.S.F.* – Financial Supervisory Authority;
2. *BNR* – National Bank of Romania;
3. *ONRC* – National Trade Register Office.

(10) For the purposes of this Rule, the following normative acts have the following meanings:

1. *GEO no. 44/2008* – the Government Emergency Ordinance no. 44/2008 regarding the performance of the economic activities by the self-employed persons, individual enterprises and family enterprises, as subsequently amended and completed by the Law no. 182/2016;

2. *Law no. 237/2015* - Law no. 237/2015 on the authorization and supervision of the business of insurance and reinsurance, as subsequently amended and completed;

3. *Law no. 236/2018* – Law no. 236/2018 on the distribution of insurance;

4. *Regulation no. 1469/2017* - Commission Implementing Regulation (EU) 2017/1469 of 11 August 2017 laying down a standardized presentation format for the insurance product information document;

5. *Regulation no. 1286/2014* - Regulation (EU) No 1286/2014 of the European Parliament and of the Council of 26 November 2014 on key information documents for packaged retail and insurance-based investment products (PRIIPs);

6. *Delegated Regulation no. 2017/2358* – Commission Delegated Regulation (EU) 2017/2358 of 21 September 2017 supplementing Directive (EU) 2016/97 of the European Parliament and of the Council with regard to product oversight and governance requirements for insurance undertakings and insurance distributors;

7. *Delegated Regulation nr. 2017/2359* – Commission Delegated Regulation (EU) 2017/2359 of 21 September 2017 supplementing Directive (EU) 2016/97 of the European Parliament and of the Council with regard to information requirements and conduct of business rules applicable to the distribution of insurance-based investment products.

(11) For the purposes of this rule, the acts on the cooperation between competent authorities have the following meanings:

1. *EIOPA-BoS-17/014 Decision* – the Decision of the Board of Supervisors of EIOPA of 30 January 2017 on the collaboration of the insurance supervisory authorities of the Member States of the European Economic Area having regard to the enforcement of the Directive 2009/138/EC of the European Parliament and of the Council of 25 November 2009 on the taking-up and pursuit of the business of Insurance and Reinsurance.

2. *EIOPA-BoS/18-340 Decision* – the Decision of the Board of Supervisors of EIOPA of 28 September 2018 on the cooperation of the competent authorities of the Member States of the

European Economic Area with regard to Directive (EU) 2016/97 of the European Parliament and of the Council of 20 January 2016 on insurance distribution.

Art. 3. – Categories, types of intermediaries and legal relationships

(1) The main intermediaries consist in:

- a) brokerage undertakings;
- b) credit institutions and investment firms, which carry out insurance distribution activity.

(2) The secondary intermediaries consist in:

- a) agents, natural persons;
- b) agents, legal persons;
- c) affiliated agents, legal persons;
- d) ancillary agents, natural persons;
- e) ancillary agents, legal person;
- f) assistants, natural persons;
- g) assistants, legal persons;
- h) ancillary assistants, natural persons;
- i) ancillary assistants, legal persons.

(3) In the course of the distribution business, the legal relationships of the undertakings with the distributors representing the distribution channels are represented as follows:

a) independent distribution channels, represented by the main intermediaries acting in the interest of their own customers:

(i) brokerage undertakings may collect insurance premiums and may issue cover notes for the conclusion of insurance contracts, subject to the receipt of the authorization from the insurers;

(ii) brokerage undertakings may collect reinsurance premiums for the purpose of concluding reinsurance contracts, subject to the receipt of authorization from the re-insurers;

(iii) credit institutions and investment firms may collect insurance premiums and issue cover notes for the purpose of concluding insurance contracts, subject to the receipt of the authorization from the insurers;

b) own distribution channels, represented by the secondary intermediaries, acting only on behalf and under the responsibility of the undertakings:

(i) Agents shall conclude collaboration contracts, referred to as agent contracts, with one or more undertakings for the purpose of carrying out the distribution business on its/their behalf if the insurance or reinsurance products are not in competition and act under the total responsibility of those undertakings for the products corresponding to each company;

(ii) ancillary agents shall conclude collaboration contracts, referred to as ancillary agent contracts, with one or more insurers, for the purpose of performing the insurance distribution business, on its/their behalf, provided that the provisions of art. 3 par. (1) point 12 of the Law no. 236/2018 are met and that the insurance or reinsurance products are not in competition, acting under the total responsibility of those insurers for the products corresponding to each insurer;

(iii) affiliated agents shall conclude collaboration contracts with one or more insurers, hereinafter referred to as affiliate agent contract, in order to carry out the insurance distribution business on its/their behalf and act under the full responsibility of those insurers for the products corresponding to each insurer.

(4) In the course of the distribution business, the legal relationships of the main intermediaries with the distributors representing the distribution channels are represented as follows:

a) the main intermediaries shall conclude with the assistants and the ancillary assistants collaborative contracts called assistant contracts, respectively ancillary assistant contracts, in order to carry out the distribution business, provided that the provisions of art. 3 par. (1) point 12 of the Law no. 236/2018 are met, as the case may be, for the fulfillment of the brokerage/intermediation mandate, as the case may be;

b) assistants and ancillary assistants can each collaborate with only one main intermediary.

(5) The main and secondary intermediaries, legal persons, referred to in par. (1) and (2) carry out the distribution business through their own personnel as follows:

a) brokerage undertakings by means of insurance and/or reinsurance brokers;

b) credit institutions and investment firms through their own personnel involved in the insurance distribution business;

c) agents by means of subagents;

- d) affiliated agents by means of affiliated subagents;
- e) ancillary agents by means of ancillary subagents;
- f) assistants by means of sub-assistants;
- g) ancillary assistants by means of ancillary sub-assistants.

(6) The types represented by the main, secondary intermediaries and their employees referred to in this article are incompatible with each other; intermediaries, ancillary insurance intermediaries and their employees are prohibited from having at the same time several qualities and being registered twice in the Registers provided for in Chapter. II.

(7) The main intermediaries may cooperate with other main intermediaries in the execution of a brokerage/intermediation mandate, as the case may be, concluded with a customer with the cumulative observance of the following conditions:

- a) the customer has been previously informed of the collaboration and agrees;
- b) the businesses carried out by each of the main intermediaries are expressly mentioned in the respective mandate and where the businesses are jointly provided, the legal responsibility of the main intermediaries is jointly and severally guaranteed.

(8) The undertakings and main intermediaries are prohibited from concluding collaboration contracts with natural or legal persons without complying with the provisions of paragraph (3) to (5) and (7) in connection with the distribution business.

(9) By way of exception to the provisions of paragraph (8), main intermediaries may cooperate in the execution of a brokerage/intermediation mandate, under the conditions stipulated in paragraph (7), with intermediaries carrying out distribution business on the territory of Romania under the right of establishment and acting independently in the home Member State, in a manner similar to the one adopted by the main intermediary, as defined in art. 3 par. (1) point 15 of the Law no. 236/2018.

(10) The natural persons referred to in paragraph (2) are also those entities regulated by the GEO no. 44/2008; in carrying out the distribution business, they shall comply with the specific requirements laid down in model no. 1 letters A-C of annex no. 5.

CHAPTER II

The Registration Process

SECTION I

The A.S.F. Registers, Distributors' Own Registers

And the registration system

Art. 4. – General Provisions

(1) Registration applications of natural or legal persons who want to carry out distribution business as insurance, reinsurance or ancillary insurance intermediaries, shall be filed with A.S.F. by the main intermediaries, respectively to the undertakings and the main intermediaries by the secondary intermediaries, as the case may be, in one of the following ways:

- a) on paper;
- b) by electronic mail or fax;
- c) by online application.

(2) In the case of the options for submitting the registration applications provided for in paragraph (1) (b) and (c), the original documents required for registration shall be subsequently transmitted on paper.

(3) Pursuant to the provisions of art. 6 par. (1) of the Law no. 236/2018, the undertakings and the main intermediaries shall register the secondary intermediaries provided that the requirements of the legal provisions are met.

(4) The A.S.F. shall register the main intermediaries and:

a) shall open, maintain and manage the Register of Main Intermediaries, hereinafter referred to as the RIP;

b) shall manage the Register of Secondary Intermediaries, hereinafter referred to as the RIS, which contains their registration information and excludes the information referred to in letter a).

(5) The undertakings and main intermediaries shall establish, maintain and electronically upload to RIS the information on secondary intermediaries, as follows:

a) The undertakings shall establish the Agents' Register, hereinafter referred to as the RA, which shall contain information on agents and ancillary agents, natural persons, as well as information from the agents' own registers, from the registers of affiliated agents and ancillary agents, secondary intermediaries, according to Annex no. 1;

b) brokerage undertakings shall establish, upon the commencement of their business, the Insurance Brokers Register, hereinafter referred to as RBA, according to Annex no. 2 and the Assistants' Log Book for assistants and ancillary assistance, hereinafter referred to as JA, according to Annex no. 1;

c) credit institutions and investment firms shall establish a JA in accordance with Annex no. 1 and a Registry of their own personnel, hereinafter referred to as the RPP, having the structure set out in Annex no. 2.

(6) Agents, affiliated agents and ancillary agents as legal persons shall establish and maintain their own registers containing the directors, subagents, affiliated subagents and ancillary subagents, in accordance with Annex no. 1; these registers may be established and maintained by the undertaking, if mutually agreed.

(7) Assistants, affiliated assistants and ancillary assistants as legal persons shall establish and maintain registers containing the directors, sub-assistants, affiliated sub-assistants and ancillary sub-assistance, in accordance with Annex no. 1; these registers may be established and maintained by the main intermediary, if mutually agreed.

(8) Each distributor's own records shall be permanently accessible to the public on the official website of each of them or on a durable medium, in compliance with the provisions of art. 15 of the Law no. 236/2018.

(9) The registers stipulated in par. (8) shall be kept on a durable medium and, at the request of the A.S.F., they shall be certified for compliance by the management of the undertaking or by the executive management of the main intermediary.

(10) The information entered in the registers stipulated in this chapter shall be transmitted in computerized A.S.F. system, being permanently accessible to the public at the headquarters and on the official website in accordance with annex no. 1; these data are monitored by the A.S.F.

(11) The distributors shall appoint a person within the entity or group to which they belong, which is responsible for coordinating the registration, updating of their own registers and transmitting/uploading the data in the registers of the undertakings and of the main intermediaries or in the RIS, as the case may be.

(12) The distributors shall include in the registers stipulated in paragraphs (6) and (7) the name of the natural person or persons in the executive management who are responsible for the distribution business.

(13) The brokerage undertakings shall publish on their own site the list of unregistered intermediaries with which they collaborate and shall quarterly send the updated list to the A.S.F. within the time limit provided for in art. 33 par. (1) letter c).

(14) The undertakings and the main intermediaries shall withdraw the quality of the natural or legal persons and shall erase them from their own registers and from the RIS within 5 days from the date when the respective persons no longer meet the requirements according to the provisions of art. 35 par. (8) of the Law no. 236/2018; the provisions are also applicable in case the undertakings and the main intermediaries are to proceed with the withdrawal of the authorization.

(15) The minimum contractual clauses contained in the contracts and agreements concluded between undertakings, main intermediaries and secondary intermediaries, stipulated under art. 3 par. (3) and (4) are set out in the annex no. 10.

(16) In case of suspension of the contract of secondary intermediary as natural person, for a period of maximum 2 years, for reasons similar to those pertaining to the suspension of the individual labor contract stipulated in art. 50 letters a) - c) and art. 51 par. (1) letters a) - c) of the Law no. 53/2003 - The Labor Code republished, as subsequently amended and supplemented, the contract is kept in the register of undertakings and main intermediaries and implicitly in the RIS during the period of suspension, even if the respective secondary intermediary no longer meets the requirements according to the legal provisions on professional training.

(17) The secondary intermediary stipulated in par. (16) shall provide the evidence of compliance with the professional training requirements to the undertaking or the main intermediary within 60 days from the date of cessation of the suspension; otherwise, it is erased from the undertaking's registers or from the registers of the main intermediaries.

(18) During the period provided for in paragraph (17), the respective secondary intermediary operates under the conditions prior to the suspension.

Art. 5. – The Register of Undertakings and Main Intermediaries – General Provisions

(1) The undertakings and main intermediaries authorized or endorsed to operate on the territory of Romania in accordance with the provisions of this Rule shall be registered with the A.S.F. as follows:

- a) the undertakings in the Register of Undertakings, hereinafter referred to as the RSO;
- b) main intermediaries in the RIP.

(2) The RIP shall be kept and updated by the A.S.F. in computerized system, the data contained therein is permanently accessible to the public on the website of the A.S.F. and shall contain the information provided for in annex no. 2.

(3) The registration of the undertakings and the main intermediaries in the specially-created registers is made in the chronological order of their authorization or endorsement by the A.S.F. and they shall be included in the corresponding category of the main intermediaries, according to par. (4) - (8).

(4) The editing of the RSO and the Rip shall be made as follows:

- a) for RSO, sections I and II;
- b) for RIP, section I with subsections 1-3 and section II, with subsections 1-3.

(5) Section I of the RSO includes the undertakings which have, under the law, an operating license issued by the A.S.F. and Section II includes the undertakings whose registration has been canceled following the withdrawal of the operating license; insurers supervised pursuant to Part II of the Law no. 237/2015 regarding the authorization and supervision of the insurance and reinsurance business, as subsequently amended and supplemented, are entered in separate sections of the two sections.

(6) Section I of the RIP includes the main intermediaries holding, under the terms of the law, an authorization or an operating permit issued by the A.S.F. and Section II comprises the main intermediaries whose registration was erased following the withdrawal of the authorization or the operating permit.

(7) The subsections provided for in par. (4) comprise the main intermediate categories, namely:

- a) brokerage undertakings;
- b) credit institutions;
- c) investment firms.

(8) The registration number of the undertakings and main intermediaries has the following alphanumeric structure:

- a) RA – 000 for undertakings;
- b) RBK-000 for brokerage undertakings;
- c) RIC-000 for credit institutions;
- d) RFI-000 for investment firms.

(9) The A.S.F. shall communicate to each undertakings and to each main intermediary the number and date of the registration in the RSO or the RIP, as the case may be.

(10) The intermediaries registered in accordance with the legal provisions shall include in all their own documents issued in connection with the distribution business, including in correspondence with third parties, the unique code allocated through the A.S.F. register, as well as the following written text: "Authorized/endorsed by the Financial Supervisory Authority", as the case may be.

Art. 6. – The Register of Secondary Intermediaries – General Provisions

(1) The companies and the main intermediaries shall verify the fulfillment of the registration conditions and the application of the requirements under art. 9 par. (3) of the Law no. 236/2018, for persons intending to carry out distribution business, prior to the registration in their own registers and prior to the transmission of data/uploading in the RIS.

(2) The undertakings and the main intermediaries shall register secondary intermediates, natural and legal persons, in a computerized system, keeping a history of all the documents and changes for a period of 3 years after the termination of the contract with them.

(3) The A.S.F. shall assign unique codes through which the secondary intermediary status is certified, allowing the start of the distribution business.

(4) The RIS is available on the official A.S.F. website, and the publication of personal data is made in accordance with applicable legal provisions.

(5) The intermediaries registered according to the provisions of the present rule shall include, in all their own documents issued in connection with the distribution business, including in correspondence with third parties, the unique code allocated through the A.S.F. Register, as well as the following inscription: "Registered with the Financial Supervisory Authority".

Art. 7. – The Registers of the Undertakings

(1) The registers of undertakings shall contain their own network of secondary intermediaries, natural and legal persons, according to art. 4 par. (5) letter a).

(2) The changes brought to the record of intermediaries shall be operated in the undertakings' own registers and transmitted electronically to the A.S.F.

(3) The form and content of the data on secondary intermediaries recorded in the register of undertakings are described in annex no. 1.

(4) The registers of their own employees involved in the distribution business shall be established, maintained and updated according to their own policies and/or written procedures, as the case may be, being made available to the A.S.F. upon request.

(5) The undertakings shall retrieve from the RIS the unique codes assigned to the secondary intermediaries referred to in par. (1) and shall issue registration certificates for the natural and legal persons according to the model no. 1 of annex no. 3 and annex no. 4.

(6) The insurers shall verify compliance with registration conditions and requirements and for agents already having RAF and RAJ codes, when agents request collaboration with them for the distribution of insurance products for different classes prior to registering in their own registers and uploading data to the RIS.

Art. 8. – The Registers of Agents

(1) The agents as legal persons may establish and maintain their own registers with subagents from the date when the insurer confirms that the submitted file is in compliance with the legal provisions in force, with the obligation to maintain the registration conditions and requirements throughout their contractual relationship with them.

(2) Subsequent registration in the registers of other insurer(s) for the distribution of insurance products of different classes shall be made in accordance with the conditions and registration requirements of the first insurer.

(3) The compliance with the provisions of par. (1) and the possible changes shall be verified by the management of the agent, shall be operated in the register by the responsible persons and communicated to the insurer/insurers in whose registry/registers is registered.

(4) The own registers provided for in par. (1) shall have the form and content according to annex no. 1.

(5) The agents as legal persons shall issue registration certificates for subagents according to model no. 2 of the annex no. 3.

Art. 9. – The Registers of Ancillary Agents and Affiliated Agents

(1) Ancillary agents and affiliated agents as legal persons may establish and maintain their own registers with their own employees, ancillary subagents or affiliated subagents from the date when the insurer confirms that the submitted file is in compliance with the legal provisions in force.

(2) The compliance with the provisions of par. (1) and the possible modifications shall be verified by the executive management of the ancillary agent and the affiliated agent, operated in the own register by the responsible persons and communicated to the insurer/insurers in whose registry/registers is registered.

(3) The own registers provided for in par. (1) shall have the form and content set out in annex no. 1.

(4) The distribution business of ancillary and/or affiliated agents shall be carried out only through ancillary subagents, or affiliated subagents with which they have concluded individual labor contracts.

(5) Affiliated agents and ancillary agents as legal persons shall issue registration certificates for affiliated subagents and ancillary agents, in accordance with model no. 2 of annex no. 3.

Art. 10. – The Registers of Credit Institutions and Investment Firms

(1) Credit institutions and investment firms, as main intermediaries, shall register and maintain in their own registers the records of their own employees who carry out distribution activities and of the secondary intermediaries with which they collaborate, from the date of receipt of the A.S.F. endorsement.

(2) The distribution activity shall be carried out only by means of the natural persons who have concluded an individual labor contract with the main intermediary mentioned in par. (1), by means of assistants and ancillary assistants, according to art. 3 par. (4) letter b).

(3) The intermediaries stipulated in par. (1) shall transmit to the A.S.F. the data in electronic format for the registration in the RIS and for the allocation of related RAF codes.

(4) The changes brought to the conditions and requirements set out in par.(1) and (2) shall be operated in their own registers and electronically uploaded in the RPP.

(5) Within the distribution department, the executive management shall be appointed by the entity's management at the level of the main office.

(6) The own registers provided for in par. (1) shall have the form and content according to annex no. 2.

(7) Credit institutions and investment firms shall retrieve from the RIS the unique codes allocated to the persons referred to in par. (1) and shall issue certificates of registration in the format provided for in the models no. 3 and 4 of annex no. 3, and in annex no. 4.

Art. 11. – The Registers of Brokerage Undertakings

(1) The brokerage undertakings shall establish, maintain and update the RBA and the JA with their own distribution network data.

(2) The brokerage undertakings shall register the assistants and ancillary assistants in the JA and their own personnel in the RBA within 10 calendar days of the date of concluding the contracts with them.

(3) The own registers provided for in par. (1) shall have the form and content according to annex no. 2

(4) Brokerage undertakings shall retrieve from the RIS the unique codes allocated to the persons referred to in par. (1) and shall issue certificates of registration in the format provided for in the models no. 3 and 4 of annex no. 3, and in annex no. 4.

(5) The changes brought to the conditions and requirements set out in par. (1) and (2) shall be operated in their own registers and immediately electronically uploaded in the JA and the RBA.

Art. 12. – The Registers of Assistant and Ancillary Assistants

(1) Assistants and ancillary assistants as legal persons may establish and maintain their own registers with sub-assistants or ancillary sub-assistants within 5 calendar days from the date on which the main intermediary confirms that the submitted file is in compliance with the legal provisions in force.

(2) The assistants and ancillary assistants as legal persons shall immediately communicate to the main intermediary the changes made in their own registers.

(3) The management of the legal person or the responsible person within the management structure, as the case may be, of the assistant and ancillary assistant shall fulfill the requirements laid down in the Law no. 236/2018 on moral probity and professional training.

(4) The own registers provided for in par. (1) shall have the form and content according to annex no. 2

(5) The assistant and ancillary assistants as legal persons shall issue registration certificates for sub-assistants and ancillary sub-assistants, according to model no. 4 of the annex no. 3.

Art. 13. – The Registration in the RIP

(1) The A.S.F. shall allocate to each main intermediary and ancillary insurance intermediary registered by an undertaking or a main intermediary a unique code representing an alphanumeric combination in which the letters have the meanings provided for in par. (2) and (3).

(2) The RAF code is allocated to the following categories of natural persons:

a) category 1, agents, ancillary agents, assistants, ancillary assistants;

b) category 2, executive managers and/or the management of legal persons as follows:

(i) brokerage undertakings;

(ii) credit institutions and investment firms;

(iii) agents;

(iv) affiliated agents;

(v) ancillary agents;

(vi) assistants;

(vii) ancillary assistants;

c) Category 3, the own personnel of legal persons, as follows:

(i) insurance brokers;

(ii) persons from credit institutions and investment firms involved in the insurance distribution business;

(iii) subagents;

(iv) affiliated subagents;

- (v) ancillary subagents;
- (vi) sub-assistants;
- (vii) ancillary sub-assistants.

(3) The RAJ code is allocated to the following legal persons:

- a) agents;
- b) affiliated agents;
- c) ancillary agents;
- d) assistants;
- e) ancillary assistants.

(4) The RIP codes are allocated to the following legal persons as follows:

- a) brokerage undertakings, code RBK;
- b) credit institutions, code RIC;
- c) investment firms, code RFI.

(5) Intermediaries or ancillary insurance intermediaries domiciled or, where appropriate, having their registered office in another Member State, intending to carry on business within the territory of Romania shall be registered in a register of the A.S.F.

Art. 14. – The Acquirement of the Quality of Secondary Intermediate, natural person

(1) In accordance with the provisions of art. 8 and 9 of the Law no. 236/2018, in order to be registered as an agent or assistant, the natural person shall also have to fulfill the following requirements:

- a) to be a high school graduate, with baccalaureate diploma;
- b) depending on the tax regime in force, to have the distribution of insurance as object of activity;
- c) not to have actions recorded in the criminal record for offenses against the patrimony or actions recorded in the tax record for offenses provided by the financial-fiscal legislation;
- d) to have professional liability insurance in force or a guarantee, according to the provisions of art. 11 par. (1) - (3) of the Law no. 236/2018;
- e) to have moral probity;

f) not to have been declared bankrupt and not to have been subject to judicial and/or bankruptcy reorganization proceedings at the date of the application for registration;

g) not to have close links with natural or legal persons that would prevent the effective exertion of the supervision process by the A.S.F., by avoiding the conflicts of interest;

h) to meet the professional training requirements in accordance with the legal provisions on professional training.

(2) For the purpose of registering as an ancillary agent and ancillary assistant, the natural person must fulfill the requirements of par. (1), letters a) - c) and e) - f), art. 2 par. (5) and shall have professional liability insurance in force or a guarantee, according to the provisions of art. 11 par. (1) - (3) of the Law no. 236/2018, at a level representing 75% of the value stipulated in art. 11 par. (1) of the same law.

(3) The necessary documents for registration are mentioned in the model no. 1 of annex no. 5,

Art. 15. - The Acquirement of the Quality of Agent, legal person

(1) In accordance with the provisions of art. 8 and 9 of the Law no. 236/2018, in order to be registered as an agent, the legal person shall have to fulfill the following requirements:

a) to be a Romanian legal person and add, in all documents issued in connection with the distribution activity, including in the correspondence with third parties, the designation insurance agent, without changing the name registered with the National Trade Register Office;

b) to have the distribution of insurance as object of activity;

c) to have professional liability insurance in force or a guarantee, according to the provisions of art. 11 par. (1) - (3) of the Law no. 236/2018;

d) not to have close links with natural or legal persons that would prevent the effective exertion of the supervision process by the A.S.F., by avoiding the conflicts of interest;

e) not to have been declared bankrupt and not to have been subject to judicial and/or bankruptcy reorganization proceedings at the date of the application for registration;

f) subagents must comply with the provisions of art. 14 par. (1) letter a);

g) subagents must not have actions recorded in the criminal record for offenses against the patrimony or actions recorded in the tax record for offenses provided by the financial-fiscal legislation;

h) subagents must meet the professional training requirements in accordance with the legal provisions on professional training;

i) the registered office or the main office and/or the secondary offices must have an adequate space for the performance of the distribution business, in which at least the following must be supplied:

- (i) the transmission and receipt of mail;
- (ii) adequate technical equipment to ensure the smooth running of the activity;
- (iii) an IT system that allows the management of insurance contracts under optimum conditions.

(2) The person holding the position of executive manager or, as the case may be, the persons who lead the entity, must meet the conditions set out in paragraph (1) letters f) - h) as well as the following conditions:

- a) to have at least a year's experience in the field of insurance and reinsurance;
- b) to have moral probity.

(3) The necessary documents for registration are specified in model no. 2, letter A of annex no. 5.

Art. 16. – The Acquirement of the Quality of Affiliated Agent, Ancillary Agent or Ancillary Assistant as Legal Person

(1) In accordance with the provisions of art. 8 and 9 of the Law no. 236/2018, in order to be registered as affiliated agent, ancillary agent or ancillary assistant, the legal person shall have to fulfill the following requirements:

a) to be a Romanian legal person and add, in all documents issued in connection with the distribution activity, including in the correspondence with third parties, the designation *affiliated agent, ancillary agent or ancillary assistant*, without changing the name registered with the National Trade Register Office.

b) to have the distribution of insurance and/or reinsurance as secondary object of activity, as the case may be;

c) the requirements stipulated in art. 15 par. (1) letters c) to e) and i) point (i) and (ii), except for the ancillary agent and the ancillary assistant, for which the requirements referred to in c) do not apply and which shall meet the requirements of art. 14 par. (2);

d) affiliated subagents, ancillary subagents and ancillary sub-assistants must meet the requirements of art. 15 par. (1) letters f) - h);

e) the registered office or the main office and/or the secondary offices must have an adequate space for the performance of the distribution business, in which an IT system must be provided to allow for the management of the insurance contracts under appropriate conditions;

f) in the case of ancillary agents and ancillary assistants, the requirement stipulated in Art. 2 par. (5).

(2) The person or persons holding the position of executive manager(s) must fulfill the conditions specified in art. 15 par. (2).

(3) The necessary documents for registration are specified in model no. 2, letter B of annex no. 5.

Art. 17. – The Acquisition of the Quality of Assistant, as Legal Person

(1) In accordance with the provisions of art. 8 and 9 of the Law no. 236/2018, in order to be registered as assistant, the legal person shall have to fulfill the following requirements:

a) to be a Romanian legal person and add, in all documents issued in connection with the distribution activity, including in the correspondence with third parties, the designation *brokerage assistant*, without changing the name registered with the National Trade Register Office;

b) to have the distribution of insurance as object of activity;

c) to meet the requirements of art. 15 par. (1) letters c) - e) and i);

d) sub-assistants must meet the requirements of art. 15 par. (1) letters f) - h);

(2) The person or persons holding the position of executive manager(s) must fulfill the conditions specified in art. 15 par. (2).

(3) The necessary documents for registration are specified in model no. 2, letter C of annex no. 5.

SECTION 2

The Grant or Rejection of the Operating Permit for Brokerage Undertakings

Art. 18. – General Provisions

(1) In the licensing process of brokerage undertakings, the A.S.F. may require the submission of documents and/or information by associates/shareholders, executive managers, directors, by natural or legal persons directly or indirectly related to their business and by other institutions or authorities in the country or abroad.

(2) The A.S.F. shall decide according to the present chapter on the grant of the authorization necessary for the conduct of business as a brokerage undertaking or on the rejection of the authorization, within 90 calendar days from the date of the submission of the full documentation; the decision to grant the issued authorization also provides for the date from which the brokerage undertaking may begin its business.

(3) If the applicant does not fill in the documentation within 30 calendar days from the date of the request from the A.S.F., for obtaining the operating permit, the A.S.F. shall close the request.

(4) In the case of the classification stipulated in par. (3), regarding the rejection of the application for authorization or the withdrawal of the documentation by the applicant, the authorization fee shall not be refunded.

(5) The A.S.F. shall reject the authorization of the brokerage undertaking in case of non-fulfillment of the conditions stipulated in art. 19.

Art. 19. – Conditions

(1) Pursuant to the provisions of art. 8 and 9 of the Law no. 236/2018, for the authorization by the A.S.F., the applicant must also fulfill the following conditions:

a) must be a Romanian legal person whose name does not mislead the public and shall include, in Romanian or in a wide international circulation language, one of the designations: *insurance broker, reinsurance broker or insurance-reinsurance broker*, as the case may be;

b) must have a subscribed and paid-in share capital in the amount of at least RON 150.000 and the financing mechanism must prove that the funds used to participate in the capital come from legitimate sources;

c) must have a professional civil liability insurance contract valid on the territory of the Member States or the guarantee according to the provisions of art. 11 par. (1) - (3) of the Law no. 236/2018 and in the case of a contract, it must at least stipulate the mandatory clauses, according to model no. 3 of annex no. 6;

- d) the main object of activity must correspond to the provisions of par. (3)
- e) the registered office or the main office must have an adequate space for the performance of the distribution business, in which at least the following must be supplied:
 - (i) the transmission and receipt of mail;
 - (ii) adequate technical equipment to ensure the smooth running of the activity;
 - (iii) an IT system that allows the management of insurance contracts under optimum conditions;
- f) not to have close links with natural or legal persons that would prevent the effective exertion of the supervision process by the A.S.F., by avoiding the conflicts of interest;
- g) not to have been declared bankrupt and not to have been subject to judicial and/or bankruptcy reorganization proceedings at the date of the application for registration;
- h) must not be part of the management of an undertaking or an intermediary and must not have an undertaking or other intermediaries as directors;
- i) significant direct and indirect associates/shareholders, including the undertakings listed, the executive managers and directors, must not have actions recorded in their criminal record for offenses against patrimony and tax record for offenses provided for in the financial and fiscal legislation, as evidenced by the criminal record certificate and the certificate of a fiscal record, within the legal validity period or other equivalent document issued by the competent authorities of the country in which the associates/shareholders established their domicile and/or residence; for persons who have established their residence in Romania for less than 3 years, must also submit the criminal and fiscal record certificate or other equivalent document issued by the competent authorities of the last country in which they had previously established their domicile/residence;
- j) the persons nominated for the positions of executive managers must meet and maintain the following conditions:
 - (i) must have higher education and professional experience of at least 5 years or 2 years in management positions in the field deriving from the business carried out by entities regulated by the A.S.F., in credit institutions and in non-banking financial institutions with the exception of support positions;
 - (ii) must have professional competence, reputation and moral probity; if they were sanctioned with the withdrawal of the authorization by the A.S.F., B.N.R or similar foreign

authorities responsible for financial supervision, the information on these sanctions is taken into account by the A.S.F. for a period of 5 years from the date of application;

(iii) must not hold positions in the executive management of another Romanian or foreign legal person, in order to avoid the conflict of interests;

(iv) must not hold management positions in the financial field, except for teaching, scientific research and activities within professional associations, in order to avoid conflicts of interest;

(v) must hold the evidence of the fulfillment of the training requirements according to the legal provisions regarding the professional training for the person/persons in the executive management;

k) the directors must meet the following conditions:

(i) must not be employees of the undertakings or other intermediaries or ancillary insurance intermediaries as Romanian or foreign legal persons, during the term of the mandate to the broker;

(ii) the conditions referred to in letter j) apply if the directors also have the position of executive manager;

l) brokerage undertakings must adequately fulfill the broker insurance conditions provided for under art. 15 par. (1) letters f) - h);

m) must pay the authorization fee according to the provisions of the regulations in force, regarding the income of the A.S.F;

n) must transmit to the A.S.F. the documentation stipulated in annex no. 6.

(2) A.S.F. may verify if the registered office and the lucrative facilities of the brokerage undertaking are suitable for the conduct of the distribution business and if the requirements set out in par.(1) letter e) are met.

(3) In addition to the distribution activity, brokerage undertakings may only carry out one or more of the following activities:

a) creation of insurance products in association with insurers;

b) distribution of pension products, according to the applicable legislation;

c) distribution of capital market investment products as delegated agents, in accordance with the applicable law;

d) distribution of products created by credit institutions, non-banking financial institutions, payment institutions and digital currency-issuing in accordance with the applicable national law;

e) organization of professional training courses for employees, assistants and ancillary assistants, according to the applicable legislation.

(4) Brokerage undertakings must request from the A.S.F. the authorization or endorsement, as the case may be, for carrying out the activities referred to in paragraph (3) letters a) - e).

Art. 20. – The Brokerage Mandate

(1) Brokerage mandates concluded by brokerage undertakings with their own customers or with potential corporate customers shall be met through insurance brokers, assistants and/or ancillary assistants, natural and legal persons.

(2) Before the conclusion a brokerage mandate with a customer, brokerage undertakings must request information on the conclusion of other mandates.

(3) The customer may be represented by one or more brokerage undertakings, they may be listed on a single brokerage mandate with a customer as stipulated in art. 3 par. (7).

(4) If the customer considers itself prejudiced by the way the brokerage mandate is performed, the customer has the right to request the change by amicable settlement or if no agreement is reached, it has the right to revoke the mandate.

(5) In the absence of an agreement, the customer shall send a documented request by means of a notice, at least 10 calendar days before the date of the mandate's revocation.

(6) In case the provisions of par. (5) are not met, brokerage undertakings may request the reimbursement of incurred and proven expenses until they become aware of the revocation request.

(7) The brokerage mandate shall contain at least the items listed in annex no. 8.

SECTION 3

The Grant of the Endorsement for the Development of the Distribution Business for Credit Institutions and Investment Firms, or the Rejection of the Application

Art. 21. – General Provisions

(1) In order to obtain the endorsement from the A.S.F. to carry out the distribution business as main intermediaries, credit institutions and investment firms must set up a distribution department of insurance products at the main office and must appoint a person from the management of the entity according to art. 3 par. (1) point 4 of the Law no. 236/2018, which is responsible for this department and its executive management.

(2) For the purpose of analyzing the request for granting the endorsement provided for in paragraph (1), the A.S.F. may require the submission of documents and/or information by the management of those entities, executive management, from natural or legal persons directly or indirectly related to their activities and other institutions or authorities in the country or abroad.

(3) The A.S.F. shall decide on granting the necessary endorsement to carry out the business as main intermediary or to reject the request for endorsement, within 90 calendar days from the date of submission of the full documentation; the endorsement also provides for the date on which the main intermediary may commence its business.

(4) If the credit institution or the investment firm fails to fill in the documentation within 30 calendar days from the date of the A.S.F.'s request, for obtaining the endorsement, A.S.F. shall classify the application; in this case or in the case of rejection of the request for endorsement or withdrawal of the documentation by the applicant, the fee for endorsement shall not be refunded.

(5) The A.S.F. shall reject the endorsement for a credit institution or investment firm in the event of the non-fulfillment of the conditions provided for in art. 22.

Art. 22. – Conditions

(1) Pursuant to the provisions of art. 8 and 9 of the Law no. 236/2018, the conditions that the entities stipulated in art. 21 par. (1) must meet for obtaining the endorsement in order to carry out the distribution business as main intermediary are the following:

a) to be a Romanian legal person and to add next to the name of the entity, the designation insurance main intermediate in the documents issued in relation to third parties regarding the activity of the department, without changing the name registered with the National Trade Register Office;

b) to have the distribution of insurance as secondary object of activity;

c) must have the professional liability insurance contract valid on the territory of the Member States or the guarantee according to the provisions of art. 11 par. (1) - (3) of the Law no.

236/2018 and in the case of the contract, it shall stipulate the minimum compulsory clauses, according to model no. 3 of annex no. 6;

d) in the premises of the main office, of the secondary office and/or of the lucrative facilities in which they carry out their main professional activity, according to the specific regulations and in which they carry out the distribution business, they must have separate and adequate spaces for carrying out the distribution business, for which they must ensure at least the following:

- (i) the transmission and receipt of mail;
- (ii) adequate technical equipment to ensure the smooth running of the activity;
- (iii) an IT system that allows the management of insurance contracts under optimum conditions;

e) not to have close links with natural or legal persons that would prevent the effective exertion of the supervision process by the A.S.F., by avoiding the conflicts of interest;

f) the persons nominated for the positions of executive managers must meet and maintain the following conditions:

(i) must have higher education and professional experience of at least 5 years or 2 years in management positions in the field deriving from the business carried out by entities regulated by the A.S.F., in credit institutions and in non-banking financial institutions with the exception of support positions;

(ii) not to have actions recorded in the criminal record for offenses against the patrimony or actions recorded in the tax record for offenses provided by the financial-fiscal legislation

(iii) must have professional competence, reputation and moral probity; if they were sanctioned with the withdrawal of the authorization by the A.S.F., B.N.R or similar foreign authorities responsible for financial supervision, the information on these sanctions is taken into account by the A.S.F. for a period of 5 years from the date of application;

(iv) must not have similar positions with another Romanian or foreign legal person, in order to avoid the conflict of interest;

(v) must hold the evidence of the fulfillment of the training requirements according to the legal provisions regarding the professional training for the person/persons in the executive management;

g) its own personnel involved in the distribution business must fulfill the conditions stipulated in art. 15 par. (1) letters g) - i);

h) must pay the endorsement fee according to the provisions of the regulations in force, regarding the income of the A.S.F.

i) they shall transmit the documentation stipulated in annex no. 7 to the A.S.F. .

(2) In the documentation stipulated in annex no. 7, the entities shall also transmit to the A.S.F. the name of the manager of the distribution department, who is part of the management according to art. 3 par. (1) point 4 of the Law no. 236/2018.

Art. 23. – The Intermediation Mandate

(1) The intermediation mandate concluded by a credit institution or an investment firm with a customer must be fulfilled by its own employees, assistants and ancillary assistants.

(2) Before concluding an intermediation mandate with a customer, credit institutions and investment firms must request information from it on the conclusion of other mandates.

(3) The customer may be represented by one or more credit institutions or investment firms; they may be registered on a single mediation mandate, according to the provisions of art. 3 par. (7).

(4) In the event that the customer considers itself prejudiced by the way in which the mediation mandate is fulfilled, the provisions of Art. 20 par. (4) - (6) shall be applied adequately

(5) The intermediation mandate contract shall contain at least the elements listed in annex no. 8.

SECTION 4

The Creation of Insurance Products

Art. 24. – General Provisions

(1) The main intermediaries intending to create insurance products in association with the insurers, shall require the endorsement of this business from the A.S.F. and shall meet the requirements of art. 25; the distribution of such products can only be made after obtaining the endorsement from the A.S.F.

(2) Pursuant to the provisions of art. 17 of the Law no. 236/2018 and of the Delegated Regulation 2017/2358, the responsibility of the main intermediaries in the creation of the

insurance products stipulated in par. (1) is to independently determine the essential characteristics and the main elements of an insurance product, such as: the insured amount, the insurance premium, the costs, the risks, the target market, the compensation and security rights attaching thereto, the items which are not substantially altered by the insurer providing the coverage offered by the insurance product.

Art. 25. – Requirements

(1) In order to endorse the carrying out of the business stipulated in art. 24 par. (1), which attests the possibility that the main intermediaries may carry out the respective activity, they shall meet the requirements of the Delegated Regulation no. 2017/2358 as well as the following requirements:

a) they must have the responsible structure made up of at least one designated insurance product designer who shall establish, implement and review the product approval process, product distribution agreements and shall continuously check the compliance with these processes internally and the compliance with the provisions of the Regulation no. 2017/2358;

b) the person responsible for the coordination of the structure referred to in letter a), including if the structure is outsourced, must have at least 1 year of skills, knowledge and experience in the field of insurance;

c) the elements referred to in letter a) shall be approved by the executive management^F;

d) must pay the endorsement fee according to the provisions of the regulations in force, regarding the income of the A.S.F.

(2) Following the obtaining of the general endorsement referred to in par. (1), in order to comply with the provisions of the Delegated Regulation 2017/2358, in particular with regard to the general analysis of their case-by-case activity in order to obtain an individual approval, they shall meet the following requirements:

a) conclude an agreement with an insurer describing their collaboration in accordance with the requirements applicable to the designers of insurance products, the procedures for identifying the target market and the roles performed in the product approval process and the in the product distribution agreements;

b) develop a business plan showing their role in the design and development of insurance products and containing at least the elements set out in annex no. 9;

c) the structure provided for in paragraph (1) letter (a) documents the manner in which it demonstrates the understanding of the marketed insurance products, the interests, objectives and characteristics of customers belonging to the target market;

d) shall pay the fee for analyzing product designer documentation.

(3) The required documentation shall be submitted with the A.S.F. according to annex no. 9.

Art. 26. – Final Provisions

After obtaining the endorsement of the A.S.F. referred to in art. 24 par. (1), the main intermediaries shall notify the A.S.F. on the situations in which they carry out their business as designers of products in association with the insurers and shall transmit the document referred to in art. 25 par. (2) lit. a).

CHAPTER III

The Conduct of Business

SECTION 1

The Preservation of Registration of Main Intermediaries

Art. 27. – The Brokerage Undertakings

(1) The modification of the documents or the conditions under which the operating permit is granted shall be approved by the A.S.F. and these shall be submitted after the approval of the A.S.F. with the National Trade Register Office; the A.S.F. shall be notified within a maximum of 5 calendar days from the date of adoption of the decision, on the extension of the period of validity of the rental or the bailment contract for the registered office;

(2) The approval referred to in par. (1) shall be granted only if the brokerage undertaking fulfills the obligations stipulated by the applicable legal provisions and by the decisions of the A.S.F.

(3) The conditions and documents required from the significant, direct and indirect associates or shareholders, provided in the model no. 1, letter A and B of annex no. 6, shall also apply to natural and legal persons who subsequently acquire such quality at the respective brokerage undertaking.

(4) The conditions and documents required for the executive managers and directors, provided in the model no. 1, letter C and D of annex no. 6 shall also apply to natural and legal persons who subsequently acquire that quality.

(5) Requests for approval regarding the modification of the documents or the conditions under which the operating permit is granted shall be accompanied by the proof of payment of the tax in accordance with the provisions of the regulations in force regarding the income of the A.S.F.

(6) Following the acquirement of the operating permit, the conditions on which it is granted shall be also fulfilled throughout the period of operation of the brokerage undertaking.

(7) The brokerage undertaking shall send to the A.S.F. the proof of preserving in force the contract or guarantee referred to in art. 19 par. (1) letter c), subject to the observance of the insured amounts updated according to the legal provisions, only at the electronic address published on the website of the A.S.F.

(8) The proof regarding the changes mentioned in par. (1) shall be sent to the A.S.F. within 5 calendar days of receipt of the supporting documents from the National Trade Register Office.

(9) The persons referred to in the model no. 1, letter B to D of annex no. 6, shall update the respective documents that shall be sent to the A.S.F. when they no longer conform to reality, within 30 calendar days of the date on which such change occurred; by way of exception, changes to brought the identity papers of executive managers and directors shall be sent to the A.S.F. within 10 calendar days, accompanied by the related documentation.

(10) In case of termination of the contractual relations between the executive manager and the brokerage undertaking, the manager shall notify this to the A.S.F., in a documented manner, within 10 calendar days of the date of termination; the non-fulfillment of this obligation may lead to the rejection of any subsequent approval thereof requested by the A.S.F. for a period of 5 years according to the principle of documentation and qualified reasoning.

(11) Within 10 calendar days from the date of vacating a position held by the persons foreseen in the model no. 1, letters C and D of annex no. 6, the brokerage undertaking shall transmit to the A.S.F. the name, the position of the person concerned and documents showing the date of cessation of the business.

(12) The deadline for proposing a new person and submitting the full documentation for approval is of 90 calendar days from the date of vacating the position; if the documentation is incomplete at the time of the initial submission or later, the completion or modification of the documentation shall be made before the expiry of the deadline without interruption or suspension.

(13) In the situation of and during the simultaneous vacating of the position of director and executive manager, the distribution of the new insurance/reinsurance contracts shall be permitted only after the approval of the A.S.F for a new person.

(14) Brokerage undertakings are prohibited from the following practices:

a) the offering, negotiating or distributing of insurance products through the pyramid sale method or through similar methods;

b) the conditioning regarding the participation of a person to specialized training courses/seminars on the conclusion of insurance, on its own behalf or for other family members;

c) the proposal addressed to a person which results in financial gains resulting from an increase in the number of persons recruited by adhesion or inclusion on certain lists;

d) misleading advertising, misleading information, false promises, or misrepresentation of materials aimed at recruiting new collaborators or potential customers for further insurance or reinsurance campaigns.

(15) During the conduct of business of brokerage undertakings, the A.S.F. may verify if the requirements of Art. 19 par. (1) letter e) are still complied with.

(16) If the applicant or the broker fails to complete the documentation within 30 calendar days from the date of request from the A.S.F., in the case of modifying the conditions on the basis of which the operating permit was granted, the A.S.F. shall classify the request; the classified file shall not be reopened or returned to the undertaking.

(17) In the case of the classification referred to in par. (16) or in case of the withdrawal of the request, the approval fee for the changes shall not be refunded.

Art. 28. – Credit Institutions and Investment Firms

(1) The modification of the documents or the conditions under which the endorsement of the credit institutions and the investment firms is granted is subject to the approval of the A.S.F.; in the situation of modification of the information referred to in art. 9 par. (2) letter a) of the Law

no. 236/2018, the endorsement of the A.S.F. is granted after obtaining the approval of the National Bank of Romania.

(2) The endorsement referred to in par. (1) shall be granted only if the obligations stipulated by the applicable legal provisions and the decisions of the A.S.F. are met

(3) The conditions and documents requested by the executive management, referred to in the model no. 1 point B of annex no. 7 shall also apply to natural persons who subsequently acquire that quality.

(4) Requests for an endorsement regarding the change of the documents or the conditions under which the endorsement is granted shall be accompanied by proof of payment of the tax in accordance with the provisions of the regulations in force regarding the income of the A.S.F.

(5) After obtaining the initial endorsement, the conditions on which it is granted shall be met even during the entire period of the distribution activity.

(6) Credit institutions and investment firms shall transmit to the A.S.F. proof of the maintenance of the insurance contract or the guarantee referred to in art. 22 par. (1) letter c) with respect to the insured amounts updated according to the legal provisions, only at the electronic address published on the website of the A.S.F.

(7) The proof of the changes mentioned in par. (1) shall be sent to the A.S.F. within 5 calendar days from the date of their execution or from the date of obtaining the approval from the National Bank of Romania, as the case may be.

(8) The persons referred to in the model no. 1 point B of annex no. 7 shall update the documents forwarded to the A.S.F., when they no longer conform to reality, within 30 calendar days of the date when the change occurred; by way of exception, changes to the identity documents shall be transmitted to the A.S.F. within 10 calendar days, accompanied by the related documentation.

(9) The executive management shall notify the A.S.F. in a documented manner, within 10 calendar days of the date of termination, if:

- a) the contractual relationship with the main intermediary cease;
- b) it ceases to exercise this function within the credit institution or investment firm.

(10) The failure to comply with the obligation referred to in par. (9) may lead to the rejection of any further approval required by the A.S.F. for a period of 5 years, according to the principle of documentation and qualified reasoning.

(11) Within 10 calendar days from the date of vacating the position held by a person within the executive management, the credit institution or investment firm shall send to the A.S.F. the name, the position of the person concerned and the documents showing the date of cessation of the activity.

(12) The deadline for proposing a new person and the submission of the complete documentation for obtaining the endorsement is of 90 calendar days from the date of notification of the A.S.F. referred to in paragraph (11); if the documentation is incomplete at the time of the initial submission or later, the completion or modification of the documentation shall be made before the expiry of the period without interruption or suspension.

(13) During the vacating of the executive management, the main intermediary may distribute new insurance contracts within the time limit stipulated in par. (12); after the expiration of the term, the main intermediary is forbidden to mediate new insurance contracts until receiving the endorsement from the A.S.F. for a new person.

(14) Investment firms and credit institutions are prohibited to carry out the practices referred to in art. 27 par. (14).

(15) Throughout the conduct of the business, the A.S.F. may verify if the requirements of art. 22 par. (1) letter c) are met.

SECTION 2

Organizational Requirements and Reports Made by Main Intermediaries and Undertakings

Art. 29. – Organizational Requirements for Main intermediaries

(1) The main intermediaries shall carry out the distribution business only at:

- a) their main or secondary offices or, where appropriate, the offices of assistants or ancillary assistants as legal persons;
- b) the main or secondary offices of customers or potential corporate customers;
- c) the domicile or, where appropriate, the residence of customers or potential customers, natural persons or in other locations agreed with customers.

(2) Brokerage undertakings may only conduct their business through insurance brokers, assistants and ancillary assistants, and credit institutions and investment firms only through their own staff, assistants and ancillary assistants; it is forbidden to carry out the distribution business

through other main or secondary intermediaries, except for the situation stipulated in art. 3 par. (7).

(3) The main intermediaries may promote their products and services supplied through all channels of communication, in compliance with the national legislation on the form and content of advertising media, in order to protect the public interest.

(4) Brokerage undertakings may capitalize or invest the share capital, the income from the distribution business, and capital reserves in movable or immovable property such as bank deposits, shares, bonds, other securities, real estate for its own activity or rent.

(5) The income from brokerage undertakings from the rental of the real estates may account for up to 30% of the income from the distribution business.

(6) In the event that the A.S.F. considers it necessary, brokerage undertakings shall ensure contact with assistants and ancillary assistants within the supervisory process, including during the control action.

(7) The undertakings and the main intermediaries shall appoint a person to coordinate the activity of registering and updating their own registers and uploading the data into the A.SF register and shall transmit to the A.S.F. its name and function in accordance with the provisions of this standard.

(8) In the case of vacating the executive management, until the date of approval by the A.S.F. of a new executive management, its attributions may be taken over within the time limit referred to in art. 27 par. (12) and art. 28 par. (12), by:

a) the director in case of the brokerage undertakings;

b) the natural person within the management of distributors responsible for the distribution business, according to art. 3 par. (1) point 4 of the Law no. 236/2018, in the case of credit institutions and investment firms.

(9) In order to assess the stable financial situation according to the provisions of art. 11 par. (6) of the Law no. 236/2018, insurers shall consider at least the following:

a) positive funds/equity of intermediaries as legal persons;

b) the absence of repeated and unjustified delays in the filing of insurance premiums.

(10) The guarantees referred to in art. 11 par. (7) of the Law no. 236/2018 shall be established by the insurers through their own policies and/or procedures.

Art. 30. – The Reporting of Brokerage Undertakings

(1) Brokerage undertakings shall send to the A.S.F. the information required in order to conduct the monitoring and surveillance process.

(2) For the online transmission of reports, brokerage undertakings shall register as users in the ASF-EWS application based on the registration form published on the website of the A.S.F.

(3) The reports submitted by the brokerage undertakings shall contain information that corresponds to the financial-accounting and technical-operative records.

(4) The A.S.F. may request the disclosure of the information and documents necessary to clarify the issues resulting from the analysis of the reports, including the data and documents underlying the records in the accounting, or to update the conditions under which the authorization was granted.

(5) Quarterly reports shall be transmitted electronically to the ASF-EWS application concomitantly with the transmission of a letter through the A.S.F. Registry at the end of the reporting period, signed by the executive manager for assuming the information uploaded in the application.

(6) Half-yearly and yearly reports shall be transmitted by brokerage undertakings, both in electronic form, in the ASF-EWS application, and by mail, in compliance with the legal provisions in force.

(7) The reporting on the operating fee shall be transmitted according to the regulations in force, regarding the income of the A.S.F. in electronic format Excel/PDF, at the address mentioned on the website of the A.S.F.

(8) brokerage undertakings shall send to A.S.F. the following reports:

a) annual reporting:

(i) annual financial statements according to the accounting regulations in force;

(ii) the reporting on the evolution and structure of the share capital, according to annex no. 11;

(iii) reports on IT systems auditing in accordance with the regulations in force concerning the management of operational risks generated by IT systems;

b) half-yearly reports:

(i) accounting reports, according to the accounting regulations in force;

(ii) the reporting on the evolution and structure of the share capital, according to annex no. 11;

c) quarterly reports:

(i) the reporting on the distribution business, according to annex no. 12;

(ii) the reporting on the total income statement of brokerage undertakings, as per annex no. 13;

(iii) the reporting on the balance sheet of assets and liabilities held by the brokerage undertakings, according to annex no. 14;

(iv) the reporting on the situation of debts and receivables from the distribution business, according to annex no. 15;

(v) the reporting on the operating fee for the distribution business and the related corrective statements, according to the regulations in force regarding the income of the A.S.F.;

d) the reporting to the A.S.F. and the National Office for Prevention and Control of Money Laundering , hereinafter referred to as the ONPCSB in the situations provided for by the legislation on the prevention of money laundering and terrorist financing;

e) the reporting to the A.S.F. and the National Agency for Fiscal Administration, hereinafter referred to as ANAF in the case of specific situations regarding the international sanctions regime.

(9) The reporting provided for in paragraph (8) letter c) point (v) shall also be transmitted if for the reported period the income from the brokerage activity and the amount of the operating fee due are zero.

(10) The corrective statements regarding the operating fee shall be prepared and transmitted at the date of the discovery and recording of the differences from the initial reporting.

(11) Brokerage undertakings shall ensure that the total volume of revenues generated from the distribution business for the reporting period corresponds to that shown in the annexes to the quarterly, half-yearly and annual reports.

(12) Brokers may perform regularization and/or compensation operations of the sums transferred on the basis of supporting documents, with the prior notification of the A.S.F.

(13) For the failure to meet the due date for the payment of the operating fee, brokerage undertakings shall pay penalties of delay, which are shown separately on the payment order by which the operating fee is paid.

(14) The reports referred to in par. (8), except those under letter a) point (ii) and (iii), letter b) point (ii) and letter c) points (ii) - (v) shall also be transmitted to the A.S.F. by insurance intermediaries carrying out distribution activity on the territory of Romania under the right of establishment.

Art. 31. – Reports of Credit Institutions and Investment Firms

(1) Credit institutions and investment firms as main intermediaries shall transmit to the A.S.F. the information required in order to conduct the monitoring and surveillance process.

(2) Credit institutions and investment firms shall comply with the provisions of Art. 30, par. (2) - (7).

(3) Credit institutions and investment firms shall transmit to the A.S.F. following reports:

a) annual reports on the audit of IT systems in accordance with the regulations in force concerning the management of operational risks generated by IT systems used in the insurance distribution business;

b) quarterly reports:

(i) the reporting on the distribution business, according to annex no. 12;

(ii) the reporting on the revenue from the distribution business, according to annex no. 13;

(iii) the reporting on the situation of debts and receivables from the distribution business, according to annex no. 15;

(iv) the reporting on the distribution fee and the related corrective statements under the current income regulations of the A.S.F.;

c) reports to the A.S.F. and the ONPCSB in the situations provided for by the legislation on the prevention of money laundering and terrorist financing;

d) the reporting to the A.S.F. and the ANAF in the case of specific situations regarding the international sanction regime.

(4) The reporting provided for in paragraph (3) letter b) point (iv) shall also be transmitted if for the reported period the income from the brokerage activity and the amount of the operating fee due are zero.

(5) The corrective statements regarding the distribution fee shall be prepared and transmitted at the date of the discovery and recording of the differences from the initial reporting.

(6) Credit institutions and investment firms may perform regularization and/or compensation of the sums transferred, on the basis of supporting documents, with the prior notification of the A.S.F.C

(7) For the failure to meet the due date for the payment of the distribution fee, credit institutions and investment firms shall pay penalties of delay, which are shown separately on the payment order by which the operating fee is paid.

Art. 32. – Reports of Undertakings

(1) Undertakings shall transmit to the A.S.F. following reports on the distribution business:

a) annual reports according to model no. 1-3 of annex no. 16, as follows:

(i) the number of own employees involved in the distribution business and the type of remuneration granted, according to model no. 1;

(ii) the number of contracts and the amount of insurance premiums issued and distributed by the employees referred to in point (i), separately, by type of insurance, according to model no. 2;

(iii) the number of contracts and the value of insurance premiums issued and distributed by electronic marketing, separately, by type of insurance, according to model no. 3;

b) quarterly reports according to annex no. 17, as follows:

(i) reporting on the total number of main, secondary and exempted intermediaries with which they collaborate, natural and legal persons separately, for each category, including the type and amount of remuneration granted to them, according to model no. 1;

(ii) reporting on the number of contracts and the amount of insurance premiums distributed by the intermediaries referred to in (i), separately, by type of insurance, according to model no. 2-4.

(2) The reports provided for in par. (1) shall also be transmitted by undertakings carrying out distribution business on the territory of Romania under the right of establishment.

Art. 33. – Deadlines for the Submission of Reports

(1) Brokerage undertakings shall submit the reports referred to in art. 30, as follows:

a) the annual ones:

(i) until the deadline established by the methodological rules applicable to the brokerage undertakings, for the end of the financial year, for the financial statements referred to in art. 30 par. (8) letter a) points (i) and (ii);

(ii) according to the regulations regarding the audit of IT systems, for the reports referred to in art. 30 par. (8) letter (a) point (iii);

b) the half-yearly ones, up to the deadline established by the half-yearly accounting reporting system, for the reports referred to in art. 30 par. (8) letter b);

c) the quarterly ones:

(i) until the last calendar day of the month following the end of the quarter, for the reports referred to in art. 30 par. (8) letter c) points (i) - (iv);

(ii) according to the provisions of the current regulations regarding the income of the A.S.F. for the reports stipulated in art. 30 par. (8) letter c) point (v).

(2) The corrections to the reports corresponding to the 4th quarter referred to in art. 30 par. (8) letter c) points (i) to (iv) shall be transmitted with the annual financial statements.

(3) Credit institutions and investment firms shall submit the reports referred to in art. 31 as follows:

a) the annual ones, within the time limit stipulated in par. (1) letter a);

b) the quarterly ones:

(i) until the last calendar day of the month following the end of the quarter, for the reporting referred to in art. 31 par. (3) letter b) points (i) - (iii);

(ii) according to the provisions of the current regulations regarding the income of the A.S.F. for the reports stipulated in art. 31 par. (3) letter. b) point (iv).

(4) Undertakings shall submit the reports stipulated in art. 32 as follows:

a) the annual ones until the last calendar day of the month following the end of the calendar year for the reports provided for in art. 32 par. (1) letter (a) points (i) to (iii);

b) the quarterly ones, until the last calendar day of the month following the end of the quarter, for the reports referred to in art. 32 par. (1) letter b).

SECTION 3

Organizational Requirements for Secondary Intermediaries

Art. 34. – The Distribution Business as Secondary Intermediaries

(1) The distribution business as a secondary intermediary, a natural or legal person, including by employees, may only be carried out at:

- a) the main or secondary offices of customers or potential corporate customers;
- b) the domicile or, where appropriate, the residence of the customers or potential customers, natural persons or in other places agreed with them;
- c) their main and/or secondary offices or the offices of the distributors with whom they collaborate.

(2) Agents and ancillary agents, natural or legal persons, are prohibited from distributing insurance products that are part of the same class of insurance for several undertakings.

(3) Secondary intermediaries may promote products and services provided through all communication channels, in compliance with national legislation on the form and content of advertising media, in order to protect the public interest.

(4) The quality of secondary intermediary, natural and legal person shall be lost, in which case it shall be radiated from the RI/RIS, with the specification "erased" if:

- a) it no longer complies with the provisions of art. 9 par. (1) of the Law no. 236/2018;
- b) is under the situations referred to in art. 35 par. (8) of the Law no. 236/2018.

Art. 35. – Other Requirements

(1) Undertakings shall approve, apply and periodically review appropriate internal procedures on:

- a) the registration of secondary intermediaries and the monitoring of the record keeping requirements applicable to them;
- b) professional training and good reputation of their own employees.

(2) Insurers shall establish, apply, maintain and review effective policies and/or procedures on:

- a) the approval process for each product, proportionate and appropriate to its nature and/or significant adjustments brought to the existing products;

b) conflicts of interest, adapted to their size and organization, as well as to the nature, scale and complexity of their business;

c) remuneration for the distribution business both for its own personnel as well as for the intermediaries;

d) incentives and incentive schemes granted in the distribution business;

e) the assessment of adequacy and the assessment of the appropriate character, according to art. 27 of the Law no. 236/2018, the standards and requirements to be met in order to obtain the necessary information for each of these assessments and to conduct the assessments;

f) the amicable settlement of disputes between intermediaries, ancillary insurance intermediaries and contractors, comprising at least:

(i) the obligation to register and formulate responses to requests received by the undertaking or, as the case may be, by the principal and secondary intermediaries, legal persons;

(ii) the response time.

g) compliance with consumer protection legislation, especially from the perspective of defining the contracts used for each product or service offered to customers and the conduct in relation to them.

(3) The function referred to in art. 11 par. (9) of the Law no. 236/2018 shall also ensure the proper implementation of the policies and procedures provided for in par. (1).

(4) The register provided for in art. 11 par. (10) of the Law no. 236/2018 shall also contain relevant documents related to the enforcement of par. (1).

SECTION 4

The Authorization or Endorsement Granted to the Newly-Established Entity Following a Merger or a Division

Art. 36. – General Provisions

(1) Brokerage undertakings authorized by the A.S.F. shall notify the intention to merge or divide and shall submit the documentation referred to in model no. 1 of annex no. 18.

(2) From the date of submission of the documentation referred to in par. (1), the distribution business for the purpose of concluding new mandates in brokerage and new insurance contracts shall be allowed for the brokerage undertaking absorbed from the date of

notification to the A.S.F. of the merger process, subject to documentation on the prior information of customers and potential customers;

(3) The brokerage undertaking absorbed within the merger process by absorption may carry out the distribution business without interruption if the operational flow is maintained in the sense that the person(s) approved by the executive management shall remain the same.

(4) Subsequent to the merger or division, the brokerage undertakings newly created by merger/division shall meet the conditions stipulated in art. 19, shall be authorized by the A.S.F. and shall submit the documentation stipulated in model no. 2 of annex no. 18.

(5) After analyzing the submitted documents, the A.S.F. shall issue, as the case may be:

a) the authorization decision of the newly established brokerage undertaking and the decision to withdraw the authorization for the brokerage undertaking absorbed or divided, which shall cease its business;

b) the rejection letter of the brokerage undertaking resulted that does not meet the authorization conditions;

c) the decision to approve the changes resulting from the merger or the rejection letter of the merger process.

(6) The authorization decision of the newly established brokerage undertaking shall become opposable to third parties after its publication in the Official Gazette of Romania, Part I.

(7) The decision on the withdrawal of the authorization shall be published in the Official Gazette of Romania, Part I and shall take effect from the date of the merger or division, according to the provisions of art. 249 of the Companies Law no. 31/1990, republished, as subsequently amended and supplemented.

SECTION 5

Suspension and/or Withdrawal of the Operating Permit or the Endorsement

Art. 37. – The Suspension and Withdrawal of the Operating Permit of Brokerage Undertakings

(1) The A.S.F. shall adopt measures to sanction responsible persons, including with the withdrawal of authorization or approval, if it finds that the acquirement of an operating permit for a brokerage undertaking or of subsequent approvals is carried out on the basis of documents or information which are inconsistent with the reality.

(2) The operating permit granted to a brokerage undertaking shall be withdrawn by the A.S.F. in the following cases:

a) the brokerage undertaking is in a situation of non-fulfillment/non-preservation of the conditions under which the operating permit was issued;

b) did not start the distribution business as a brokerage undertaking within 6 months of the date of issue of the operating permit;

c) during a period of 6 consecutive months did not send any reports to the A.S.F.;

d) repeatedly violates the provisions of the legal specifications.

(3) The A.S.F. shall approve, by decision, the suspension or termination of the business of brokerage undertakings, at their request, subsequent to:

a) the transmission of the resolution or decision of the associates or shareholders, in original, specifying the date from which they intend to cease the activity;

b) the verification of the following:

(i) the proof regarding the customers' notification of the suspension/cessation of business, accompanied by a recommendation to address either directly to insurers for ongoing insurance contracts or to propose their transfer to another main intermediary or to other main intermediaries;

(ii) the situation of settlements with insurers, including the proof that the insurers were aware of the intention of the brokerage undertaking;

(iii) the status of litigations;

(iv) the situation of the erasure of their own staff, assistants and ancillary assistants from their own registers and from the register managed by the A.S.F.;

(v) the full payment of fees due to the A.S.F.

(4) The A.S.F. shall withdraw, both upon request, under the terms of this rule, and in accordance with the provisions of art. 28 of the Law no. 236/2018, the operating permit of the brokerage undertaking and shall erase it from the "Register of insurance and/or reinsurance brokers", after verification of the fulfillment of the conditions stipulated in par. (3).

(5) Within 15 calendar days from the date of publication in the Official Gazette of Romania, Part I, of the decision to withdraw the operating permit, the respective entities shall remove from their names the phrase stipulated in art. 19 par. (1) letter a) and from the object of

activity, the distribution business and other permissible business approved according to art. 19 par. (3) as appropriate.

(6) The A.S.F. may withdraw the operating permit granted to a brokerage undertaking if it has not paid the fees in accordance with the provisions of the current regulations on the income of the A.S.F. for a period of 6 months.

(7) In the situation referred to in par. (2) the A.S.F. may erase its own personnel, assistants and ancillary assistants of brokerage undertakings from their own registers and implicitly from the register administered by the A.S.F., without prejudice to art. 28 par. (1) letter r) of the Law no. 236/2018, provided that they submit a notary statement on their own responsibility, in original, stating that they are not registered with debits relating to insurance premiums not settled with insurance undertakings, documents with special status that were not handed-over and that they have no breached contractual relations with the brokerage undertaking.

Art. 38. – The Suspension and Withdrawal of the Endorsement of Credit Institutions and Investment Firms

(1) The A.S.F. shall adopt measures to sanction responsible persons, including with the withdrawal of the endorsement or approval granted, if it finds that the acquirement of the endorsement for the conduct of business for a credit institution or investment firm or of subsequent approvals is carried out on the basis of documents or information which are inconsistent with the reality.

(2) The provisions of art. 37 par. (2) and (6) shall also apply similarly to credit institutions and investment firms.

(3) The A.S.F. shall approve, by decision, the suspension or withdrawal of the endorsement and the termination of the distribution business of credit institutions and investment firms, main intermediaries, at their request, after the fulfillment of the conditions stipulated in art. 37 par. (3).

(4) The A.S.F. shall withdraw, by decision, the endorsement for the conduct of the distribution business of credit institutions or investment firms and shall erase them from the RIP, after the verification of the fulfillment of the conditions referred to in art. 37 par. (3).

(5) Within 15 calendar days from the date of transmission of the decision to withdraw or suspend the endorsement for the conduct of business, the credit institutions or investment firms

concerned shall remove the phrase "main insurance intermediary" from the name provided for in art. 22 par. (1) letter a) and the distribution business from the object of activity, within 5 calendar days, after obtaining the approval of the National Bank of Romania.

CHAPTER IV

Elements on the Conduct of Distributors

Art. 39. - General Provisions on the Conduct of Distributors in Relation to Customers

(1) The management of the undertakings and main intermediaries is responsible for organizing and monitoring the processes within them so as to protect the rights of customers or potential customers by effectively managing the risks that may arise in relation to them.

(2) Distributors shall carry out the distribution business under the conditions of ensuring correct treatment of customers, complying with the legal requirements regarding the distribution of insurance and reinsurance and avoiding unfair, disloyal, fraudulent or abusive practices.

(3) The undertakings and the main intermediaries shall implement a conduct risk management system based on the principle of proportionality and qualified judgment.

(4) In dealing with customers, distributors must behave fairly, honestly and professionally so as to best fit the interests of customers and potential customers and must not resort to deceptive or deceiving practices.

(5) Distributors shall always take into account the interests of their customers, providing solutions appropriate to their needs, avoiding conflicts of interest; if conflicts of interest are to be identified, they shall be properly managed in such a way that customers' rights are always protected.

(6) With regard to the product and service proposal, the sales personnel of the distributor shall provide customers with complete, timely, accurate, objective and actual information on the proposed insurance product, in order to enable customers to make an informed decision.

(7) Post-sale assistance to customers ensures that their interests, rights and needs are taken into account by undertakings throughout the product's life-cycle, until contractual relations are finalized, through:

a) the monitoring and reviewing of insurance products, both to address possible issues that affect customer interests and to improve the distributed insurance products;

b) customer information about ongoing insurance contracts, both on a regular and on an ad hoc basis, when significant events occur related to them;

c) the implementation of an efficient and fast loss management process;

d) the implementation of an effective complaints management system.

(8) Customer satisfaction shall constantly be monitored by undertakings; new products and services shall be developed in line with customer and potential customer needs and in line with the identified improvement areas.

(9) Undertakings shall establish and enforce internal policies and/or procedures that detail aspects of the appropriate conduct of the undertaking in relation to customers, directly or through intermediaries, so that they are analyzed and monitored by them in terms of the following modules:

a) governance, processes and control points;

b) supervision and governance of insurance products;

c) personnel and organizational structure;

d) operational risk management in terms of affecting customer rights.

Art. 40. – Requirements on Governance and the Existence of Control Points

(1) The policies and/or procedures referred to in art. 39 par. (9) shall include actions on customer protection, including by defining and operationalizing control points within the internal processes.

(2) Undertakings shall implement processes according to the policies and/or procedures referred to in art. 39 par. (9) in order to ensure appropriate conduct in relation to customers, including under this term both customers and potential customers, both before and during the signing of the insurance contract, and including at least the following:

a) a transparent and consistent information flow between customers and distributors;

b) advising customers and prospective customers on the basis of assessing their requirements and needs so that the proposed contracts are in line with them;

c) identifying and limiting incorrect and fraudulent practices of the entity and its personnel, as well as potentially abusive or detrimental elements to customers that might exist in insurance contracts;

d) avoiding conflicts of interest in the business of selling insurance products;

e) implementing an organizational culture that is oriented towards customer protection.

(3) within the governance system, undertakings shall ensure at least the following for the protection of the customers' rights:

a) establishing reporting processes and establishing the responsibilities of the undertaking's management in order to ensure a proper conduct in the relationship with customers;

b) operational risk management measures on customer protection and risk of conduct;

c) continuous concern at management level for the protection of the customers' rights, both in the drafting of business, risk strategies, as well as within the decision-making process.

(4) The management of the undertaking shall consult risk management and compliance functions on conduct risk management from the perspective of customer protection.

Art. 41. - Requirements Regarding the Operational Risk Management in Terms of Affecting Customer Rights

(1) Undertakings shall have adequate processes in order to identify, analyze and report events that could generate operational risks from the perspective of affecting customer rights; to this end, it shall develop processes for the collection and monitoring of those events.

(2) In operational risk management, undertakings shall develop and analyze an appropriate set of scenarios for operational risk materialization situations that affect customer rights.

Art. 42. – The Personnel and the Organizational Culture

Undertakings and the main intermediaries shall develop a customer-oriented organizational culture supported by appropriate organizational structures and trained personnel in order to comply with the rules of conduct and customer rights reflected in:

a) the vision and values of the distributor in relation to customers' treatment;

b) the way management actions and vertical communication encourage the organizational culture of customer protection by the distributor;

c) the existence of responsibilities assigned to the personnel in order to comply with the rules of conduct on customer protection;

d) the inclusion of customer protection actions within remuneration policies for the personnel responsible for the sale of insurance products or intermediaries;

e) performance management system and promotion policy that includes personnel evaluation from the perspective of the compliance with customer behavior and customer protection rules.

Art. 43. - Key Risk Indicators of Conduct

(1) In the process of monitoring the compliance with conduct rules starting from risks, undertakings shall also consider establishing and monitoring at entity level and regarding the system of distribution, of key risk indicators on conduct.

(2) Risk indicators shall ensure an early warning system for the conduct risk profile, allow corporate management to document and analyze trends, providing a future perspective and reporting necessary actions before the risk results in a concrete loss.

(3) Undertakings shall ensure the monitoring and measurement process through key risk indicators, identifying potential operational losses due to IT, communications, etc. deficiencies.

Art. 44. - The Governance of Insurance Products - requirements applicable to product designers and distributors

Distributors shall apply the Commission Delegated Regulation (EU) 2017/2358 of 21 September 2017 supplementing Directive (EU) 2016/97 of the European Parliament and of the Council with regard to product oversight and governance requirements for insurance undertakings and insurance distributors.

Art. 45. - The Professional Conduct in the Distribution of Insurance-based Investment Products

Distributors shall apply the Commission Delegated Regulation (EU) 2017/2359 of 21 September 2017 supplementing Directive (EU) 2016/97 of the European Parliament and of the Council with regard to information requirements and conduct of business rules applicable to the distribution of insurance-based investment products.

CHAPTER V

The Provision of Information by the Distributors

Art. 46. – General Provisions

(1) Distributors shall inform customers or prospective customers, in accordance with the provisions of Chapter V of the Law no. 236/2018, clearly, correctly accessible from the pre-contractual phase on all the conditions of the insurance contract.

(2) Information on insurance products shall be provided to prospective customers prior to the conclusion of the insurance contract by means of the separate information documents referred to in paragraph (3) letters a) and b) and by means of other additional documents according to the legal provisions.

(3) Information documents containing key information on insurance products shall differ according to the classification of the products in the classes of insurance provided in Sections A, B and C of Annex 1 to the Law no. 237/2015, as follows:

a) standardized information document, called PID, according to the provisions of Regulation no. 1469/2017, if the product is classified under the general insurance classes set out in Sections A and B of Annex 1 to the Law no. 237/2015, as amended and supplemented;

b) standardized information document, called KID, according to the provisions of Regulation no. 1286/2014, if the product is classified in the life insurance classes set out in Section C, points 1 and 3 of annex no. 1 to the Law no. 237/2015, as amended and supplemented;

c) information document on the insurance product, if the product is classified in the life assurance classes set out in Section C, points 1 and 2 of annex no. 1 to the Law no. 237/2015, with the subsequent amendments and completions, other than those stipulated in let. b).

(4) The documents referred to in par. (2) and (3) let. (a) and (b) shall be made available to potential contractors using the media referred to in art. 15 par. (2) to (8) and art. 14 par. (2) - (6) of the Law no. 236/2018, depending on the insurance product.

(5) Regarding the documents referred to in para. (2) and (3) let. (c), they shall be made available to prospective contractors on paper or on another durable medium, including by using means of distance communication, in a way which enables them to make an informed decision.

(6) The pre-contractual documents shall be drafted in compliance with the requirements of art. 14 par. (7) - (9) and art. 15 par. (1) of the Law no. 236/2018 and according to the provisions of the Regulation no. 1469/2017 and of the Regulation no. 1286/2014 with subsequent amendments and completions.

(7) The pre-contractual documents, other than those referred to in paragraph (6), for which no drafting requirements are laid down in other normative acts, shall be elaborated in compliance with at least the drafting requirements stipulated in par. (8).

(8) Pre-contractual documents, insurance contracts and insurance conditions shall be drafted in writing, visible and easy to read, with a font size of at least 10, on paper or other durable medium in compliance with this Chapter and the documentation principle; the background colour of the paper on which they shall be written must be in contrast to the font used.

(9) If colours are used in the essential information document, they must not diminish the intelligibility of the information if the document is printed or photocopied in black/white.

(10) For remotely-concluded contracts, the provisions of par. (6) - (8) shall apply in cases where the customer has requested to communicate the conditions and contractual provisions in writing, on paper or on any durable medium available and accessible to the customer in good time, before the customer has obligations resulting from the signing of a remote contract or from the acceptance of a remote insurance offer.

Art. 47. – Information and Documents Provided to Customers or Potential Customers

(1) The information shall be provided by the insurance distributors, in Romanian language, under the conditions stipulated in art. 46.

(2) Before the conclusion of insurance contracts, the insurance distributors shall present to customers or potential clients documents containing at least the information provided for in annex no. 19.

(3) Distributors shall inform customers or potential customers of their right to request further information about the insurance contract.

Art. 48. – The Analysis of Requirements and Needs of Customers and the Assessment of their Adequacy

(1) The assessment of the requirements and needs of the customer or potential customer according to art. 14 par. (1) letter a) of the Law no. 236/2018 shall be requested prior to the provision of the consultancy if it is offered and covers at least the following:

a) personal data of the customers, without exceeding the purpose of processing these data;

b) the option of the customer or potential customer regarding:

(i) the provision of consultancy or not;

(ii) the type or range of insurance products;

c) other information in accordance with the legal provisions, in the case of insurance products whose conditions are regulated under the legislation in force.

(2) In addition to the information referred to in par. (1) and depending on the type of insurance product desired by the potential customer, relevant information is requested in order to identify the need for:

a) information on family status;

b) information on the customers' financial standing;

c) customers' financial objectives;

d) the information referred to in art. 27 par. (1) and (4) of the Law no. 236/2018.

(3) The document containing the information referred to in par. (1) and where appropriate, par. (2) as well as the analysis of customer requirements and needs by the insurance retailer shall be referred to as the "Customer Requirements and Needs Analysis Form", hereinafter referred to as DNT.

(4) The DNT shall be made prior to the presentation of insurance products and the proposal of a financial solution/conclusion of an insurance contract; one copy of the DNT shall be handed over to the potential contractor and the other is kept by the distributor.

(5) If the customer or potential customer chooses the non-provision of consultancy, it shall be warned that the distributor will not assess whether the contract corresponds to the DNT; the distributor is forbidden to influence the customer or potential customer in the sense of giving up the consultancy.

(6) The refusal of potential customers to provide the information provided for in par. (1) shall be documented by distributors; distributors shall warn the customers or potential customers of the impossibility of presenting them an insurance product.

(7) In the case of life insurance contracts which are part of the category of life insurance products provided under art. 3 par. (1) point 23 of the Law No. 236/2018, the distributors shall

comply with the legal provisions regarding the information request and the distribution of the insurance products according to the Delegated Regulation 2017/2359.

(8) Prior to the conclusion of the life insurance contract provided for in par.(6), distributors shall submit a draft contract, drawn up in duplicate and signed by both parties; one copy shall be handed over to the customer and the other one shall be retained by the distributor.

(9) The projection referred to in par. (8) includes information on the personal situation in accordance with par. (1) to the insurance contract such as type, duration, frequency of payment, as well as the following information:

- a) the evolution of the amount insured;
- b) the evolution of premiums paid;
- c) the evolution of the value of the account, for unit-linked policies or the evolution of the profit participation account for traditional policies;
- d) the evolution of the redemption value;
- e) the evolution of the reduced insured amount;
- f) administration costs, which will only be presented separately if the cost structure permits this;
- g) apart from the 0% efficiency scenario, the constant value of the units, the simultaneous presentation of two more performance scenarios of the efficiency of investment funds, one pessimistic and one optimistic;
- h) a disclaimer of responsibility for securing the evolution of the insurance contract according to the projected presentation, if there are no collaterals.

(10) The periodic communications referred to in art. 27 par. (10) letter a) of the Law no. 236/2018 shall be provided to contractors together with the following information:

- a) any modification of the information referred to in art. 47 and in this article;
- b) on each anniversary of the insurance contract, information on the status of the bonuses and the amounts representing the profit.

Art. 49. – The Granting of Consultancy

(1) Distributors may provide consultancy, after having performed the analysis of the requirements and needs of the customers referred to in art. 48 par. (1) and (2), depending on the

type of insurance products, the type of customer or potential customer and the type of intermediaries to which they belong.

(2) Without prejudice to art. 18 and art. 27 par (4) of the Law no. 236/2018, if the potential customers do not opt for the granting of consultancy in the DNT, the distributors shall be exempted from the provision of consultancy referred to in art. 14 par. (2) of the Law no. 236/2018, for the following products of insurance:

- a) civil liability insurance;
- b) compulsory home insurance;
- c) travel medical insurance for abroad;
- d) other types of insurances imposed by the legislation in force.

(3) The distributors found in the situations referred to in art. 13 par. (1) letter c) points (ii) and (iii) of the Law no. 236/2018 and who only provide an insurance product, even if it belongs to a single insurance class or it is offered by the distributor by a single insurer, may provide advice by personalizing the recommendation of that single product according to the DNT, assessing the suitability of the product.

CHAPTER VI

The Electronic Marketing of Insurance Contracts

Art. 50. - General Provisions

(1) The electronic marketing of insurance contracts shall be performed by the distributors referred to in par. (2) especially with respect to the provisions of art. 14, art. 15, art. 25 and art. 27 of the Law no. 236/2018 in the case of distribution of insurance-based investment products.

(2) The following entities may develop internally and/or may implement IT solutions through their own IT department:

- a) insurers authorized by the A.S.F., directly and/or through the entities that represent their own distribution channel according to art. 3 par. (3) letter b);
- b) the main intermediaries authorized/endorsed by the A.S.F.;
- c) insurers authorized in the Member States of the European Union operating in Romania under the right of establishment;
- d) insurance intermediaries authorized in the Member States of the European Union operating in Romania under the right of establishment.

(3) By way of exception to the provisions of par. (2), IT solutions may also be purchased from a software provider without the external provider performing implementation/management activities.

(4) The IT solutions through which insurance contracts are presented and/or marketed electronically contain at least the elements of presentation, content and security, as presented in let. A of annex no. 20.

(5) Depending on their destination, IT solutions shall be organized according to Letter. B of annex no. 20.

(6) The entities referred to in par. (2) using the online environment and e-commerce means shall have hired personnel or with contract of agent, affiliated agent, ancillary agent, assistant or ancillary assistant, as the case may be.

(7) The IT solutions defined in paragraph (3) - (5) shall be carried out in compliance with the requirements regarding the correct and transparent information of the customers, as detailed in annex no. 20 letter C.

(8) The electronic marketing carried out by the secondary intermediaries and by the non-registered intermediaries may only be carried out through the platforms of the entities referred to in par. (2).

Art. 51. – The Obligations of the Users

(1) Information technology users shall be responsible, when submitting the offer/concluding the insurance contract, for all errors, mistakes and omissions attributable to them, recorded from the use of the insurance service.

(2) Intermediaries as users of IT solutions who allow for the elaboration of comparative offers for at least two insurance contracts shall take into account at least the items of comparison listed in letter D of annex no. 20.

(3) Prior to the conclusion of an insurance contract, potential customers as users tick shall give an affidavit which would result in at least the following:

- a) that they are at least 18 years old;
- b) that they completed and understood the DNT;
- c) that the data and information provided are real at the time of completing the application.

(4) The thick window of the affidavit shall be closed, and the order or issuance of an insurance policy shall be processed provided that the requirements of par. (3) are met.

(5) For the validation of the data, the users of the electronic means of marketing of insurance contracts shall use any probationary means, and they are also obliged to register and store them for a period of at least one year in addition to the insured period.

(6) Offers which have as result the issuance of the insurance contract/policies by electronic means of marketing of insurance contracts shall be automatically recorded in the management and accounting software of the issuing entities referred to in art. 50 par. (2), secured by mechanisms to ensure non-repudiation of the record.

Art. 52. – The Provision of Solutions and/or Software Applications for the Marketing of Insurance Contracts

(1) The entities referred to in art. 50 par. (2) who conclude service contracts with dedicated solutions and/or software applications providers for the electronic marketing of insurance contracts shall ensure that they meet at least the following conditions:

a) have as object of activity at least the NACE code 6201 "Computer programming activities", software oriented towards the customer, or have an equivalent object of activity, if these solutions and/or software providers are legal entities from other Member States or third countries;

b) if they process personal data, they shall comply with the legal provisions regarding the processing of personal data.

(2) Services contracts concluded between the entities referred to in par. (1) and software and/or software application providers dedicated to the marketing of insurance contracts, shall produce effects and allow entities to have access to the electronic issuance of insurance contracts as long as those entities have the legal and/or contractual right to issue insurance contracts and not have been banned or suspended from the right to issue insurance contract following a decision issued by the A.S.F.

(3) In the case of services contracts concluded with dedicated solutions and/or software applications providers for the marketing of insurance contracts, access to the insurance contract issuing mode shall be based on secured credentials as follows:

a) in the case of insurers authorized by the A.S.F., to insurers authorized in the Member States of the European Union operating in Romania under the right of establishment only for the personnel carrying out the distribution business and the distributors holding an RAF code;

b) in the case of the main intermediaries authorized/approved by the A.S.F, insurance intermediaries authorized in the Member States of the European Union operating in Romania under the right of establishment only for the personnel employed that has an RAF code or for the personnel employed that has an RAF code of secondary intermediaries with whom they have concluded collaboration contracts.

Art. 53. – Persons with Right of Access

(1) The entities referred to in art. 50 par. (2) shall keep a secure record of the persons having access to the insurance contract application and, where appropriate, a record of the persons having access to the application for the issue of insurance policies by the solution and/or application provider dedicated to the marketing of insurance contracts containing at least the following data:

a) in the case of natural persons

(i) the surname, the name and the Personal Identification Number;

(ii) the RAF code;

(iii) the series and issue number of the continuing vocational training certificate;

b) in the case of legal persons

(i) the name of the second intermediaries;

(ii) the RAJ code;

(iii) the list of their own employees who have access to the application and whose data are included in letter a).

c) in the case of providers:

(i) the name of the provider of software solutions and/or applications;

(ii) the list of their own employees who have access to the application and whose data are included in letter a) point (i).

(2) The personnel responsible for the supervision, monitoring and/or control of the A.S.F. shall have access to the information in the records referred to in par. (1).

(3) The entities referred to in art. 50 par. (2) who conclude services contracts with the solutions and/or software application providers dedicated to the marketing of insurance contracts

shall be responsible for their compliance with the provisions of the present rule and of the A.S.F Rule. no. 4/2018 on the management of operational risks generated by IT systems used by authorized/endorsed/registered entities, regulated and/or supervised by the Financial Supervisory Authority.

CHAPTER VII

The Right of Establishment and the Right to Provide Services

SECTION 1

The Distribution Activity on the Territory of other Member States

Art. 54. – The Freedom to Provide Services

(1) Intermediaries or ancillary insurance intermediaries, registered with the A.S.F., intending to carry out the distribution business on the territory of other Member States according to art. 19 of the Law no. 236/2018, shall inform the A.S.F. and shall submit the documentation provided in model no. 1 of annex no. 21.

(2) Within 30 calendar days of receipt of the information and documentation referred to in par. (1), the A.S.F. shall inform the intermediaries or the ancillary insurance intermediaries according to art. 6 par. (4) of the Law no. 236/2018.

Art. 55. – The Right of Establishment

(1) The primary or secondary intermediary, natural or legal persons, registered with/authorized by the A.S.F., intending to carry out the activity on the territory of other Member States according to art. 21 of the Law no. 236/2018, shall inform the A.S.F. and shall submit the documentation provided in model no. 2 of annex no. 21.

(2) The A.S.F. may reject the request for extension of the business referred to in par. (1) if the main or secondary intermediaries do not have positive own funds at the date of the latest financial reporting transmitted to the A.S.F. prior to the notification.

(3) Within 30 calendar days of receipt of the information and documentation referred to in par. (1), the A.S.F. shall inform the intermediaries or the ancillary insurance intermediaries according to art. 6 par. (9) of the Law no. 236/2018.

Art. 56. – Reporting

Undertakings and main intermediaries shall report quarterly to the A.S.F. on the distribution business carried out on the territory of other Member States, according to annex no. 22; this reporting also includes the business carried out by the secondary intermediaries who have notified to the A.S.F. about the conduct of the distribution business on the territory of other Member States under their responsibility.

Art. 57. – Final Provisions

(1) Intermediaries or ancillary insurance intermediaries, registered with the A.S.F., intending to carry out distribution business on the territory of other Member States according to art. 54 and 55, after receiving the information provided in art. 54 par. (2) and art. 55 par. (2), shall verify on the EIOPA website the law of general interest applicable in the Member State(s) in which it intends to carry on its business; in this case, the intermediaries or ancillary insurance intermediaries shall comply with the applicable law in the Member State(s) concerned.

(2) The notification to the A.S.F. of the intention to carry out the distribution business on the territory of other Member States on the basis of the right of establishment or the freedom to provide services, as appropriate, by the secondary intermediaries, natural and legal persons, shall be accompanied by the agreement of the undertakings which registered them in the RIS and who have notified the A.S.F. for the conduct of the business under the right of establishment or the freedom to provide services in that Member State or States.

SECTION 2

The Distribution Business on the Territory of Romania

Art. 58. – The Right of Establishment

(1) The intermediaries and ancillary insurance intermediaries, authorized and/or registered in a Member State of the European Union, may carry out the distribution activity on the territory of Romania, under the right of establishment, with the prior notification of the competent authority in the home Member State.

(2) In the notification process, the intermediaries referred to in par. (1) shall transmit to the A.S.F. through the competent authority of the home Member State according to the

notification form provided in the BoS/18-340 EIOPA- Decision, the information requested by that competent authority.

(3) Within the notification process referred to in par. (2), the A.S.F. may request directly from the intermediary's authorized agent additional information on:

- a) the description of the organizational structure of the branch;
- b) the name, the qualification and the professional experience of the authorized agent, including the proof that it has no criminal record for offenses against the patrimony and no criminal record for offenses provided by the financial and fiscal legislation;
- c) any third parties with whom it shall collaborate, involved in distribution business and or other services, on the territory of Romania.

(4) Intermediaries authorized/registered with the A.S.F. may cooperate with the insurers who carry out distribution business, on the territory of Romania under the right of establishment, as follows:

- a) the main intermediaries may collect insurance premiums and may issue cover notes for the conclusion of insurance contracts following the agreement with those insurers;
- b) the agents, on the basis of agent contracts concluded with the insurers concerned, may only distribute the same classes of insurance for a single insurer;
- c) ancillary agents and affiliated agents may, based on contracts concluded with the authorized agent, may distribute insurance products provided that they act under the overall liability of insurers for the products of each insurer and, in the case of ancillary agents, the product being must be distributed in accordance with art. 2 par. (5);

(5) Assistants and ancillary assistants registered with the A.S.F. may collaborate on the basis of the conclusion of assistant or ancillary assistant contracts with the intermediaries who carry out distribution business on the territory of Romania under the right of establishment and who, in their home Member State act independently in a manner similar to the main intermediary as defined in art. 3 par. (1) point 15 of the Law no. 236/2018.

(6) The brokerage undertakings referred to in par. (4) and (5) cooperating with registered intermediaries shall comply with the provisions of Chapter II - Section 1 of this Rule.

(7) Intermediaries or ancillary insurance intermediaries who notify the intention to carry out business on Romanian territory under the right of establishment shall be the representatives of an undertaking already notified in order to carry out the business on the territory of Romania

under the right of establishment and must comply with the provisions of Chapter II - Section 1 of this Rule.

Art. 59. – The Freedom to Provide Services

(1) Intermediaries and ancillary insurance intermediaries, authorized and/or registered in a Member State, may carry out the distribution business on the territory of Romania, on the basis of the freedom to provide services, with prior notification to the competent authority of the home Member State.

(2) In the notification process, the intermediaries referred to in par. (1) and the undertakings shall transmit to the A.S.F. through the competent authority of the home Member State according to the notification form provided in the BoS/18-340 EIOPA Decision, the information requested by that competent authority.

(3) The main intermediaries may issue cover notes and/or collect insurance premiums for insurers carrying out insurance distribution business on the territory of Romania on the basis of the freedom to provide services, either directly or under the authority of the management agent, and only under the conditions of complying with art. 2 par. (1) point 13.

(4) The A.S.F. may also request from the management agent the documents and information necessary for the monitoring and supervision of the business carried out on the territory of Romania by the notified insurer through the freedom to provide services.

Art. 60. – Joint Provisions

(1) The intermediaries operating on the territory of Romania under this section shall transmit to the A.S.F. the information and documents necessary to verify their compliance with the applicable national law.

(2) An intermediary may only perform activities that have been included in the notification submitted by the competent authority of the home Member State.

CHAPTER VIII

The Permanent Supervision and Monitoring by the A.S.F.

Art. 61. – Activities and Tools of the A.S.F. regarding the Supervision and Monitoring of the Distributors

(1) The A.S.F. shall exercise a process of supervision, permanent monitoring and control of the business of insurance and/or reinsurance distributors.

(2) Permanent monitoring and supervision shall be carried out at the headquarters of the A.S.F. by its specialized structures through analysis and verification:

a) of the data in the reports and the periodic or annual information, established by law and by this standard;

b) of the documents and information requested by the A.S.F., of its own policies and internal distributors' procedures, including those relating to the assessment of current and potential risks in relation to customers or potential customer, the elements of which are described in Chapter IV;

c) of the data and information transmitted by undertakings for the purpose of determining by the A.S.F. the risk indicators, including the payment period and the settlement of claims files endorsed for insurers;

d) of documents and information that require prior approval of changes made by the main intermediaries;

e) of the compliance with the deadlines for submitting the reports, notifications, documents and information referred to in letters a) - c).

(3) The permanent supervision and monitoring through the A.S.F. structures referred to in par. (2) may also be performed by:

a) requesting additional data and information in thematic supervisory actions;

b) analysing the results obtained by the A.S.F. as a result of assessing the services and products offered to customers or potential customers by the mystery customer method;

c) analysis of the apprehensions made by integrity alarms of facts regarding potential violations of legal provisions, rules of conduct, professional ethics or principles of good administration, efficiency, effectiveness, economy and transparency.

(4) Following the preventive actions foreseen in par. (2) and (3), the A.S.F. may issue recommendations to distributors, in accordance with the provisions of art. 4 par. (41) of the Law no. 236/2018, in order to remedy any deficiencies found.

(5) In analysing the documents referred to in par. (2) letter b), the A.S.F. may, through specialized structures, request the distributors' management to provide explanations accompanied by supporting documents in order to clarify certain aspects of non-compliance with their own conduct policies on customer relations or the non-adoption or the inefficient adoption of measures to mitigate the risks associated with customers, in relation to a particular product, and/or a particular distribution channel or a specific activity, as the case may be.

(6) The A.S.F., through its specialized structures, shall perform regular and unexpected control activities at distributors' offices in accordance with the applicable regulations in force in order to verify the compliance and risk aspects of insurance distribution legislation, including their conduct in the relationship with customers.

Art. 62. – Measures Taken by the A.S.F.

(1) The results obtained by the A.S.F. following the analysis of the required information and data in the monitoring and supervisory process at the A.S.F. headquarters shall be communicated to the distributors in writing, together with the related measures, which are transposed into the distributor's own strategy and policies.

(2) The notification regarding the adoption of the measures referred to in par. (1) shall be transmitted to the A.S.F. within 90 days of the date of communication.

(3) The measures and/or sanctions ordered by the A.S.F. following regular or unexpected controls at the distributors' premises shall be communicated in accordance with the provisions of the applicable regulations in force.

Art. 63. – The Collaboration with Competent Authorities from the Member States

The A.S.F. shall send to the supervisor of the home Member State specific information appropriate to the exercise of the supervisory process, which may relate to:

- a) the standards of professional conduct;
- b) inappropriate commercial practices;
- c) natural persons who are part of the intermediary's management;
- d) complaints received from contractors, beneficiaries or third parties concerned.

CHAPTER IX

Temporary and Final Provisions

Art. 64. – The Transition Period

(1) Credit institutions and investment firms shall transmit the notification referred to in art. 33 par. (3) of the Law no. 236/2018 to undertakings and brokerage undertakings with which they collaborate, as the case may be.

(2) In case they do not opt for the quality of main intermediary, the entities stipulated in par. (1) shall be directly classified as affiliated agents.

(3) The responsibility for making the changes referred to in par (2) in their own registers, in all the specific documents and in the Register of the A.S.F, falls to the undertakings and the brokerage undertakings that made their registration.

Art. 65. – Final Provisions

(1) The advertising activities of the intermediaries shall be carried out in compliance with the legal provisions in order to protect the public interest.

(2) Wherever the term "main office" is used in the content of this rule, it is understood both the registered office where the intermediaries are currently operating at that location but also another location in which the intermediaries are principally engaged in the business and which may be different from the registered office.

(3) In the event that the A.S.F. ascertains the violation of the provisions of par. (1) by the intermediaries, the A.S.F. shall request for the immediate cessation of these practices, or otherwise:

- a) shall apply the sanctions provided by the legislation in force;
- b) shall inform the competent authority of the home Member State if the intermediaries operate in accordance with the provisions of Chapter IV, Section 2.

(4) The main intermediaries legal entities, authorized or endorsed as appropriate, and secondary intermediaries, legal entities, shall display, at all offices, in a visible place, copies of the registration certificate issued by the C.S.A./A.S.F. or of the registration certificate issued by the undertakings or by the main intermediaries, for the secondary intermediaries, after the registration in the register referred to in art. 5.

(5) For the purpose of certifying that the data contained in the reports referred to in art. 30-32 and the date on which they were transmitted and uploaded electronically are accurate and complete, undertakings, brokerage undertakings, credit institutions, and investment firms shall transmit to the A.S.F. a written letter, signed by handwriting or by extended electronic signature by one of the members of the executive management, complying with the relevant reporting deadline.

(6) The equivalent collateral referred to in art. 11 par. (1) - (3) of the Law no. 236/2018 shall be the collateral defined in Title VIII, Chapter I, Section 3, subsection 3, point 8 par. (1) - (4) of the Methodological Rules for the application of the Law no. 227/2015 regarding the Fiscal Code, approved by the Government Decision no. 1/2016, as amended and supplemented.

(7) The persons with residence, domicile or citizenship in another Member State who intend to carry out the distribution business on the territory of Romania, shall comply with the requirements similar to those provided for in art. 10 par. (2) of the Law no. 236/2018 and in the legal provisions in force regarding the professional training.

(8) The documents and information provided for in this Rule shall be transmitted in Romanian language, and for the documents issued in an international language, a certified copy shall be sent to the country of origin, together with the legalized translation.

(9) The A.S.F. shall publish, at least once a year, in the Official Gazette of Romania, Part I, as well as in a large circulation publication, the updated list of the main intermediaries authorized or approved to carry out the distribution business and other information deemed necessary in the the enforcement of the legal provisions, observing the provisions of art. 32 par. (3) of the Law no. 236/2018.

(10) The decision to authorize or endorse, to suspend, to prohibit and to withdraw the authorization or the endorsement of the main intermediaries, as the case may be, shall be published in the Official Gazette of Romania, Part I and shall take effect from the date of publication.

(11) The distributors shall inform the customers of their obligations, as stated in the legal provisions.

(12) The information recorded in the Register of Insurers-Reinsurers and in the Register of Insurance and/or Reinsurance Brokers according to the legislation in force prior to the date of

entry into force of the present norm is to be found in the new registers according to the provisions of the present Rule.

(13) Distributors use personal data, including sensitive health data or the history reported in relation to the risk insured, for the purpose of issuing and administering insurance contracts or handling claims files in compliance with the legislation on the processing of personal data and the free movement of such data.

(14) Annexes no. 1-22 shall form an integral part of this Rule.

(15) The non-observance of the provisions of the present Rule shall be sanctioned by the A.S.F. according to the provisions of art. 28 of the Law no. 236/2018.

Art. 66. – The Entry into Force and Repeals

(1) This Rule shall be published in the Official Gazette of Romania, Part I, and shall enter into force on the date of its publication.

(2) On the date of entry into force of the present Rule, the following normative acts shall be repealed:

a) The Order of the President of the Insurance Supervisory Commission no. 10/2007 for the Implementation of the Rules regarding the Register of Insurance and/or Reinsurance Intermediaries, published in the Official Gazette of Romania, Part I no. 553 of 14 August 2007, as subsequently amended and completed;

b) The Order of the President of the Insurance Supervisory Commission no. 10/2007 for the Implementation of the Rules regarding the form and content of the financial and technical reports that insurance brokers and/or reinsurance brokers must prepare, published in the Official Gazette of Romania, Part I no. 171 of 19 March 2009, as subsequently amended;

c) The Order of the President of the Insurance Supervisory Commission no. 15/2009 for the Implementation of the Rules on the right of establishment and the freedom to provide services on the territory of Romania by the insurance/reinsurance intermediaries, authorized and/or registered by a competent authority of a Member State of the European Union, published in Official Gazette of Romania, Part I, no. 569 of 14 August 2009;

d) The Order of the President of the Insurance Supervisory Commission no. 23/2009 for the Implementation of the Rules on information that insurers and insurance intermediaries must provide to customers, as well as other elements that the insurance contract must contain,

published in the Official Gazette of Romania, Part I no. 908 of 23 December 2009, as subsequently amended and completed;

e) The Rule of the Financial Supervisory Authority no. 9/2015 regarding the authorization and functioning of the insurance and/or reinsurance brokers, published in the Official Gazette of Romania, Part I no. 268 of 22 April 2015;

f) The Rule of the Financial Supervisory Authority no.15/2015 on the electronic marketing of insurance contracts, published in the Official Gazette of Romania, Part I no. 641 of 24 August 2015;

g) The Rule of the Financial Supervisory Authority no. 29/2015 on the Register of Insurers-Reinsurers and the Register of Insurance and/or Reinsurance Brokers, published in the Official Gazette of Romania, Part I, no. 974 of 29 December 2015.

The President of the Financial Supervisory Authority

Leonardo Badea

Bucharest, 29 November 2018

No. 19

A – The Registers of Undertakings and the Registers of Secondary Intermediaries representing the Undertakings**Model no. 1 – The Register of Agents**

In order to ensure transparency, the insurers shall publish on their own websites the following information regarding their own distribution channel:

I. Agents and Ancillary Agents, natural persons

RAF Code	Category of intermediary ¹	Surname and name	Taxpayer registration code ²	Classes of insurance distributed	Date of registration in the insurer's register	Date of erasure from the insurer's register
1	2	3	4	5	6	7

¹To be filled in with agent or ancillary agent

² To be filled in with the Taxpayer identification number (CIF) by persons performing economic activities according to the G.E.O. no. 44/2008 on carrying out economic activities by authorized natural persons, individual partnerships and family partnerships, approved with amendments and completions by the Law no. 182/2016 and by persons who are registered with the public finance administrations as natural persons exercising activities independently

II. Agents, affiliates and ancillary agents, legal persons

RAJ code	Category of intermediary ¹	Name of the legal person	Unique Registration Code	Date of registration in the register	Surname and name of the manager of the distribution business (1)	Surname and name of the manager of the distribution business (2)	Classes of insurance distributed	Date of erasure from the insurer's register
1	2	3	4	5	6	7	8	9

¹ To be filled in with agent, affiliated agent or ancillary agent

III. The Personnel involved in distribution within the agents, affiliated agents and ancillary agents, legal persons

RAJ code	Name of the legal person	Surname and name of the manager of the distribution business	Surname and name of the employee ¹	RAF code
1	2	3	4	5

¹ To be filled in with subagent, affiliated subagent or ancillary subagent

IV. The person/persons within the insurer, with attributions according to art. 4 par. (12) and (13) of the Rule no. 19/2018 issued by the Financial Supervisory Authority on the distribution of insurance

Surname and name	Position held	Commencement date of the business	Cessation date of the business	Observations
1	2	3	4	5

Model no. 2 – The Register of Agents

For the uploading to RIS, insurers shall electronically transmit the following information:

I. Agents and Ancillary Agents, natural persons

Surname and name	Taxpayer registration code ¹	Personal Identification Number ²	Classes of insurance distributed	Date of registration in the insurer's	Date of erasure from the insurer's	Studies	Observations
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				register	register		
1	2	3	4	5	6	7	8

¹ To be filled in with the Taxpayer identification number (CIF) by persons performing economic activities according to the G.E.O. no. 44/2008 and by persons who are registered with the public finance administrations as natural persons exercising activities independently

² To be filled in by natural persons other than those carrying out economic activities according to the G.E.O. no. 44/2008 and by persons who are registered with the public finance administrations as natural persons exercising activities independently

II. Agents, legal persons

Name of the legal person	Unique registration Code	Classes of insurance distributed	Date of registration in the insurer's register	Date of erasure from the insurer's register	Observations
1	2	3	4	5	6

III. Affiliated agents and ancillary agents, legal persons

Category of intermediary ¹	Name of the legal person	Unique registration Code	Date of registration in the register	Surname and name of the manager of the distribution business (1)	Surname and name of the manager of the distribution business (2)	Classes of insurance distributed	Date of erasure from the insurer's register	Observations
1	2	3	4	5	6	7	8	9

¹ To be filled in with affiliated agent or ancillary agent

IV. The Personnel involved in distribution within the agents, affiliated agents and ancillary agents, legal persons

RAJ code	Name of the legal person	Date of registration of the LP in the insurer's register	RAF code	Surnames and names of the employees	Personal Identification Number (CNP)	Category of employee ¹	Classes of insurance distributed	Date of erasure of the LP from the insurer's register	Observations
1	2	3	4	5	6	7	8	9	10

¹ To be filled in with agent manager/affiliated agent manager/ancillary agent manager, or subagent/affiliated subagent/ancillary subagent

V. The person/persons within the insurer, with attributions according to art. 4 par. (12) and (13) of the Rule no. 19/2018 issued by the Financial Supervisory Authority on the distribution of insurance

Surname and name	Personal Identification Number	Position held	Commencement date of the business	Cessation date of the business	Observations
1	2	3	4	5	6

Model no. 3 – Own Registers of Agents, Affiliated Agents and Ancillary Agents, legal persons

I. In order to ensure transparency, they shall publish the following information/make available to the public the following information on their websites:

RAJ code	Name of the legal person	Date of registration of the LP in the insurer's register	RAF code of the employees	Surnames and names of the employees	Classes of insurance distributed	Date of erasure of the LP from the insurer's register
1	2	3	4	5	6	7

¹ To be filled in with manager, subagent, affiliated subagent or ancillary subagent

II. For the uploading to insurers' registers, they shall transmit the following information to the insurer/insurers:

RAJ code	Name of the legal person	Date of registration of the LP in the insurer's register	RAF code	Surnames and names of the employees	Personal Identification Number (CNP)	Category of employee ¹	Classes of insurance distributed	Date of erasure of the LP from the insurer's register	Observations
1	2	3	4	5	6	7	8	9	10

¹ To be filled in with manager, subagent, affiliated subagent or ancillary subagent

B. The registers of the main intermediaries with the secondary intermediaries and the registers of the secondary intermediaries representing the main intermediaries

Model no. 1 – The Assistants’ Log (JA)

In order to ensure transparency, the main intermediaries shall publish on their own websites the following information:

I. Assistants and ancillary assistants, natural persons

RAF Code	Category of intermediary ¹	Surname and name	Taxpayer registration code ²	Date of registration in the JA	Date of erasure from the JA
1	2	3	4	5	6

¹To be filled in with assistant or ancillary assistant

² To be filled in with the Taxpayer identification number (CIF) by persons performing economic activities according to the G.E.O. no. 44/2008 on carrying out economic activities by authorized natural persons, individual partnerships and family partnerships, approved with amendments and completions by the Law no. 182/2016 and by persons who are registered with the public finance administrations as natural persons exercising activities independently

II. Assistants and ancillary assistants, legal persons

RAJ code	Category of intermediary ¹	Name of the legal person	Unique Registration Code	Surname and name of the manager of the distribution business (1)	Surname and name of the manager of the distribution business (2)	Date of registration in the JA	Date of erasure from the JA
1	2	3	4	5	6	7	8

¹ To be filled in with assistant or ancillary assistant, legal person

III. The Personnel involved in distribution within the assistants and ancillary assistants, legal persons

RAJ code	Name of the legal person	Surname and name of the manager of the distribution business	Surname and name of the employee ¹	RAF code
1	2	3	4	5

¹ To be filled in with sub-assistant or ancillary sub-assistant

Model no. 2 – The Assistants’ Log

For the uploading to RIS, main intermediaries shall electronically transmit the following information:

I. Assistants and ancillary assistants, natural persons

RAF	Category of intermediary ¹	Surname and name	Taxpayer registration code ²	Personal Identification Number ³	Date of registration in the JA	Date of erasure from the JA	Studies	Observations
1	2	3	4	5	6	7	8	9

¹ To be filled in with assistant or ancillary assistant

² To be filled in with the Taxpayer identification number (CIF) by persons performing economic activities according to the G.E.O. no. 44/2008 on carrying out economic activities by authorized natural persons, individual partnerships and family partnerships, approved with amendments and completions by the Law no. 182/2016 and by persons who are registered with the public finance administrations as natural persons exercising activities independently

³ To be filled in by natural persons other than those carrying out economic activities according to the G.E.O. no. 44/2008 and by persons who are registered with the public finance administrations as natural persons exercising activities independently

II. Assistants and ancillary assistants, legal persons

RAJ Code	Category of intermediary ¹	Name of the legal person	Unique Registration	Surname and name of the	Surname and name of the	Date of registration	Date of erasure	Observations
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			Code	manager of the distribution business (1)	manager of the distribution business (2)	in the JA	from the JA	
1	2	3	4	5	6	7	8	9

¹ To be filled in with assistant or ancillary assistant

III. The Personnel involved in distribution within the assistants and ancillary assistants, legal persons

RAJ Code	Name of the legal person	Date of registration of the LP in the register of the brokerage undertaking	Category of employee ¹	RAF Code	Surname and name of the employee	Personal Identification Number (CNP)	Studies	Date of erasure of the LP from the register of the brokerage undertaking	Observations
1	2	3	4	5	6	7	8	9	10

¹ To be filled in with manager, sub-assistant or ancillary sub-assistant

Model no. 3 – Own registers of assistants and ancillary assistants, legal persons

I. In order to ensure transparency, they shall publish the following information/make available to the public the following information on their websites:

RAJ code	Name of the legal person	Date of registration of the LP in the register of the brokerage undertakings	RAF Code	Surname and name of the employee	Date of erasure from the register of the brokerage undertaking
1	2	3	4	5	6

II. For the uploading to the registers of the main intermediaries, they shall transmit the following information:

RAJ code	Name of the legal person	Date of registration of the LP in the register of the brokerage undertakings	Category of employee ¹	RAF Code	Surname and name of the employee	Personal Identification Number (CNP)	Studies	Date of erasure from the register of the brokerage undertaking	Observations
1	2	3	4	5	6	7	8	9	10

¹ To be filled in with manager, sub-assistant or ancillary sub-assistant

**The structure and data contained in the Registry of the main intermediaries administered by the Financial Supervisory Authority
(A.S.F.) and the registries of the main intermediaries**

A. The RSO and the RIP – Undertakings and brokerage undertakings

- a) the number and date of registration in the RSO or the RIP, as the case may be;
- b) the name of the undertakings or brokerage undertakings, accompanied by the legal form;
- c) the address of the registered office, the main office, if any, and the lucrative points;
- d) the unique registration code assigned by the Ministry of Public Finance;
- e) the core regarding the identifier of the legal person - RON code, in case of the undertakings
- f) the Trade Register registration number;
- g) date and number of the operating permit issued by the A.S.F./Insurance Supervisory Commission;
- h) the classes of insurance authorized in the case of undertakings;
- g) the surnames and names of the natural persons approved by the A.S.F. within the executive management of the brokerage undertaking;
- h) the extension of the business on the territory of the Member States on the basis of the right of establishment and/or the freedom to provide services, including the date of commencement and cessation of business in those Member States;
- i) the date of erasure from section A;
- j) observations¹;
- k) other relevant information.

¹ to be specified as follows:

- a) for undertakings: the temporary or permanent situations of restriction, in whole or in part, of the exercise of the insurance and/or reinsurance business for one or more classes of insurance, the situations of withdrawal, total or partial for one or more classes of insurance, of the operating permit, financial recovery, liquidation, bankruptcy, merger, division, and other similar situations;
- b) for brokerage undertakings, the temporary or permanent restriction of business, withdrawal of the operating permit, liquidation, bankruptcy, merger, division, and other similar situations.

B. RIP – Credit institutions and investment firms

- a) the number and the date of the registration in the RIP;
- b) the name of the entities, accompanied by the legal form;
- c) the address of the registered office, the main office, if any, and the lucrative points;
- d) the unique registration code assigned by the Ministry of Public Finance;
- e) the core regarding the identifier of the legal person - RON code;
- f) the Trade Register registration number;
- g) the date and the number of the endorsement regarding the distribution business as main intermediary, issued by the A.S.F.;
- h) the surname and name of the persons with managerial tasks for the distribution business, approved by A.S.F.;
- i) the extension of the business on the territory of the Member States on the basis of the right of establishment and/or the freedom to provide services, including the date of commencement and cessation of business in those Member States;
- j) the date of erasure from section A;
- k) observations, the section indicating the temporary or permanent restriction of the business, the withdrawal of the endorsement, the liquidation of the entity, the bankruptcy of the entity, merger, division and other similar situations;
- l) other relevant information.

C. RBA – The Register of Insurance Brokers

I. In order to ensure transparency, brokerage undertakings shall publish on their own website the following information from their own personal register:

RAF code	Surname and name	Position held ¹	Date of registration in the register of the brokerage undertaking	Date of erasure from the register of the brokerage undertaking
1	2	3	4	5

¹ To be filled in with insurance broker or executive manager

II. For the uploading to the RIS, brokerage undertakings shall electronically transmit to the A.S.F. the following information:

RAF code	Surname and name	Personal Identification Number (CNP)	Position held ¹	Date of registration in the register of the brokerage undertaking	Date of erasure from the register of the brokerage undertaking	Studies	Observations
1	2	3	4	5	6	7	8

¹ To be filled in with insurance broker or executive manager

D. RPP – The Register of the Own Personnel of Credit Institutions and Investment Firms

I. In order to ensure transparency, credit institutions and investment firms shall publish on their own website the following information from the register of their own personnel:

RAF code	Surname and name	Position held ¹	Date of registration in the entity's register	Date of erasure from the entity's register
1	2	3	4	5

¹ Se completează cu conducător executiv sau angajat propriu implicat în activitatea de distribuție

II. For the uploading to the RIS, credit institutions and investment firms shall electronically transmit the following information:

RAF code	Surname and name	Personal Identification Number (CNP)	Position held ¹	Name of the entity ²	Date of registration in the entity's register	Date of erasure from the entity's register	Observations
1	2	3	4	5	6	7	8

¹ To be filled in with executive manager or own employee involved in the distribution business

² To be filled in with the name of the credit institution or investment firm

The Issuance of Registration Certificates for Natural Persons

Model no. 1 - The information contained in the registration certificate according to the data entered in the Agents' Register for agents or ancillary agents, natural persons

1. the full trade name of the insurer;
2. the category of intermediary for which the certificate is issued¹;
3. the RAF code;
4. the date of issuance of the certificate;
5. the signature of the insurer's executive management;
6. the specification "this certificate was issued in accordance with the provisions of the Rule no. 19/2018 issued by the Financial Supervisory Authority on insurance distribution».

¹ To be filled in with agent or ancillary agent, natural person

Model no. 2 - The information contained in the registration certificate according to the data entered in the Agents' Register for agent managers, affiliated agent managers or ancillary agent managers, subagents, affiliated subagent and ancillary subagents

1. the full trade name of the insurer;
2. the category of intermediary issuing the certificate ¹;
3. the surname and name of the employee;
4. the name of the employee²;
5. the RAF code;
6. the date of issuance of the certificate;
7. the signature of the insurer's executive management;
8. the specification "this certificate was issued in accordance with the provisions of the Rule no. 19/2018 issued by the Financial Supervisory Authority on insurance distribution ».

¹ To be filled in with agent, affiliated agent or ancillary agent, legal person

² To be filled in with manager, subagent, affiliated subagent or ancillary subagent

Model no. 3 - The information contained in the registration certificate according to the data entered in the own register of the main intermediaries, managers of main intermediaries, insurance brokers, own personnel, assistants and ancillary assistants, as the case may be

1. the full trade name of the main intermediary;
2. the category of intermediary issuing the certificate ¹;
3. the category of intermediary for which the certificate is issued ²
3. the surname and name of the employee ³;
4. the name of the employee⁴;
5. the RAF code;
6. the date of issuance of the certificate;
7. the signature of the brokerage undertaking's executive management;
8. the specification "this certificate was issued in accordance with the provisions of the Rule no. 19/2018 issued by the Financial Supervisory Authority on insurance distribution ».

¹ To be filled in with brokerage undertaking, credit institution or investment firm;

² To be filled in with assistant or ancillary assistant, natural person, if the registration certificate was issued for them;

³ To be filled in if the certificate was issued for their own employees;

⁴ To be filled in with insurance broker or manager if the certificate was issued for their own employees.

Model no. 4 - The information contained in the registration certificate according to the data entered in the own register of the main intermediaries, for assistant managers and ancillary assistant managers, legal persons, sub-assistants and ancillary sub-assistants

1. the full trade name of the main intermediary;
2. the category of intermediary issuing the certificate ¹;
3. the category of intermediary for which the certificate is issued ²
4. the surname and name of the employee ³;
5. the name of the employee⁴;
6. the RAF code;
7. the date of issuance of the certificate;

8. the signature of the main intermediary's executive management;
9. the specification "this certificate was issued in accordance with the provisions of the Rule no. 19/2018 issued by the Financial Supervisory Authority on insurance distribution ».

¹ To be filled in with brokerage undertaking, credit institution or investment firm;

² To be filled in with assistant or ancillary assistant, natural person, if the registration certificate was issued for them;

³ To be filled in if the certificate was issued for their own employees;

⁴ To be filled in with the insurance broker or manager if the certificate was issued for their own employees.

The Issuance of Certificates^{*)} of Registration for Legal Persons

Model no. 1 - The information contained in the registration certificate according to the data entered in the RA

1. the full trade name of the insurer;
2. the category of intermediary for which the certificate is issued;
3. the name of the legal person for which the certificate is issued;
4. the registered office of the legal person for which the certificate is issued;
5. the taxpayer identification code;
6. the RAJ code;
7. the date of issuance of the certificate;
8. the signature of the insurer's executive management;
9. the specification "this certificate was issued in accordance with the provisions of the Rule no. 19/2018 issued by the Financial Supervisory Authority on insurance distribution».

¹ To be filled in with agent or ancillary agent, legal person

Model no. 2 - The information contained in the registration certificate according to the data entered in the JA

1. the full trade name of the main intermediary;
2. the category of intermediary issuing the certificate¹;
3. the category of intermediary for which the certificate is issued²
4. the name of the legal person for which the certificate is issued;
5. the registered office of the legal person for which the certificate is issued;
6. the taxpayer identification code;
7. the RAJ code;
8. the date of issuance of the certificate;
9. the signature of the executive management of the brokerage undertaking;
10. the specification "this certificate was issued in accordance with the provisions of the Rule no. 19/2018 issued by the Financial Supervisory Authority.

¹ To be filled in with brokerage undertaking, credit institution or investment firm .

² To be filled in with assistant or ancillary assistant, legal person.

^{*)} In order to ensure the existence of a unique format of certificates, the standard format shall be released to the undertakings and main intermediaries on electronic support by the Financial Supervisory Authority.

The Documentation Required for the Registration of Secondary Intermediaries

Model no. 1 – Natural Persons

A – The Documentation for Agent or Assistant:

1. copy of the identity document, certified by the holder by handwritten signature for conformity with the original;
2. registration certificate with the National Trade Register Office;
3. the object of activity of the authorized natural person, the individual enterprise or the family enterprise is the one stipulated in art. 14 par. (1) letter b) of the Rule no. 19/2018 issued by the Financial Supervisory Authority on the distribution of insurance,
4. copy of the baccalaureate diploma, certified by the owner by handwritten signature for conformity with the original;
5. certificates of criminal and fiscal records, within the legal validity period, in original;
6. copy of the civil liability insurance contract or the proof of the equivalent collateral according to art. 14 par. (1) letter d) of the Rule no. 19/2018 issued by the Financial Supervision Authority;
7. documents regarding the establishment of collateral according to art. 29 par. (10) of the Rule no. 19/2018 of the Financial Supervisory Authority;
8. affidavit, according to model no. 3; proof regarding the professional training according to the legal provisions on the insurance professional training of insurance distributors.

B – The Documentation for Ancillary Insurance Agent or Ancillary Assistant:

1. the documents referred to in letter A, except for point 3;
2. the document certifying that the object of activity of the self-employed person, the individual enterprise or the family enterprise is the distribution business;
3. copy of the civil liability insurance contract according to art. 14 par. (1) letter d) of the Rule no. 19/2018 issued by the Financial Supervision Authority.

C – Special provisions for the conduct of the distribution business where natural persons carry out economic activities according to the G.E.O. no. 44/2008 on the carrying out of

economic activities by self-employed persons, individual enterprises and family enterprises, approved with amendments and completions by the Law no. 182/2016

1. The Self-Employed Person (PFA)

a) the PFA holder may not cumulate the status of self-employed persons with that of a third party employee operating both in the same field and in a different economic activity than the one for which the PFA is authorized.

b) The PFA shall carry out the distribution business for which it is registered in the RIS on its own behalf but may employ up to 3 persons as an employer with an individual labour contract, concluded and registered under the law, for carrying out the support or management activities or other activities outside the distribution business.

2. The Enterprising as Natural Person, Holder of the Individual Enterprise

a) the enterprising as natural person, holder of an individual enterprise, may not also cumulate the status of self-employed persons with that of a third party employee operating both in the same field and in a different economic activity than the one for which the individual enterprise was organized,

b) The enterprising as natural person shall carry out the distribution business for which it is registered in the RIS on its own behalf but may employ up to 8 persons as an employer with an individual labour contract, concluded and registered under the law, for carrying out the support or management activities or other activities outside the distribution business.

c) in the event of the death of the owner of the individual enterprise, the heirs may not continue the distribution business for which the individual enterprise has been registered in the RIS; the continuation of the business shall be carried out after obtaining the secondary intermediary status for the new holder of the enterprise under the conditions mentioned in art. 14 of the Rule no. 19/2018 issued by the Financial Supervisory Authority.

3. The Family Enterprise

a) the members of a family enterprise may not simultaneously be PFAs or holders of individual enterprises and may not also cumulate the status of employee of a third person operating both in the same field and in another field of economic activity than the one in which the family enterprise was organized.

b) the representative appointed by the Articles of Incorporation of the family enterprise shall carry out the distribution business and shall be registered in the RIS in its own name; other

family members shall carry out support or management activities or other activities except for the distribution business.

Model no. 2 – Legal Persons

A. The Documentation for the Agent:

1. a copy of the Articles of Incorporation according to art. 15 par. (1) letter a) and b) of the Rule no. 19/2018 issued by the Financial Supervisory Authority;

2. a certificate of good standing issued no later than 30 days before the date of request by the registry of the trade register within the territory in which it has its registered office;

3. copy of the civil liability insurance contract or the proof of the equivalent collateral according to art. 15 par. (1) letter c) of the Rule no. 19/2018 issued by the Financial Supervision Authority;

4. the affidavit of the director, according to model no. 4, which also shall also include the list of significant direct and indirect associates/shareholders as well as the value of the shares held by each of them, according to art. 9 par. (3) of the Law no. 236/2018 regarding the distribution of insurance;

5. fiscal records, criminal records, and curriculum/curricula vitae of the person/persons part of the executive management;

6. the list of subagents, accompanied by copies of their labour contracts and their criminal and fiscal records;

7. the proof of the executive manager's professional experience in insurance;

8. the proof of professional training of the manager and subagents according to the legal provisions in force regarding the insurance professional training of the distributors of insurance;

9. documents proving the financial standing according to art. 29 par. (9);

10. a copy of the ownership document of the registered office or of the rental agreement, registered with the territorial financial administration, as the case may be, or the bailment agreement.

B. The Documentation for Affiliated Agent, Ancillary Agent or Ancillary Assistant:

1. a copy of the Articles of Incorporation according to art. 16 par. (1), letters a) and b) of the Rule no. 19/2018 issued by the Financial Supervisory Authority;

2. a copy of the operating permit issued by the National Bank of Romania or by the A.S.F. in the case of affiliated agents;

3. a copy of the civil professional liability insurance contract or the proof of the equivalent collateral according to art. 14 par. (1) letter c) of the Rule no. 19/2018 issued by the Financial Supervisory Authority, for affiliated agents or a copy of the civil professional liability insurance contract or proof of the equivalent collateral according to art. 14 par. (2) of the Rule no. 19/2018 of the Financial Supervisory Authority, for ancillary insurance intermediaries;

4. the statement of the administration, management or control body according to the provisions of the Company Law no. 31/1990 republished, with the subsequent amendments and completions, certified according to the law or authenticated by a notary public, according to model no. 4, which shall also include the list of significant direct and indirect associates/shareholders as well as the value of the shares held by each of them, according to art. 9 par. (3) of the Law no. 236/2018;

5. criminal record(s) and curriculum/curricula vitae(s) of the person(s) part of the executive management;

6. the list of affiliated subagents, ancillary subagents or ancillary sub-assistant, as the case may be;

7. the proof of the executive manager's professional experience in insurance;

8. the proof regarding the professional training of the executive management and affiliated subagents, ancillary sub-gents or ancillary assistants, as applicable, in accordance with the legal provisions in force.

C. The Documentation for Assistant

1. a copy of the Articles of Incorporation according to art. 17 par. (1), letters a) and b) of the Rule no. 19/2018 issued by the Financial Supervisory Authority;

2. the documents referred to in letter A points 2-5 and 7.

3. the list of sub-assistants, accompanied by copies of their labour contracts and their criminal and fiscal records;

4. the proof regarding the professional training of the executive management and sub-assistants, according to the legal provisions in force.

Model no. 3 – The Statement of the Natural Person Conducting Economic Activities according to the G.E.O. no. 44/2008

I, the undersigned,. (surname and name), proposed for/having the quality of¹
..... at (the name of the entity²), declare that:

- the undersigned. I am bound in shares or control or I am by any means permanently bound through a control relationship with the following natural or legal persons (specifically undertakings and/or any category of intermediary of this rule):

.....
.....

- the abovementioned linkages do not prevent the Financial Supervisory Authority from actually exercising the supervisory process;
- I have not previously been declared bankrupt and have not been the subject of a judicial and/or bankruptcy reorganization procedure at the time of the request for registration.

I, the undersigned,, knowing the provisions of the Criminal Code on the misrepresentation of facts, declare under my sole responsibility that all the information is complete and in conformity with reality and that there are no other relevant facts to be brought to the attention of the Financial Supervisory Authority.

Date.

Signature

¹ To be filled in with agent, ancillary agent, assistant or ancillary assistant, as the case may be

² To be filled in with the name of the undertaking or brokerage undertaking for which it distributes/is to distribute, as the case may be

Model no. 4 – The Statement of the Legal Person

I, the undersigned. (surname and name¹), representative of (the name of the entity²), as shareholder/associate of the undertaking (the name of the entity²), declare that:

- the undertaking (the name of the entity²) has as significant direct and indirect shareholders or associates the following natural and/or legal persons³:

-
-
-
-
- the undertaking. (the name of the entity²) is bound in shares or control or is by any means permanently bound through a control relationship with the following natural or legal persons ⁴:

-
-
- the abovementioned shares or linkages do not prevent the Financial Supervisory Authority from actually exercising the supervisory process;
 - the undertaking (the name of the entity ²) has not previously been declared bankrupt and have not been the subject of a judicial and/or bankruptcy reorganization procedure at the time of the request for registration.

I, the undersigned,, knowing the provisions of the Penal Code on the misrepresentation of facts, declare under my sole responsibility that all the information is complete and in conformity with reality and that there are no other relevant facts to be brought to the attention of the Financial Supervisory Authority.

Date

Signature

¹ To be filled in with the name of the representative, natural person

² To be filled in with the name of the entity

³ To be filled in with significant direct and indirect shareholders or associates, natural and/or legal persons, legal person

⁴ To be filled in with the shares corresponding to each significant shareholder/associate

The Documentation Needed for the Authorization of a Brokerage Undertaking

Model no. 1 – The Authorization File

A. General Documentation

1. Application for obtaining the operating permit, according to model no. 2;
2. Copies of the documents attesting to the incorporation of the legal person, respectively:
 - a) the Articles of Incorporation with a certified date obtained by means of the submission with the ONRC where the main activity object is provided for according to art. 19 par. (3) of the Rule no. 19/2018 issued by the Financial Supervisory Authority regarding the distribution of insurance and whether it intends to carry out a business according to art. 19 par. (3) letters a) -e) of the Rule no. 19/2018 issued by the Financial Supervisory Authority;
 - b) the registration certificate issued by the ONRC;
 - c) the certificate of good standing containing the identification data of the legal person;
3. The copy of the payment order and of the statement of account certifying the existence of the fully paid-up share capital at the date of application for the operating permit, under the conditions and within the limits set in Art. 19 par. (1) letter b) of the Rule no. 19/2018 issued by the Financial Supervisory Authority;
4. Documents proving the source of the funds transferred for the constitution of the share capital and explanations regarding the financing mechanism; the funds used in order to participate in the capital or for any subsequent financial operation shall be transferred through credit institutions or financial institutions subject to supervision by the competent authorities of the Member States or third countries considered as having equivalent systems to those in the European Union against money laundering and terrorist financing;
5. The organizational structure, the organization and functioning regulations, specifying the responsibilities and limits of competence for executive managers, directors and personnel responsible for the distribution of insurance;
6. The copy of the document attesting the payment of the authorization fee in the account of the Financial Supervisory Authority (A.S.F.);
7. The copy of the professional civil liability insurance contract or the proof of the existence of an equivalent collateral, in compliance with the provisions of art. 11 par. (1) - (3) of the Law no. 236/2018 regarding the distribution of insurance, according to model no. 3;

8. The copy of the ownership document of the registered office or of the rental contract, registered with the territorial financial administration, as the case may be, or of the bailment agreement and, if applicable, the address of the main office;

9. The documents referred to in letters B – D of this annex.

B. The Documentation for the Approval of Significant Direct and Indirect Shareholders or Associates

1. the criminal and fiscal records, without any written acts, within the legal validity period, in original;

2. the Europass curriculum vitae with handwritten signature;

3. the copy of the identity document, certified by the holder by means of handwritten signature for compliance with the original;

4. official documents attesting the direct or indirect significant shareholders or associates, including the last indirect shareholder or associate, natural person;

5. a statement certified by law or authenticated by a notary public, according to model no. 4 of annex no. 5 to the Rule no. 19/2018 issued by the Financial Supervisory Authority.

C. The Documentation for the Appointment of Natural Persons¹⁾

1. the documents referred to in letter B points 1 – 3 of this annex;

2. a statement certified by law or authenticated by a notary public, according to model no. 4.

¹⁾ The conditions for the appointment of the directors referred to in letter C of this annex shall also apply to natural persons who represent directors as legal persons.

D. The Documentation for the Approval of Executive Managers

1. the documents referred to in letter B points 1 – 3 of this annex;

2. the certified copy of the higher education diploma;

3. the documentation of the experience referred to in art. 19 par. (1) letter j) point (i) of the Rule no. 19/2018 issued by the Financial Supervisory Authority, as follows: the professional experience deriving from the activity carried out in entities regulated by the A.S.F., in credit institutions and in financial-non-banking institutions; support functions are exempted;

4. the certificate or statement according to the provisions of art. 19 par. (1) letter j), point (v) of the Rule no. 19/2018 issued by the Financial Supervisory Authority;

5. a statement certified by law or authenticated by a notary public, in original, according to model no. 5

Model no. 2 – Standard Application for the Authorization as a Brokerage Undertaking¹

Date

1. The full name of the legal person
2. The registration number with the ONRC
3. The unique registration code (CUI)
4. The address of the registered office
5. The Landline and/or mobile telephone number
6. The fax number
7. The official e-mail address of the legal person.
8. The names and positions of the persons in charge:

.....

.....

.....

.....

9. The name or the designation of the significant, direct and indirect associates or shareholders, as the case may be:

.....

.....

.....

.....

10. The legal representative (surname, name, position, telephone number and e-mail address)

11. The list of documents submitted:

.....

.....

I, the undersigned, proposed for the position of director,. , as the legal representative of. , knowing the provisions of the Criminal Code on the misrepresentation of facts, declare under my sole responsibility that all the information and documents are complete

and in conformity with the reality and that there are no other relevant facts to be brought to the attention of the Financial Supervisory Authority.

Surname and name (with capital letters)

Signature

¹ The documentation shall be transmitted to the A.S.F. in a single copy, in a file, with numbered pages, accompanied by a list of documents.

Model no. 3 - Minimum Contractual Clauses Contained in the Professional Civil Liability Insurance Contract for Main or Secondary Intermediaries

1. The Object of the Insurance

Within the limits of the liability assumed under the insurance contract, the insurer shall accept, in exchange for the insurance premiums collected from the main or secondary intermediary contractor, in the amount, on the deadlines and under the terms and conditions agreed in the insurance contract, to cover the financial losses incurred by the contractor where, in the course of the distribution business, it has caused a prejudice to a customer of its own, natural or legal person who, on account of the engagement of its professional liability, shall be obliged to repair it.

2. Risks Insured, Compensations

2.1. The insurer shall cover claims for compensation as a result of the prejudices caused by the contractor to its customers by violating, of its own fault, its professional obligations for:

a) amounts which the contractor is liable to pay as compensation for material damage caused by its fault to its customers in the course of the distribution business, as defined by the legislation in force;

b) court expenses incurred by the contractor in the civil proceedings, established by a final court ruling, if it has been obliged to compensation;

c) court expenses incurred by the customer of the contractor as injured party for the performance of legal formalities in order to oblige the contractor to pay the compensation, provided that it has been bound by a final court ruling to pay them.

2.2. The professional civil liability insurance contract covers the claims for compensation introduced for the first time in writing by the injured party, during the period of validity of the contract, the claim for compensation being the result of professional errors, including during the retroactive period stipulated in the insurance contract.

2.3. The deadline for the payment of compensation is no more than 30 calendar days from the filing of the complete dossier to the damage claim.

3. The Period of Validity of the Insurance Contract and the Territorial Coverage

3.1. The insurance contract shall be valid for a period of 12 months from the date of its entry into force.

3.2. The withdrawal of the authorization of the insurer by the Financial Supervisory Authority shall have the effect of terminating the validity of the insurance, from the date of entry into force of the sanction mentioned, but without restricting the period mentioned in points 2.2 and 2.3.

3.3. If the insurer's operating permit and/or the authorization/opinion of the contractor has been withdrawn and the contractor has paid, even partially, the insurance premium, it shall be entitled to recover it proportionally to the unexpired period of the insurance contract.

3.4. The difference between the premium paid and the one calculated in accordance with point 3.3 shall be refunded to the contractor only in cases where compensation has not been paid or is not due for events occurring during the period of validity of the insurance.

3.5. The insurance contract shall be valid for the business conducted by the contractor in Romania and/or on the territory of the Member States, in compliance with the legislation in force.

4. Insurance Premiums and Amounts Insured

4.1. The insurance premium shall be paid in advance, either in full or in quarterly instalments.

4.2. If it has been decided to pay in instalments, the insurer shall not be under the obligation, during the contractual period, to notify the contractor regarding the maturity date of the instalments.

4.3. The insurance contract will include the terms of cessation, including the conditions for termination in case of non-payment of the insurance premium/insurance premium instalment and possible deferment.

5. The Obligations of the Contractor

5.1. Upon the occurrence of the insured event, the Contractor shall be required to act with due diligence and to take all measures, in accordance with the circumstances, in order to limit the damage.

5.2. The Contractor shall be obliged to notify the insurer in writing of the occurrence of the event insured under the insurance contract, in accordance with point 2.2.

5.3. At the request of the insurer, the contractor is required to provide to the insurer with the documents and information related to the occurrence of the insured risk, to collaborate with it in order to determine the reality, the circumstances and the extent of the damage as well as the causes of the occurrence of the insured event.

5.4. The Contractor shall be obliged to notify the insurer of any change occurred in the way in which the profession was exercised.

6. Exclusions

No compensation shall be granted for:

- a) acts of insult or slander;
- b) damages caused by intent or by committing an act provided for by the criminal law, deceit or serious misconduct of the contractor or of any other person for whom it is liable under the law;
- c) financial loss as a result of billing and/or settlement errors with the insurer/insurers;
- d) damages resulting from the completion of the questionnaire-applications by the customers;
- e) damages resulting from the granting of promise, liabilities assumed by the contractor by contract, or of any other type of commitment or express warranty given by it that exceeds its professional liability under the law;
- f) damages caused by the contractor through personal injury or death;
- g) damages caused by the contractor through the deterioration/destruction of the property/goods;
- h) damages resulting from the conduct of the distribution business without being based on a contract concluded between the contractor and its customers;
- i) direct or indirect damage resulting from events or consequences of war, invasion, terrorism, hostilities, whether or not war has been declared, or civil war, rebellion, revolution, insurrection, usurpation of power or military strike, seizure, nationalization, requisition or destruction or damage caused to property by an order of any public local or governmental authority;
- j) damages caused to insurers as a result of the non-transfer of insurance premiums by the contractor in the insurer's account.

Model no. 4 - Statement

I, the undersigned,. (surname and name), proposed for the position of/having the quality of Director at. (name of the brokerage undertaking), declare that

- I am not employed by an undertaking or intermediary or credit institution or investment firm, a Romanian or foreign legal person, a condition that I shall also fulfil after obtaining the operating permit/approval and shall have my domicile/residence in.;

- the undertaking (the name of the intermediary) has as significant direct and indirect shareholders or associates, indicating the corresponding qualified shares of each shareholder/associate, the following natural and legal persons:

.....
.....
.....
.....

I, the undersigned,, knowing the provisions of the Criminal Code on the misrepresentation of facts, declare under my sole responsibility that all the information is complete and in conformity with reality and that there are no other relevant facts to be brought to the attention of the Financial Supervisory Authority.

Date

Signature

Model no. 5 – Statement

I, the undersigned,. (surname and name), proposed for the position of/having the position of executive manager¹, at (the name of the brokerage undertaking), declare that:

1. I shall not hold the same position to another Romanian or foreign legal person after obtaining the operating permit or after the approval by the Financial Supervisory Authority, as well as during the performance of my duties at the brokerage undertaking;

2. I shall not hold any managerial positions in the financial field after obtaining the operating permit or after the approval by the Financial Supervisory Authority, as well as during the

performance of my duties at the brokerage undertaking, except for the didactic activities, scientific research and activities within the professional associations , in order to avoid conflicts of interest;

3. I have not been sanctioned with the withdrawal of the approval by a Romanian or foreign authority responsible for insurance or financial supervision over the past 5 years.

I, the undersigned,, knowing the provisions of the Criminal Code on the misrepresentation of facts, declare under my sole responsibility that all the information is complete and in conformity with reality and that there are no other relevant facts to be brought to the attention of the Financial Supervisory Authority.

Date

Signature

¹ Also add the name of the position held within the brokerage undertaking: for example, director, general manager, manager, etc.

The Documentation Needed for the Endorsement as Main Intermediary¹⁾

Model no. 1 – The Endorsement File

A. The General Documentation

1. Application for obtaining the endorsement, according to model no. 2;
2. a copy of the Articles of Incorporation according to art. 22 par. (1), letters a) and b) of the Rule no. 19/2018 issued by the Financial Supervisory Authority on the distribution of insurance;
3. a copy of the operating permit issued by the National Bank of Romania or by the A.S.F. in the case of affiliated agents;
4. a copy of the organization and functioning regulations, the organizational structure, the governance system, specifying the responsibilities and limits of competence for executive managers and personnel responsible for the distribution of insurance;
5. The copy of the document certifying the payment of the endorsement fee in the account of the Financial Supervisory Authority;
6. The copy of the professional civil liability insurance contract or the proof of the existence of equivalent collateral, in compliance with the provisions of art. 11 par. (1) of the Law no. 236/2018 regarding the distribution of insurance, according to annex no. 6 to the Rule no. 19/2018 issued by the Financial Supervisory Authority, model no. 3;
7. the proof regarding the observance of the requirements of art. 22 par. (1) letter d);
8. The management's statement defined in art. 3 par. (1) point 4 of the Law no. 236/2018, certified according to the law or authenticated by a notary public, according to model no. 4 of annex no. 5 to the Rule no. 19/2018 issued by the Financial Supervisory Authority;
9. The documents referred to in letter B of this annex.

B. The Documentation for the Approval of Executive Managers

1. the criminal and fiscal record certificates, within the legal validity period, in original;
2. the Europass curriculum vitae with handwritten signature;
3. the copy of the identity document, certified by the holder by means of handwritten signature for compliance with the original;
4. the certified copy of the higher education diploma;

5. the certificate or statement according to the provisions of art. 22 par. (1), letter f), point (v) of the Rule no. 19/2018 issued by the Financial Supervisory Authority;

6. a statement certified by law or authenticated by a notary public, in original, according to model no. 4 of annex no. 5 of this rule

Model no. 2 – Standard Application for the Grant of the Endorsement as Main Intermediary¹

Date

1. The full name of the legal person

2. The registration number with the ONRC

3. The unique registration code (CUI)

4. The address of the registered office

5. The Landline and/or mobile telephone number

6. The fax number

7. The official e-mail address of the legal person.

8. The names and positions of the persons in charge referred to in art. 3 par. (1) point 4 of the Law no. 236/2018:

9. The person within the executive management (surname, name, position, telephone number and e-mail address)

10. The list of documents submitted:

.....

.....

.....

.....

I, the undersigned, proposed for the position of manager of the distribution department , as the legal representative of. , knowing the provisions of the Criminal Code on the misrepresentation of facts, declare under my sole responsibility that all the information and documents are complete and in conformity with the reality and that there are no other relevant facts to be brought to the attention of the Financial Supervisory Authority.

Surname and name (with capital letters)

Signature

¹ To be filled in by the applicant, the credit institution or the investment firm, as the case may be

Model no. 3 – Statement

I, the undersigned, (surname and name), proposed for the position of/having the position of executive manager¹, at (the name of the entity²), as main intermediary, declare that:

1. I shall not hold the same position to another Romanian or foreign legal person after obtaining the endorsement for the conduct of the distribution business, or after the approval by the Financial Supervisory Authority, as well as during the performance of my duties at(the name of the entity²);

2. I have not been sanctioned with the withdrawal of the approval by a Romanian or foreign authority responsible for insurance or financial supervision over the past 5 years.

I, the undersigned,, knowing the provisions of the Criminal Code on the misrepresentation of facts, declare under my sole responsibility that all the information is complete and in conformity with reality and that there are no other relevant facts to be brought to the attention of the Financial Supervisory Authority.

Date

Signature

¹ To be also filled in with the position held within the entity

² To be filled in with the name of the credit institution or investment firm, as the case may be; the documentation shall be sent to the Financial Supervisory Authority in one copy, in a file, with numbered pages, accompanied by a list of documents.

The Brokerage or Intermediation Mandate

The Minimum Contractual Clauses Included in Brokerage or Intermediation Mandates

1. the obligation to comply with the provisions of the insurance/reinsurance legislation regarding the activity for which the main intermediary was authorized/endorsed;
2. the preservation of the complete data on the identity of the main intermediaries, their registration in the RIP registers;
3. the obligation to expressly mention the services provided according to the object of activity:
 - a) the provision of insurance consultancy and the provision of as many options as possible regarding the insurance products, if possible,
 - b) the proposal of insurance contracts in order to pursue the interest of the client,
 - c) conducting precursory actions in order to conclude insurance contracts, including the negotiation with insurers in order to obtain the most appropriate insurance contracts for their customers,
 - d) providing assistance for managing contracts, including in the case of a claim for compensation,
 - e) the collection of the amounts corresponding to damage claims lodged with insurers in case of damages;
 - f) in the case of brokerage undertakings, other activities authorized/endorsed according to the provisions of art. 19 par. (3) of the Rule no. 19/2018 issued by the Financial Supervisory Authority on the distribution business.
4. the presentation of the collaboration option with another brokerage undertaking, or with another main intermediary, with the indication that if the activities are jointly provided, they shall be jointly liable for any prejudice brought to the customer and, if the activities are distinct, each brokerage undertaking, or main intermediary, shall be responsible for the activity carried out.
5. the notification on the receipt of remuneration from one or more insurers regarding the collection of insurance premiums and the issuance of cover notes on behalf of insurers for the purpose of concluding insurance contracts;

6. the notification on the amicable settlement of disputes, mentioning the right of the customer who considers itself prejudiced by the way the contract concluded was fulfilled to:

- a) request the amicable amendment of the contract or
- b) if no agreement is reached, the revocation of the mandate.
- c) for the cases referred to in letter a) - b), the customer shall provide a reasoning of the request in writing, by a notice sent at least:

- (i) 5 calendar days prior to the date of the request for amicable settlement, or

- (ii) 10 calendar days before the date of revocation of the mandate.

7. in case of the non-observance by the customer of the provisions referred to in point 6 letter c), the right of the main intermediary to request reimbursement of incurred and proven expenses until it becomes aware of the request for revocation.

The Documentation Needed for the Endorsement as Product Designers and for the Individual Approval of Insurance Product Designers in Association with the Insurers

Model no. 1 – The Initial Endorsement

1. documents showing the incorporation of the structure or the appointment of the responsible person, approved by the executive management;
2. a brief presentation of the department or person responsible showing its duties;
3. relevant policies and/or procedures detailing the requirements under art. 25 par. (1) letter a) of the Rule no. 19/2018 issued by the Financial Supervisory Authority regarding the distribution business, approved by the executive management;
4. the curriculum vitae of that person;
5. the outsourcing contract, as the case may be;
6. the proof of paying the endorsement fee.

Model no. 2 – The Individual Approval

1. a copy of the agreement with an insurer describing each person's responsibilities;
2. the business plan, including at least the following:
 - a) the policies and/or the procedures adopted on the on-going compliance with product approval requirements, for the newly created insurance product and for the significant adjustments of existing insurance products;
 - b) the presentation of models and test methods for products and where appropriate, scenario analysis before placing the product on the market or before significantly adapting the existing ones on the market;
 - c) the presentation of the method of selecting the appropriate distribution channels for the target market, taking into account the specific characteristics of the insurance product;
 - d) the presentation of the policy for the implementation of appropriate measures in order to verify the distribution channels according to the objectives set in the product approval process;
 - e) the presentation of relevant measures taken in connection with the product approval process;
 - f) other elements which the designer of the product considers relevant for compliance with the requirements of the Commission Delegated Regulation (EU) 2017/2358 of 21 September 2017

supplementing Directive (EU) 2016/97 of the European Parliament and of the Council with regard to product oversight and governance requirements for insurance undertakings and insurance distributors.

3. the proof of payment of the fee for the analysis of the documentation

**The Minimum Contractual Clauses Included in Contracts Concluded Between Undertakings,
Main Intermediaries and Secondary Intermediaries**

Model no. 1 – Agent, Affiliated Agent and Ancillary Agent Contracts, natural and legal persons

The undertakings shall also include the following specifications in the collaboration contract:

- a) the obligation to comply with the provisions of the insurance/reinsurance legislation;
- b) the secondary intermediary activity shall be regulated, supervised and controlled by the Financial Supervisory Authority (A.S.F.);
- c) the presentation, at the request of the A.S.F., of any documents concerning the activity of the secondary intermediary;
- d) the obligation to facilitate access to the A.S.F. at the premises/domicile of the secondary intermediaries;
- d) the presentation of information about the identity of secondary intermediaries and undertakings before providing the insurance products to customers, natural and legal persons, in accordance with the legal provisions;
- e) the notification on the amicable settlement of disputes;
- f) the specification of a maximum of 5 days for the delivery of the insurance documents concluded with the customers and the amounts collected from them, as the case may be;
- g) the registration of the unique code on insurance contracts and receipts issued by secondary intermediaries on behalf of the undertaking;
- h) the obligation to carry out the distribution business only in the spaces provided by art. 34 par. (1) of the Rule no. 19/2018 issued by the Financial Supervisory Authority on the distribution of insurance;
- i) the obligation to maintain and present evidence regarding the professional training of secondary intermediaries;
- j) the indication of collateral or the obligation to maintain a stable financial statement, as appropriate, if secondary intermediaries receive insurance premiums on behalf of the insurers;

k) the obligation to display a separate account for receipts and payments made on behalf of customers.

Model no. 2 – Assistant and Ancillary Assistant Contract

The main intermediaries shall also include the following specifications in the collaboration contract:

- a) The specifications referred to in model no. 1, letters a) - e) and h) - j);
- b) the registration of the unique code on insurance contracts and receipts issued by secondary intermediaries on behalf of the main intermediary.

Model no. 3 – Collaboration Agreement between the Main Intermediary and the Undertaking

The undertakings shall also include the following specifications in the agreement concluded with the main intermediaries

- a) the collection of insurance premiums;
- b) the issuance of cover notes for the conclusion of insurance contracts.

STATEMENT
On the Evolution and Structure of the Share Capital for Brokerage Undertakings as of
- Annual/half-yearly reporting -
- RON -

Crt. No.	Informative data	Initial balance (at the beginning of the financial year)	Increases during the reporting period	Decreases during the reporting period	Final balance (at the end of the reporting period)
0	1	2	3	4	5=2+3-4
I.	Subscribed share capital - total, of which:				
1	- in cash				
	- foreign investor - value				
	- participation share (%) foreign investor				
2	- in kind				
	- foreign investor - value				
	- participation share (%) foreign investor				
II.	Paid-in share capital - total, of which:				
1	- in cash				
	- foreign investor - value				
	- participation share (%) investor				
2	- in kind				
	- foreign investor - value				

	- participation share (%) foreign investor				
III.	Significant shareholders/associates (recouped on each legal or natural person, as the case may be) - value				
	- participation share (%) /significant shareholders				

STATEMENT
Of the Distribution Business for Main Intermediaries as of

- *Quarterly reporting* -

- RON -

Crt. No.	The name of the undertaking ¹	Class of insurance ²	The value of the premiums distributed			The value of the premiums corresponding to insurance contracts created in association with the insurers		
			Cumulated from the beginning if the financial year	Of which: during the reporting period	Of which: by notified undertakings ³	Cumulated from the beginning if the financial year	Of which: during the reporting period	Of which: by notified undertakings ³
0	1	2	3	4	5	6	7	8

¹ Insurers and reinsurers registered and notified in the Registers of the Financial Supervisory Authority shall be reported

² The classes of insurance as defined in annex no. 1, Sections A and C of the Law no. 237/2015 regarding the authorization and supervision of the insurance and reinsurance business, as subsequently amended shall be reported.

³ To be reported from the cumulative total since the beginning of the financial year

The data related to this form shall be taken from the technical-operative and financial-accounting records of the brokerage undertaking.

STATEMENT
Of income^{*)} obtained by the Main Intermediaries as of:
- Quarterly reporting -

The name of the undertaking ¹	Type of insurance	Class of insurance ²	Total income from the distribution business					Other income ³			Total income (according to the trial balance)
			Total income from the distribution business	Of which:				Total	Of which: income from rents	Other activities according to art. 19 par. (3) ⁴	
				1. according to brokerage/intermediation contracts concluded with the customers		2. according to the agreements with the insurers					
				a) the provision of consultancy and the proposition of insurance contracts	b) the conduct of precursory actions for the conclusion of contracts, the negotiation with undertakings for the conclusion of contracts	c) the provision of assistance for the management of contract, including in the case of a damage claim	d) other activities related to the distribution business, according to the agreement with the insurers				
1	2	3	4 = 5 + 6 + 7 + 8	5	6	7	8	9	10	11	12 = 4 + 9

¹ Insurers and reinsurers registered and notified in the Registers of the Financial Supervisory Authority shall be reported

² The classes of insurance as defined in annex no. 1, Sections A and C of the Law no. 237/2015 regarding the authorization and supervision of the insurance and reinsurance business, as subsequently amended shall be reported,

³ To be filled in only by brokerage undertakings

⁴ Art. 19 par. (3) of the Rule no. 19/2018 issued by the Financial Supervisory Authority on the distribution of insurance

^{*)} The cumulative income shall be reported from the beginning of the financial year to the end of the reporting period.

STATEMENT

of Balance-Sheet Assets and Liabilities Held by Brokerage Undertakings at the End of the Quarter

- Quarterly reporting -

- thousands of RON -

	Asset	Code of the financial instrument	Total	Residents											Non-residents	
				Central bank s121	Monetary financial institutions s122	Public administration			Other financial intermediaries s123	Financial auxiliaries s124	Insurance undertakings and pension funds s125	Non-financial undertakings s11	The households of the population s14	Institutions without lucrative purpose in the service of the population's households s15	Euro zone s2	Outside the Euro zone s2
						Central administration s1311	Local administration s1313	The administrations of the social insurance systems s1314								
A	Total financial assets (A = 1 + 2 + 6 + 10 + 11 + 15 + 19 + 21 + 22)															
1	Cash	F21			X	X	X	X	X	X	X	X	X	X		
2	Deposits			X		X	X	X	X	X	X	X	X	X		
3	Up to 1 year, including	F22		X		X	X	X	X	X	X	X	X	X		
4	Over 1 year and up to 2 years including	F29		X		X	X	X	X	X	X	X	X	X		
5	Over 2 years	F29		X		X	X	X	X	X	X	X	X	X		

6	Certificates other than shares and derived financial products owned			X				X					X	X		
7	Up to 1 year, including	F331		X				X					X	X		
8	Over 1 year and up to 2 years including	F332		X				X					X	X		
9	Over 2 years	F332		X				X					X	X		
10	Derived financial instruments	F34		X		X	X	X			X		X	X		
11	Credits granted			X												
12	Up to 1 year, including	F41		X												
13	Over 1 year and up to 5 years including	F42		X												
14	Over 5 years	F42		X												
15	Shares and other equity, less shares of collective placement bodies held			X												
16	Listed shares	F511		X				X					X	X		
17	Non-listed shares	F512		X									X			
18	Other shares	F513		X									X			

19	Shares of collective placement bodies	F52		X		X	X	X		X	X	X	X	X		
20	of which: units of money market funds	F52M		X		X	X	X		X	X	X	X	X		
21	Commercial credits and advances	F71														
22	Other amounts to receive	F79														
B	Total – other assets			X	X	X	X	X	X	X	X	X	X	X	X	X
C	Total assets (C = A + B)			X	X	X	X	X	X	X	X	X	X	X	X	X

Specifications:

1. Line 1: "Cash", the cash will be recorded in the cashier's office: RON (s121) and foreign currency, equivalent in RON (s2).
2. Line B: "Total – other assets", fill in the "Total" column
3. Line C: "Total assets", fill in the "Total" column
4. The "Total" column: represents the sum of the "Residents" and "Non-Residents" columns.

- thousands of RON -

	Liability	Code of the financial instrument	Total	Residents											Non-resident	
				Central Bank s121	Monetary financial institutions s122	Public Administration			Other financial intermediaries s123	Financial auxiliaries s124	Insurance undertakings and pension funds s125	Non-financial undertakings s11	The households of the population s14	Institutions without lucrative purpose in the service of the population's households s15	Euro zone s2	Outside the Euro zone s2
						Central administration s1311	Local administration s1313	The administrations of the social insurance systems s1314								
A	Total financial liabilities (A = 1 + 5 + 6 + 10 + 15 + 16)															
1	Certificates other than shares and derived financial products owned			X	X	X	X	X	X	X	X	X	X	X	X	X
2	Up to 1 year, including	F331		X	X	X	X	X	X	X	X	X	X	X	X	X
3	Over 1 year and up to 2 years including	F332		X	X	X	X	X	X	X	X	X	X	X	X	X
4	Over 2 years	F332		X	X	X	X	X	X	X	X	X	X	X	X	X
5	Derived financial instruments	F34		X		X	X	X				X	X	X		
6	Loans received			X		X	X	X								
7	Up to 1 year, including	F41		X		X	X	X								

8	Over 1 year and up to 5 years including	F42		X		X	X	X								
9	Over 5 years	F42		X		X	X	X								
10	Equity, of which:			X	X	X	X	X	X	X	X	X	X	X	X	X
11	Subscribed and paid in share capital, of the following nature:															
12	Listed shares	F511	X	X	X	X	X	X	X	X	X	X	X	X	X	X
13	Non-listed shares	F512		X						X						
14	Other shares	F513		X						X						
15	Commercial credits and advances	F71														
16	Other amounts to pay	F79														
B	Total – other liabilities			X	X	X	X	X	X	X	X	X	X	X	X	X
C	Total liabilities (C = A + B)			X	X	X	X	X	X	X	X	X	X	X	X	X

NOTE:

Financial instruments and institutional sectors are defined according to the methodology set out in the European System of National and Regional Accounts 1995 (SEC95) adopted by Council Regulation (EC) No 2223/96 of 25 June 1996 on the European system of national and regional accounts in the Community, as subsequently amended and completed (see attached nomenclatures).

Specifications:

1. Line 10: "Equity", fill in the "Total" column.

- 2 Line 11: " Subscribed and paid in share capital ", shall account for the sum of the lines 12, 13 and 14, respectively listed shares, non-listed shares and other shares.
3. Line B: "Total – other liabilities", fill in the "Total" column.
4. The "Total" column: represents the sum of the "Residents" and "Non-Residents" columns.

STATEMENT
of Debts and Receivables from the Distribution Business of the Main Intermediaries as of
- Quarterly reporting -

1. Model no. 1 – Debts arising from the distribution business (401)

The name of the undertaking	Total debts arising from the distribution business, of which:	With non-overdue maturity	With overdue maturity		
			Up to 15 days	Between 15 and 30 days	Over 30 days
1	2= 3 + 4 + 5 + 6	3	4	5	6

2. Model no 2 – Receivables related to the distribution business (411+ 412+413+414-4911- 4912-4913-4914)

The name of the undertaking	Total debts arising from the distribution business, of which:	With non-overdue maturity	With overdue maturity		
			Up to 15 days	Between 15 and 30 days	Over 30 days
1	2 = 3 + 4 + 5 + 6	3	4	5	6

Reports Elaborated by Undertakings on the Distribution Business*- Annual reporting -*

Model no. 1 - The number of the undertaking's own employees involved in the distribution business and type of remuneration granted

Total no. of employees	No. of employees by types of remuneration, of which:			
	Salary	Salary + commission	Other form of remuneration	Details ¹
1 = 2+3+4	2	3	4	5

¹ Describe the other forms of remuneration

Model no. 2 - The number and the value of insurance contracts distributed by the employees referred to in model no. 1, separately, by insurance type

Total no. of contracts	No. of contracts issued in the reporting period:					Total value of contracts	Total value of insurance contracts, of which:				
	General Insurance, of which:			Life Insurance, of which:			General Insurance, of which:			Life Insurance, of which:	
	Elective	Mandatory		Traditional	Investment component		Elective	Mandatory		Traditional	Investment component
		PAD	RCA					PAD	RCA		

Model no. 3 - The number and the value of insurance contracts distributed by electronic marketing, separately, by insurance type

Total no. of contracts	No. of contracts issued in the reporting period:					Total value of contracts	Total value of insurance contracts, of which:				
	General Insurance, of which:			Life Insurance, of which:			General Insurance, of which:			General Insurance, of which:	
	Elective	Mandatory		Traditional	Investment component		Elective	Mandatory		Traditional	Investment component
		PAD	RCA					PAD	RCA		

Reports Elaborated by Undertakings on the Distribution Business
- *Quarterly reporting* –

Model no. 1 – The total number of main, secondary and exempted intermediaries with whom the undertaking collaborates

Type of intermediary ¹	Main intermediaries					Secondary intermediaries						Exempted intermediaries				
	Name of intermediary	CUI	Commission	Commission + benefit	Other form of remuneration	Name of intermediary	CUI/CIF/CNP ²	NACE code	Commission	Commission + benefit	Other form of remuneration	Name of intermediary	NACE code	Commission	Commission + benefit	Other form of remuneration

¹ To be filled in as follows:

- for the main intermediaries, with brokerage undertaking, credit institution, or investment firm

- for secondary intermediaries, with agents, natural or legal persons, ancillary agents, natural or legal persons, affiliated agents, legal persons

² To be filled in with CUI (Unique Identification Code) for PJ (legal person), CIF (Taxpayer Identification Code) for the PFA (Self-Employed Person) and with CNP (Personal Identification Number) for other natural persons

Model no. 2 - The number and the value of insurance contracts distributed by the main intermediaries, separately, by insurance type

Type of intermediary ¹	Name of intermediary	CUI	Total no. of contracts	No. of contracts issued in the reporting period:					Total value of contracts	Total value of insurance contracts, of which:				
				General Insurance, of which:			Life Insurance, of which:			General Insurance, of which:		Life Insurance, of which:		
				Elective	Mandatory		Traditional	Elective		Elective	Mandatory	Traditional	Investment component	
					PAD	RCA								PAD

¹to be filled in with brokerage undertaking, credit institution, or investment firm

Type of intermediary ¹	Name of intermediary	CUI	Total no. of contracts	No. of contracts issued in the reporting period:					Total value of contracts	Total value of insurance contracts, of which:				
				General Insurance, of which:			Life Insurance, of which:			General Insurance, of which:			Life Insurance, of which:	
				Elective	Mandatory		Traditional	Elective		Elective	Mandatory	Traditional	Investment component	
					PAD	RCA								PAD

Model no. 3 - The number and the value of insurance contracts distributed by the secondary intermediaries, separately, by insurance type

Type of intermediary ¹	Name of intermediary	CUI/CNP	Total no. of contracts	No. of contracts issued in the reporting period:					Total value of contracts	Total value of insurance contracts, of which:				
				General Insurance, of which:			Life Insurance, of which:			General Insurance, of which:			Life Insurance, of which:	
				Elective	Mandatory		Traditional	Elective		Elective	Mandatory	Traditional	Investment component	
					PAD	RCA								PAD

¹ To be filled in with agents, natural or legal persons, ancillary agents, natural or legal persons, affiliated agents, legal persons

Model no. 4 - The number and the value of insurance contracts distributed by the exempted intermediaries, separately, by insurance type

Total no. of contracts	No. of contracts issued in the reporting period:			Total value of contracts	Total value of insurance contracts, of which:		
	General Insurance, of which:				General Insurance, of which:		
	Elective	Mandatory			Elective	Mandatory	
		PAD	RCA			PAD	RCA

The Merger or Division Process of Brokerage Undertakings

Model no. 1 – The notification of the intent of merger or division

1. the cover letter signed by the executive management of the parties involved in the merger or division process,
2. the decision of the associates/shareholders of the brokerage undertakings involved in the process, in original or certified according to the original;
3. the request to withdraw the operating permit of the absorbed or divided brokerage undertaking that ceases its activity.

Model no. 2 - The approval of the newly-incorporated brokerage undertakings following the merger or division process

1. the cover letter signed by the executive management of the brokerage undertaking resulting from the merger or by the executives of the brokerage undertakings resulting from the division process;
2. the documents resulting from the completion of the merger/division operation according to the provisions of the Company Law no. 31/1990 republished, with the subsequent amendments and completions: certificate of good standing issued by the National Trade Register Office, the Articles of Incorporation of the resulting brokerage undertakings, etc.;
3. the documents listed in annex no. 6 to the Rule no. 19/2018 issued by the Financial Supervisory Authority on the distribution of insurance for newly-incorporated brokerage undertakings;
4. reports on the operating fee due according to the provisions of the regulations on the revenue of the Financial Supervisory Authority;
5. authenticated/certified statement of the executive management of brokerage undertakings regarding the notification of customers on the merger/division process.

Minimum Information Provided to Customers Prior to the Conclusion of Insurance Contracts

1. Information about the identity of the product designers and distributors according to the provisions of art. 12 par. (6) and (7) and art. 13 of the Law no. 236/2018 on the distribution of insurance, as well as the following:

a) in the case of secondary intermediaries, the classes of insurance for which it brokers insurance contracts, the name of the insurers for which they are authorized to broker each class of insurance;

b) in the case of main intermediaries:

(i) the fact that they may issue insurance/reinsurance contracts and/or may collect insurance/reinsurance premiums on behalf of the undertakings, if they are empowered by them;

(ii) consultancy is provided after reviewing a sufficiently large number of insurance contracts available on the market so that the personalized recommendation is made on the basis of professional criteria and the insurance contract is best suited to the contractor's requirements and needs.

2. Where the product is covered by the general insurance classes set out in Sections A and B and the life assurance classes referred to in Section C, points 1 and 3, information on the insurance product in accordance with the provisions of art. 8 of Regulation (EU) No 1286/2014 of the European Parliament and of the Council of 26 November 2014 on key information documents for packaged retail and insurance-based investment products (PRIIPs) and with the provisions of the Commission Implementing Regulation (EU) 2017/1469 of 11 August 2017 laying down a standardised presentation format for the insurance product information document (PID).

3. In the case of insurance products not subject to the enforcement of specific legal provisions, information regarding:

a) the definition of each insured event, the insurance indemnity in case of an occurrence of the insured event, each benefit and the optional/additional clauses;

b) the exclusions from the insurance;

- c) the moment of commencement and the termination of the insurance contract;
- d) the methods for the execution, suspension or termination of the insurance contract;
- e) information on any rights the parties may have to terminate the contract before or after the deadline or unilaterally, including any penalties imposed by the contract in such cases;
- f) the way in which the premiums are paid and the payment terms of insurance premiums;
- g) the terms and conditions for the payment of insurance indemnities, surrender amounts and insured amounts;
- h) information about premiums for each benefit, both primary and supplementary, as the case may be;
- i) information about the grace period;
- j) methods for the calculation and distribution of bonuses;
- k) the indication of the total surrender value, the reduced insured sums and the level up to which they are guaranteed for each year of insurance within the insurance period covered by the insurance contract;
- l) information about situations where the policy's surrender value is 0;
- m) the procedures for the settlement of possible disputes resulting from the execution of the contract, i.e. information on how to settle amicably the complaints made by the contractors or by the beneficiaries of the insurance contracts, as the case may be, which do not constitute a restriction of the customer's right to resort to legal proceedings;
- n) general information on deductions provided for by the fiscal legislation applicable to insurance contracts;
- o) the law applicable to the insurance contract;
- p) the existence of the Policyholders Guarantee Fund.

The Electronic Marketing

A. Minimum Elements of Presentation, Content and Security of the Applications through which Insurance Contracts Are Marketed

1. the level of presentation of information to the user contains, in a visible place, links to: the "About us" section, "Our Products/Services" section, "Contact" section, "Terms and Conditions" section, "Policy on Personal Data Processing" section and the "Petitions" section;

2. the "About Us" section contains at least the elements referred to in art. 12 par. (6) of the Law no. 236/2018 on the distribution of insurance, as well as the following: brief presentation of the insurance experience, the organizational form, its main activity, the registration number or other similar means of identification, if the entity is registered in the trade register or in the other similar public register;

3. the "Contact" section includes the address of the registered office and/or the lucrative facilities, contact details: telephone/fax, e-mail;

4. the "Our Products/Services" section contains at least the documents referred to in art. 46 par. (3) letter a) of the Rule no. 19/2018 issued by the Financial Supervisory Authority regarding the distribution of insurance, as well as a presentation of the services provided, as the case may be;

5. the "Terms and Conditions" section contains at least information on possible cancellations or changes brought to insurance contracts; in the case of remotely-concluded contracts, including information on the possibility for customers to exercise their right to terminate the contract unilaterally during the 14-calendar day unilateral termination period from the conclusion/receipt of the contract and contract terms, without penalty and without the need to invoke a reason, namely 30 calendar days for the unilateral termination of life insurance contracts, expressly mentioning that in the case of compulsory civil liability insurance for damage caused by vehicle accidents,

the regulations specific to this insurance shall apply, information regarding the policy and frequency of updating the data published through the electronic marketing of insurance contracts;

6. the "Personal Data Processing Policy" section contains a description of the procedure for the protection of personal data and the specification of compliance with the applicable legal provisions on the protection of personal data and the free movement of such data;

7. in sections containing forms for the collection of information in order to submit offers, the Transport Layer Security protocol (TLS using 2048-bit minimum keys) or similar protocols shall be used, or protocols with the same technical capabilities and certificates issued by an accredited supplier;

8. the "Petitions" section complies with the legal provisions in force, with reference to the possibility of submitting petitions to the Financial Supervisory Authority (A.S.F.) by providing linking data to the petitions section available on the A.S.F. website as well as the possibility of amicable settlement of disputes.

B. The Electronic marketing is organized on two distinct sections and clearly delimited with secure access, as follows:

1. the first section is intended for the personnel of the entities referred to in art. 50 par. (2) of the Rule no. 19/2018 issued by the Financial Supervisory Authority carrying out the activity of issuing insurance contracts and/or secondary intermediaries and their personnel, if any, who are entitled to issue on the basis of holding a RAF code; in this section, the authentication of the above mentioned persons is done using secure authentication techniques provided by the entity that uses electronic means of marketing of insurance contracts and even permits the issuance of an insurance contract; for insurances concluded in the distributors' sections running on mobile terminals, electronic or biometric signing mechanisms of insurance contracts may be developed and used; the storage of electronic signature data (qualified electronic certificate) or the biometric signature characteristics captured on a touch screen (speed, rhythm, acceleration, pressure) are secured by specific mechanisms to ensure the non-repudiation of this operation.

2. the second section is intended for potential and/or final customers, which allows for the submission of offers, comparisons, registrations of bidding and/or order requests; this section may allow the contract to be issued once the legal requirements for the issue of remote insurance contracts have been met, provided that the platform is fitted with a user registration, administration and authentication

system, using secure authentication techniques provided by the entity using electronic means of marketing of insurance contracts, and the user/customer launching the order for issuing the contract is authenticated; for the purpose of issuing the insurance contract, for data security and customer identification, he/she will log in through an access account.

3. The issuance of the policy in the online environment may be done only after the confirmation of its acceptance expressed by the payment of the insurance premium.

C. Minimum information on the correct information and transparency of customers

1. The mandatory information required by the legal provisions in force to inform the customers and obtain information from customers is in the form of distinct new windows or through separate links to the pages containing this information before the potential customer completes the stages of the order.

2. Prior to the completion of the order, the customer confirms the reading the conclusion terms (with/without risk inspection) and the terms of the insurance contract, the customer's rights and obligations, and by ticking the corresponding box the customer certifies that he/she understood, accepted the terms and conditions of the contract insurance policy, and that he/she agrees to the issuance of the insurance policy.

3. In order to be sure that the documents referred to in points 1 and 2 have been read, the box for accepting conditions or for the closing of the window is visible only after the entire text was read.

4. The generated and forwarded offer shall contain at least the following:

- a. identification data of the asset to be insured and/or the identification data of the owner/customer/potential customer;
- b. the questions of the insurance broker/insurance intermediary required to be classified into risk classes as appropriate;
- c. the potential customer's answers to the questions in section 2 and on the basis of which the offer was calculated by the computer system;
- d. the amounts insured;

- e. franchises, where appropriate, clearly specifying their amount, the cases where they apply and the amounts to which they apply (if expressed in per cents);
- f. the period insured;
- g. the risks insured;
- h. the exclusions;
- i. the total coverage of risks;
- j. the total price that the consumer/potential policyholder has to pay, with the highlighting of the fees, additional costs or related expenses and any additional costs resulting from the insurance contract by using the electronic means of marketing the insurance contracts;
- k. the commission of the intermediary/intermediaries, for RCA policies;
- l. the Bonus/Malus class, for RCA policies or whenever applicable;
- m. the period of validity of the offer;
- n. the unique code for the confirmation of the offer;
- o. the necessity for a risk inspection;
- p. any documents required for the signing of the insurance contract;
- r. the information on the methods of payment and actual payment;
- s. information on the existence or non-existence of the right to terminate the contract unilaterally; where this right is stipulated, the terms and conditions under which it may be exercised, including the possible penalties or consequences thereof, shall be specified, in compliance with the provisions of the Government Ordinance no. 85/2004 on the protection of consumers upon the conclusion and execution of remote contracts for financial services, republished, as subsequently amended and completed;
- t. information on the existence or non-existence of the insurer's/policyholder's right to terminate the contract in advance, the rights, obligations and possible penalties imposed or arising therefrom;
- u. any contractual clause indicating the applicable law and/or the competent court of law to settle any disputes between parties;

v. the existence of guarantee funds or compensation mechanisms, clearly and visibly identifying the guarantee fund in which the insurers who have generated the offer participate;

w. other information according to the legal provisions.

5. the prices displayed through the electronic means of marketing of insurance contracts may not be different from the amounts collected/paid by the customers and included in the insurance contract /tax receipt/payment order/payment confirmation; In this respect, this information is displayed distinctly and explicitly.

D. The minimum comparison elements for the achievement of a comparative offer are the following:

1. the type of policy, if it is an "all risk" policy or a "nominated risks" policy;
2. the insured amounts, differentiated on covered risks, where applicable, and the conditions applicable to them under the terms of insurance;
3. the coverage and its duration;
4. the exclusions;
5. the compensation limit/limits, as the case may be;
6. the franchises and their detailed information;
7. the territorial coverage provided by the insurance policy;
8. information on the insurance premium, the methods and frequency of payment and its achievement;
9. issuance, administration and termination fees;
10. the guarantees of the product;
11. the name of the issuing insurer.

The Documentation regarding the Distribution Business on the Territory of Other Member States

Model no. 1 – The freedom to provide services

1. the information referred to in art. 19 par. (1) of the Law no. 236/2018 regarding the distribution of insurance;
2. a brief presentation of the activity it intends to carry out in the Member State and an estimate of the premiums distributed by classes of insurance;
3. in the case of secondary intermediaries, the documentation of the fact that, in relation to the main insurers and/or intermediaries, as the case may be, there are no non-compliance situations with the contractual terms, at the time of submission of the documentation;
4. the decision or resolution of the shareholders or associates, as the case may be, in original, concerning the extension of the activity in the respective Member State(s);
5. the proof of payment of the fee referred to in the revenue regulations of the Financial Supervisory Authority (A.S.F.).

Model no. 2 – The right of establishment

1. the documents and information referred to in model no. 1;
2. documents regarding the fulfilment of the requirement stipulated in art. 21, par. (1) letter c) of the Law no. 236/2018:
 - a) the qualification and the experience of those persons, for persons with residence or domicile in Romania, as follows:
 - (i) the proof of graduating from a higher education institution;

(ii) the proof of professional experience in the field of insurance of at least 2 years or in the financial field of at least 5 years, professional experience deriving from the activity carried out in entities regulated by the A.S.F., in credit institutions and in financial-non-banking institutions; support functions are exempted;

b) the experience of the persons concerned and the proof of compliance with provisions similar to those referred to in art. 10 par. (2) of the Law no. 236/2018 for persons having the residence or domicile in other Member States;

c) criminal record without acts registered for offenses against the patrimony and fiscal record without acts registered for offenses provided by the financial and fiscal legislation.

**The Distribution Business Conducted by Undertakings, Main Intermediaries and Secondary Intermediaries on the Territory of
Other Member States**

- *Quarterly reporting* -

Model no. 1 – Undertakings – by their own employees

Country	Classes of insurance ¹	No. of contracts issued in the reporting period			The value of the premium distributed		
		Total of which:	Right of establishment	Freedom to provide services	Total of which:	Right of establishment	Freedom to provide services

¹ The classes of insurance as defined in annex no. 1, Sections A and C of the Law no. 237/2015 regarding the authorization and supervision of the insurance and reinsurance business, as subsequently amended shall be reported.

Model no. 2 – Undertakings – by main and secondary intermediaries

Type of intermediary ¹	Name of intermediary ²	Country	Classes of insurance ³	No. of contracts issued in the reporting period			The value of the premium distributed			Income from the distribution business		
				Total of which:	Right of establishment	Freedom to provide services	Total of which:	Right of establishment	Freedom to provide services	Total of which:	Right of establishment	Freedom to provide services

¹ To be filled in with main intermediary or with secondary intermediary

² To be filled in as follows:

- for the main intermediaries, with brokerage undertaking, credit institution, or investment firm

- for secondary intermediaries, with agents, natural or legal persons, ancillary agents, natural or legal persons, affiliated agents, legal persons

³ The classes of insurance as defined in annex no. 1, Sections A and C of the Law no. 237/2015 shall be reported.

Model no. 3 – Main intermediaries – by their own employees

Country	Classes of insurance ¹	No. of contracts issued in the reporting period			The value of the premium distributed			Income from the distribution business		
		Total of which:	Right of establishment	Freedom to provide services	Total of which:	Right of establishment	Freedom to provide services	Total of which	Right of establishment	Freedom to provide services

¹ The classes of insurance as defined in annex no. 1, Sections A and C of the Law no. 237/2015 shall be reported.

Model no. 4 – Main intermediaries – by secondary intermediaries

Type of secondary intermediary ¹	Name of secondary intermediary	Country	Classes of insurance ²	No. of contracts issued in the reporting period			The value of the premium distributed			Income from the distribution business		
				Total of which:	Right of establishment	Freedom to provide services	Total of which:	Right of establishment	Freedom to provide services	Total of which:	Right of establishment	Freedom to provide services

¹ To be filled in as follows with assistants, natural or legal persons, ancillary assistants, natural or legal persons

² The classes of insurance as defined in annex no. 1, Sections A and C of the Law no. 237/2015 shall be reported.