

FINANCIAL SUPERVISORY AUTHORITY

RULE No. 35/ 2016

amending and supplementing Financial Supervisory Authority Rule No. 7/2013

on the form and clauses included in the compulsory home insurance contracts against earthquakes, landslides and floods

In accordance with Art. 1 para. (2), Art. 2 para. (1) Letter b), Art. 3 para. (1), Letter b) as well as of Art. 6 para. (2) of Government Emergency Ordinance No. 93/2012 on the establishment, organization and operation of the Financial Supervisory Authority, approved as amended and supplemented by Law No. 113/2013, as subsequently amended and supplemented,

On the basis of the provisions of Art. 34 Letter b) of Law 260/2008 on the compulsory home insurance against earthquakes, landslides and floods,
further to the deliberations held in the meeting of the Financial Supervisory Authority's Board of 10.08.2016,

the Financial Supervisory Authority hereby issues this rule.

Art. I. - Financial Supervisory Authority Rule No. 7/2013 on the form and clauses included in the compulsory home insurance contracts against earthquakes, landslides and floods, published in the Official Journal of Romania, Part I, No. 521 of 20 August 2013, with further amendments and supplementations, is hereby amended and shall read as follows:

1. Under Article 2, point 1.6¹ is hereby amended and shall read as follows:

“ **1.6¹ contractor**– natural or legal person concluding a PAD for the insured house and undertakes to the insurer to pay the insurance premium according to the Civil Code.”

2. Under Article 2, after point 1.8. a new point 1.9. is inserted, with the following content:

„ **1.9. electronic issuance** – modality of issuing a PAD policy at the same time with the instantaneous registration and storage of the policy data in the I.T. system of PAID;”

3. Under Article 7, Paragraph (5) is hereby amended and shall read as follows:

“(5) The verification of PAD by the insurer concluding a voluntary home insurance is performed by requesting the presentation of the PAD insurance policy or by checking the database of insured houses made available by PAID, which will generate an interrogation ticket to confirm PAD existence on the insured home.”

4. Under Article 9, Paragraph (1) Letter h) is hereby amended and shall read as follows:
“h) signature of the insurer’s representative;”

5 Article 16 is hereby amended and shall read as follows:

“Art. 16. – Before the expiry of PAD validity period for the house, the contractor/insured shall conclude another contract of compulsory home insurance, in the conditions provided by the present rule, the anniversary date being the last validity day related to the insurance year in progress”

6. Under Article 21 Paragraph (1), point 5 is hereby amended and shall read as follows:

“5. for the damages produced on constructions by the waters coming from one of the causes stipulated at point 3 and 4 and by the underground waters coming up at the land surface, even if the water layer covering the land (outside) touch only partial the construction destined for home, penetrates and is infiltrated in the walls or through the floor and from outside the constructions.”

7. Under Article 23, points 2 and 4 are hereby amended and shall read as follows:

“2. In the declarations of the insured/contractor or of their representatives, which underlain the conclusion of the insurance contract, or in the declarations made when making the compensation request, or on any other occasion by the insurance beneficiary it is found out untruths, forgeries, fraudulent aspects, exaggerations or omissions leading to the deception of PAID or of the issuer which issued PAD

...

4. the damages were favored or aggravated by guilt, for the damage part which was increased/produced by the insured/beneficiary or by the persons living together with the insured/beneficiary in the insured home, by the agents of the insured/beneficiary, by the authorized persons to represent the beneficiary in getting compensations or by the insurance contractor.”

8. Under Article 25, Paragraph (2) is hereby amended and shall read as follows:

“(2) After each partial damage, the insured amount is automatically refilled since the date of the insured event by the payment of an additional insurance premium withheld from the due compensation; the additional premium is calculated proportionally to the received compensation and the left insurance period.”

9. Under Article 25, Paragraph (3) is hereby repealed.

10. Under Article 25, Paragraph (4) is hereby amended and shall read as follows:

“(4) If the payment of compensation of an insured event reaches the insured amount stipulated in PAD, the owner shall conclude a new compulsory insurance, only after performing all the repairs meeting the living requirements of one person or family.”

11. Under Article 32, Paragraph (4) is hereby amended and shall read as follows:

“(4) PAD issued on the name of the initial insured remains valid until its expiry, the insurer issuing in addition an Addendum to PAD on the name of the new owner of the home making the contract object.”

12. The annex is hereby amended and shall be replaced by the attached annex hereto.

Art. II. - This rule shall be published in the Official Journal of Romania, Part I, and shall enter into force on the date of its publication.

President of the Financial Supervisory Authority

Mișu NEGRİȚOIU

Bucharest, 10.08.2016

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