

# **Act on Insurance Mediation and Reinsurance Mediation**

The full wording of Act No. 340/2005 Coll. dated 23 June 2005 on insurance mediation and reinsurance mediation and on amendments to certain laws, as amended by Act No. 644/2006 Coll., Act No 330/2007 Coll., and Act No. 70/2008 Coll.

The National Council of the Slovak Republic has adopted the following Act:

## **SECTION I General Provisions**

### **ARTICLE 1 Purpose of the Act**

- (1) This Act lays down rules for
- a) the taking-up and pursuit of the activities of insurance and reinsurance mediation;
  - b) the register of insurance intermediaries and reinsurance intermediaries (hereinafter referred to as ‘register’);
  - c) supervision of insurance mediation and reinsurance mediation.
- (2) This Act shall not apply to
- a) activities referred to in Article 2 letters a) and b) taken up or pursued by an insurance undertaking, <sup>1)</sup> an insurance undertaking from another Member State <sup>2)</sup>, a foreign insurance undertaking <sup>3)</sup> (hereinafter referred to as ‘insurance undertaking’) or reinsurance undertaking, <sup>4)</sup> foreign reinsurance undertaking <sup>5)</sup>, or by an insurance undertaking which has received authorisation for the conduct of reinsurance business (hereinafter referred to as ‘reinsurance undertaking’), or by their employees on behalf of and for the account of an insurance or reinsurance undertaking in relation to own insurance products or reinsurance products;
  - b) insurance and reinsurance mediation which is not undertaken for remuneration in cash or in other forms;
  - c) the occasional provision of information from the field of insurance in connection with activities under separate regulations <sup>6)</sup> or the supply of general information concerning insurance products, provided the information is not supplied in connection with the conclusion of an insurance or reinsurance contract or in connection with the implementation of an insurance or reinsurance contract;
  - d) the disclosure of a customer’s contact data to an insurance undertaking or an insurance intermediary; such contact data are the customer’s first name, surname, and address;
  - e) the liquidation of insurance events for an insurance or reinsurance undertaking;
  - f) the elaboration of expert opinions on insurance events and the conduct of expert activity pursuant to separate regulations; <sup>7)</sup>
  - g) persons acting as intermediaries in connection with the conclusion of insurance contracts if the following conditions are met:

1. the conclusion of an insurance contract only requires knowledge of the specific insurance that is provided on the basis of this contract;
  2. the purpose of insurance mediation is not a life assurance contract, nor a liability insurance contract;
  3. the principal professional activity of the person is other than insurance mediation;
  4. the insurance is complementary to the product or service provided by a legal or natural person, where such insurance covers the risk
    - 4a. of damage to, breakdown, or loss of goods supplied by that provider, or
    - 4b. damage to or loss of baggage or other insurance risks linked to the travel booked with that provider, even if the insurance covers life assurance or liability insurance, provided that the cover is ancillary to the main cover for the risks linked to that travel, and
  5. the amount of the annual premium per insurance contract does not exceed EUR 500 and the total duration of this contract, including renewals, does not exceed five years.
- h) insurance and reinsurance mediation in relation to the risks and commitments arising from insurance in a non-member state.

## **ARTICLE 2**

### **Definition of selected terms**

- For the purposes of this Act:
- a) 'insurance mediation' means
    1. the activities of making offers for the conclusion of insurance contracts, preparing the drafts of such contracts, and pursuing other activities leading to the conclusion of such contracts;
    2. the conclusion of insurance contracts;
    3. co-operation in insurance administration; <sup>8)</sup>
    4. co-operation in dealing with insurance claims and insurance benefits, mainly in connection with insurance events;
    5. insurance risk assessment, evaluation, and analysis;
    6. the provision of counselling services in the area of insurance.
  - b) 'reinsurance mediation' means
    1. the activities of making offers for the conclusion of reinsurance contracts, preparing the drafts of such contracts, and performing other activities leading to the conclusion of such contracts;
    2. the conclusion of reinsurance contracts;
    3. co-operation in reinsurance administration; <sup>9)</sup>
    4. co-operation in dealing with claims arising from reinsurance contracts;
  - c) 'insurance intermediary' means any person who, for remuneration in cash or in kind, takes up or pursues insurance mediation;
  - d) 'reinsurance intermediary' means any person who, for remuneration in cash or in kind, takes up or pursues reinsurance mediation;
  - e) 'trustworthy person' means a natural person who
    1. has a clean criminal record in relation to crimes against property, crimes associated with work in a managerial position, or other intentional criminal offences; this is to be proved and documented with an extract from the penal

- register <sup>10)</sup> no older than three months; in the case of a foreigner, the same is to be proved and documented with a similar certificate issued by the competent authority of the country in which his permanent residence is located;
2. has not held, in the last ten years, a post pursuant to separate regulations <sup>11)</sup> in an insurance undertaking whose licence to provide insurance services or a similar licence issued by the competent authority of the country in which his registered office is situated was withdrawn, or in a reinsurance undertaking whose licence to pursue reinsurance activity or a similar licence issued by the competent authority of the country in which his registered office is situated was withdrawn, or in a financial institution whose licence to operate was withdrawn, or a post pursuant to separate regulations <sup>12)</sup> in a branch of a foreign insurance undertaking whose licence to pursue insurance activity through a branch office was withdrawn, or in a legal entity whose licence to mediate insurance services to insurance agents, or licence to mediate insurance services to insurance brokers, or licence to mediate reinsurance services to reinsurance intermediaries was withdrawn, or which has not acted, over the past ten years, as an exclusive insurance intermediary, subordinate insurance intermediary, insurance agent, or insurance broker whose licence was withdrawn pursuant to Article 14, or whose registration was cancelled, at any time within one year prior to the withdrawal of the relevant licence pursuant to Article 14 or prior to the cancellation of his registration;
  3. has not held, in the last ten years, a post pursuant to separate regulations <sup>11)</sup> in an insurance undertaking, reinsurance undertaking, or in a financial institution, which was placed under forced administration, at any time within one year prior to the imposition of forced administration.
  4. has not held, in the last ten years, a post pursuant to separate regulations <sup>11)</sup> in an insurance undertaking, reinsurance undertaking, or financial institution, and has not been a statutory body, a member of a statutory body, or a senior employee of an insurance intermediary or a reinsurance intermediary which were declared bankrupt or where a bankruptcy petition was rejected for the lack of property, or where the bankruptcy was cancelled owing to the fact that the bankrupt did not have enough property to cover the costs and the administrator's remuneration, <sup>13)</sup> or which went into liquidation, at any time within one year prior to the declaration of bankruptcy or entry into liquidation;
  5. has not been lawfully charged a fine of more than 50% of the sum allowed pursuant to separate regulations;<sup>14)</sup>
  6. is not considered a trustworthy person pursuant to separate regulations <sup>15)</sup> for business in the area of financial markets;
  7. has been performing his duties or doing business over the past ten years in a reliable manner, without violating the generally binding legal regulations, and who, with respect to these facts, guarantees that he will hold the proposed post in a reliable manner, without violating the generally binding legal regulations, including the tasks arising from the generally binding legal regulations or the internal regulations of the insurance intermediary or reinsurance intermediary;
- f) 'customer' means a policy holder, a person insured, or a person interested in insurance mediation;
- g) 'collection' means an insurance intermediary's authorisation, granted on the basis of a contract for insurance mediation signed with an insurance undertaking (hereinafter referred to as 'contract'),

1. to collect insurance premiums, or amounts intended for the customer, for the insurance intermediary's account established specifically for the purpose of collection at a bank or a branch of a foreign bank, or
  2. to pay insurance benefits from concluded insurance contracts or amounts intended for the customer or a person having a claim on the basis of an insurance contract.
- h) 'Member State' means a member state of the European Union or a state which is part of the European Economic Environment;
- i) 'home Member State' means the Member State in which an insurance or reinsurance intermediary has his permanent residence and place of business if he is a natural person, or in which an intermediary's registered office, head office <sup>16)</sup> or place of business is situated if the intermediary is a legal person;
- j) 'host Member State' means the Member State in which an insurance or reinsurance intermediary carries on insurance or reinsurance mediation activity via a branch office or under the principle of freedom to provide services;
- k) 'durable medium' means any instrument or technical means, mainly information medium, which enables the customer to store information addressed personally to him in a way accessible for future reference for a period of time adequate to the purposes of the information and which allows the unchanged reproduction of the information stored.

## **Insurance and reinsurance mediation**

### **ARTICLE 3**

#### **Insurance intermediary**

(1) Insurance mediation in the Slovak Republic may be pursued under the terms and conditions set out in this Act by insurance intermediaries which may be:

- a) exclusive insurance intermediaries;
- b) subordinate insurance intermediaries;
- c) insurance agents, or
- d) insurance brokers.

(2) The provisions of this Act pertaining to insurance mediation shall also apply to insurance mediation pursued by insurance intermediaries from countries which are not Member States.

(3) Insurance mediation pursued according to this Act shall be considered a business activity. <sup>17)</sup>

### **ARTICLE 4**

#### **Exclusive insurance intermediary**

(1) An exclusive insurance intermediary may take up and pursue insurance mediation on the basis of a contract with one insurance undertaking.

(2) An exclusive intermediary of insurance who is a natural person, the statutory body or member of the statutory body of an exclusive intermediary of insurance which is a legal person, and any employee thereof who performs an activity involving insurance mediation, shall meet the requirements of the basic grade of professional qualification laid down in Article 17 and shall be trustworthy persons.

## **ARTICLE 5**

### **Subordinate insurance intermediary**

(1) A subordinate insurance intermediary may take up and pursue insurance mediation on the basis of a contract with one insurance agent, insurance broker, or insurance intermediary from another Member State.

(2) A subordinate insurance intermediary may enter into a contract for the same period with only one of the persons referred to in paragraph 1.

(3) A subordinate intermediary of insurance who is a natural person, the statutory body or member of the statutory body of a subordinate intermediary of insurance which is a legal person, and any employee thereof who performs an activity involving insurance mediation, shall meet the requirements of the basic grade of professional qualification laid down in Article 17 and shall be trustworthy persons.

## **ARTICLE 6**

### **Insurance agent**

(1) An insurance agent may take up and pursue insurance mediation on the basis of a contract with one insurance undertaking or with several insurance undertakings.

(2) An insurance agent who is a natural person, the statutory body, or at least one member of the statutory body and at least one senior employee of the insurance agent which is a legal person, must meet the requirements of professional qualifications at medium level pursuant to Article 17 and must be trustworthy persons. Each employee of the insurance agent engaged in the activity of insurance mediation must meet the requirements of professional qualifications at basic level pursuant to Article 17 and must be a trustworthy person.

## **ARTICLE 7**

### **Insurance broker**

(1) An insurance broker takes up and pursues insurance mediation on the basis of a contract with a customer. An insurance broker may practise insurance mediation on the basis of a contract with one insurance undertaking or with several insurance undertakings. This contract must not include an agreement for activities specified in Article 2 letter a) items 1 and 2 and activities pursuant to Article 2 letter a) items 3 and 6, if agreed in a contract with the customer.

(2) The insurance broker shall carry out an impartial and detailed analysis of the range of products available on the insurance market and shall propose, on the basis of this analysis, an insurance contract to the customer with respect to his needs and requirements.

(3) An insurance broker who is a natural person, the statutory body, or at least one member of the statutory body and at least one senior employee of the insurance broker which is a legal person, must meet the requirements of professional qualifications at top level pursuant to Article 17 and must be trustworthy persons. Each employee of an insurance broker engaged in the activity of insurance mediation, must meet the requirements of medium-level professional qualifications pursuant to Article 17 and must be a trustworthy person.

## **ARTICLE 8**

### **Insurance intermediary from another Member State**

(1) An insurance intermediary from another Member State, whose home Member State is a member state other than the Slovak Republic, shall be entitled to take up and pursue insurance mediation in the Slovak Republic in the same range in which he is entitled to exercise insurance mediation in his home Member State, through a local branch or under the principle of freedom to provide services.

(2) On the basis of a notification from the competent supervisory authority of the home Member State saying that an insurance intermediary from another Member State intends to undertake insurance mediation in the Slovak Republic pursuant to paragraph 1, the National Bank of Slovakia shall inform this supervisory authority of the terms and conditions for insurance mediation in the Slovak Republic under this Act.

(3) An insurance intermediary from another Member State is entitled to commence insurance mediation business in the Slovak Republic after the expiration of one month of the date on which he was informed by the relevant supervisory authority of the home Member State of the delivery of notification pursuant to paragraph 2 to the National Bank of Slovakia.

## **ARTICLE 9**

### **Reinsurance intermediary**

(1) A reinsurance intermediary may take up and pursue reinsurance mediation on the basis of a contract, the subject matter of which is reinsurance mediation, with one insurance undertaking or several insurance undertakings, or with one reinsurance undertaking or several reinsurance undertakings.

(2) A reinsurance intermediary who is a natural person, the statutory body, or at least one member of the statutory body and at least one senior employee of the reinsurance intermediary which is a legal person, must meet the requirements of top-level professional qualifications pursuant to Article 17 and must be trustworthy persons. Each employee of a reinsurance intermediary engaged in the activity of reinsurance mediation, must meet the requirements of medium-level professional qualifications pursuant to Article 17 and must be a trustworthy person.

(3) Reinsurance mediation practised in accordance with to this Act shall be considered a business activity.<sup>17)</sup>

(4) The provisions of Article 8 shall also apply to reinsurance intermediaries from other Member States.

## **ARTICLE 10**

### **Conditions for insurance mediation by an insurance intermediary and reinsurance mediation by a reinsurance intermediary**

(1) An insurance intermediary shall be obliged to exercise the activity of insurance mediation with professional care, in view of the customer's interests, and may not conceal any information in connection with insurance mediation.

(2) In connection with insurance mediation, insurance intermediaries must not give their customers any advantages of financial, material, or non-material nature to which these customers have no legal claim. Such advantages do not include the provision of small advertising articles.<sup>18)</sup>

(3) Insurance intermediaries providing insurance mediation services in the Slovak Republic through a system enabling remote access<sup>19)</sup> shall be obliged to ensure public access to data on their registration, mainly the registration number and the date of commencement of the activity of insurance mediation.

(4) Insurance intermediaries shall be liable for any damage caused during the conduct of insurance mediation business; this shall not apply if they prove that they could not prevent the damage though they did their utmost to do so.

(5) Insurance intermediaries must have liability insurance for the case of damage caused during the pursuit of insurance mediation, valid in the territory of all Member States, unless this liability is taken over by the insurance undertaking or other insurance intermediary on behalf of which they act. The amount of insurance benefit for such insurance coverage must be at least EUR 1,000,000 or an equivalent amount for each insurance event, and at least EUR 1,500,000 or an equivalent amount for all insurance events occurring during the calendar year. Where co-participation is agreed in the insurance contract, its amount must not exceed 1% of the agreed insurance benefit.

(6) Liability for damage caused during insurance mediation by an exclusive insurance intermediary shall be taken over by the insurance undertaking with which the exclusive insurance intermediary has a contract; liability for damage caused by a subordinate insurance intermediary shall be taken over by the insurance agent or insurance broker with whom the subordinate insurance intermediary has a contract, if

- a) the exclusive insurance intermediary or subordinate insurance intermediary has no insurance contract signed pursuant to paragraph 5 in his own name, or
- b) the insurance contract of the exclusive insurance intermediary or subordinate insurance intermediary concluded pursuant to paragraph 5 has lapsed.

(7) Insurance agents and insurance brokers may start providing insurance mediation services on the day on which their insurance contracts enter into effect pursuant to paragraph 5. Insurance agents and insurance brokers shall be obliged to submit their insurance contracts to the National Bank of Slovakia within 30 days of the date of their registration. If an insurance agent's liability for damage caused during insurance mediation is taken over by an insurance undertaking pursuant to paragraph 5, the insurance agent shall be obliged to submit a written statement of this fact to the National Bank of Slovakia within 30 days of the date of his registration. The insurance agent whose liability for damage caused during insurance mediation is taken over by an insurance undertaking, may start providing insurance mediation services on the day on which this liability is assumed by the insurance undertaking.

(8) Insurance intermediaries are obliged to keep confidential all facts that come to their knowledge in connection with the conduct of insurance mediation business, and must not use them for their own benefit, nor for the benefit of other persons, even after they stop providing insurance mediation services.

(9) The provisions of paragraphs 1 to 8 shall also apply to reinsurance mediation, where liability for damage caused in connection with the pursuit of reinsurance mediation must not be taken over from the reinsurance intermediary by any other person.

(10) If an insurance intermediary is authorised to collect payments, amounts will be regarded as paid as follows:

- a) insurance premium paid to an insurance undertaking via the insurance intermediary, at the moment when they are taken over by the insurance intermediary or when they are credited to the relevant account of the insurance intermediary;
- b) amounts intended for a customer or a person authorised to accept them, paid via the insurance intermediary, at the moment when they are accepted by the customer or the person authorised, or credited to the account of the customer or the person authorised to accept them.

(11) Financial means intended for an insurance undertaking, a person insured, or a person authorised in an insurance contract, held on the insurance intermediary's account, are not the property of the insurance intermediary, and if the insurance intermediary's property is placed under control of a bankruptcy trustee, they will not be part of the assets in bankruptcy.<sup>13)</sup>

(12) Insurance agents shall be obliged to inform the National Bank of Slovakia of the conclusion or termination of any contract, without undue delay.

(13) Before an insurance contract is signed or, where justified, amended, the insurance intermediary shall be obliged to report the following data to the customer:

- a) designation or business name, registered office, and legal form if the intermediary is a legal entity, or the first name, surname, and permanent address or place of business if the intermediary is a natural person;
- b) the designation of the register, in which the insurance intermediary is registered, and the registration number;
- c) the qualified interest<sup>20)</sup> of the insurance intermediary in the registered capital of or voting rights in the insurance undertaking with which the intermediary has a valid contract;

- d) the qualified interest of the insurance undertaking with which the intermediary has a valid contract, or the person controlling <sup>21)</sup> this insurance undertaking, in the registered capital of or voting rights in the insurance intermediary;
- e) the procedure to be followed in filing complaints about the conduct of insurance mediation business and the regulations governing the out-of-court settlement of disputes arising from the activity of insurance mediation.

(14) An insurance intermediary shall be obliged to inform the customer, in addition to reporting data pursuant to paragraph 13, whether he pursues insurance mediation

- a) on the basis of a contract signed with one insurance undertaking or with several insurance undertakings, or
- b) as an insurance broker in the manner described in Article 7 paragraph 2.

(15) If an insurance intermediary pursues insurance mediation on the basis of a contract with one insurance undertaking or with several insurance undertakings, the intermediary shall be obliged to inform the customer whether these contracts are of exclusive or non-exclusive nature, and to inform the customer, if requested, of the business names of these insurance undertakings.

(16) Before signing an insurance contract, the insurance intermediary shall be obliged, mainly in view of the information provided by the customer and the nature of the agreed insurance, to record the requirements and needs of the customer in connection with the agreed insurance and the grounds on the basis of which the insurance intermediary gives recommendations for the selection of an insurance product.

(17) The provisions of paragraphs 13 to 16 shall not apply to insurance mediation for large risks and to reinsurance mediation.

(18) Large risks are defined as insurance risks involved in the following insurance branches:

- a) non-life insurance pursuant to separate regulations; <sup>22)</sup>
- b) non-life insurance pursuant to separate regulations, <sup>23)</sup> if this insurance risk is associated with the activities of the insured in the areas of industry, trade, or activities pursuant to separate regulations; <sup>6)</sup>
- c) non-life insurance pursuant to separate regulations, <sup>24)</sup> if at least two of the following conditions are met:
  1. the total assets of the insured exceeds an equivalent of EUR 6,200,000;
  2. the net turnover of the insured exceeds an equivalent of EUR 12,800,000;
  3. the average number of persons employed by the insured over the fiscal period is equal or larger than 250.

(19) Information pursuant to paragraphs 13 to 16 must be:

- a) in writing or on a durable medium, unless otherwise stipulated below;
- b) full, precise, truthful, and intelligible;
- d) provided in the official language of the Member State of the liability <sup>25)</sup> or in another language as agreed.

(20) Information pursuant to paragraph 13 to 16 may also be provided verbally, if requested by the customer or if there is a need to sign an insurance contract without undue

delay. After an insurance contract is signed, such information is to be provided in a manner pursuant to paragraph 19 letter a).

(21) The provision of information pursuant to paragraphs 13 to 16 by telephone is governed by separate fs.<sup>19)</sup>

(22) All acts related to insurance mediation must take place in writing, unless this Act or another law stipulates otherwise.

(23) The conditions stipulated by this Act for insurance and reinsurance mediation must be complied with continuously, throughout the pursuit of insurance and reinsurance mediation activities.

## **ARTICLE 11**

### **Register**

(1) A register shall be established and kept by the National Bank of Slovakia. The register will comprise the lists of:

- a) exclusive insurance intermediaries;
- b) subordinate insurance intermediaries;
- c) insurance agents;
- d) insurance brokers;
- e) insurance intermediaries from other Member States;
- f) reinsurance intermediaries;
- g) reinsurance intermediaries from other Member States.

(2) A person who meets all conditions for registration pursuant to this Act shall be entered by the National Bank of Slovakia in the relevant list pursuant to paragraph 1.

(3) An insurance intermediary may be registered at a time in only one of the lists specified in paragraph 1 letters a) to d).

(4) Data and changes therein shall be entered in the relevant list pursuant to paragraph 1 in the range specified in this Act (hereinafter referred to as 'registered data'). Some of the registered data shall be available in the Web site of the National Bank of Slovakia (hereinafter referred to as 'released data').

(5) The information recorded in the register of exclusive intermediaries of insurance shall comprise:

- a) the registration number;
- b) for a legal person, its name or business name, registered office, legal form and identification number, if assigned, or, for a natural person, his name and birth registration number;
- c) for a natural person, his place of domicile and, if different from the place of domicile, his place of business;
- d) the name of the country in the territory of which the exclusive intermediary of insurance performs insurance mediation;

- e) business name and registered office of the insurance company which proposes the exclusive intermediary of insurance for entry in the register;
- f) the acceptance date of the complete registration proposal;
- g) the date of registration;
- h) the date of removal from the register.

(6) Registered data in the list of subordinate insurance intermediaries will be data pursuant to paragraph 5 letters a) to d) and letters f) to h), plus the first name and surname or the business name and registration number of the insurance agent, insurance broker, or insurance intermediary from another Member State, recommending a subordinate insurance intermediary for registration.

(7) Information disclosed in the register of exclusive intermediaries of insurance and the register of subordinate intermediaries of insurance shall comprise the information mentioned in paragraph 5 letters (a) and (b) except for the birth registration number. For a natural person who is an exclusive intermediary of insurance or a subordinate intermediary of insurance, the disclosed information shall also include the name of the municipality in which this person has his permanent address and the name of the municipality in which he has his business address, if different from the permanent address. For a legal person, the disclosed information shall also include the name of the municipality in which it has its registered office.

(8) Registered data in the lists of insurance agents, insurance brokers, and reinsurance intermediaries will be:

- a) the registration number;
- b) the designation or business name, registered office, legal form, and identification number if any in the case of a legal entity, or the first name, surname, and birth certificate number in the case of a natural person;
- c) the place of permanent residence or place of business, if different from the place of permanent residence, in the case of a natural person;
- d) the number of authorisation pursuant to Article 14, date of issue, and the date of coming into effect of the decision of the National Bank of Slovakia, on the basis of which the authorisation was granted;
- e) the name of country in which the insurance agent, insurance broker, or reinsurance intermediary concerned carry on insurance mediation business;
- f) the date of the last verification of the professional qualifications of the statutory body or at least one member of the statutory body and one senior employee of the insurance intermediary or reinsurance intermediary which is a legal person, or the professional qualifications of the insurance intermediary or reinsurance intermediary which is a natural person.
- g) the business names and registered offices of the insurance undertakings with which the insurance agent enters into a contract;
- h) the date of registration;
- i) the date of cancellation of the registration.

(9) Registered data in the lists of insurance agents, insurance brokers, and reinsurance intermediaries will be data pursuant to paragraph 8 letters a) to d), except for the birth certificate number.

(10) Registered data in the list of insurance intermediaries from other Member States and in the list of reinsurance intermediaries from other Member State will be:

- a) the registration number;
- b) the designation or business name, registered office and legal form in the case of a legal person, or the first name, surname, and birth certificate number in the case of a natural person;
- c) the first name, surname, and permanent address of the branch manager and the registered office of the branch through which business is carried on in the Slovak Republic;
- d) the business names of insurance undertakings with which a contract has been signed, if the insurance intermediary is from another Member State and pursues a similar activity as an exclusive insurance intermediary or insurance agent;
- e) the date of registration;
- f) the date of cancellation of the registration.

(11) Released data in the list of insurance intermediaries from other Member States and in the list of reinsurance intermediaries from other Member State will be data pursuant to paragraph 10 letters a) to d).

(12) If a person acts in trust in the data from the register available in the Web site of the National Bank of Slovakia on the Internet, the person whom these data concern cannot object that the data do not agree with the facts.

(13) A proposer, insurance agent, insurance broker, insurance intermediary from another Member State, reinsurance intermediary, and reinsurance intermediary from another Member State shall be obliged to notify the National Bank of Slovakia of any change in the registered data without undue delay, while a proposal for a change in the register is to be made in an electronic form and these persons are obliged to pay a fee for the proposal before its submission. The fee for proposal for a change in the register shall be a revenue for the National Bank of Slovakia. If a proposal for a change in the register is not complete, the National Bank of Slovakia shall return it to the persons referred to in the first sentence, without undue delay. If the National Bank of Slovakia returns a proposal for a change in the register, the fee paid for the proposal will not be refunded.

## **ARTICLE 12**

### **Registration**

(1) The National Bank of Slovakia shall register an exclusive insurance intermediary in the list of exclusive insurance intermediaries and a subordinate insurance intermediary in the list of subordinate insurance intermediaries on the basis of a proposal made by a proposer who is, for an exclusive insurance intermediary, an insurance undertaking with which the intermediary has a valid contract, and for a subordinate insurance intermediary, an insurance agent, insurance broker, or insurance intermediary from another Member State, with which the subordinate insurance intermediary has a valid contract.

(2) The proposer is responsible for the correctness and completeness of the data given in the proposal pursuant to paragraph 1.

(3) The proposal referred to in paragraph 1 is to be submitted in an electronic form. Before submitting a proposal for registration pursuant to paragraph 1, the proposer shall be obliged to pay a fee for the proposal. If the National Bank of Slovakia returns a proposal referred to in paragraph 1 to the proposer pursuant to paragraph 5, the fee paid for the registration proposal will not be refunded. The fees for registration proposals will be a revenue for the National Bank of Slovakia.

(4) If a proposal pursuant to paragraph 1 is complete, the National Bank of Slovakia shall, except in cases defined in Article 21 paragraph 7, proceed without undue delay

- a) to inform the proposer of this fact;
- b) to register an exclusive insurance intermediary in the list of exclusive insurance intermediaries or a subordinate insurance intermediary in the list of subordinate insurance intermediaries, and assign these persons a registration number.

(5) If a proposal pursuant to paragraph 1 is incomplete, the National Bank of Slovakia shall not register the proposed exclusive insurance intermediary or subordinate insurance intermediary in the relevant list, and shall return the proposal to the proposer without undue delay.

(6) The exclusive insurance intermediary and subordinate insurance intermediary are entitled to start providing insurance mediation services from the date when the proposer is informed by the National Bank of Slovakia of the completeness of the proposal pursuant to paragraph 4 letter a).

(7) The proposer shall grant the exclusive insurance intermediary or subordinate insurance intermediary a certificate of registration without undue delay, following the date of being informed by the National Bank of Slovakia of the completeness of the proposal pursuant to paragraph 4.

(8) A certificate of registration cannot be transferred to another person.

(9) The contents of a proposal for registration, the maximum number of persons who may be proposed for registration in a single proposal, the contents of a proposal for a change in the register, and the contents of a proposal for the cancellation of registration, the amount of the fee payable for a registration proposal, the fee for a proposal for a change in the register, and the fee for the cancellation of an entry in the register, the specimen of a certificate of registration, and the structure of the registration number shall be specified in generally binding legal regulations issued by the National Bank of Slovakia.

(10) After a decision granting authorisation pursuant to Article 14 becomes effective, the National Bank of Slovakia shall register the proposed insurance agent, insurance broker, or reinsurance intermediary in the relevant list pursuant to Article 11 paragraph 1 without undue delay, and shall assign these persons a registration number.

(11) An insurance intermediary from another Member State or a reinsurance intermediary from another Member State, which starts providing insurance mediation or reinsurance mediation services in the Slovak Republic pursuant to Article 8 or 9, shall be obliged to send the National Bank of Slovakia the data specified in Article 11 paragraph 10 letters b) to d), without undue delay. After the data are delivered, the National Bank of

Slovakia shall register, without undue delay, the insurance intermediary from another Member State in the list of insurance intermediaries from other Member States and the reinsurance intermediary from another Member State in the list of reinsurance intermediaries from other Member States, and shall assign these persons a registration number.

### **ARTICLE 13** **Cancellation of registration**

(1) The National Bank of Slovakia may cancel the registration of an insurance intermediary, an insurance intermediary from another Member State, a reinsurance intermediary, or a reinsurance intermediary from another Member State, on any of the following grounds:

- a) the insurance intermediary or reinsurance intermediary, who is a natural person, has died or has been declared legally dead;
- b) the insurance intermediary or reinsurance intermediary, who is a natural person, has been deprived of his capacity to enter into legal acts or has been restricted in this capacity;
- c) the insurance intermediary or reinsurance intermediary, who is a legal person, has been cancelled;
- d) the proposer has submitted a proposal for the cancellation of the registration of an exclusive insurance intermediary or a subordinate insurance intermediary, while the form of its submission, the method of handling by the National Bank of Slovakia, and the fee payable for this proposal are also subject to Article 11 paragraph 13; if the proposer was requested to make a proposal for the cancellation of registration by the exclusive insurance intermediary or the subordinate insurance intermediary, or if the validity of the contract has expired and the proposer has not signed a new contract with the exclusive insurance intermediary or the subordinate insurance intermediary, the proposer shall be obliged to submit a proposal for the cancellation of the registration of these persons within 30 days of the date of
  1. delivery of an application from the exclusive insurance intermediary or the subordinate insurance intermediary, or
  2. expiry of the contract;
- e) the authorisation of the insurance undertaking with which the exclusive insurance intermediary had a contract has expired;
- f) the authorisation of the insurance agent, insurance broker, or insurance intermediary from another Member State, with which the subordinate insurance intermediary had a contract, has expired pursuant to Article 14;
- g) the authorisation of the insurance broker, insurance agent, or insurance intermediary has expired pursuant to Article 14;
- h) the insurance intermediary from another Member State or the reinsurance intermediary from another Member State has informed the National Bank of Slovakia of its decision to withdraw from the Slovak Republic;
- i) the insurance intermediary from another Member State or the reinsurance intermediary from another Member State has ceased to be entitled to pursue insurance mediation or reinsurance mediation in the home Member State.

(2) The National Bank of Slovakia shall cancel, without undue delay, the registration of an insurance intermediary, an insurance intermediary from another Member State, a

reinsurance intermediary, or a reinsurance intermediary from another Member State, as soon as

- a) the reasons for the cancellation of such registration pursuant to paragraph 1 letters a) to c) and letters h) and i) has become known;
- b) a proposal has been delivered pursuant to paragraph 1 letter d);
- c) the facts referred to in paragraph 1 letters e) to g) have become a reality.

(3) The insurance undertaking, insurance intermediary or insurance intermediary from another Member State shall be obliged to notify the National Bank of Slovakia without undue delay of the reasons for the cancellation of registration pursuant to paragraph 1 letters c), e) to g) and letter i).

(4) If the National Bank of Slovakia cancels the registration of an exclusive insurance intermediary or a subordinate insurance intermediary and the reasons for the cancellation of registration are other than those specified in paragraph 1 letter e) or f), the National Bank of Slovakia shall, without undue delay, report the cancellation of registration of

- a) an exclusive intermediary to the insurance undertaking which proposed its entry in the register;
- b) a subordinate intermediary to the insurance agent, insurance broker, or insurance intermediary from another Member State which proposed its entry in the register.

(5) The proposer shall be obliged to notify the exclusive insurance intermediary or subordinate insurance intermediary concerned of the cancellation of its registration; this shall not apply where the registration is cancelled for reasons set out in paragraph 1 letters a) and b).

(6) If the National Bank of Slovakia has cancelled the registration of a person with permanent residence or a registered office in the Slovak Republic, which also provided insurance or reinsurance mediation services outside the Slovak Republic, the National Bank of Slovakia shall be obliged to inform the competent supervisory authorities of the Member States concerned, or the competent supervisory authorities of the non-member states in which the insurance mediation or reinsurance mediation business was carried on.

## **ARTICLE 14**

### **Authorisation for insurance mediation by an insurance agent, authorisation for insurance mediation by an insurance broker, and authorisation for reinsurance mediation by a reinsurance intermediary**

(1) The issue of authorisation for insurance mediation by a insurance agent, authorisation for insurance mediation by an insurance broker, and authorisation for reinsurance mediation by a reinsurance intermediary in the territory of the Slovak Republic to a person with permanent residence or a registered office in the Slovak Republic or in a non-member state, is within the competence of the National Bank of Slovakia and is subject to request.

(2) A person with permanent residence or a registered office in the Slovak Republic shall give the following data in his application for authorisation pursuant to paragraph 1:

- a) first name, surname, birth certificate number, address of permanent residence or place of business, if different from the place of permanent residence, in the case of a natural person;
- b) designation or business name, registered office, identification number if any, legal form, and the first name, surname, birth certificate number and permanent address of the statutory body or members of the statutory body, in the case of a legal person.

(3) An application pursuant to paragraph 1, if submitted by a natural person with permanent residence or place of business in the Slovak Republic, shall contain the following documents in the annex:

- a) documents certifying the trustworthiness of this natural person and the trustworthiness of his employees, if the natural person pursues insurance mediation or reinsurance mediation activities via his employees;
- b) documents certifying the professional qualifications of this natural person and the professional qualifications of his employees pursuant to Article 6 paragraph (2), Article 7 paragraph (3) or Article 9 paragraph (2), if the natural person pursues insurance mediation or reinsurance mediation activities via his employees.

(4) An application pursuant to paragraph 1, if submitted by a legal person with a registered office in the Slovak Republic, shall contain the following documents in the annex:

- a) documents certifying the trustworthiness of the statutory body or at least one member of the statutory body and at least one senior employee;
- b) documents certifying the professional qualifications of the statutory body or at least one member of the statutory body and at least one senior employee pursuant to Article 6 paragraph 2, Article 7 paragraph 3 or Article 9 paragraph 2;
- c) an extract from the companies register, not older than three months, or a document certifying the establishment of the legal person;
- d) a written statement from the legal person which files an application pursuant to paragraph 1, saying that all its employees who are engaged in insurance or reinsurance mediation are trustworthy and professionally qualified pursuant to Article 6 paragraph 2, Article 7 paragraph 3 or Article 9 paragraph 2.

(5) A person with permanent residence or a registered office in a non-member state, who is interested in undertaking insurance mediation in the Slovak Republic, shall give the following data in his application pursuant to paragraph 1:

- a) first name, surname, date of birth, address of long-term residence in the Slovak Republic, and that of permanent residence, in the case of a natural person;
- b) first name, surname, date of birth, address of long-term residence in the Slovak Republic, and the address of permanent residence of the head of the local branch in the Slovak Republic, the planned location of the branch in the Slovak Republic, in the case of a legal person.

(6) A person with permanent residence or a registered office in a non-member state, shall give the following data in his application pursuant to paragraph 1:

- a) documents certifying his trustworthiness, if he is a natural person, or documents certifying the trustworthiness of the branch manager or at least one senior employee, in the case of a legal person;
- b) documents certifying his professional qualifications, if he is a natural person, or documents certifying the professional qualifications of the branch manager or at least

- one senior employee pursuant to Article 6 paragraph 2, Article 7 paragraph 3 or Article 9 paragraph 2, in the case of a legal person;
- c) an extract from the companies register or a similar register maintained in the state in which this person has a registered office, no older than three months;
  - d) a written statement from this person saying that all employees of the branch engaged in insurance or reinsurance mediation activity satisfy the conditions set out in Article 6 paragraph 2, Article 7 paragraph 3 or Article 9 paragraph 2.

(7) In the matter of an application pursuant to paragraph 1, the National Bank of Slovakia shall decide within 30 days of the date of submission.

(8) The National Bank of Slovakia shall reject an application for authorisation for insurance mediation by an insurance agent, authorisation for insurance mediation by an insurance broker, or authorisation for reinsurance mediation by a reinsurance intermediary, if the application does not meet the requirements laid down in paragraphs 2 to 6.

(9) Insurance agents, insurance brokers, and insurance intermediaries shall be obliged to notify the National Bank of Slovakia of any changes in the facts referred to in paragraphs 2 to 6.

(10) Authorisation as defined in paragraph 1 is not transferable to any other person, nor to a legal successor.

## **ARTICLE 15**

### **Expiry of authorisation for insurance mediation by an insurance agent, authorisation for insurance mediation by an insurance broker, and authorisation for reinsurance mediation by a reinsurance intermediary**

(1) Authorisation for insurance mediation by an insurance agent, authorisation for insurance mediation by an insurance broker, and authorisation for reinsurance mediation by an reinsurance intermediary will expire

- a) on the day on which the insurance agent, insurance broker, and reinsurance intermediary are cancelled;
- b) on the day on which the assets of these persons are placed under control of a bankruptcy trustee or on the day on which a bankruptcy petition is rejected for the lack of property pursuant to separate regulations;<sup>13)</sup>
- c) for an insurance agent, insurance broker, or reinsurance intermediary with permanent residence or a registered office in a non-member state, on the day on which the assets of these persons are placed under protection of a bankruptcy trustee, on the day on which a bankruptcy petition is rejected for the lack of property, or on the day on which these persons cease to operate in non-member states;
- d) on the day on which these authorisations are returned;
- e) on the day on which the undertakings of these persons or their parts are sold;
- f) when the person dies or is declared legally dead, if the insurance agent, insurance broker, or reinsurance intermediary is a natural person;
- g) when the person's capacity to enter into legal acts is denied or restricted, if the insurance agent, insurance broker, or reinsurance intermediary is a natural person;

- h) for an insurance agent, insurance broker, and reinsurance intermediary, if they fail to undertake insurance mediation or reinsurance mediation within six months of the date of coming into effect of these authorisations;
- i) on the date of coming into effect of the decision to withdraw the relevant authorisation.

(2) Insurance agents, insurance brokers, or reinsurance intermediaries shall be obliged to inform, without undue delay, the National Bank of Slovakia in writing of the facts set out in paragraph 1 letters a), b), c), and letter e), as soon as they occur.

## **ARTICLE 16**

### **Insurance mediation by an exclusive insurance intermediary, subordinate insurance intermediary, insurance agent, insurance broker, or reinsurance intermediary in the territory of another Member State**

(1) An insurance agent, insurance broker, or reinsurance intermediary with permanent residence or a registered office in the Slovak Republic, intending to undertake insurance or reinsurance mediation in the territory of another Member State, shall be obliged to inform the National Bank of Slovakia of this fact. On behalf of an exclusive insurance intermediary or subordinate insurance intermediary, intending to undertake insurance mediation in the territory of another Member State, the National Bank of Slovakia shall be informed by the proposer.

(2) The National Bank of Slovakia shall report this fact to the competent supervisory authority of the Member State concerned, within 30 days of the date when it received information pursuant to paragraph 1. The report will contain data released pursuant to paragraph 11. Persons referred to in paragraph 1 shall also be informed of this report.

(3) An insurance intermediary or reinsurance intermediary referred to in paragraph 1 may undertake insurance mediation or reinsurance mediation in another Member State after the expiration of 30 days of the date of delivery of information to the National Bank of Slovakia on fulfilment of the notification requirement pursuant to paragraph 2.

## **ARTICLE 17**

### **Professional qualifications**

(1) Professional qualifications are defined as the theoretical knowledge and practical ability of an insurance intermediary or reinsurance intermediary, and his employees engaged in insurance mediation or reinsurance mediation, to pursue this activity properly, at the required professional level.

(2) There are three levels of professional qualifications for insurance intermediaries and reinsurance intermediaries:

- a) basic level of professional qualifications;
- b) medium level of professional qualifications;
- c) top level of professional qualifications.

- (3) Professional qualifications at
- a) basic level require at least secondary vocational education;
  - b) medium-level professional qualifications require:
    - 1. secondary vocational education and three years of professional experience in the area of insurance;
    - 2. full secondary education or full secondary vocational education and two years of professional experience in the area of insurance, or
    - 3. university education and one year of professional experience in the area of insurance;
  - c) top-level professional qualifications require:
    - 1. full secondary education or full secondary vocational education and five years of professional experience in the area of insurance, or
    - 2. university education and three years of professional experience in the area of insurance.

(4) The lack of professional experience in the area of insurance can be compensated for by passing a professional examination.

- (5) Professional qualifications are to be proved
- a) by an exclusive insurance intermediary or reinsurance intermediary to the proposer, by the date of submission of a proposal for registration pursuant to Article 12 paragraph 1;
  - b) by an insurance agent, insurance broker, reinsurance intermediary if he is a natural person, statutory body or at least one member of the statutory body and at least one senior employee of the insurance agent, insurance broker, or reinsurance intermediary if he is a legal person, to the National Bank of Slovakia, by the date of submission of an application for authorisation pursuant to Article 14.
  - c) by an employee of an insurance intermediary or reinsurance intermediary to the insurance intermediary or reinsurance intermediary by which he is employed, by the date of actual commencement of insurance mediation or reinsurance mediation.

- (6) Professional qualifications are to be certified
- a) with an officially verified copy of a certificate of education required for the individual levels of professional qualifications;
  - b) with a document certifying the length of professional experience required for the individual levels of professional qualifications and the activities practised during this period;
  - c) with a certificate of professional examination issued by the National Bank of Slovakia or by a legal entity authorised by the National Bank of Slovakia.

(7) Insurance intermediaries and their employees engaged in insurance or reinsurance mediation, are required to keep improving their professional qualifications.

(8) Persons who must have, pursuant to Articles 6, 7, and 9, medium-level or top-level professional qualifications are obliged to have their professional qualifications verified no later than three years of the first verification and subsequently every fifth year, by passing a professional examination.

(9) The professional examinations referred to in paragraph 4 or 8 for the individual levels of professional qualifications shall be ensured by the National Bank of Slovakia or a legal entity authorised by the National Bank of Slovakia. The participants in such professional examinations shall be obliged to pay a fee, which will not be refunded in the case of an unsuccessful examination. The examination fee will be a revenue for the National Bank of Slovakia. If such a professional examination is ensured by a legal person authorised by the National Bank of Slovakia, the examination fee shall be a revenue for this legal person.

(10) The provisions of paragraphs 1 to 9 shall not apply to insurance and reinsurance intermediaries from other Member States.

(11) The contents of professional examinations for the individual levels of professional qualifications, the amounts of examination fees, and further details about the professional examinations will be specified in generally binding legal regulations issued by the National Bank of Slovakia.

## **Supervision of insurance mediation and reinsurance mediation**

### **ARTICLE 18 Supervision**

(1) Supervision of insurance mediation by an exclusive insurance intermediary, subordinate insurance intermediary, insurance agent, insurance broker, and supervision of reinsurance mediation by a reinsurance intermediary with permanent residence or a registered office in the Slovak Republic or in a non-member state, shall be carried out in accordance with this Act and other regulations.<sup>26)</sup>

(2) Under conditions laid down in paragraphs 10 to 13, insurance mediation by an insurance intermediary from another Member State and reinsurance mediation by a reinsurance intermediary from another Member State are also subject to supervision.

(3) The subject of supervision pursuant to paragraph 1 is compliance with the provisions of this Act, other laws in the range arising from them, and generally binding legal regulations issued for their implementation, pertaining to insurance mediation by an exclusive insurance intermediary, subordinate insurance intermediary, insurance agent, insurance broker, and reinsurance mediation by a reinsurance intermediary.

(4) Supervision pursuant to paragraphs 1 and 2 shall be carried out by the National Bank of Slovakia.

(5) The National Bank of Slovakia shall be obliged to enable the competent supervisory authority of the home Member State to carry out on-site supervision in the Slovak Republic of the pursuit of insurance mediation by an insurance intermediary from another Member State or of the pursuit of reinsurance mediation by a reinsurance intermediary from another Member State. The National Bank of Slovakia shall enable such supervision after being informed by the competent supervisory authority of the home Member State of its intention to carry out such supervision. The National Bank of Slovakia is entitled to participate in such supervision.

(6) Insurance agents, insurance brokers, and insurance intermediaries shall be obliged to submit, by 31 March of the calendar year, a report on insurance mediation or a report on reinsurance mediation to the National Bank of Slovakia, for the period ending 31 December of the previous year.

(7) The contents, structure, and method of submission of the report on insurance mediation or the report on reinsurance mediation will be specified in generally binding legal regulations issued by the National Bank of Slovakia.

(8) Insurance agents, insurance brokers, and insurance intermediaries shall be obliged, at the behest of and in the time limit set by the National Bank of Slovakia, to compile and submit up-to-date, complete, and truthful data, documents, and information for the proper conduct of supervision.

(9) The National Bank of Slovakia co-operates with the competent supervisory authorities of other Member States in the exchange of information concerning the pursuit of the activities of insurance mediation by insurance intermediaries and reinsurance mediation by reinsurance intermediaries.

(10) If the National Bank of Slovakia learns that an insurance intermediary from another Member State has violated the generally binding legal regulations during insurance mediation, the National Bank of Slovakia shall call on him without undue delay to remedy the situation within a pre-set time limit.

(11) If the insurance intermediary from another Member State fails to remedy the situation within this time limit, the National Bank of Slovakia shall inform and request the competent supervisory authority of the home Member State to take immediate measures to end the unlawful condition and to supply information on the measures adopted.

(12) If, despite the measures taken pursuant to paragraph 11, the insurance intermediary from another Member State still violates the legal regulations, the National Bank of Slovakia may, after informing the competent supervisory authority of the home Member State, impose measures upon him in order to end the unlawful condition, including measures designed to eliminate and remedy the detected shortcomings, which the intermediary is obliged to adopt.

(13) If the competent supervisory authority of the home Member State revokes the authorisation of the insurance intermediary from that Member State to pursue insurance mediation, the National Bank of Slovakia shall adopt, after being informed of this fact without undue delay, measures to restrict the conduct of insurance mediation business pursuant to this Act.

(14) The National Bank of Slovakia is obliged to inform the competent supervisory authorities of insurance intermediaries from other Member State and reinsurance intermediaries from other Member States, upon which remedial measures have been imposed, which may lead to the cancellation of their registration in the home Member State.

## **ARTICLE 19**

## Sanctions

(1) If the National Bank of Slovakia finds any shortcomings in the activities of an insurance intermediary or reinsurance intermediary with permanent residence or a registered office in the Slovak Republic or in a non-member state, consisting in a failure to comply with the conditions or obligations arising from the decisions of the National Bank of Slovakia, violation or circumvention of the provisions of this Act, separate laws or other generally binding legal regulations governing the conduct of insurance or reinsurance mediation business by these persons, or finds that insurance mediation or reinsurance mediation is pursued by a person who is not registered or has no authorisation, the National Bank of Slovakia may, depending on the seriousness, range, duration, consequences, and nature of the shortcomings revealed:

- a) order an insurance intermediary or reinsurance intermediary to adopt measures for the elimination and remedy of the detected shortcomings;
- b) order a person exercising insurance or reinsurance mediation activity without registration or without due authorisation pursuant to Article 14, to terminate the unauthorised activity;
- c) impose on an insurance intermediary, reinsurance intermediary, or person exercising insurance or reinsurance mediation activity without registration or without due authorisation pursuant to Article 14, a penalty of up to Sk 5,000,000;
- d) revoke the authorisation of an insurance agent, insurance broker, or insurance intermediary pursuant to Article 14.

(2) Sanctions pursuant to paragraph 1 may be imposed independently or concurrently and repeatedly. Sanctions pursuant to paragraph 1 letters a), b), and d) may be imposed within two years of the detection of shortcomings, but no later than five years of their occurrence. A penalty pursuant to paragraph 1 letter c) may be imposed within one year of the detection of shortcomings, but no later than three years of their occurrence.

(3) The National Bank of Slovakia shall be entitled to discuss the shortcomings in the activities of an insurance intermediary or reinsurance intermediary with the intermediary or with the proposer outside the proceedings for the imposition of sanctions; the persons concerned are obliged to co-operate with the National Bank of Slovakia if requested.

(4) The National Bank of Slovakia may impose a fine for any breach of obligations arising from this Act or other generally binding legal regulations governing the conduct of insurance or reinsurance mediation business, or for any breach of conditions or obligations imposed by a decision issued by the National Bank of Slovakia, depending on the gravity, extent, duration, consequences, and nature of the detected shortcomings.

- a) the statutory body, member of the statutory body or member of the supervisory board of an insurance intermediary or reinsurance intermediary, or the head of a branch of an exclusive intermediary of insurance, insurance agent, insurance broker or reinsurance intermediary, a fine of up to twelve times his average monthly income from the insurance company, insurance intermediary, reinsurance intermediary, or branch of an exclusive intermediary of insurance, insurance agent, insurance broker or reinsurance intermediary;
- b) the head of an insurance intermediary or reinsurance intermediary may be fined up to six-times the person's average monthly remuneration received from the insurance intermediary or reinsurance intermediary.

(5) The National Bank of Slovakia shall inform the respective supervisory authorities of any sanction imposed on an insurance intermediary with a registered office in a non-member state or on a reinsurance intermediary with a registered office in a non-member state.

(6) A fine pursuant to paragraph 1 letter c) shall be payable within 30 days of the effective date of the decision imposing the fine. Imposed fines will be a revenue for the state budget of the Slovak Republic.

### **Common, transitional, and final provisions**

#### **ARTICLE 20**

(1) The relevant legal regulations of the European Communities and the European Union referred to in the annex are incorporated in this Act.

(2) In relation to the bodies of the European Union, the Ministry of Finance of the Slovak Republic shall be a notification body in the area of insurance and reinsurance mediation.

(3) Action according to this Act shall be governed by a separate law,<sup>26)</sup> unless this Act stipulates otherwise.

#### **ARTICLE 21**

(1) A person who pursued insurance mediation in accordance with the previous regulations and who intends to conduct insurance mediation business pursuant to this Act, shall be obliged to submit, by 31 December 2006, an application for authorisation pursuant to this Act or the proposer must submit a proposal by that date for the entry of this person in the register.

(2) If the person referred to in paragraph 1 fails to submit an application within the time limit set in paragraph 1 for authorisation under this Act or if none of the proposers submits a proposal for the entry of this person in the register, his authorisation pursuant to the previous regulations or the authorisation of an insurance agent to undertake insurance mediation in the name of an insurance undertaking without authorisation pursuant to the previous regulations, will expire when this period has lapsed.

(3) If the person referred to in paragraph 1 submits an application for authorisation under this Act or if a proposer submits a proposal for his registration in due time, his authorisation pursuant to the previous regulations or authorisation pursuant to paragraph 2 will expire on the date of coming into effect of the decision concerning the application pursuant to paragraph 1 or on the date of registration.

(4) Proceedings related to the imposition of fines or other sanctions on insurance agents and insurance brokers commenced before the date of entry into force of this Act shall be completed pursuant to the previous regulations. From the date of coming into effect of this

Act, the shortcomings revealed in the activities of insurance agents, insurance brokers, and other persons, which occurred according to the previous regulations and which were not dealt with under the previous regulations, shall be judged and discussed in accordance with this Act, if the shortcomings are also classified as shortcomings under the present Act. From the date of entry into force of this Act, however, it will no longer be possible to impose a sanction that is not allowed by this Act. The legal effects of events taking place before the entry into force of this Act, shall remain in effect.

(5) Proceedings related to the issue of authorisation to operate as an insurance broker or insurance agent commenced before the entry into force of this Act shall be completed in accordance with this Act.

(6) The time limits that have not lapsed by the date of entry into force of this Act shall be governed by the provisions of previous regulations. If the previous regulations set no limits for the issue of authorisation or other acts in proceedings commenced before the entry into force of this Act, the time limits under this Act will begin to expire on the date of entry into effect of this Act.

(7) The time limit pursuant to Article 12 paragraph 4 will be ten days, i.e. until 31 December 2006.

(8) The issue of generally binding legal regulations governing the execution of individual authorising provisions of this Act shall be, with effect from 1 January 2006, within the competence of the National Bank of Slovakia.

## **SECTION II**

### **Entry into force**

This Act shall enter into force on 1 September 2005.

Act No. 644/2006 Coll. came into force on 1 January 2007.

Act No. 330/2007 Coll. came into force on 1 January 2008.

Act No. 70/2008 Coll. came into force on 1 April 2008, except for Section V, which came into force on 2 April 2008.

Ivan Gašparovič

Pavol Hrušovský

Mikuláš Dzurinda

**List of legal regulations taken over from the European Communities  
and the European Union**

Directive 2002/92/EC of the European Parliament and the Council of 9 December 2002 on insurance mediation (Official Journal of the European Communities, L 9, 15 January 2003).

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**Footnotes to references:**

- 1) Article 4 paragraph 1 of Act No. 95/2002 Coll. on insurance and on amendments to certain laws, as amended by subsequent regulations.
- 2) Article 4 paragraph 4 of Act No. 95/2002 Coll., as amended by Act No. 186/2004 Coll.
- 3) Article 4 paragraph 5 of Act No. 95/2002 Coll., as amended by Act No. 186/2004 Coll.
- 4) Article 11 paragraph 1 of Act No. 95/2002 Coll.
- 5) Article 11 paragraph 5 of Act No. 95/2002 Coll., as amended by Act No. 186/2004 Coll.
- 6) For example, Act No. 78/1992 Coll. of the Slovak National Council on tax advisors and the Slovak Chamber of Tax Advisors, as amended by subsequent regulations, Act No. 466/2002 Col. on auditors and the Slovak Chamber of Auditors.
- 7) Act No. 382/2004 Coll. on experts, interpreters, and translators and on amendments to certain laws.
- 8) Article 2 paragraph 3 of Act No. 95/2002 Coll.
- 10) Article 10 of the Act No. 330/2007 Coll. on the Criminal Record Register on the Amendment and Supplementation of Certain Acts
- 11) Article 5 para. 2 letter d) of Act No. 95/2002 Coll., as amended by Act No. 186/2004 Coll.
- 12) Article 6 para. 2 letter d) of Act No. 95/2002 Coll., as amended by Act No. 186/2004 Coll.
- 13) Act No. 328/1991 Coll. on bankruptcy and settlement, as amended by subsequent regulations.
- 14) For example, Art. 49 para. 6 of Act No. 95/2002 Coll. as amended by later regulations, Act No. 483/2001 Coll. on banks and on amendments to certain laws with subsequent amendments, Act No. 566/2001 Coll. on securities and investment services and on amendments to certain laws (Securities Act), as amended by subsequent regulations.
- 15) Article 8 letter b) of Act No. 566/2001 Coll. as amended by Act No. 747/2004 Coll. Article 6 paragraphs 10, 11, and 12 of Act No. 594/2003 Coll. on collective investment and on amendments to certain laws, as amended by Act No. 747/2004 Coll.
- 16) Article 3 letter p) of Act No. 95/2002 Coll., as amended by Act No. 186/2004 Coll.
- 17) Article 2 para. 2 letter c) of the Commercial Code.
- 18) Article 21 paragraph 1 letter h) of Act No. 595/2003 Coll. on income tax. Article 8 paragraph 3 of Act No. 222/2004 Coll. on value added tax.

- 19) Act No. 266/2005 Coll. on consumer protection in remote financial services and on amendments to certain laws.
- 20) Article 3 letter d) of Act No. 95/2002 Coll.
- 21) Article 66a of the Commercial Code.
- 22) Part B, items 4, 5, 6, 7, 11, and 12 of Annex 1 to Act No. 95/2002 Coll.
- 23) Part B, items 14 and 15 of Annex 1 to Act No. 95/2002 Coll.
- 24) Part B, items 3, 8, 9, 10, 13, and 16 of Annex 1 to Act No. 95/2002 Coll.
- 25) Article 3 letter l) of Act No. 95/2002 Coll., as amended by Act No. 186/2004 Coll.
- 26) Act No. 96/2002 Coll. on financial market supervision and on amendments to certain laws, as amended by subsequent regulations.