

**LAW OF THE RUSSIAN FEDERATION NO. 4015-1 OF NOVEMBER 27, 1992 ON THE  
ORGANIZATION OF INSURANCE BUSINESS IN THE RUSSIAN FEDERATION (with the  
Amendments and Additions of December 31, 1997, November 20, 1999, March 21, April 25, 2002,  
December 8, 10, 2003, June 21, July 20, 2004, March 7, July 18, 21, 2005, May 17, November 8, 29,  
2007)**

**CHAPTER 1. GENERAL PROVISIONS**

**Article 1.** The Relationships Regulated by the Present Law

1. The present Law regulates relationships between persons pursuing activity in the insurance business area or involving the participation of such persons, the relationships in carrying out state supervision over the activities of insurance businesses and also the other relationships relating to the organisation of the insurance business.

2. The relationships specified in Item 1 of the present article are also regulated by federal laws, decrees of the President of the Russian Federation, decisions of the Government of the Russian Federation adopted in compliance with the present Law.

In the cases envisaged by the present Law federal executive governmental bodies may adopt regulatory legal acts within the scope of their powers.

3. For the purposes of the present Law the federal laws and other regulatory legal acts envisaged by Items 1 and 2 of the present article are deemed an integral part of the insurance legislation.

4. The present Law shall extend to the compulsory insurance relationships in as much as it concerns the establishment of legal foundations for the regulation of said relationships.

5. This Law shall not extend to the relations concerning obligatory insurance of natural persons' deposits made with banks and insurance of export credits against commercial and political risks carried out by a state corporation which is entitled to exercise such activity by the Federal Law serving as a basis for establishment thereof.

**Article 2.** The Insurance and Insurance Activities (Insurance Business)

1. **"Insurance"** means relationships in protecting the interests of natural and juridical persons, the Russian Federation, the Russian regions and municipal formations at the onset of certain insured events at the expense of monetary funds maintained by insurers made up of paid insurance premiums (insurance contributions) as well as other funds of insurers.

2. **"Insurance activity"** ("insurance business") means the area of insurers' activity of insurance, re-insurance, mutual insurance as well as of insurance brokers, insurance actuaries in terms of providing services related to insurance or re-insurance.

**Article 3.** The Goal and Objectives of the Organisation of the Insurance Business. The Forms of Insurance

1. The goal of the organisation of the insurance business is to protect the property interests of natural and juridical persons, the Russian Federation, the Russian regions and municipal formations on the onset of insured events.

The objectives of organisation of the insurance business are as follows:

to pursue a uniform state policy in the area of insurance;

to establish principles of insurance and to form insurance mechanisms which ensure the economic safety of citizens and economic entities/businesses in the territory of the Russian Federation.

2. Insurance shall be pursued in the forms of voluntary insurance and compulsory insurance.

3. Voluntary insurance shall be pursued on the basis of an insurance contract and insurance rules defining the general terms and procedure for insurance. Insurance rules shall be adopted and approved by an insurer or an association of insurers in compliance with the Civil Code of the Russian Federation and the present Law and they shall contain provisions concerning insurance businesses, objects of insurance, insured events, insurance risks, the procedure for calculating the insured amount, insurance tariffs, insurance premiums (insurance contributions), the procedure for concluding, performing and terminating contracts of insurance, the rights and duties of the parties, the assessment of damages or actual losses, the procedure for calculating the insurance compensation, the conditions for refusal to pay insurance compensation as well as other provisions.

4. The terms and procedure for the pursuance of compulsory insurance shall be defined by federal laws on specific types of compulsory insurance. A federal law on a specific kind of compulsory insurance shall contain provisions defining:

a) insurance businesses;

b) the objects subject to insurance;

c) a list of insurable events;

d) the minimal insured amount or the procedure for assessing it;

e) the rate, structure or procedure for setting the insurance tariff;

- f) the term and procedure for the payment of insurance premium (insurance contribution);
- g) the effective term of a contract of insurance;
- h) the procedure for assessing the amount of insurance compensation;
- i) the monitoring of insurance practices;
- j) the consequences of a default on or improper performance of obligations by insurance businesses;
- l) other provisions.

#### **Article 4. Objects of Insurance**

1. The objects of personal insurance may be property interests relating to:
  - 1) citizens' survival until a certain age or date, death, the onset of other events in citizens' lives (life insurance);
  - 2) the infliction of harm to citizens' life, health, the provision of medical services to citizens (event and disease insurance, medical insurance).
2. The objects of property insurance may be property interests, in particular relating to:
  - 1) the possessing, using and disposing of property (property insurance);
  - 2) the duty to compensate for harm caused to other persons (civil liability insurance);
  - 3) the pursuance of entrepreneurial activity (entrepreneurial risk insurance).
3. Insurance of illegal interests, and also of interests, though not illegal, of which insurance is prohibited by law, is prohibited.
4. Unless otherwise established by a federal law, insurance may be effected in respect of objects falling within different kinds of property insurance and/or personal insurance (combined insurance).
5. In the territory of the Russian Federation the insurance (except for reinsurance and other cases provided for by federal laws) of interests of juridical persons and also of the natural persons being Russian Federation residents may be pursued only by insurers holding licences obtained in the procedure established by the present Law.

#### **Article 4.1. Participants in the Relationships Regulated by the Present Law**

1. Participants in the relationships regulated by the present Law shall be as follows:
  - 1) insurers, insureds, beneficiaries;
  - 2) insurance organisations;
  - 3) mutual insurance societies;
  - 4) insurance agents;
  - 5) insurance brokers;
  - 6) insurance actuaries;
  - 7) the federal executive governmental body charged with exercising the functions of control and supervision in the field of insurance activity (insurance business) (hereinafter referred to as "the insurance supervision body").
  - 8) associations of subjects of insurance business, in particular, self-regulating organisations.
2. Insurance organisations, mutual insurance societies, insurance brokers and insurance actuaries are deemed insurance businesses.

The activities of insurance businesses shall be subject to licensing, except for the activities of insurance actuaries who are subject to attestation.

Information on insurance businesses shall be subject to entry in the comprehensive state register of insurance businesses in the procedure established by the insurance supervision body.
3. The name (company name) of an insurance business being a legal entity shall contain the following:
  - 1) an indication of the insurance business' organisational legal form;
  - 2) an indication of the insurance business' type of activity either with the words "insurance" and/or "reinsurance" or "mutual insurance" or "insurance broker" and also derivatives from such words and word combinations;
  - 3) an indication that individualises the insurance business.
4. An insurance business being a legal entity is not entitled to use completely an indication that individualises another insurance business. This provision does not extend to companies that are affiliated or dependent in respect of the insurance business.

#### **Article 5. Insurants**

1. Insurants shall be those recognized as being legal persons and actively capable, natural persons who concluded contracts of insurance with the insurers or who are an insured party by the operation of law.
2. Insurants shall have the right to conclude, with insurers, contracts of insurance concerning third persons in favour of the latter (insured persons).

3. When insurants conclude contracts of insurance, they shall have the right to appoint natural or legal persons (beneficiaries) who shall receive the insurance payments under the insurance contracts, and shall also have the right to replace them at their own discretion before the onset of an insurable event.

#### **Article 6. Insurers**

1. Insurers that are juridical persons formed under the legislation of the Russian Federation for the purpose of pursuing insurance, reinsurance, mutual insurance that have obtained licences in the procedure established by the present Law.

2. The insurers shall carry out insurance risk assessment, receive insurance premiums (insurance contributions), maintain insurance reserves, invest assets, assess the amount of damages or actual losses, disburse insurance compensation, commit other actions relating to the performance of obligations under a contract of insurance.

Insurers shall be entitled to pursue either only personal insurance envisaged by Item 1 of Article 4 of the present Law, or only property insurance and personal insurance envisaged by Item 2 and Subitem 2 of Item 1 of Article 4 of the present Law respectively.

3. Insurance organizations being affiliates of foreign investors (parent organizations) or having a foreign investor's stake that makes up over 49 per cent of their authorized capital shall not pursue the following in the Russian Federation: the personal insurance envisaged by Subitem 1 of Item 1 of Article 4 of the present Law, compulsory insurance, compulsory state insurance, property insurance relating to the performance of deliveries or of works under a contract for state needs as well as insurance of property interests of state and municipal organizations.

For the purposes of the present Law "foreign investors" are the foreign organisations having a right to invest, in the procedure and on the terms established by the legislation of the Russian Federation, in the territory of the Russian Federation into the charter capital of an insurance organisation that has been formed or is being formed in the territory of the Russian Federation.

If the stake (quota) of foreign capital in the authorized capitals of insurance organizations exceeds 25 per cent the insurance supervision body shall terminate the issuance of licenses for the pursuance of insurance activities to the insurance organizations being affiliates of the foreign investors (parent organizations) or having the foreign investors' stake in their authorized capital exceeding 49 per cent.

The aforesaid stake (quota) shall be computed as a ratio of the total capital owned by the foreign investors and their affiliates in the authorized capitals of insurance organizations to the aggregate authorized capital of the insurance organizations.

The insurance organization must obtain a preliminary permission from the insurance supervision body to increase the amount of its authorized capital at the expense of a foreign investor and/or affiliates thereof, to alienate for the benefit of a foreign investor (including but not limited to, sale to a foreign investor) its shares (stakes in the authorized capital) and the Russian shareholders (stake-holders) to alienate the shares (stakes in the authorized capital) of the insurance organization owned by them for the benefit of foreign investors and/or affiliates thereof. The issuance of said preliminary permission shall not be refused for insurance organisations which are affiliated companies of foreign investors (parent organisations) or which have a foreign investors' stake of over 49 per cent in their charter capitals or which are becoming such as the result of the said transactions, unless the amount (quota) set by the present item is exceeded as they are accomplished.

Payment by foreign investors for the shares (stakes in authorized capitals) of insurance organizations owned by them shall be effected exclusively in monetary form in the currency of the Russian Federation.

Persons who act in the capacity of sole executive and chief accountant of insurance organizations with foreign investment shall permanently reside on the territory of the Russian Federation.

4. An insurance organization being an affiliate of a foreign investor (parent organization) is entitled to pursue insurance activities in the Russian Federation if the foreign investor (parent organization) has been an insurance organization for at least 15 years as pursuing its activities in keeping with the legislation of a respective state and has been participating for at least two years in the activities of insurance organizations set up on the territory of the Russian Federation.

Insurance organizations being affiliates of foreign investors (parent organizations) or having foreign investors' stake in their authorized capital exceeding 49 per cent may set up their branches on the territory of the Russian Federation, participate in affiliated insurance organizations upon the obtaining of a preliminary permission to do so from the insurance supervision body. The said preliminary permission shall be denied if the stake (quota) of foreign capital in insurance organizations of the Russian Federation specified under Item 3 of the present article has been exceeded.

5. The rules established by Paragraphs 1, 6 and 7 of Item 3 and Item 4 of the present article, and also by Item 5 of Article 32.1 of the present Law shall not extend to insurance organisations that are

affiliated companies of foreign investors (parent organisations) of the member states of the European Community being party to the Agreement on Partnership and Cooperation Instituting Partnership between the Russian Federation on the One Hand and the European Community and the Member States Thereof on the Other of June 24, 1994 or have such foreign investors' stake of over 49 per cent in their charter capital.

**Article 7. Procedure for Regulating the Activities of a Mutual Insurance Society**

Activities of mutual insurance societies shall be regulated by the Civil Code of the Russian Federation, this Law, Federal Law on mutual insurance and by other federal laws.

**Article 8. Insurance Agents and Insurance Brokers**

1. **"Insurance agents"** means natural persons who permanently reside on the territory of the Russian Federation and pursue their activities under a civil law contract or Russian legal entities that represent an insurer in dealings with an insured person and that act on behalf of the insurer and on the instructions thereof in accordance with the powers vested therein.

2. **"Insurance brokers"** means natural persons who permanently reside on the territory of the Russian Federation and have registered in the procedure established by the legislation of the Russian Federation as individual entrepreneurs or Russian legal entities (commercial organisations) that act in the interests of an insured person (re-insured) or insurer (re-insurer) and carry out the activity of providing services related to the conclusion of contracts of insurance (re-insurance) between an insurer (re-insurer) and insured (re-insured), and also to the performance of the said contracts (hereinafter referred to as "provision of the services of an insurance broker"). While providing services related to the conclusion of the said contracts, the insurance broker is not entitled to simultaneously act in the interests of the insured and the insurer.

Insurance brokers shall be entitled to pursue another activity, not prohibited by law, relating to insurance, except for activity in the capacity of an insurance agent, insurer, re-insurer.

Insurance brokers shall not be entitled to pursue an activity not connected to insurance.

3. The activity of insurance agents and insurance brokers of providing services related to the conclusion and performance of contracts of insurance (except for contracts of re-insurance) with foreign insurance organisations or foreign insurance brokers on the territory of the Russian Federation is prohibited.

4. For the purpose of concluding contracts of re-insurance with foreign insurance organisations, insurers are entitled to conclude contracts with foreign insurance brokers.

**Article 8.1. Insurance Actuaries**

1. **"Insurance actuaries"** are natural persons permanently residing on the territory of the Russian Federation who hold a qualification certificate and pursue under a labour contract or a civil-law contract concluded with an insurer the activity of calculating insurance tariffs, the insurer's insurance reserves and assessing the insurer's investment projects by means of actuarial studies.

2. According to the results of each financial year, insurers must carry out an actuarial assessment of the insurance obligations assumed (insurance reserves). The results of the actuarial assessment shall be reflected in an appropriate report filed with the insurance supervision body in the procedure established by the federal executive governmental body charged with the function of elaborating state policy and providing a normative legal regulation in the field of insurance activity (hereinafter referred to as "the insurance regulation body").

3. The standards governing the procedure for holding qualification examinations for insurance actuaries and the issuance and annulment of qualification certificates shall be established by the insurance regulation body.

**Article 9. The Insurance Risk, the Insured Event**

1. The uninsurable risk represents a supposed event the onset of which is to be insured against. The event regarded as an insurable risk shall possess the signs that its onset is probable and accidental.

2. The insurable event represents the occurrence of an event foreseen by an insurance contract or by the law, at the onset of which the insurer shall be obliged to make an insurance payment to the insurant, insured party, beneficiary or other third party.

3. The insurance payment for an insurable property event shall be made in the form of an insurance indemnity, and for an insurable event concerning the insurant or a third party, the insurance payment shall be in the form of an insurance security.

**Article 10. The Insured Amount and the Insurance Compensation**

1. **"Insured amount"** is the amount of money set by a federal law and/or defined by an insurant contract which is used to set the amount of insurance premium (insurance contribution) and the amount of insurance compensation disburseable on the onset of an insured event.

2. When a property is insured, the insured amount shall not exceed the actual value (insurance value) of the property as of the time of conclusion of the insurance contract. The parties shall not dispute the insurance value of the property defined by the insurance contract, except for cases when the insurer proves that the insurer has been misled by the insured.

In personal insurance the insured amount shall be set by the insurer by agreement with the insured.

3. **"Insurance disbursement"** is an amount of money established by a federal law and/or an insurance contract which is payable by the insurer to the insured, insurant, beneficiary upon the onset of the insured event.

Insurance disbursements under insurance contracts shall be effected in Russian currency, except for the cases specified by Item 4 of the present article, the currency legislation of the Russian Federation and the normative legal acts of the currency regulation bodies adopted in compliance with it.

4. According to the terms of insurance of property and/or civil liability within the insured amount an insurance disbursement (insurance compensation) may be replaced by the provision of property similar to the property lost.

5. In the event of loss of, damage to an insured property the insured, beneficiary shall be entitled to waive his right to the property for the benefit of the insurer for the purpose of receiving an insurance disbursement (insurance compensation) from the insurer equal to the full insured amount.

6. In the event of personal insurance an insurance disbursement (insured amount) shall be paid to the insured or a person entitled to receive the insurance disbursement (insured amount) under the insurance contract, no matter the amounts of money due thereto under other insurance contracts, and also under compulsory social insurance, welfare and compensation-for-harm schemes.

In life insurance the insurer may pay out a portion of investment income in addition to the insured amount.

7. In the event of rescission of a contract of life insurance envisaging the insured's survival to a certain age or date or the onset of another event the insured shall be entitled to a refund of an amount within the limits of the insurance reserve maintained in the established manner as of the date of termination of the insurance contract (buy-back amount).

8. Organisations and individual entrepreneurs shall provide insurers, on their request, with the documents and reports relating to the onset of an insured event as might be required for resolving the issue of insurance disbursements, in compliance with the legislation of the Russian Federation.

**Article 11. The Insurance Premium (Insurance Contribution) and the Insurance Tariff**

1. The insurance premium (insurance contribution) shall be paid by the insured in Russian currency, except for the cases envisaged by the currency legislation of the Russian Federation and the normative legal acts of the currency regulation bodies adopted in compliance with it.

2. **"Insurance tariff"** is the rate of insurance premium per unit of the insured amount with account taken of the object of insurance and the character of insurance risk.

The specific size of an insurance tariff shall be set by a contract of voluntary insurance by agreement of the parties.

Insurance tariffs for types of compulsory insurance shall be established in accordance with federal laws on the types of compulsory insurance.

**Article 12. Co-Insurance**

**"Co-insurance"** is insurance of one and the same object of insurance by several insurers under a single insurance contract.

**Article 13. Re-Insurance**

1. **"Re-insurance"** is the activity of one insurer's (re-insurer's) protecting the property interests of another insurer (re-insurer) connected with the latter's obligations assumed under an insurance contract (basic contract) to effect an insurance disbursement.

2. No re-insurance shall be effected in respect of a risk of insurance disbursement under a contract of life insurance in as much as it concerns the insurant's survival until a certain age or date or the onset of another event.

3. The insurers holding life insurance licences shall not be entitled to re-insure property insurance risks assumed by insurers.

4. Re-insurance shall be pursued under a contract of re-insurance concluded between an insurer and a re-insurer in compliance with the provisions of civil legislation.

5. Apart from a re-insurance contract, other documents applicable depending on business customs may be used to confirm an agreement between a re-insured and a re-insurer.

#### **Article 14. Associations of Insurance Businesses**

1. For the purpose of coordinating their activities, representing and protecting the common interests of their members, insurance businesses may form unions, associations etc.

2. Information on a union of insurance businesses shall be subject to entry in the register of associations of insurance businesses on the basis of copies of certificates of state registration of such associations and their constitutive documents filed with the insurance supervision body.

#### **Article 14.1. Insurance Pools**

Under a contract of simple partnership (contract of joint activity) insurers may carry out joint activities without setting up a juridical person in order to ensure the financial stability of insurance transactions for specific kinds of insurance (insurance and re-insurance pools).

### **CHAPTER II. THE INSURANCE CONTRACT – Excluded.**

### **CHAPTER III. THE SECURITY FOR THE FINANCIAL STABILITY OF INSURERS**

#### **Article 25. Conditions for Ensuring Insurer's Financial Stability**

1. As guarantees for ensuring the financial stability of an insurer shall be deemed economically-feasible insurance tariffs; insurance reserves sufficient to discharge obligations under contracts of insurance, co-insurance, re-insurance, mutual insurance; own resources; re-insurance.

The insurer's insurance reserves and own resources shall be underpinned by assets meeting the criteria of diversification, liquidity, repayment and profitability.

2. Insurers' (except for mutual insurance societies) own resources shall incorporate charter capital, reserve capital, supplementary capital, undistributed profit.

3. Insurers (except for mutual insurance societies) shall possess a fully paid up charter capital in an amount not below the minimum charter capital level set by the present Law.

The minimum amount of the charter capital of an insurer shall be assessed on the basis of a basic amount of the insurer's charter capital equal to 30 million roubles and the following coefficients:

1 for insurance of the objects envisaged by Subitem 2 of Item 1 of Article 4 of the present Law;  
1 for insurance of the objects envisaged by Subitem 2 of Item 1 and/or Item 2 of Article 4 of the present Law;

2 for insurance of the objects envisaged by Subitem 1 of Item 1 of Article 4 of the present Law;  
2 for insurance of the objects envisaged by Subitems 1 and 2 of Item 1 of Article 4 of the present Law;

4 for re-insurance and also for insurance combined with reinsurance.

A change in the minimum amount of the charter capital of an insurer is only admitted under federal law not more than once in two years and involves the establishment of a transitional period as a compulsory feature.

It is prohibited to contribute borrowed funds or pledged property into charter capital.

4. Insurers shall observe the provisions concerning financial stability established by the present Law and regulatory legal acts of the insurance regulation body in as much as concerns the maintenance of insurance reserves, the composition and structure of the assets acceptable as coverage for insurance reserves, reinsurance quotas, rated ratio of insurer's own resources to obligations assumed, the composition and structure of the assets acceptable as coverage for insurer's own resources and also for the issuance of banking guarantees.

5. The insurer (except for a mutual insurance society) may transfer the obligations he has assumed under insurance contracts (insurance portfolio) to one insurer or several insurers (replacement of insurer) holding licences for the types of insurance for which the insurance portfolio is transferred and having sufficient own resources, i.e. complying with the solvency requirements taking account of the newly assumed obligations. The transfer of an insurance portfolio is effected in the procedure established by the legislation of the Russian Federation.

An insurance portfolio shall not be transferred if:

the insurance contract to be transferred have been concluded in breach of the legislation of the Russian Federation;

the insurer which is accepting the insurance portfolio does not observe the financial stability provisions established by Items 1 - 5 of the present article;

there is no written consent by the insureds, insurants to replacement of the insurer;

the licence of the insurer accepting the insurance portfolio lacks an indication of the type of insurance for which the insurance contract have been concluded;

the insurer handing over the insurance portfolio lacks assets acceptable as coverage for insurance reserves (except for cases of insolvency (bankruptcy)).

Simultaneously with the transfer of an insurance portfolio, assets are transferred in the amount of insurance reserves matching the insurance obligations being transferred.

If there is a discrepancy between the insurance rules of the insurer which is accepting an insurance portfolio and the insurance rules of the insurer which is handing over the insurance portfolio, modifications in the terms of the insurance contracts shall be agreed with the insured.

#### **Article 26. Insurance Reserves**

1. To ensure the discharge of obligations related to insurance, reinsurance and mutual insurance insurers shall form insurance reserves in the procedure established by the normative legal act of the body in charge of insurance regulation.

2. Insurance reserve funds shall be used exclusively for making insurance disbursements.

3. Insurance reserves shall not be subject to withdrawal for the benefit of the federal budget and budgets of the other levels of the budgetary system of the Russian Federation.

4. Insurers shall be entitled to invest and other wise float insurance reserve funds in the procedure established by a regulatory legal act of the insurance regulation body.

The floatation of insurance reserve funds shall be effected on the conditions of diversification, repayment, profitability and liquidity.

5. When insurance concerns the personal insurance objects envisaged by Subitem 1 of Item 1 of Article 4 of the present Law the insurer shall be entitled to extend a loan to the insured being a natural person, within the limits of the insurance reserve maintained under an insurance contract concluded for at least a five-year term.

6. The insurance organisation is entitled to maintain a preventive measures fund for the purpose of financing measures for prevention of insured events.

#### **Article 27. Abolished**

#### **Article 28. Bookkeeping and Accounting**

1. Insurers shall do their bookkeeping, draw up accounting and statistical reports in compliance with the chart of accounts, bookkeeping rules, bookkeeping and accounting forms endorsed by the insurance regulation body in compliance with the legislation.

2. Separate bookkeeping shall be maintained for transactions of insurance of the personal insurance objects envisaged by Subitem 1 of Item 1 of Article 4 of the present Law and transactions of insurance other objects.

3. Insurers shall file accounting and statistical reports with the insurance supervision body as well as other information according to the forms and in the procedure established by insurance regulation body.

Insurance brokers shall provide the insurance supervision body with information on insurance brokerage activity in the procedure established by the insurance supervision body.

#### **Article 29. Publication of Annual Financial Reports by Insurers**

1. Insurers shall publish annual financial reports in the procedure and within the term established by regulatory legal acts of the Russian Federation after an audit confirmation has been obtained of the reliability of the information contained in such reports.

2. The publication of annual financial reports shall be done in the mass media, in particular those propagated in the territory where the insurer is pursuing his activities. Information on the publication shall be provided by the insurer to the insurance supervision body.

### **CHAPTER IV. STATE SUPERVISION OVER THE ACTIVITIES OF INSURANCE BUSINESSES**

#### **Article 30. State Supervision over the Activities of Insurance Businesses**

1. State supervision over the activities of insurance businesses (hereinafter referred to as "insurance supervision") shall be effectuated for the purpose of their observing the insurance legislation, preventing and stopping offences committed by participants in the relationships governed by the present Law, the insurance legislation, ensuring the protection of rights and lawful interests of insurers, other persons concerned as well as the state, providing for an effective development of the insurance business.

2. Insurance supervision shall be performed based on the concepts of legality, transparency and organisational integrity.

3. Insurance supervision shall be carried on by the insurance supervision body and its territorial bodies.

The insurance supervision body shall publish the following in the printed organ designated by it:

- 1) explanations of matters put within the jurisdiction of the insurance supervision body;
  - 2) information from the comprehensive state register of subjects of insurance business, a register of associations of subjects of insurance business;
  - 3) documents on limitation, suspension or resumption of an insurance activity licence;
  - 4) documents on revocation of an insurance activity licence;
  - 5) other information concerning control and supervision in the field of insurance activity (insurance business);
  - 6) normative legal acts adopted by the insurance regulation bodies.
4. Insurance supervision shall incorporate the following:
- 1) the licensing of activities of insurance businesses, the attestation of insurance actuaries and the keeping of the comprehensive state register of insurance businesses, the register of associations of insurance businesses;
  - 2) the monitoring of observance of the insurance legislation, in particular by means of on-site inspection of insurance businesses' activities and verification of the reports filed by them, and also the monitoring of insurers' success in ensuring their financial stability and solvency;
  - 3) the issuance, within 30 days in the cases envisaged by the present Law, of permission to increase the amount of charter capitals of insurance organisations on the account of foreign investors' funds, to accomplish, with participation of foreign investors, the transactions of alienation of shares (stakes in charter capitals) of insurance organisations, to open representative offices of foreign insurance, re-insurance, brokerage and other organisations pursuing activities in the area of insurance, and also to open branches of insurers with foreign investment;
5. Insurance businesses must:
- file the established reports on their activities, provide information on their financial state;
  - observe the provisions of the insurance legislation and comply with prescriptions of the insurance supervision body for elimination of breaches of the insurance legislation;
  - provide, at requests of the insurance supervision body, information as might be required for it to pursue insurance supervision (except for information deemed banking secret).

**Article 31. The Suppression of Monopolistic Activity and Unfair Competition in the Insurance Market**

The prevention, restriction and suppression of monopolistic activity and unfair competition in the insurance market shall be effected by the federal antimonopoly body in accordance with the antimonopoly legislation of the Russian Federation.

**Article 32. Licensing the Activities of Insurance Businesses**

1. The licensing of activities of insurance businesses shall be effected on the basis of their applications and documents filed in keeping with the present Law.

An insurance, re-insurance, mutual insurance, insurance brokerage licence (hereinafter also referred to as a "licence") shall be issued to insurance businesses.

The right to pursue activity in the area of insurance is granted only to an insurance business that has obtained a licence.

2. To obtain a voluntary and/or compulsory insurance licence the licence applicant shall file the following with the insurance supervision body:

- 1) a licence application 17.08.06 12:14;
- 2) the constitutive documents of the licence applicant;
- 3) a document confirming that the licence applicant has undergone state registration as a juridical person;
- 4) the minutes of the meeting of founders on the approval of the constitutive documents of the licence applicant and on the approval of the sole executive body, the head (heads) of the collective executive body of the applicant for the licence;
- 5) information on the composition of shareholders (stakeholders);
- 6) documents confirming that the charter capital has been paid up in full;
- 7) documents confirming the state registration of the juridical persons being the founders of the insurance business, an auditor's report on the reliability of their financial reports for the last accounting period, if a compulsory audit is envisaged for them;
- 8) information on the sole executive body, head (heads) of the collective executive body, chief accountant, head of internal audit commission (internal auditor) of the licence applicant;
- 9) information on the insurance actuary;
- 10) insurance rules for the types of insurance envisaged by the present Law, with specimens of the documents being used;
- 11) calculations of insurance tariffs together with the actuarial calculation methodology being used and an indication of the source of original data as well as the tariff rate structure;
- 12) the regulations on insurance reserve maintenance;



13) economic feasibility study for the types of insurance pursued.

3. To obtain a licence for the pursuance of additional types of voluntary and/or compulsory insurance envisaged by the classification, the licence applicant shall file the documents specified in Subitems 1, 10 - 13 of Item 2 of the present article with the insurance supervision body.

4. Applicants for re-insurance licences shall not be subject to Subitems 9, 10 (so far as it concerns the presentation of insurance rules for types of insurance), Subitem 11 of Item 2 of the present article (except for specimens of the documents used in re-insurance).

4.1. In order to obtain the licence for pursuance of mutual insurance the licence applicant (a non-profit organisation) shall submit the following to the body in charge of insurance supervision:

- 1) an application for issuance of the licence;
- 2) the articles of the mutual insurance society;
- 3) the document proving the state registration of the mutual insurance society as a legal entity;
- 4) data on the chairman of the board of directors, director, chief accountant, chairman of the inspection commission (inspector) of the mutual insurance society;
- 5) regulations on forming insurance reserves;
- 6) insurance rules for the kinds of insurance established by this Law and for those entered to the articles of the mutual insurance society, except for the kinds of insurance provided for by Subitems 1-5 of Item 1 of Article 32.9 of this Law, with models of documents which are used attached thereto (if the society's articles provide for making a contract of insurance).

4.2. If the articles of a mutual insurance society are amended, as regards supplementing of the list of kinds of insurance, the regulations on forming insurance reserves and the insurance rules in respect of such kinds of insurance shall be sent to the body in charge of insurance supervision for coordination. A decision on the coordination or on the refusal to effect such coordination shall be taken in the basis of the results of consideration of the said documents by the body in charge of insurance supervision at latest in thirty working days as of the date of receiving the said documents by the body in charge of insurance supervision. The body in charge of insurance supervision is obliged to report to a mutual insurance company about the adopted decision within five working days as of the date of rendering the decision. A procedure for coordinating regulations on forming insurance reserves and the insurance rules in respect of supplementary kinds of insurance shall be established by the body in charge of insurance regulation. A mutual insurance society is not entitled to effect supplementary kinds of insurance before receiving a decision on coordination with the body in charge of insurance supervision of the regulations on forming insurance reserves and the insurance rules concerning such kinds of insurance.

5. To obtain an insurance brokerage licence, the licence applicant shall file the following with the insurance supervision body:

- 1) a licence application;
- 2) a document confirming that the licence applicant has undergone state registration as a juridical person or individual entrepreneur;
- 3) the constitutive documents of the licence applicant that is a juridical person;
- 4) specimens of the contracts required for pursuing insurance brokerage activity;
- 5) documents confirming the qualifications of the insurance broker's employees and the qualification of an insurance broker who is an individual entrepreneur.

6. The documents cited in Subitems 2, 3, 6 and 7 (as regards the documents concerning the state registration) of Item 2, in Subitems 2 and 3 of Item 4.1, Subitems 2 and 3 of Item 5 of this article shall be submitted in the form of copies attested and certified by a notary.

Requirements for the application, data and documents cited in Subitems 5, 8, 9 and 13 of Item 2, Subitem 4 of Item 4.1 and Subitem 4 of Item 5 of this article shall be established by the body in charge of insurance regulation.

7. Licences applicants which are affiliated companies of foreign investors (parent organisations) or which have a foreign investor's stake of over 49 per cent in their charter capitals shall file the following in the procedure envisaged by the legislation of the country where the foreign investors are located in addition to the documents specified in Item 2 of the present article: the consent in writing of the appropriate agency charged with supervision over insurance activity of the country of location to the foreign investors' participation in the charter capital of insurance organisations set up in the territory of the Russian Federation or a notice to the insurance supervision body on the absence of a provision requiring such permission in the country where the foreign investors are located.

8. The lists of documents filed by licences applicants for the purposes of obtaining a licence defined by the present article are exhaustive. In order to verify information received the insurance supervision body is entitled to forward written requests to organisation for provision of information (with the scope of their competence) as concerning the documents filed by a licence applicant, in keeping with the legislation of the Russian Federation.

9. If the documents specified in the present article have been filed in appropriate form the insurance supervision body shall issue a written notice to the licence applicant, acknowledging receipt of the documents.

10. Insurers and insurance brokers must provide notification in writing to the insurance supervision body of amendments made to the documents which have served as the basis for issuance of a licence under Subitems 2, 3, 5, 6, 7 (as far as state registration documents are concerned), 8 - 13 of Item 2, Subitems 2 - 6 of Item 4.1, Subitems 3, 4 and 5 of Item 5 of the present article and they must simultaneously file documents confirming such amendments, within 30 days after the date of the amendments.

11. The decision to issue a licence or refuse to issue a licence shall be taken by the insurance supervision within 60 days after the day when the insurance supervision body received all the documents required for a licence applicant under the present article for the purposes of obtaining a licence. A notice of the decision made shall be made by the insurance supervision body to the licence applicant within five working days after the date of the decision.

12. The documents filed by insurance businesses with the insurance supervision body shall be drawn up in the Russian language.

#### **Article 32.1. Qualification and Other Standards**

1. The heads (in particular, the sole executive body) of an insurance business that is a juridical person or an individual entrepreneur engaged in insurance business shall have a higher education in economics or finance confirmed by a document certifying higher education in economics or finance recognised in the Russian Federation and also at least a two-year record of work in the area of insurance and/or finance.

2. The chief accountant of an insurer or insurance broker shall have a higher education in economics or finance confirmed by a document certifying higher education in economics or finance recognised in the Russian Federation and also at least a two-year record of employment in his/her speciality with an insurance/reinsurance organisation and/or a brokerage organisation registered in the territory of the Russian Federation.

3. Abolished

4. An insurance actuary shall have a higher education in mathematics (technology) or economics confirmed by a document certifying higher education in mathematics (technology) or economics recognised in the Russian Federation and also a qualification certificate confirming his/her knowledge in the area of actuarial calculations.

5. The heads (in particular, the sole executive body) and the chief accountant of an insurance business that is a juridical person shall permanently reside on the territory of the Russian Federation.

#### **Article 32.2. Abolished**

#### **Article 32.3. Grounds for Refusing to Issue of a Licence to a Licence Applicant**

1. Below are the grounds for refusing the issuance of a licence to a licence applicant:

1) the use - by a contender for a licence being a legal entity that has applied with a tax supervision body for a licence - of a complete indication that individualises another insurance business about which information has been entered in the comprehensive state register of insurance businesses. This provision does not extend to companies which are affiliated or dependent in respect of the insurance business;

2) the availability of an uneliminated breach of the insurance legislation on the part of the licence applicant as of the date of filing of an application for the pursuance of additional types of voluntary and/or compulsory insurance, mutual insurance.

3) the non-compliance of the documents filed by the licence applicant for the purpose of obtaining a licence with the provisions of the present Law and regulatory legal acts of the insurance regulation body;

4) the non-compliance of the constitutive documents with the provisions of the legislation of the Russian Federation;

5) the presence of unreliable information in the documents filed by the licence applicant;

6) the heads (in particular, the sole executive body) or the chief accountant of the licence applicant having an unremoved or unexpunged conviction on;

7) the insurers' failure to ensure their financial stability and solvency in keeping with regulatory legal acts of the insurance regulation body;

8) the existence of an undischarged prescription of the insurance supervision body;

9) the insolvency (bankruptcy) (in particular, deliberate or fictitious bankruptcy) of an insurance business that is a juridical person through the fault of a founder of the licence applicant.

2. The decision of the insurance supervision body to refuse the issuance of a licence shall be forwarded in writing to the licence applicant within five working days after the date of the decision complete with an indication of the reasons for the refusal.

The decision refusing to issue a licence shall contain a validation of the refusal and a compulsory reference to the irregularities committed and it shall be made within the term set by the present Law.

The decision refusing issuance of a licence shall be forwarded to the licence applicant together with a notice of delivery thereof.

#### **Article 32.4. Annuling a Licence**

A licence shall be annulled or the decision to issue a licence shall be revoked if:

the licence applicant has failed to take measures for collecting the licence within two months after the notice on issuance of the licence;

it is established before the time of issuance of the licence that the licence applicant has provided unreliable information.

#### **Article 32.5. The Effective Term of a Licence**

1. The licence shall be issued without a limitation of its effective term, except for the cases specified by the present Law, and shall be in effect from the date of its obtainment by the subject of insurance business. The licence is not transferable to other persons.

2. A temporary licence may be issued for the term:

specified in the application filed by the licence applicant, but such a term not exceeding three years;

of one year to three years if information is lacking that allows a reliable assessment of the insurance risks envisaged by the insurance rules filed at licensing to be made, and also in the cases established by the insurance legislation.

3. The effective term of a licence may be extended at the application of the licence applicant, except as otherwise envisaged by the insurance legislation.

The prolongation of the effective term of a temporary licence may be refused if it is established that the licence applicant committed violations of the insurance legislation within its effective term and that they have not been eliminated within the established term.

4. The operation of the licence shall be terminated, if the subject of insurance business which is an individual businessman terminates its activities or the subject of insurance business which is a legal entity is liquidated or re-organised, except for re-organisation in the form of affiliation or detachment. The operation of the licence of the subject of insurance business which is a legal entity whereto another legal entity is affiliated or wherefrom another legal entity is detached shall not be terminated.

5. The operation of the licence of the subject of insurance business which is a legal entity established by way of re-organisation in the form of transformation shall not be terminated provided that the newly established legal entity complies with the requirements of the legislation of the Russian Federation. The body in charge of insurance supervision is obliged to replace the form of the licence to the issued to the subject of insurance business which is a legal entity established by way of re-organisation in the form of transformation within ten working days as of the date of receiving the documents stipulated by Article 32 of this Law.

#### **Article 32.6. Restrictions on or Suspension of a Licence**

1. In the event of discovery of a breach of the insurance legislation a prescription for elimination of the breach (hereinafter referred to as a "prescription") shall be issued by the insurance supervision body to the insurance business.

2. A prescription shall be issued if:

1) an insurance business pursues an activity prohibited by the legislation and also if it pursues its activity in breach of the terms established for the purposes of issuance of the licence;

2) an insurer fails to observe the insurance legislation in as much as it concerns the maintenance and floatation of insurance reserves, as well as other funds that guarantee insurance disbursements;

3) an insurer fails to observe established requirements for the maintenance of the rated ratio of assets and liabilities assumed, other established requirements for the maintenance of financial stability and solvency;

4) an insurance business violates the established requirements concerning the filing of established reports with the insurance supervision body and/or its territorial body;

5) an insurance business failed to file, within the established term, documents demanded for insurance supervision purposes within the scope of powers of the insurance supervision body;

6) it has been discovered that an insurance business provided the insurance supervision body and/or its territorial body with incomplete and/or unreliable information;

7) an insurance business did not provide information, within the established term, on amendments introduced in the documents specified in Item 10 of Article 32 of the present Law (together with documents confirming such amendments).

3. The prescription shall be forwarded to the insurance business, and if necessary a copy of the prescription shall be forwarded to the appropriate executive governmental bodies.

Within the term set by the prescription the insurance business shall file documents with the insurance supervision body to confirm that the irregularities discovered have been eliminated.

The said documents shall be considered within 30 days after the receipt of all the documents confirming that the prescription has been performed in full.

The filing of documents confirming that the irregularities discovered have been eliminated by the insurance business within the established term shall serve as a ground for deeming the prescription discharged. The insurance business shall be informed of the lifting of the prescription within five working days after the date of the decision to this effect.

If later on it is discovered that the insurance business has filed documents containing unreliable information, this shall serve as a ground for deeming the prescription issued earlier undischarged.

4. If a prescription is not properly performed or is not performed when due and also if an insurance business declines to receive a prescription a restriction shall be put on the licence or the licence shall be suspended in the procedure established by the present Law.

5. A limitation on an insurer's licence means a ban on the conclusion of contracts of insurance for specific types of insurance, contracts of re-insurance, and also amendments ensuing an increase in insurer's obligations to relevant contracts.

6. Suspension of a licence of a subject of insurance business means a ban on conclusion of contracts of insurance, contracts of reinsurance, contracts of provision of insurance broker's services, and also amendments ensuring an increase in obligations of a subject of insurance business to relevant contracts.

7. A decision of the insurance supervision body on imposing limitations on, or suspending, a licence shall be published in the printed organ designated by the insurance supervision body, within ten working days after such a decision and shall come into force as of the date of publication. A decision of the insurance supervision body on imposing limitations on, or suspending, a licence shall be forwarded in writing to the subject of insurance business within five working days after the entry of the decision into force together with an indication of reasons for the imposition of limitations on, or suspension of, the licence.

8. If necessary, a copy of the decision on imposition of restrictions on or suspension of a licence shall be forwarded to the appropriate executive governmental body.

#### **Article 32.7. Resuming a Licence**

1. The resumption of a licence after it has been subjected to restrictions or suspension means restoration in full of the right of the insurance business to pursue the activity for which the licence was issued.

2. The grounds for lifting the sanctions envisaged by Items 5 and 6 of Article 32.6 of the present Law shall be the elimination in full by the insurance business within the established term of the irregularities discovered.

3. The decision to resume a licence shall enter into force as of the day when it is taken and it shall be brought to the notice of the insurance business and other persons concerned within 15 days after the date of the decision. The decision to resume a licence shall be published in the printed edition designated by the insurance supervision body.

#### **Article 32.8. Terminating Insurance Activity of a Subject of the Insurance Business or Liquidation Thereof in Connection with a Revocation of Licence**

1. The insurance activity of a subject of the insurance business is terminated on the below grounds: a decision of a court, and also a decision of the insurance supervision body on revocation of the licence, in particular, a decision taken on the application of the subject of insurance business.

2. The insurance supervision body takes a decision on revocation of a licence:

1) as it carries out insurance supervision:

if a subject of insurance business does not eliminate within the established term the breach of the insurance legislation that served as a ground for imposing limitations on, or suspension of, the licence;

if within 12 months after receipt of a licence a subject of the insurance business does not proceed to pursue the activity envisaged by the licence or has not been pursuing this activity over the financial year;

in the other cases envisaged by a federal law;

2) on the initiative of a subject of insurance business: on the application in writing thereof whereby the subject refused to pursue the activity envisaged by the licence.

3. A decision of the insurance supervision body on revocation of a licence is subject to publication in the printed organ designated by the insurance supervision body, within ten working days after the decision and it shall enter into force as of the date of its publication, except as otherwise established by a federal law. The insurance supervision body's decision on revocation of the licence shall be forwarded in writing to the subject of insurance business within five working days after the decision takes effect, with the reasons for the revocation of the licence being indicated. A copy of the decision on revocation of the licence shall be forwarded to the relevant executive governmental body in accordance with the legislation of the Russian Federation.

4. Starting from the date of entry into force of the insurance supervision body's decision on revocation of the licence, the subject of insurance business is entitled neither to conclude contracts of insurance, contracts of re-insurance, contracts of provision of insurance broker's services, nor to make amendments to the relevant contract causing an increase in the obligations of the subject of the insurance business.

5. Before the expiry of six months after the entry into force of the insurance supervision body's decision on revocation of the licence the subject of insurance business shall:

- 1) adopt a decision on the termination of insurance activity in accordance with the legislation of the Russian Federation;
- 2) discharge the obligations arising from contracts of insurance (re-insurance), in particular, effect insurance disbursements for the insured accidents that have occurred;
- 3) transfer the obligations assumed under contracts of insurance (insurance portfolio) and/or rescind contracts of insurance, contracts of re-insurance, contracts of provision of insurance broker's services.

6. Within one month after the entry into force of the insurance supervision body's decision on revocation of the licence the insurer shall notify the insured people of the revocation of the licence, on the early termination of contracts of insurance, contracts of re-insurance and/or on the transfer of obligations assumed under contracts of insurance (insurance portfolio), with an indication being made of the insurer to which the insurance portfolio can be transferred. In this case, the "notification" in particular means publication of this information in periodical printed publications, each having circulation of at least 10,000 copies, and distributed in the territory where the insurers pursue their activities.

7. Upon the expiry of three months after the entry into force of the insurance supervision body's decision on revocation of the licence, the obligations under contracts of insurances for which the parties' relations have not been settled shall be transferred to another insurer. The transfer of obligations assumed under the said contracts (insurance portfolio) shall be effected on the consent of the insurance supervision body. The insurance supervision body shall forward a decision in writing on its consent for the transfer of the insurance portfolio or on its refusal to grant such consent according to the results of verification of solvency of the insurer that is to receive the insurance portfolio, within 20 working days after the filing of the insurance portfolio transfer application. The insurance supervision body does not grant its consent to the transfer of the insurance portfolio if according to the results of verification of solvency of the insurer that is to receive the insurance portfolio this insurer does not have enough own funds, i.e. does not comply with the solvency requirements, given the newly assumed obligations.

8. Until the execution of the duties specified in Item 5 of the present article the subject of the insurance business shall file financial statements/reports with the insurance supervision body quarterly.

9. Until the expiry of six months after the entry into force of the insurance supervision body's decision on revocation of the licence the subject of insurance business shall file documents with the insurance supervision body to confirm the execution of the duties specified in Item 5 of the present article:

- 1) a decision on termination of insurance activity adopted by a managerial body of a subject of insurance business deemed a legal entity that is empowered to take such decisions in accordance with the constitutive documents or a subject of insurance business registered as an individual entrepreneur in the procedure established by the legislation of the Russian Federation;
- 2) documents containing information on the presence or lack in writing of insured people's (beneficiaries') claims for discharge or early termination of obligations arising from contracts of insurance (reinsurance), contracts of provision of insurance broker's services, and also documents confirming the transfer of obligations assumed under contracts of insurance (insurance portfolio);
- 3) financial statements/reports bearing an annotation by a tax body and an auditor's report as of the accounting date nearest to the date of expiry of a six-month term from the entry into force of the insurance supervision body's decision on revocation of the licence;
- 4) the original licence.

9.1. The insurance activities of a mutual insurance society shall be terminated or it shall be liquidated in connection with withdrawal of the licence thereof subject to the specifics provided for by Items 9.2-9.6 of this Article.

9.2. A mutual insurance society engaged in insuring property interests of its members directly on the basis of the society's articles is not entitled after entry into force of the decision of the body in charge

of insurance supervision on the withdrawal of the licence thereof to admit new members to the mutual insurance company, as well as to make amendments to the insurance rules.

**9.3.** Upon the expiry of six months as of the date of entry into force of a decision of the body in charge of insurance supervision to withdraw the licence a mutual insurance company is obliged to do the following:

- 1) to take in compliance of the legislation of the Russian Federation a decision to liquidate the mutual insurance society;
- 2) to discharge insurance (re-insurance) obligations, in particular to make insurance payments connected with insurance events that have occurred;
- 3) to dissolve insurance (re-insurance) contracts.

**9.4.** Before the expiry of six months as of the date of entry into force of a decision of the body in charge of insurance supervision to withdraw the licence the subject of insurance business is obliged to submit to the body in charge of insurance supervision documents proving the discharge of the duties provided for by Item 9.3 of this Article:

- 1) the decision to liquidate a mutual insurance society adopted by a general meeting of the mutual insurance society;
- 2) the documents containing information about the presence or absence of insured persons' (beneficiaries') claims in writing for discharge or preschedule termination of insurance (re-insurance) obligations;
- 3) accounting reports/statements bearing a note of a tax authority;
- 4) the original licence.

**9.5.** Insurance (re-insurance) obligations of a mutual insurance company are not transferable to another insurer.

**9.6.** Before discharging the duties provided for by Item 9.3 of this Article, a mutual insurance society shall submit accounting reports/statements to the body in charge of insurance supervision on a quarterly basis.

**10.** In the event of the exercise of insurance activity by subjects of insurance business (except for discharging the obligations provided for by Subitems 2 and 3 of Item 5 and Subitems 2 and 3 of Item 9.3 of this Article), the body in charge of insurance supervision is obliged to make a claim with court for liquidation of the subject of insurance business being a legal entity or for termination by the subject of insurance business which is a natural person of his/her activities as an individual businessmen.

#### **Article 32.9. Classification of Types of Insurance**

**1.** The following types of insurance shall be indicated in the licence issued to an insurer as envisaged by classification:

- 1) life insurance in the event of death, survival until a specified age or date or the onset of another event;
- 2) pension insurance;
- 3) life insurance on the condition of periodical insurance disbursements (rent, annuity) and/or participation of the insured in the insurer's investment income;
- 4) accident and disease insurance;
- 5) medical insurance;
- 6) surface transport insurance (except for by rail);
- 7) railway insurance;
- 8) air transport insurance;
- 9) water transport insurance;
- 10) cargo insurance;
- 11) agricultural insurance (insurance of yield, crop, perennial plants, livestock);
- 12) insurance of property of juridical persons, except for vehicles and agricultural insurance;
- 13) insurance of property of citizens, except for vehicles;
- 14) insurance of the civil liability of owners of motor vehicles;
- 15) insurance of the civil liability of owners of aircraft;
- 16) insurance of the civil liability of owners of water vehicles;
- 17) insurance of the civil liability of owners of railway transport facilities;
- 18) insurance of the civil liability of organisations operating hazardous facilities;
- 19) insurance of civil liability for infliction of harm due to defects in goods, works, services;
- 20) insurance of civil liability for infliction of harm on third persons;
- 21) insurance of civil liability for default on or improper performance of obligations under a contract;
- 22) insurance of entrepreneurial risks;
- 23) insurance of financial risks;

2. For the purpose of obtaining licences insurers shall file with the insurance supervision body insurance rules which can be classified as the types of insurance envisaged by Item 1 of the present article.

3. For the purpose of making more specific some insurance terms and conditions insurers shall be entitled to elaborate additional insurance rules. The said insurance rules shall be forwarded to the insurance supervision body for notification purposes.

**Article 33. The Observance of Commercial or Another Legally-Protected Secrets by Officials of the Insurance Supervision Body**

The officials of the insurance supervision body shall not be entitled to disclose, in any form whatsoever, information deemed a commercial or another legally-protected secret of an insurance business, except for the cases envisaged by the legislation of the Russian Federation.

## **CHAPTER V. CONCLUDING PROVISIONS**

**Article 34. The Insurance of Foreign Nationals, Stateless Persons and Foreign Legal Persons on the Territory of the Russian Federation**

Foreign nationals, stateless persons and foreign legal persons shall enjoy, on the territory of the Russian Federation, the right to protective insurance on a level with that which the citizens and legal persons of the Russian Federation enjoy.

**Article 35. Considering Disputes**

Disputes relating to insurance, disputes concerning an insurance business' right to use a name (company name) and also disputes relating to actions of an insurance supervision body or officials thereof shall be resolved by a court, arbitration court or an umpire according to the jurisdictions thereof.

**Article 36. International Treaties**

Where international treaties concluded by the Russian Federation or the former USSR establish rules other than those contained in the legislation of the Russian Federation concerning insurance, the rules of these international treaties shall apply.

President of the Russian Federation

Boris Yeltsin

Moscow, the House of Soviets of Russia  
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