

ACT
of 22 May 2003
on insurance mediation¹
Chapter 1
General Provisions

Based on: Journal of Laws of 2003 No. 124, item 1154 of 2004, No. 96, item 959 of 2005, No. 48, item 447, No. 167, item 1396, No. 183, item 1538 of 2006, No. 157, item 1119 of 2009. No. 18, item 97, No. 42, item 341

Article 1.

This Act lays down rules for pursuing insurance mediation in the field of life and non-life insurance.

Article 1a.

Any reference to the European Union member states in the Act shall also include the member states of the European Free Trade Association (EFTA) - the parties to the European Economic Area Agreement.

Article 2.

1. Insurance mediation shall consist in the performance, for remuneration, of factual or legal acts involved in the conclusion and performance of insurance contracts.
2. Insurance mediation shall be performed exclusively by insurance agents or insurance brokers, subject to Article 3.
3. Insurance mediation in the scope of reinsurance shall be performed exclusively by insurance brokers who hold a permit to pursue brokerage activity in the field of reinsurance (reinsurance brokers).

Article 3.

1. (repealed).
2. The provisions of Act shall not apply to insurance mediation activities if the following conditions shall be met:
 - 1) the contract of insurance, which relates to the conclusion or performance of insurance mediation activities, only requires knowledge of the offered insurance cover and is not a life insurance contract or civil liability insurance contract;
 - 2) insurance mediation activity is not the basic activity of an entrepreneur;
 - 3) the contract of insurance, which relates to the conclusion or performance of insurance mediation activities shall be concluded as a supplement to goods and services provided by the entrepreneur and shall cover the following risk:
 - a) destruction, loss or damage to these goods or
 - b) damage or loss of baggage and other risks associated with the travel services offered by the entrepreneur, covered by the life insurance or civil liability insurance;

¹ In the scope of its regulation this Act implements the Directive 2002/92/EC of 9 December 2002 on insurance mediation (Official Journal of the European Union L 9 of 15.01.2003). The data contained herein and relating to the promulgation of EU legal acts refer, as of the date of Poland's accession to the European Union, to the promulgation of such legal acts in the Official Journal of the European Union - special edition.

4) the amount of the annual insurance premium and in case of the contract for the employee group life insurance, the amount of the premium of the insurer shall not exceed an amount equivalent to 500 euro, calculated at the average rate of exchange of euro published by NBP (National Bank of Poland) as per rate of exchange table no. 1 of the year, and the duration of the contract shall not exceed 5 years.

Article 4.

An insurance intermediary shall perform either:

1) acts in the name and on behalf of the insurance undertaking hereinafter referred to as "agency acts" consisting in: the soliciting of clients, carrying out work preparatory to the conclusion of insurance contracts, conclusion of insurance contracts and assisting in the administration and performance of insurance contracts, also in the event of a claim, as well as in the organisation of and supervision over agency acts (agency activities), or

2) acts in the name and on behalf of an entity seeking insurance coverage, hereinafter referred to as „brokerage acts”, consisting in: the conclusion of or leading to the conclusion of insurance contracts, performing work preparatory to the conclusion of insurance contracts and participation in the management and execution of insurance contracts also in the event of a claim (brokerage activities).

Article 4a.

1. An insurance intermediary shall provide information referred to in Article 12 paragraph 2, Article 13, paragraph 1, items 4 and 4a and paragraph 2 or Article 26, paragraph 1, items 1, 2 and 4 and paragraph 2, hereinafter referred to as "information relating to an insurance agent, to seeking insurance coverage or customer:

1) in writing or by means of other information carrier available for entity seeking insurance coverage or customer;

2) in a clear, accurate and intelligible way;

3) in an official language of the European Union Member State, in which the insurance contract is concluded, or any other language agreed by the parties.

2. Information relating to an insurance agent may be delivered in a form other than referred to in paragraph 1, item 1 at the request of the entity seeking insurance coverage or if the customer or the circumstances of the conclusion of insurance contract do not allow the transfer of information in accordance with paragraph 1 item 1, wherein the agent provides information to the entity seeking insurance coverage or customer in accordance with paragraph 1, immediately after the conclusion of the insurance contract.

3. The provisions of Act of 2 March 2000 on protection of consumer rights and liability for damage caused by dangerous products (Journal of Laws, No. 22, item 271, as amended) shall apply accordingly to information about an insurance agent,² whereas such information should be immediately provided to the entity seeking insurance cover or customer pursuant to paragraph 1.

Art.4b.

The obligation to provide information concerning the insurance agent to an entity seeking insurance coverage or a customer by an insurance agent shall not apply in case of an insurance contract for large risks as defined in Article 1, paragraph 1, item 2 of Act of 22 May 2003 on insurance activities (Journal of Laws No, 124, item 1151 and of 2004, No.

² Amendments to the act were promulgated in the Journal of Laws of 2002, No. 144, item 1204 of 2003, No. 84, item 774 and No. 188, item 1837 and of 2004, No. 96, item 959 and No. 116, item 1204.

91, item 870 and No. 96, item 959), hereinafter referred to "act on insurance activity", and in case of insurance mediation in the scope of reinsurance.

Art.4c.

1. Person performing agency or brokerage activities is required to improve professional skills by holding once in three years vocational training.
2. Vocational training shall include a specific number of hours and is terminated by issuing by the entity conducting the training, a document certifying completion of the training.
3. The minister competent for financial institutions, after having consulted the supervision authority, shall define, by way of a regulation, the manner of carrying out vocational training, range of subjects and number of hours, taking into account the need to ensure an appropriate level of training, taking into account the characteristics of the agency and brokerage activities and the effectiveness of the conducted training.

Article 5.

Insurance mediation shall be an economic activity within the meaning of the Act of 2 July 2005 on Freedom of Conducting Business Activity (Journal of Laws, No. 173, item 1807 and No. 281, item 2777 and of 2005, No. 33, item 289).

Article 6.

1. The conclusion or performance of insurance contracts by a member of the management board of an insurance undertaking, by a proxy of an insurance undertaking or by a person who is an employee of an insurance undertaking, in the name and of behalf of such insurance undertaking, shall not be considered as insurance mediation nor as performance of agency within the meaning of the Act.
2. Insurance mediation shall not be considered as the business of providing individuals interested in insurance cover general information about the possibility of conclusion of insurance contracts and the conditions and consequences of such contracts, in particular, insurance coverage, if the information is provided by the entity engaged in activities other than insurance mediation, related to these activities and not aiming to bring about a conclusion or contract of insurance.

Article 6a.

Cash contributions provided under the insurance contract by:

- 1) the insurer to insurance agent shall be considered as paid to the insurance undertaking;
- 2) insurance undertaking to insurance agent shall not be considered as provided to the insurer, the beneficiary or the holder of an insurance contract, until their actual receipt by these entities.

Chapter 2

Insurance agent

Article 7.

1. An insurance agent shall be an entrepreneur performing agency activities under an agency contract concluded with an insurance undertaking and entered in the register of insurance agents.
2. The entrepreneur legally denied the right of performing business activity shall not be an insurance agent according to the Article 373 or Article 374 of the Act of 28 February

2003 - The Bankruptcy and Reorganisation Law (Journal of Laws No. 60, item. 535 as amended),³ hereinafter referred to as " Act - The Bankruptcy and Reorganisation Law", within the period of determined prohibition.

Article 8.

Agency activities should be performed with due diligence as defined in Article 355 § 2 of the Civil Code and in compliance with the good practice.

Article 9.

1. Agency acts may be performed exclusively by a natural person who meets all the following requirements:

- 1) are possessed in full of the legal capacity,
- 2) has not been finally sentenced for the wilful commission of an offence:
 - a) against life and health,
 - b) against administration of justice,
 - c) against protection of information,
 - d) against credibility of documents,
 - e) against property,
 - f) against economic trading,
 - g) against trading in money and securities,
 - h) treasury,
- 3) guarantees the due performance of agency acts;
- 4) has at least secondary education;
- 5) has undergone training run by an insurance undertaking that ended with a passed examination.

1a. The conditions referred to in paragraph 1, should also be met by:

- 1) insurance agents who are natural persons;
- 2) in case of insurance agents who are companies without legal personality:
 - a) shareholders of these companies, if they are natural persons,
 - b) in case if the shareholders of these companies are legal persons - at least half of their board members;
- 3) in case of insurance agents who are legal persons - at least half of their board members.

2. The minister competent for financial institutions shall define, by way of Ordinance:

- 1) minimum scope of training, referred to in paragraph 1, item 5, the scope of the existing examination subjects and its mode of conduct, including the special rules for the fulfilment of the condition referred to in paragraph 1 item 5, by persons performing agency activities in the banks, cooperative savings and credit unions and other entities, only in relation to insurance contracts entered into by these entities or through their intermediary;
- 2) types of entities, to which the specific rules referred to in item 1 shall be applied,

³ Amendments to the act were promulgated in the Journal of Laws of 2003, No. 217, item 2125 and of 2004, No. 91, item 870 and 871, No. 96, item 959, No. 121, item 1264, No. 146, item 1546, No. 173, item 1808 and No. 210, item 2135.

- including in particular the need to ensure appropriate level of qualification of persons performing agency activities.

Article 10. (repealed).

Article 11.

1. The insurance undertaking on behalf of which the insurance agent acts shall be liable for damage caused by the insurance agent in connection with performance of agency acts, subject to paragraph 2. The provision of Article 429 of the Civil Code shall not apply.

2. The insurance agent performing agency acts on behalf of more than one insurance undertakings in the field of the same branch of insurance, in accordance with the annex to the Act on Insurance Activity, shall be liable for damage caused in connection with the performance of such activities.

3. As regards liability for damage caused in connection with the performance of agency acts, the insurance agent acting on behalf of more than one insurance undertaking in the field of the same branch of insurance, in accordance with the annex to the Act on Insurance Activity, shall be subject to a compulsory civil liability insurance.

3a. Civil liability insurance contract referred to in paragraph 3 covers damage caused by a insurance agent in connection with the activities carried out in the territory of the Republic of Poland and other member states.

4. The insurance agent, who has not fulfilled the obligation of the conclusion of the insurance contract, referred to in paragraph 3, in accordance with general terms and conditions of that insurance, shall pay a fee to the state budget in the amount equivalent to EUR 1000 converted into Polish Zloty at an average exchange rate announced annually by the National Bank of Poland (NBP) in the exchange rate table no 1. The payment of the fee shall not relieve of the obligation to conclude a contract for civil liability insurance.

5. The Polish Financial Supervision Authority, hereinafter referred to a „supervisory body”, shall be empowered to control the fulfilment of the obligation to conclude insurance contract, referred to in paragraph 3.

6. If the insurance agent fails to present a document attesting to the conclusion of the insurance contract, referred to in paragraph 3, or evidence of payment of an insurance premium for such contract, the supervisory body shall call on an insurance agent to within 30 days:

1) present document confirming the conclusion of the insurance contract, referred to in paragraph 3, on the date as specified in regulations issued under paragraph 8, or

2) in case of absence of the documents referred to in item 1 - to pay a fee, referred to in paragraph 4, and to present documents confirming that the insurance contract was concluded at a later date.

7. The fee, referred to in paragraph 4, shall be subject to collection in pursuant to the provisions on executive proceedings in administration.

7a. In case of an insurance agent, referred to in Article 16, the provisions of paragraph 2 and 3 shall not apply if the insurance agent has in the European Union member state the established liability insurance or an equivalent guarantee in the amount of EUR 1 000 000 with respect to one event and EUR 1 500 000 in respect of all events for any damage arising in connection with the performance of agency acts caused to the customer, the insurer, the insured or the person entitled under the insurance contract.

8. The minister competent for financial institutions, upon obtaining opinion from the Polish Chamber of Insurance, shall define, by way of Ordinance, a detailed scope of compulsory insurance, referred to in paragraph 3, the date on which the obligation to

insure originates and the minimum guarantee sum, taking account in particular the special features of activities performed as well as the scope of performed tasks.

Article 12.

1. The insurance undertaking shall grant, in a written form under the sanction of nullity, a power of attorney to perform agency acts on behalf of that insurance undertaking to the insurance agent empowered to enter into insurance contracts on its behalf.
2. The power of attorney, referred to in paragraph 1, shall specify in particular:
 - 1) the scope of the insurance agent's activities indicating the branch, class and types of insurance;
 - 2) the amount of the maximum insured sum for which the insurance agent may conclude a single insurance contract;
 - 3) the territorial scope of an insurance agent's activities.
3. The power of attorney granted by the insurance undertaking shall not contain an authorisation for granting subsequent powers of attorney.
4. If an insurance agent concludes a contract related to the performance of agency acts with a natural person meeting the requirements specified in article 9, paragraph 1, such a contract shall not be deemed to be an agency contract.

Article 13.

1. An insurance agent shall be required to:
 - 1) present to the client, at the first act within the scope of agency activity and at every request, the document of the power of attorney, referred to in article 12, paragraph 1;
 - 2) return to the insurance undertaking the document of the power of attorney, referred to in article 12, paragraph 1, as well as any received forms, materials and other documents as well as shall settle all the collected premiums, in case the power of attorney expired or has been revoked;
 - 3) maintain confidential all information obtained in connection with performing agency acts and referring to the insurance company, the other party to insurance contracts and the entity seeking insurance protection; an insurance agent shall be bound by that obligation also after the termination of the agency contract;
 - 4) inform the client whether he acts on behalf of one, or numerous insurance undertakings and inform the client, whenever requested to do so, about the names of insurance undertaking on behalf of which he performs agency activities;
 - 4a) inform the customer about:
 - a) a company, under which the agency activity is performed and the address of registered office,
 - b) entry to the register of insurance intermediaries and verification of the entry to the register,
 - c) about held shares or stocks of an insurance undertaking entitling to at least 10% of voting rights at the general meeting of shareholders and, in case of an agent who is a legal person, about shares or stocks of the agent held by an insurance undertaking, entitling to at least 10% of voting rights at the general meeting of shareholders.
 - 5) (repealed)
2. A natural person performing agency acts shall present a document entitling him to act on behalf of an insurance agent.

Article 14.

The terms indicating the performance of agency activities or activities of agency may be used in the name or advertisement and to determine the activity only by an entity registered in the register of insurance agents or entity engaged in the activities of the agency or the agency activities in the territory of the Republic of Poland in accordance with Article 16 paragraph 1.

Article 15.

The insurance agent shall not pursue brokerage activities nor perform brokerage acts.

Article 16.

1. The insurance agent, having its seat or a place of residence in another member state of the European Union may pursue agency activities in the territory of the Republic of Poland provided it is entered in the appropriate register in that state.
2. The insurance agent, referred to in paragraph 1, may commence to pursue agency activities in the territory of the Republic of Poland, not earlier than 30 days upon receipt by the supervisory body of information from the supervisory body keeping the register of insurance intermediaries in a European Union Member State of the intention to undertake insurance activities in the territory of the Republic of Poland.
3. In the event of becoming aware of a breach of law in agency activities conducted in the territory of the Republic of Poland by the insurance agent, referred to in paragraph 1, the supervisory body may inform about this breach the competent authority keeping the register of insurance intermediaries in the member state of the European Union in which the insurance agent is registered.

Article 17.

1. The insurance agent, entered in the register of insurance agents, may pursue insurance activities in the territory of another member state of the European Union, subject to paragraph 2.
2. The insurance agent, who intends to take up insurance activities in the territory on another member state of the European Union shall notify the supervisory body thereof.
3. In the notification referred to in paragraph 2, the insurance agent shall indicate:
 - 1) a member state of the European Union in which the activity is to be conducted;
 - 2) the address of the branch or representative office of an insurance agent in the European Union Member State in which the activity is to be performed, if the branch or agency is to be established;
 - 3) the name and seat of the insurance undertaking in the name and on behalf of which the insurance agent may pursue insurance activities in the territory of the member state of the European Union;
 - 4) the established liability insurance or an equivalent guarantee in the amount of EUR 1 000 000 with respect to one event and EUR 1 500 000 in respect of all events for any damage arising in connection with the performance of agency acts caused to the entity seeking insurance coverage, the insurer, the insured or the person entitled under the insurance contract, if the insurance agent was not entitled to conclude the insurance contract referred to in Article 11 paragraph 3.
4. The supervisory body, within 30 days as of the notification, referred to in paragraph 2, shall transmit to the competent supervisory body of the member state in which the agent intends to pursue his activities, information that the agent intends to pursue activities in the territory of member state of European Union with information that the insurance agent is entered in the register of insurance intermediaries kept by the supervisory

authority.

5. The provision of paragraph 4 shall not apply if the Member State in which the insurance agent intends to undertake the activity failed to express willingness to receive information about the intention to undertake activities by insurance agents registered in other member states of European Union.

6. The supervision authority shall immediately inform the insurance agent about:

- 1) providing the information referred to in paragraph 4, or
- 2) a member state of the European Union, in which the insurance agent intends to undertake the activity, failed to express willingness to receive relevant information, in case referred to in paragraph 5.

7. The insurance agent shall immediately inform the supervision authority about any case of change of data referred to in paragraph 3 item 1 to 4.

Article 18.

Supervision over the activities of the insurance agent is exercised by the insurance company on behalf of which the insurance agent is acting.

Article 19.

1. The supervisory body may at any time carry out the inspection of the activities of an insurance undertaking in respect of the use of insurance agents' services.

2. The supervisory body may request from the insurance undertaking explanations and information pertaining to insurance agents acting on behalf of that insurance undertaking.

3. The supervisory body may issue recommendations designed to remove detected irregularities and to adjust the activity of the insurance undertaking to meet the provisions of the law.

4. The supervisory body may, by way of a decision, forbid an insurance undertaking to use services of an insurance agent if the latter infringes upon the provisions of the law, does not act with due diligence or does not comply with good practice. In such case the insurance undertaking shall immediately terminate the contract concluded with an insurance agent and shall revoke the power of attorney, referred to in Article 12, paragraph 1.

5. In the event of refusal to provide explanations and information, referred to in paragraph 2, failure to follow recommendations specified in paragraph 3, and the prohibition, referred to in paragraph 4, the supervisory body may impose pecuniary penalties, referred to in Article 212, paragraph 1 of the Act on Insurance Activities.

6. The supervisory body may also impose pecuniary penalties specified in Article 212, paragraph 1 of the Act on Insurance Activities if the insurance undertaking fails to submit a person with whom it has concluded an agency contract to be entered in the register of insurance agents or fails to make an application for the removal from the register of insurance agents of a person with whom it has terminated the agency contract, within the time limits set forth in Article 38, Article 41, paragraph 1 and Article 42, paragraph 1, respectively.

6a. In case of an insurance undertaking established in a European Union Member State, which pursue insurance activity in the territory of the Republic of Poland under regulations of Section II, chapter 6 of the Act on insurance activity, for the purposes of inspection and supervision over the activities of insurance undertaking in the scope of using insurance agents' services, Article 139 and Article 205 paragraph 2 of the Act on insurance activity shall apply accordingly.

7. (repealed).

Article 19a.

1. The inspection of the insurance undertaking involves assessment of the compliance of operations of the insurance undertaking with the law in respect of the use of insurance agents' services.
2. The inspection shall involve in particular:
 - 1) accuracy of concluding agency contracts in compliance with the law, the provisions of agency contracts and granted powers of attorney;
 - 2) timeliness of applying for entry in the register of insurance agents of the entity with which the agency contract was concluded;
 - 3) timeliness of application for registration of changes in the register of insurance agents;
 - 4) timeliness of application for deleting an entity from the register of insurance agents;
 - 5) accuracy of data concerning the insurance agents submitted to the supervisory authority by the insurance undertaking with the application for entry of the agent to the register, change of the data of insurance agent in the register or deleting an insurance agent from the register;
 - 6) compliance by insurance agents the obligation to perform agency activities by natural persons meeting the conditions specified in Article 9 paragraph 1;
 - 7) in case of use of the services provided by insurance agents by the insurance undertaking, having its seat or a place of residence in another member state of the European Union -checking whether insurance agent performs agency activities in the territory of the Republic of Poland according to Article 16;
 - 8) compliance by insurance agents the requirement specified in Article 9 paragraph 1a;
 - 9) compliance by insurance agents the generally applicable laws in conducted activities.
3. Inspection activities should be conducted not later than 60 days from the day of control initiation.

Art.19b.

1. The inspection shall be carried out by an inspection team comprising at least two inspectors upon the presentation of an identity card and submission of the authorization to conduct the inspection issued by supervisory body.
2. Authorisation to conduct the inspection, referred to in Article 19b paragraph 1, shall contain at least the following:
 - 1) the specification of the legal basis;
 - 2) the designation of the inspection authority;
 - 3) the date and place of issue;
 - 4) the name and surname of the inspector authorized to conduct the inspection and the number of his/her identity card.
 - 5) the company of the entrepreneur under inspection;
 - 6) the definition of the objective scope of the inspection;
 - 7) information about the date of the commencement and the anticipated completion date of the inspection;
 - 8) the signature of the person granting the authority with the person's position or function;

- 9) instruction on the rights and obligations of the inspected entrepreneur.
3. The inspection is conducted at the seat or at the place of operation of the insurance undertaking and during working hours or during the actual operation of the insurance undertaking.

Art.19c.

1. The inspector shall be excluded from participation in inspection if the results of the inspection influence his rights or obligations or rights or obligations of his/her spouse or a person with whom he/she cohabits, persons related through blood or marriage, up to the second degree, or persons related to the inspector as a result of adoption, exercising care or guardianship.
2. The inspector may also be excluded if other reasons, which may cause doubts with relation to his/her objectiveness, are observed.
3. If the circumstances, referred to in paragraphs 1 and 2, occur in the course of the inspection, the inspector shall refrain from performing further activities and inform the supervisory body of such an occurrence.
4. The excluded inspector should undertake only actions of great urgency resulting from public interest or the important interest of the insurance undertaking.
5. The supervisory body shall decide upon the exclusion from the inspection ex officio, or upon request of the insurance undertaking or upon request of the inspector. The supervisory body, upon excluding the inspector, shall supplement the inspection team as well as properly change inspection performance authorisations and immediately deliver them to the insurance undertaking.
6. The supervisory body may also change the composition of the inspection team for other important reasons and also in the circumstances different than those specified in paragraphs 1 and 2. The second sentence of paragraph 5 shall apply accordingly.

Art.19d.

1. The insurance undertaking provides the inspection team the conditions and measures necessary for the efficient conduct of inspection.
2. During an inspection the insurance undertaking provides the inspectors with:
 - 1) admission to all premises of the inspected insurance undertaking;
 - 2) free access to a separate office room and means of communications to the possible extent;
 - 3) review all documents of the inspected insurance undertaking and required copies, duplicates and excerpts of these documents;
 - 4) review all data included in the information systems and required copies or excerpts of these data, also in electronic form;
 - 5) review all documents concerning the insurance agent of the insurance undertaking, held by an insurance undertaking and required copies, duplicates and excerpts of these documents;
 - 6) obtaining oral or written explanations from the employees and agents of an insurance undertaking, including in electronic form if possible;
 - 7) preparation of the required data upon demand by the inspector, also in electronic form if possible;
 - 8) possibility to secure documents and other evidence.
3. Materials prepared by the insurance undertaking for the purpose of the inspection shall be signed by persons authorised to prepare them. In case of refusal to perform these

activities the inspector shall draw the adequate note on these materials.

Art.19e.

1. Settlements of the inspection shall be made on the basis of evidence.
2. Evidence shall include in particular:
 - 1) documents;
 - 2) data and information included in the information systems of the insurance undertaking;
 - 3) material evidence;
 - 4) statements, information and explanations submitted by the authorized employees and agents of the insurance undertaking;
 - 5) statements of third parties;
 - 6) expert opinions;
 - 7) findings of a site inspection;
 - 8) other materials subject to the inspection, which may contribute to the discovery of factual circumstances within the scope covered by the inspection.
3. Before signing the protocol, referred to in Article 19f paragraph 1, the supervision authority shall guarantee to the insurance undertaking the possibility to read and express its opinion on the materials constituting inspection evidence which have not been obtained in the course of the inspection.
4. The evidence obtained during the inspection is stored in a manner that prevents it from being accessed without the consent of the inspector in charge of the inspection team.
5. Evidence gathered in the course of the inspection may be secured by:
 - 1) depositing it against receipt to the management board of the insurance undertaking or an employee of the insurance undertaking authorized by the management board;
 - 2) storing it in the premises of the insurance undertaking in a separate, locked and sealed room;
 - 3) collecting it from the insurance undertaking against receipt.

Art.19f.

1. A protocol shall be drawn up after the conducted inspection.
2. The inspection protocol shall include in particular:
 - 1) the name and seat of the insurance undertaking;
 - 2) the date and the number of the authorization to conduct the inspection as well as its amendments;
 - 3) the place and date of conducting the inspection activities;
 - 4) the specification of the organizational units covered by the inspection;
 - 5) names and surnames of the inspectors conducting the inspection;
 - 6) the specification of the scope of the inspection;
 - 7) names and surnames as well as positions of the persons making statements and providing information and explanations during the inspection;
 - 8) a description of the performed activities and findings related to the factual

circumstances;

- 9) a notice about informing the insurance undertaking about its rights and obligations;
 - 10) a list of annexes with the name and feature of each annex;
 - 11) the place and date of the protocol execution.
3. The inspection protocol shall be drawn up in two copies; one copy shall be transferred to the insurance undertaking by the inspector in charge of the inspection team or other inspector from the inspection team which performs the inspection, acting as his representative.
 4. A person authorised by the management authority of the insurance undertaking shall confirm the receipt of the inspection protocol on one copy of the protocol signed by the inspector in charge of the inspection team. The persons shall initial every page of the protocol.
 5. If the insurance undertaking avoids or refuses to collect the inspection protocol, the supervision authority shall present the insurance undertaking with a written summons to collect the protocol and it shall set a deadline not shorter than 7 days for performing this action. If no action is undertaken within the established time limit, the protocol shall be deemed delivered following the lapse of the last day of the time limit.

Art.19g.

1. Upon signing the inspection protocol, no corrections or notes shall be added, subject to provisions of paragraph 2.
2. Obvious writing mistakes shall be corrected by the inspector in charge of the inspection team, who shall initial all corrections. The supervisory body shall inform the insurance undertaking about the correction of obvious writing mistakes.

Art.19h.

1. Within 14 days from the date of signing the inspection protocol, the insurance undertaking may report in writing its objections and comments to the content of the protocol and explanations on issues covered by the scope of the inspection.
2. The supervision authority shall inform the insurance undertaking of the way of examining the objections within 14 days from the delivery of such objections.
3. Information on ways of examining the objections shall be annexed to the inspection report.

Art.19i.

The provisions of Chapter 5 of the Freedom of Business Act of 2 July 2004 shall be applied to the control of entrepreneur's business activity.

Chapter 3

Insurance Broker

Article 20.

An insurance broker shall be a natural or legal person who has a permit issued by the supervisory body to pursue brokerage activities and entered in the register of insurance brokers.

Article 21.

Supervision over the activities of insurance brokers is exercised by the supervisory body.

Article 22.

1. The insurance broker shall be subject to a compulsory civil liability insurance for the pursuance of brokerage activities including damage caused to the entity seeking insurance coverage, the insurer, the insured and the person entitled under the insurance contract, including damage caused by natural persons through which the insurance broker performs brokerage activities, and entities referred to in Article 25.
2. Civil liability insurance contract referred to in paragraph 1 covers damage caused by a insurance agent in connection with the activities carried out in the territory of the Republic of Poland and other member states.
3. In case of an insurance broker, referred to in Article 31, the provisions of paragraph 1 shall not apply if the insurance broker has in the European Union member state the established liability insurance or an equivalent guarantee in the amount of EUR 1 000 000 with respect to one event and EUR 1 500 000 in respect of all events for any damage arising in connection with the performance of brokerage acts caused to the entity seeking insurance coverage, the insurer, the insured or the person entitled under the insurance contract.
4. The minister competent for financial institutions, upon obtaining opinion from a nationwide brokers' organisation and the Polish Chamber of Insurance, shall define, by way of Ordinance, a detailed scope of compulsory insurance, referred to in paragraph 1, the date on which the obligation to insure originates and the minimum guarantee sum, taking particular account of special features of the profession of an insurance broker and the scope of performed tasks.

Article 23.

1. An insurance broker may perform brokerage acts exclusively through natural persons who meet the requirements specified in Article 28, paragraph 3, item 1, letters a)-e).
2. The insurance broker shall submit, along with the necessary documents, an application for entry into the register of insurance brokers of natural persons referred to in paragraph 1.

Article 24.

1. An insurance broker cannot:
 - 1) pursue agency activities nor perform agency acts;
 - 2) remain in any permanent contractual relationship with an insurance undertaking,
 - 3) be a member of supervisory bodies or managing bodies of an insurance undertaking;
 - 4) hold shares of an insurance undertaking, with the exception of shares admitted for public trading.
2. Limitation, referred to in paragraph 1, item 2, shall not apply to:
 - 1) an insurance contract under which an insurance broker is the insured or the insuring person nor to a contract entered into by the insurance broker with an insurance undertaking, concerning the manner of mutual settlements for the performance of brokerage activities.
 - 2) commissioning to reinsurance brokers the conclusion of reinsurance contracts in the scope of ceding the risk from insurance contracts and insurance guarantee contracts;
 - 3) commissioning to reinsurance brokers the conclusion of retrocession contracts in

the scope of ceding the risk from reinsurance contracts.

3. In case of acquisition or holding of shares, referred to in paragraph, 1 item 4, an insurance broker shall notify the supervisory body thereof.
4. Provisions of paragraph 1 shall accordingly apply to members of governing bodies of a legal person pursuing brokerage activities and persons performing brokerage acts with an insurance broker under a contract of employment, contract of mandate, contract for the performance of a specific task or another contract of a similar nature.
5. Provisions of paragraph 1, item 1 shall apply to employees of an insurance broker.

Article 25.

An insurance broker may commission the performance of acts, referred to in article 4, item 2, that require specialised knowledge to other entities, with the exclusion of the right to make and accept statements of will on behalf of clients.

Article 26.

1. An insurance broker shall be required to:
 - 1) inform the entity seeking insurance coverage about the company, under which the agency activity is performed, about the office address, register of insurance intermediaries to which has been entered and manner of verification of the entry to the register, and in case of insurance broker entered to the register kept by the supervisory body, present to the insurance undertaking and the entity seeking insurance coverage, at the first act and at every request, the permit to pursue brokerage activities;
 - 2) prior to concluding an insurance contract, provide advice in the written form, based on a comprehensive and reliable analysis of available offers of insurance, sufficient for the elaboration of recommendation of the most appropriate insurance contract and explain in writing grounds on which the recommendation is based;
 - 3) maintain confidential all information obtained in relation with the performance of brokerage acts; the broker shall be bound by that obligation also after the termination of a contractual relationship with the customer;
 - 4) inform the customer, at the first act, about held shares of an insurance undertaking entitling to at least 10% of voting rights at the general meeting of shareholders and, in case of a broker who is a legal person, about shares of the broker held by an insurance undertaking, entitling to at least 10% of voting rights at the general meeting of shareholders;
 - 5) (repealed)
 - 6) pursue its brokerage activities respecting the interests of the parties to the insurance contract.
2. Natural persons performing brokerage activities shall present the document entitling to act on behalf of an insurance broker.

Article 27.

The terms indicating the performance of brokerage activities or insurance activities or reinsurance activities may be used in the name or advertisement and to determine the activity only by an entity which has the permit to pursue brokerage activities in the field of insurance or in the field of reinsurance activities in the territory of the Republic of Poland in accordance with Article 31, paragraph 1.

Article 28.

1. A permit to pursue brokerage activities in the field of insurance or in the field of reinsurance, hereinafter referred to as “the permit” shall be issued by the supervisory

body by way of decision.

- 1a. The supervision authority shall refuse to issue the licence by way of decision.
2. The same entity may hold both a permit to pursue brokerage activities in the field of insurance and well as to pursue brokerage activities in the field of reinsurance.
3. The permit shall be issued upon an application of:
 - 1) a natural person who:
 - a) possess full legal capacity,
 - b) has not been finally sentenced for the wilful commission of an offence:
 - against life and health,
 - against administration of justice,
 - against protection of information,
 - against credibility of documents,
 - against property,
 - against economic trading,
 - against trading in money and securities,
 - for a fiscal offence,
 - c) guarantees the due performance of brokerage activities;
 - d) has at least secondary – level education;
 - e) has passed an examination before the Examination Committee for Insurance and Reinsurance Brokers
 - f) has at least three-year professional experience in the field of insurance gained in the period of five years directly preceding the date of application for the permit to pursue brokerage activities,
 - g) has concluded a contract for civil liability insurance for the pursuance of brokerage activities;
 - 2) a legal person:
 - a) whose all the members of the management board meet the requirements, referred to in item 1, letters a)-d), and at least half of the members additionally fulfil the conditions laid down in item 1, letters e) and f),
 - b) who meets the requirement specified in item 1, letter g).
- 3a. The entrepreneur legally denied the right of performing business activity shall not be an insurance broker according to the Article 373 or Article 374 of the Act - The Bankruptcy and Reorganisation Law, within the period of determined prohibition.
4. The application, referred to in paragraph 3, shall contain:
 - 1) identification of the entrepreneur, its seat and address;
 - 2) number in the register of entrepreneurs;
 - 3) indication of the scope of brokerage activities, for which a permit is to be issued;
 - 4) in case of a legal person - also the identification of first names and last names of members of the management board.
5. The application referred to in paragraph 3 shall be accompanied by documents confirming that the requirements for obtaining the permit to pursue brokerage activities have been met.

6. The minister competent for financial institutions shall specify, by way of Ordinance, the list of documents to be accompanied to the application, referred to in paragraph 3, taking particularly into account the presentation of complete information on entities applying for the permit.

Article 29.

The permit shall specify:

- 1) first name or names and last name as well as the address of residence of a natural person and the name under which the natural person conducts economic activity; while in case of a legal person – identification of company name and seat;
- 2) scope of activity.

Article 30.

1. In case of a loss of the permit, an insurance broker may apply to the supervisory body for the issuance of the duplicate.
2. The supervisory body shall issue a duplicate on the basis of possessed documents.
3. A duplicate shall be issued on a form corresponding to the permit document. At the top of the first page the word „DUPLICATE” shall be placed. The words “the original has been signed by” shall be added below the text, followed by names of persons who signed the original of the permit or the illegibility of signatures stated, the date of the issuance of the duplicate inserted and a round official seal affixed. Person authorised by the supervision authority is entitled to sign the duplicate.
4. Information concerning the issuance of the duplicate shall be placed in the files.

Article 31.

1. The insurance broker, having its seat or a place of residence in another member state of the European Union may pursue brokerage activities in the territory of the Republic of Poland provided it is entered in the appropriate register in that state.
2. The insurance broker, referred to in paragraph 1, may commence to pursue brokerage activities in the territory of the Republic of Poland, upon receipt by the supervisory body of information from the supervisory body from the broker’s home member state on the entry of the broker into an appropriate register.
3. In the event of becoming aware of a breach of law in brokerage activities conducted in the territory of the Republic of Poland by the insurance broker, referred to in paragraph 1, the supervisory authority may inform about this breach the competent authority keeping the register of insurance intermediaries in the member state of the European Union in which the insurance broker is registered.

Article 32.

1. The insurance broker, holding a permit to pursue brokerage activities issued by the supervisory body, may pursue brokerage activities in the territory of another member state of the European Union, subject to paragraph 2.
2. The insurance broker, who intends to take up insurance activities in the territory on another member state of the European Union shall notify the supervisory body thereof.
3. Insurance broker providing information, referred to in paragraph 2, shall indicate:
 - 1) a member state of the European Union in which the activity is to be conducted;
 - 2) the address of the branch or representative office of an insurance broker in the European Union Member State in which the activity is to be performed, if the branch or agency is to be established;

4. The supervisory body, within 30 days as of the notification, referred to in paragraph 2, shall transmit to the competent supervisory body of the member state in which the broker intends to pursue his activities, information that the broker holds a permit to pursue brokerage activities in the territory of member state of European Union with information that the insurance broker is entered in the register of insurance intermediaries kept by the supervisory authority.

5. The provision of paragraph 4 shall not apply if the Member State in which the insurance broker intends to undertake the activity failed to express willingness to receive information about the intention to undertake activities by insurance brokers registered in other member states of European Union.

6. The supervision authority shall immediately inform the insurance broker about:

- 1) providing the information referred to in paragraph 4, or
- 2) a member state of the European Union, in which the insurance broker intends to undertake the activity, failed to express willingness to receive relevant information, in case referred to in paragraph 5.

7. The insurance broker shall immediately inform the supervisory authority about any case of change of data referred to in paragraph 3, item 2.

Article 33.

An insurance broker shall notify the supervisory body of all changes in the factual and legal status concerning the broker and the activities he pursues within the scope of Article 28, within 7 days as from the occurrence of the change.

Article 34.

1. The supervisory body shall withdraw the permit by way of decision:

- 1) if an insurance broker has ceased to meet the requirements necessary for the pursuance of his activities, as defined by the act;
- 2) upon a broker's application.

2. The supervisory body may withdraw the permit in case the insurance broker pursues activities in breach of the law or with a flagrant prejudice to the customer's interests.

3. In case the permit is withdrawn, for reasons specified in paragraph 2, it can be reapplied after the lapse of three years as from the date of withdrawal of the permit; over that period it is not allowed to serve the function of a member of managing or supervisory bodies of a legal person pursuing brokerage activities.

4. Accordingly, provisions of paragraph 3 shall apply to members of managing or supervisory bodies of a legal person pursuing brokerage activities.

5. Member of managing or supervisory bodies of a legal person pursuing brokerage activities, in respect of which a permit has been withdrawn under paragraph 2, cannot serve the function of a member of managing or supervisory bodies of a legal person pursuing brokerage activities for the period of three years.

6. The permit shall expire upon the death of the broker or upon the removal of the broker from the register of entrepreneurs.

Article 35.

1. The supervisory body may at any time carry out control of the activities and financial position of entities pursuing brokerage activities.

2. The supervisory body may request from entities pursuing brokerage activities explanations and information on their activities and financial management as well as order them to provide required data.

3. The supervisory body may issue recommendations designed to remove detected irregularities and to adjust the brokerage activities to meet the provisions of the law.
4. In case of failure to follow recommendations, referred to in paragraph 3, pursuance of activities in breach of provisions of the law, refusal to offer explanations and information, referred to in paragraph 2, the supervisory body may, by way of decision:
 - 1) impose pecuniary penalties in the amount of up to ten times the last announced average monthly remuneration in the enterprises' sector on members of the management board or proxies of an entity pursuing brokerage activities, who is a legal person;
 - 2) impose pecuniary penalties in the amount of up to three times the commission obtained in the period of last three months preceding the imposition of a penalty on entities pursuing brokerage activities that are legal persons;
 - 3) impose pecuniary penalties in the amount of up to ten times the last announced average monthly remuneration in the enterprises' sector on an entity pursuing brokerage activities that is a natural person.
5. Proceeds from pecuniary penalties specified in paragraph 4 shall constitute the income of the state budget.
6. (repealed).

Art.35a.

1. The scope of inspections shall include checking the activities and assets of entrepreneurs engaged in brokerage activities and determining compliance of the performed activity with the law and obtained permission.
2. Inspection activities should be completed not later than 60 days from the day of the inspection initiation.

Art.35b.

1. The inspection of entrepreneur involved in brokerage activities shall be carried out by an inspection team comprising at least two inspectors upon the presentation of an identity card and submission of the authorization to conduct the inspection issued by supervisory body.
2. Authorisation to conduct the inspection, referred to in Article 19b, paragraph 1, shall contain at least the following:
 - 1) the specification of the legal basis;
 - 2) the designation of the inspection authority;
 - 3) the date and place of issue;
 - 4) the name and surname of the inspector authorized to conduct the inspection and the number of his/her identity card.
 - 5) the company of the entrepreneur under inspection;
 - 6) the definition of the objective scope of the inspection;
 - 7) information about the date of the commencement and the anticipated completion date of the inspection;
 - 8) the signature of the person granting the authority with the person's position or function;
 - 9) instruction on the rights and obligations of the inspected entrepreneur.
3. The inspection is conducted at the seat or in the place where the entrepreneur pursues its brokerage activity and during work hours or during actual operation hours of the

activities of the entrepreneur pursuing brokerage activity.

4. The inspection or individual inspection activities with the consent of inspected entity can be conducted also in authority's seat if it makes conducting of inspection more efficient.

Art.35c.

1. An inspector shall be excluded from the participation in the inspection if the conclusions of the inspection could affect the inspector's rights or obligations or the rights or obligations of the inspector's spouse or the person with whom the inspector remains in actual cohabitation, relatives by blood and affinity up to the second degree or persons related to the inspector on account of adoption, custody or guardianship.

2. The inspector may also be excluded if other reasons, which may cause doubts with relation to his/her objectiveness, are observed.

3. If the circumstances, referred to in paragraphs 1 and 2, occur in the course of the inspection, the inspector shall refrain from performing further activities and inform the supervision authority of such an occurrence.

4. The excluded inspector should undertake only actions of great urgency resulting from public interest or the important interest of the entrepreneur involved in brokerage activities.

5. The supervision authority shall decide upon the exclusion from the inspection ex officio, or upon request of the entrepreneur involved in brokerage activities or upon request of the inspector. The supervisory authority, having decided about the exclusion of an inspector, shall complete the composition of the inspection team and amend the authorizations to conduct the inspection accordingly as well as shall promptly submit the authorizations to the entrepreneur involved in brokerage activities.

6. The supervision authority may also change the composition of the inspection team for other important reasons and also in the circumstances different than those specified in paragraphs 1 and 2. The second sentence of paragraph 5 shall apply accordingly.

Art.35d.

1. The entrepreneur involved in brokerage activities provides the inspection team the conditions and measures necessary for the efficient conduct of inspection.

2. During an inspection the entrepreneur involved in brokerage activities shall provide the inspectors with:

- 1) admission to all premises of the inspected entity;
- 2) free access to a separate office room and means of communications to the possible extent;
- 3) review all documents of the inspected entity and required copies, duplicates and excerpts of these documents;
- 4) review all data included in the information systems and required copies or excerpts of these data, also in electronic form;
- 5) obtaining oral or written explanations from the inspected entity or its employees also in electronic form if possible;
- 6) preparation of the required data upon demand by the inspector, also in electronic form if possible;
- 7) possibility to secure documents and other evidence.

3. During the inspection the entity involved in brokerage activity is entitled to immediately perform the obligations, referred to in paragraph 2.

4. Materials prepared by the entrepreneur involved in brokerage activities for the purpose of the inspection shall be signed by persons authorised to prepare them. In case of refusal to perform these activities the inspector shall draw the adequate note on these materials.

Art.35e.

1. Settlements of the inspection shall be made on the basis of evidence.
2. Evidence shall include in particular:
 - 1) documents;
 - 2) data and information stored in IT systems of the entrepreneur involved in brokerage activities;
 - 3) material evidence;
 - 4) declarations, information and explanations provided by an entrepreneur involved in brokerage activities or by its authorized employees;
 - 5) statements of third parties;
 - 6) expert opinions;
 - 7) findings of a site inspection;
 - 8) other materials subject to the inspection, which may contribute to the discovery of factual circumstances within the scope covered by the inspection.
3. Before signing the protocol, referred to in Article 19f, paragraph 1, the supervision authority shall guarantee to the entrepreneur involved in brokerage activities the possibility to read and express its opinion on the materials constituting inspection evidence which have not been obtained in the course of the inspection.
4. The evidence obtained during the inspection is stored in a manner that prevents it from being accessed without the consent of the inspector in charge of the inspection team. This limitation shall not affect the inspectors who are members of the inspection team.
5. Evidence gathered in the course of the inspection may be secured by:
 - 1) transferring for storage to the entrepreneur involved in brokerage activities or its authorized employee upon obtaining acknowledgement of receipt;
 - 2) storing it in the premises of the entrepreneur involved in brokerage activities in a separate, locked and sealed room;
 - 3) collecting it from the entrepreneur involved in brokerage activities upon obtaining acknowledgement of receipt;

Art.35f.

1. A protocol shall be drawn up after the conducted inspection.
2. The inspection protocol shall include in particular:
 - 1) the name and seat of the entrepreneur involved in business activity;
 - 2) the date and the number of the authorization to conduct the inspection as well as its amendments;
 - 3) the place and date of conducting the inspection activities;
 - 4) names and surnames of the inspectors conducting the inspection;
 - 5) the specification of the scope of the inspection;
 - 6) names and surnames as well as positions of the persons making statements and

- providing information and explanations during the inspection;
- 7) a description of the performed activities and findings related to the factual circumstances;
 - 8) a record on having informed the entrepreneur involved in brokerage activities about its rights and obligations;
 - 9) list of annexes along with indication of name and features of each annex;
 - 10) the place and date of the protocol execution.
3. The inspection protocol shall be executed in two counterparts and its one copy shall be submitted to the entrepreneur involved in brokerage activities.
4. Prior to delivery of the protocol to the entity conducting brokerage activities the inspection team leader shall sign both copies of the inspection protocol.
5. The provisions of the Code of Administrative Procedure shall relating to delivery, shall apply accordingly, subject to the provision that the supervisory body shall deemed the protocol as delivered in case if the broker refuses to collect the inspection protocol.

Art.35g.

1. Upon signing the inspection protocol, no corrections or notes shall be added, subject to provisions of paragraph 2.
2. Obvious writing mistakes shall be corrected by the inspector in charge of the inspection team, who shall initial all corrections. The supervisory authority shall inform the entrepreneur involved in brokerage activities about the correction of obvious typographical errors.

Art.35h.

1. Within 14 days from the date of signing the inspection protocol, the entrepreneur involved in brokerage activities may report in writing its objections and comments to the content of the protocol and explanations on issues covered by the scope of the inspection.
2. The supervision authority shall inform the entrepreneur involved in brokerage activities of the way of examining the objections within 14 days from the delivery of such objections.
3. Information on ways of examining the objections shall be annexed to the inspection protocol.

Art.35i.

The provisions of Chapter 5 of the Act on Freedom of Conducting Business Activity of 2 July 2004 shall be applied to the inspection of brokerage activities.

Article 36.

1. The Examination Commission for Insurance and Reinsurance Brokers, hereinafter referred to as “the Commission” is hereby established. The Commission shall be composed of:
 - 1) Chairman;
 - 2) Vice-Chairman;
 - 3) Secretary;
 - 4) two members.
2. Persons who are members of the Commission should have a master's degree and distinguish themselves with high level of knowledge in the field of life and non – life

insurance.

3. Persons who are members of the Commission shall be appointed and dismissed by the minister competent for financial institutions upon a request of the supervisory body.
4. Persons who are members of the Commission shall be entitled to remuneration for the participation in exams and for the elaboration of test questions and preparation of examination tests.
 - 4a. Two observers selected jointly by the nationwide organizations of brokers may participate in the works of the Commission.
5. A person taking an exam shall pay an examination fee.
6. The minister competent for financial institutions shall define, by way of Ordinance, rules and regulations of Commission activities, manner of conducting exams, amount of examination fee and amount of remuneration for persons who are members of the Commission as well as shall establish the scope of binding examination subjects.
7. The minister competent for financial institutions, when issuing the Ordinance, referred to in paragraph 6, shall take into account the necessity to ensure proper verification of candidates' knowledge and efficient conduct of examinations, the manner in which the Commission acts and dates for accepting applications and payment of examination fees.

Chapter 4

Register of insurance intermediaries

Article 37.

1. An insurance intermediary shall be entered in the register of insurance intermediaries.
2. The register of insurance intermediaries shall consist of:
 - 1) register of insurance agents;
 - 2) register of insurance brokers.
3. The register of insurance intermediaries shall be open and accessible to third parties.
4. The register of insurance intermediaries shall be kept by the supervisory body with the use of the IT system.
5. Information from the register of insurance agents shall be given upon request and may contain:
 - 1) information whether an entrepreneur has been entered in the register of insurance agents;
 - 2) information whether a natural person has been entered in the register of agents as a person through whom the agent performs the agency acts;
 - 3) information on insurance undertakings on behalf of which the agent acts and on scopes of powers of attorney;
 - 4) information whether the insurance agent who acts on behalf of more than one insurance undertakings within the scope of the same branch of insurance, in accordance with the annex to the Act on Insurance Activities, has concluded a contract for the compulsory civil liability insurance, referred to in Article 11, paragraph 3, including also information on the policy number;
 - 5) information, if the insurance agent performs the activity in the territory of another member state of the European Union;
 - 6) information, whether an agency contract was resolved with the entrepreneur

because of the activities of the insurance agent pursued in violation of provisions of the law, agency contract, due diligence or good practice with an indication of the insurance undertaking, which terminated the agency contract and information, referred to in Article 42, paragraph 3a, upon request of the insurance undertaking or entrepreneur to which such information refers, submitted in accordance with paragraph 6a.

6. Information from the register of insurance brokers shall be given upon request and may contain:

- 1) an entrepreneur has been entered in the register of insurance brokers;
- 2) whether a natural person has been entered in the register of insurance brokers as a person with whom an insurance broker performs brokerage activities;
- 3) an insurance broker has concluded a contract for the compulsory civil liability insurance, referred to in Article 22, paragraph 1, including also information on the policy number, period of validity of the insurance contract and the name of an insurance undertaking, with which the contract was concluded;
- 4) insurance broker performs the activity in the territory of another member state of the European Union.

6a. Polish Chamber of Insurance shall provide information defined in paragraph 5, item 6.

7. The minister competent for financial institutions shall define, by way of Ordinance, detailed rules and procedure for keeping the register of insurance intermediaries as well as the manner of dissemination of information from that register, taking in particular into account the necessity to ensure the efficient functioning of the register.

Article 38.

The insurance undertaking shall submit, along with the necessary documents, an application for entry into the register of insurance agents of an entity with which it has concluded an agency contract, immediately upon the conclusion of that contract not later, however, than within the period of fourteen days.

Article 39.

1. The supervisory body shall make entries in the register of insurance agents on the basis of an application filed by an insurance undertaking.
2. The supervisory body may refuse to make the entry in the register of insurance agents if natural persons, through whom agency acts are to be performed, fail to meet the requirements specified in Article 9, paragraph 1, and if an insurance agent fails to meet the requirements specified in Article 9, paragraph 1. The refusal shall be effected by way of a decision.
3. If an application of an insurance undertaking concerns an insurance agent who already pursues agency activities on behalf of another insurance undertaking or undertakings and who has been entered in the register of insurance agents, the supervisory body shall supplement data, referred to in Article 40, paragraph 1, item 3 and paragraph 2, item 3.
4. The minister competent for financial institutions shall define, by way of Ordinance, the manner for submitting applications for the entry in the register of insurance agents, of notifying changes and the list of documents to be enclosed with such applications and notifications, taking particularly into account the assurance of effective functioning of the register and complete information on persons through whom agency activities is to be pursued in respect of the fulfilment of requirements specified in Article 9, paragraph 1.

Article 40.

1. The register of insurance agents shall contain, in respect of natural persons:
 - 1) number of entry into the register,
 - 2) personal data, comprising:
 - a) first name or names and last name,
 - b) PESEL identification number, when this number was not given, passport number, identity number or number of other document confirming identity,
 - c) place of residence,
 - d) number in the register of entrepreneurs,
 - e) business name under which economic activity is conducted,
 - f) seat and address,
 - 3) name or names of insurance undertakings on behalf of which the insurance agent acts and the scope of powers of attorney, referred to in Article 12, paragraph 2;
 - 4) list of natural persons through whom the entity performs agency acts, containing data specified in item 2, letters a)-c);
 - 5) in case of an insurance agent acting on behalf of more than one insurance undertakings in the area of the same branch of insurance, in accordance with the annex to the Act on Insurance Activities – number of the policy confirming the conclusion of a compulsory contract for civil liability insurance, referred to in Article 11, paragraph 3, period of validity of the insurance contract and the name of an insurance undertaking, with which the contract was concluded;
2. The register of insurance agents shall contain, in respect of persons who are not natural persons:
 - 1) number of entry into the register,
 - 2) data on the entity, comprising:
 - a) name of the entity or company and information whether the insurance agent is a bank, savings and credit cooperative union or other entity to which the specific rules for the fulfilment of the condition by persons performing agency activities referred to in Article 9, paragraph 1, item 5, shall apply.
 - b) seat and address,
 - c) number in the register of entrepreneurs,
 - 3) name or names of insurance undertakings on behalf of which the insurance agent acts and the scope of powers of attorney, referred to in Article 12, paragraph 2;
 - 4) list of natural persons through whom the entity performs agency acts, containing data specified in item 2, letters a)-c);
 - 5) in case of an insurance agent acting on behalf of more than one insurance undertakings in the area of the same branch of insurance, in accordance with the annex to the Act on Insurance Activities – number of the policy confirming the conclusion of a compulsory contract for civil liability insurance, referred to in Article 11, paragraph 3, period of validity of the insurance contract and the name of an insurance undertaking, with which the contract was concluded;
 - 6) list of partners or members of the management board containing data specified in paragraph 1, item 2, letters a)-c);
3. The register of insurance agents, in respect of insurance agents pursuing agency activity in the territory on other members state of the European Union, shall contain in

addition::

- 1) a list of member states of the European Union in which the activity is conducted;
- 2) the address of the branch or representative office of an insurance agent in the European Union Member State in which the activity is to be performed, if the branch or agency is to be established;
- 3) the name and seat of the insurance undertaking in the name and on behalf of which the insurance agent may pursue insurance activities in the territory of the member state of the European Union;
- 4) information on the established civil liability insurance or other equivalent guarantee, referred to in Article 17, paragraph 3, item 4.

Article 41.

1. The insurance undertaking shall notify any changes of data entered in the register of insurance agents immediately not later, however, than within the period of seven days as from the date on which the insurance undertaking acquired knowledge of their occurrence. The insurance undertaking shall ensure the compliance of data concerning the insurance agents entered upon its request in the register of insurance agents with the actual state of affairs.
2. The supervisory body shall enter changes to the register of insurance agents on the basis of an application filed by an insurance undertaking.
3. The supervisory body may refuse to make the entry of changes in the register of insurance agents if natural persons, through whom agency acts are to be performed, fail to meet the requirements specified in Article 9, paragraph 1, and if an insurance agent fails to meet the requirements specified in Article 9, paragraph 1. The refusal of entering changes shall be effected by way of a decision.

Article 42.

1. Upon the termination of an agency contract, the insurance undertaking shall immediately not later, however, than within the period of 7 days, apply to the supervisory body to remove an insurance agent from the register of insurance agents.
2. Where the application concerns an insurance agent pursuing agency activities on behalf of more than one insurance undertakings, the supervisory body shall change data, referred to in Article 40, paragraph 1, item 3 and paragraph 2, item 3, respectively.
3. If the agency agreement is terminated on the grounds that the insurance agent conducts activities in breach of law, due diligence or good practice this shall be noted in the register of agents.
 - 3a. In case of adopting the information by the insurance undertaking that an entrepreneur with whom the agency contract was resolved, for the reason specified in paragraph 3, took legal or other actions to institute an action for declaration of invalidity of the termination of agency contract by an insurance undertaking, the insurance undertaking shall immediately, but not later than within 3 days of becoming aware of the occurrence of the agent's legal or other actions, inform the supervision authority, and that fact shall be recorded in the register of insurance agents.
 - 3b. The insurance undertaking immediately but no later than within 3 days from validation of such decision, shall inform the supervisory body about the valid court sentence or decision by other competent authority on the correctness and accuracy of the termination of an agency contract, for reasons specified in paragraph 3. Under such circumstances the information referred to in paragraph 3 or paragraph 3a shall be deleted from the register.
 - 3c. Responsibility for the compliance with actual state of the information, referred to in

paragraph 3-3b, and their use by entities, to whom such information has been provided, shall be borne by the insurance undertaking that provided such information.

4. Data concerning the insurance agent removed from the register of insurance agents shall be kept in the register for the period of 10 years.

5. The supervision body shall immediately transmit the information about deleting the insurance agent from the register of insurance agents, but no later than within 14 days from the date of removal, to the competent supervisory body keeping the register of insurance intermediaries in a European Union Member State in which the insurance agent performs his activities.

Article 43.

The supervisory body shall ex officio make the entry in the register of insurance brokers on the date the permit to pursue brokerage activity is issued.

Article 44.

1. The register of insurance brokers shall contain, in respect of natural persons:

- 1) number of entry into the register,
- 2) personal data, comprising:
 - a) first name or names and last name,
 - b) PESEL identification number, when this number was not given, passport number, identity number or number of other document confirming identity,
 - c) place of residence,
 - d) seat and address,
 - e) number in the register of entrepreneurs,
 - f) business name under which economic activity is conducted,
- 3) number and date of permit;
- 4) date and reason for withdrawing the permit.
- 5) in case of the insurance broker involved in brokerage activities in the territory on another member state of the European Union
 - a) a list of member states of the European Union in which the activity is conducted,
 - b) the address of the branch or representative office of an insurance broker in the European Union Member State in which the activity is to be performed, if the branch or agency were established;
- 6) type of brokerage activity;
- 7) list of natural persons through whom the insurance broker performs brokerage activities, containing data specified in item 2, letters a)-c);
- 8) number of the policy confirming the conclusion of the compulsory civil liability insurance referred to in Article 22, paragraph 1, period of validity of the insurance contract and the name of an insurance undertaking, with which the contract was concluded;

2. The register of insurance brokers shall contain, in respect of legal persons:

- 1) number of entry into the register,
- 2) data on the entity, comprising:
 - a) name of the entity or its business name,

- b) number in the register of entrepreneurs,
 - c) particulars of persons who are members of the management board, comprising data referred to in paragraph 1, item 2, letters a)-c)
 - d) seat and address,
 - e) number and date of permit;
- 3) date and reason for withdrawing the permit.
- 4) in case of the insurance broker involved in brokerage activities in the territory on another member state of the European Union:
- a) a list of member states of the European Union in which the activity is conducted,
 - b) the address of the branch or representative office of an insurance broker in the European Union Member State in which the activity is to be performed, if the branch or agency were established;
- 5) type of brokerage activity;
- 6) list of natural persons through whom the insurance broker performs brokerage activities, containing data specified in paragraph 1, item 2, letters a)-c);
- 7) number of the policy confirming the conclusion of the compulsory civil liability insurance referred to in Article 22, paragraph 1, period of validity of the insurance contract and the name of an insurance undertaking, with which the contract was concluded;
3. Data concerning the insurance broker removed from the register shall be kept in the register for the period of 10 years.

Article 45.

The supervisory body shall remove the insurance broker from the register of insurance brokers in case of:

- 1) withdrawal of the permit;
- 2) expiry of the permit.

Article 46.

1. The insurance broker shall notify any changes of data entered in the register of insurance brokers immediately but not later than within the period of seven days as from the date on their occurrence, submit, along with the necessary documents, an application to change the entry in the register.
2. The supervision authority may refuse to make changes to an entry in the register of insurance brokers, if the legal or natural person shall not meet the conditions laid down in Article 28. The refusal of entering changes shall be effected by way of a decision.
3. The supervision authority may refuse to make the entry in the register of insurance brokers if the natural persons, through whom the brokerage activities shall be performed, fail to meet the requirements specified in Article 28, paragraph 3. item 1. letters (a)-(e). The refusal shall be effected by way of a decision.
4. The minister competent for financial institutions shall define, by way of Ordinance, the manner for submitting applications for the change of entry in the register of insurance brokers and the list of documents to be enclosed with such applications, taking particularly into account the assurance of effective functioning of the register and complete information on persons through whom brokerage activities are to be pursued in respect of the fulfilment of requirements specified in Article 28, paragraph 3, item 1 letters (a)-(e).

Chapter 5

Criminal provisions

Article 47.

1. A person who:

- 1) pursues agency activities without authorization;
- 2) performs acts of an insurance agent without authorization;
- 3) pursues brokerage activities in the field of insurance or reinsurance without the required permit;
- 4) performs brokerage acts, without authorisation

shall be liable to a fine, penalty of limitation or deprivation of liberty for the period of up to 2 years.

2. A person who commits the act referred to in paragraph 1, item 1 and 3, acting on behalf of a legal person.

Article 48.

1. A person who, without being an insurance agent or insurance or reinsurance broker and the entity indicating the performance of agency activities or brokerage activities in the field of insurance or reinsurance in the Republic of Poland, according to Article 16, paragraph 1 and Article 31, paragraph 1, uses terms indicating the performance of agency activities or brokerage activities in the field of insurance or reinsurance, for the purposes of describing the scope his own economic activity or in advertising

shall be liable to a fine, penalty of limitation of liberty or penalty of deprivation of liberty for the period of up to one year.

2. The same penalty shall be imposed on anyone who commits the act specified in paragraph 1 when acting on behalf of a legal person.

Chapter 6

Changes to the current regulations

Article 49.

In the Act of 9 September 2000 on Stamp Duty (Journal of Laws No. 86, item 960, of 2001, No. 5, item 43, No. 60, item 610, No. 76, item 811, No. 87, item 954, No. 100, item 1085 and No. 129, item 1441 of 2002. No. 71, item 655, No. 135, item 1143, No. 141, item 1178 and 1180 and No. 216, item 1824 and of 2003. No. 7, item 78 and No. 96, item 874) in the annex to the Act:

1) in part II:

a) the following paragraphs 23 and 24 shall be added:

"23. For the entry in the register of insurance agents PLN 100 24. For the change of an entry in the register of insurance agents PLN 50",

b) the following item 4 shall be added in column 4:

"4) a change in the entry in the register of insurance agents related to:

- a) first name or names and last name, PESEL identification number, place of residence, number in the register of entrepreneurs, business name under which economic activity is conducted, seat and address – in case of an insurance agent who is a natural person,
- b) entity's name or business name, seat and address, number in the register of entrepreneurs – in case of an insurance agent who is a legal person,
- c) entity's name or business name, seat, entity's address, number in the register of entrepreneurs – in case of an insurance agent pursuing agency activities supplementary to core economic activity,
- d) first names and last name, PESEL identification number, place of residence – in case of natural persons through whom the agent performs agency activities”;

2) paragraph 38 in part IV shall be repealed.

Chapter 7

Transitional and Final Provisions

Article 50.

1. Persons holding, as at the date of the entry into force of this Act, a permit to pursue brokerage activities shall be ex officio entered in the register of insurance brokers.
2. Persons who hold, as at the date of the entry into force of this Act, a permit to pursue brokerage activities but who do not satisfy the requirement in respect of the amount of the minimum guarantee sum of the civil liability insurance for the pursuance of conducted activities shall meet that requirement, under the sanction of the withdrawal of the permit, within the period of 12 months as from the entry into force of this Act.
3. Persons who passed the examination before the Examination Commission for Insurance and Reinsurance Brokers prior to the entry into force of this Act and have not applied for the permit to pursue brokerage activities, may apply for such permit without the necessity to pass the examination once again, provided they fulfil the conditions set forth in the Act and may perform brokerage activities through natural persons, referred to in Article 23.

Article 51.

1. The insurance undertaking shall submit entities with whom it has entered into agency contracts to be entered in the register of insurance agents within the period of 60 days as from the date of entry into force of the Act.
2. A natural person holding a permit to perform activities of an insurance agent under provisions of the law effective to date, shall be entered in the register of insurance agents specified in Article 40, if that person performs agency activities on the day on entry into force of this Act.

Article 52.

Provisions of Article 16, Article 17, Article 31 and Article 32 shall apply as from the date on which the Republic of Poland becomes a member of the European Union.

Article 53.

This Act shall come into force as of January 1, 2004.