



Pursuant to Article 35, paragraph 1, subparagraph 1.1 of the Law No. 03/L-209 on the Central Bank of the Republic of Kosovo, and Articles 3, 27, 28, 30, 32, 34, 35, 41, 45, 46, 50 and 77 of the Regulation No. 2001/25 on Licencing, Supervision and Rregulation of Insurance Companies and Insurance Intermediaries, the Board of the Central Bank of the Republic of Kosovo at the meeting held on April 30, 2015, approved the following:

REGULATION

ON DEPOSIT OF ASSET AS GUARANTY, CAPITAL ADEQUACY, FINANCIAL REPORTING, RISK MANAGEMENT, INVESTMENT AND LIQUIDITY

PART I

DEFINITIONS

Article 1

Definitions

In this Regulation, unless the context indicates otherwise:

Admissible assets means Total Assets calculated in accordance with International Accounting Standards, minus "inadmissible assets".

A Branch is part of the licensed insurer under the jurisdiction of the mother company and as licensed by the CBK to conduct insurance activities in Kosovo.

Insurers, means life and non-life insurance companies, as well as foreign branches of life and non-life insurance companies, unless specified otherwise by special provisions in this Regulation.

Charter Capital means the aggregate par value of shares to be initially issued by the company, as stated in the founding documents. The charter capital may be increased by issuing new shares; the charter capital than shall be the total amount that appears when multiplying the value of a share which is in stock (par value) to the total number of shares held by shareholders of the company. Charter Capital is also referred to as the capital of shareholders.

Variable capital means the amount that all licensed insurers pursuant to Article 3 shall deposit in an account of the CBK, in an escrow account in commercial banks approved by the CBK, and other forms of investment defined by this Regulation.

Board of Directors means the highest leading organ of the corporate, appointed by equal voting of shareholders.

Director means a natural person exercising the powers of a member of a board of directors of a company.

Trusted Account means a bank account held in cash on behalf of the insurer, whose assets can not be withdrawn without prior notification to the CBK.

Financial Year means a period of 12 months, which starts on January 1 and ends on December 31. For a newly licensed company or newly licensed intermediary the financial year starts from the date of its licensing and ends on December 31 of that year the company/intermediary received the license. After that a new financial year shall be from 1 January to 31 December each year.

Inadmissible assets means the assets included in the financial report of an insurer, which are excluded when calculating the minimum margin of solvency.

Insurable event - an event, which following its occurrence, gives the right to receive an insurance indemnity.

Quarter means a three-month period which ends on 31 March, 30 June, 30 September and 31 December of each year.

Rate means the variable factors which affect the calculation of the solvency margin, variable capital and risk retention. The rates will be reviewed by the CBK on an annual basis and no later than 15th of August.

Risk retention means the amount or part on the amount insured by an insurer that is not reassured.

Senior officer implies the highest level of an officer of an insurance company or insurance intermediary.

Shareholders equity means the paid in capital of the company plus profits and reserves, minus losses held.

Solvency Margin means minimum solvency margin, calculated as total assets (without unacceptable assets) minus liabilities (by deducting shareholder's equity), which should be higher than the minimum solvency margin.

Insured amount means the amount that the insurance company promises to pay to the policyholders or beneficiaries after the occurrence of the insurance.

Total Assets means all assets valued in accordance with International Accounting Standards.

IBNR (incurred but not reported) implies claims incurred but not yet reported.

PART II
ASSET DEPOSIT AS GUARANTEE
Article 2
Variable Capital

All non-life insurers must additionally submit a variable capital in a reliable account in one of commercial banks licensed by the CBK or in other forms of investment, as defined in this Regulation.

Article 3
Calculating Variable Capital

1. The Variable Capital is the amount of insurance risk margin of non-life insurance, calculated on annual basis.
2. The insurer is not required to deposit the variable capital for an insurance class unless new policies are releases for a period of 12 months. This 12-month period will start from the date when the insurer has stopped issuing insurance for a certain class and this period is certified by the CBK.
3. The amount of variable capital will be calculated using the following tables, to calculate the margin of insurance risk.

Table 1. Insurance Risk Margin

Risk Report – Calculation of Variable Capital	Primet e Shkruara Bruto	Gjithsej Rezervat	Numri i Policave	Gjithsej Shuma e Siguruar	Gjithsej shuma e mbajtur e siguruar	Norma e Riskut Sigurues	Risku Sigurues i mbajtur
MTPL	- €	- €	0	- €	- €		- €
Border Insurance	- €	- €	0	- €	- €	10.00%	- €
Green Card	- €	- €	0	- €	- €		- €
TPL+	- €	- €	0	- €	- €	10.00	- €
Kasko	- €	- €	0	- €	- €	1.00%	- €
Motorvehicle in total	- €	- €	0	- €	- €	- €	- €
	a	b	c	d	e	f	= e * f
Accident and Health Insurance	- €	- €	0	- €	- €	0.20%	- €
Maritime and Transport Insurance	- €	- €	0	- €	- €	0.35%	- €
Aviation insurance	- €	- €	0	- €	- €	0.50%	- €
Insurance against fire and other damage to property	- €	- €	0	- €	- €	0.03%	- €
Liability Insurance	- €	- €	0	- €	- €	0.10%	- €
Loans and Guarantees Insurance	- €	- €	0	- €	- €	0.30%	- €
Financial loss insurance	- €	- €	0	- €	- €	0.30%	- €
Non-motovehicle in total	- €	- €	0	- €	- €		- €
Variable Capital in Total							- €

- a) Insurance risk margin for border insurance is calculated by multiplying column "f" with column "a".
- b) Insurance risk margin fot TPL Plus insurance is calculated by multiplying column "f" with column "c".

- c) Insurance risk margin for all other insurances is calculated by multiplying the column "e" with column "f".
 - d) Insurance for MTPL shall be calculated according to Annex 1 at the end of this Regulation.
1. CBK has the right to review and change coefficients as necessary.

Article 4

Reporting the Variable Capital calculated at CBK

1. Variable capital should be calculated on 12 month basis from insurers and report to CBK on quarterly basis, using the data in Table 1 for the risk insurance margin.
2. For the calculation of the variable capital one of the following reports will be used which yields the highest amount of variable capital:
 - a) Calculations by the latest audit report for the financial year.
 - b) One-year business plan
 - c) Insurance risk report
3. Licensed insurers, should have finalized their calculations of variable capital for the next financial year, and report them to the CBK in a format specified by the CBK, no later than November 30, of each year.
4. Calculation of variable capital is done in a 12-month base and reported to the CBK on a quarterly basis, 30 days after the end of the quarter.
5. If during the insurance activity the insurer fails to maintain the required minimum level of variable capital, the shareholders shall add additional capital in order to cover variable capital shortages and bring the company to the required level of variable capital, within 30 days.

Article 5

Variable Capital Investment

1. Variable capital of insurers, can be invested as follows:
 - a) Deposits in commercial banks licensed by the CBK, no more than 30% of variable capital in a reliable bank account in one of the commercial banks.
 - b) Securities issued by the Government of the Republic of Kosovo, no more than 70% of variable capital requirements and maturity up to one year.
2. Life insurers may invest technical-mathematical provisions as defined by the Rule in force for life insurance.

3. CBK at its discretion may require the insurer at any time to terminate the investment made or make a change of investment criteria.

Article 6
Interest income from investments

Investment income will be available to be used by insurers.

PART III
CAPITAL ADEQUACY

Article 7
The Minimum Paid in Capital and Shareholders' Equity

1. All insurers, as a condition for obtaining a license shall deposit and maintain at all times, 3 million euros as paid in capital.
2. All insurers shall deposit and maintain 10% of paid in capital at the CBK.
3. The rest of the capital of insurers, can be invested as follows:
 - a) Deposits in commercial banks licensed by the CBK, no more than 20% of the paid in capital in a reliable account in a commercial bank.
 - b) Securities issued by the Government of the Republic of Kosovo, with the prior approval of the CBK.
4. CBK, at its discretion, may require the insurer at any time to terminate the investment made or change the investment criteria.
5. Insurers are obliged during all insurance activities, to maintain a minimum level of equity, no less than the amount of paid in capital (min. 3 million)
6. In case when, during the insurance activity, insurers fail to maintain the minimum level of equity, the shareholders of the insurer companies are obliged to add additional capital in order to cover capital shortfalls and bring the company to the required level of equity, within 30 days.
7. The funds for the paid in capital and additional capital should not derive from funds borrowed by the public, bank loans or other loans arising from funds whose origin is illegal and unknown.

Article 8
Solvency Margin

All insurers shall maintain the minimum solvency margin required. Solvency means the total assets (without unacceptable assets) minus liabilities (deducting equity), which should be higher than the minimum solvency margin required.

Article 9
The minimum solvency margin required

Minimum margin for non-life insurers is 20% of the minimum amount of paid in capital.

Article 10
Inadmissible assets

Inadmissible assets are as follows:

- a) 100% of intangible assets (including Goodwill),
- b) 100% of all debtors and other receivables, older than 90 days,
- c) 25% of the acquired and deferred costs, and
- d) 100% of the assets under Article 11 of this Regulation.

Article 11
Prohibitions against approved assets charge

An asset is inadmissible when it is loaded in favor of another person, or when it is held by another person, unless the person who is charged or the person who holds the assets is the CBK. No insurer is permitted to use as collateral for a loan, assets covering variable capital, technical and mathematical provisions, or the paid-in capital.

Article 12
Solvency Reporting to the CBK

1. The solvency margin shall be calculated by insurers on a quarterly basis and report to the CBK.
2. A licensed insurer must finalize and report to CBK the calculation of minimum solvency margin, in a format specified by CBK, no later than 30 days after the end of the quarter.
3. If the solvency margin is less than the minimum solvency margin, the difference must be added with additional capital no later than 30 days after the end of the quarter. CBK may review the calculation of the amount of capital and take the necessary actions.

Article 13
General Evaluation Rule

Eligible assets of licensed insurers will be evaluated and reported on the balance sheet in accordance with International Accounting Standards, except as provided under the following paragraphs:

1. Securities will be assessed according to their current market value, which is the last sale price quoted by the exchange rate or by trading system where traded.
2. Investments in property will be registered according to their market value, after the reasonable deductions for selling expenses. Market values will be determined by an independent and qualified appraiser. All immovable properties held as investments should be evaluated at least once a year. Estimates should be made more frequently when market conditions indicate that the carrying values of assets are materially different from the market value.

Article 14
Technical Provisions

1. Technical Provisions of an insurer in addition to its general obligations must be assessed by the Actuary, in accordance with actuarial standards.
2. Technical Provisions of non-life insurers consist of reserves for claims and unearned premium reserves.

Reserves for claims include:

- a) Reported but unpaid claims,
- b) Incurred but not reported claims (IBNR) based on the legislation in force.

Premiums reserves include:

- a) Reserve for unearned premiums
- b) The unexpired risk reserve

Article 15
The obligation to inform CBK

Licensed insurers, should at any time when they realize that are unable to cope with the requirement for minimum solvency margin, notify the CBK regarding their situation.

PART IV
REINSURANCE REQUIREMENTS

Article 16
Risk held by licenced insurers

For all insurance classes, licensed insurers will not take any single risk that comes from an insurable event, which exceeds 10% of paid-in capital.

Article 17
Submission of maximum risk retention amounts in the CBK

1. Retention amounts should be calculated on a quarterly basis by insurers and submitted to CBK.
2. Licensed insurers must submit to the CBK the finalized calculation of retention amounts based on the business plan for the next calendar year and submit it in the format specified by CBK, no later than November 30 of each year. This calculation must be submitted to CBK based on actual data within 30 days after the end of the quarter.

Article 18
Reinsurance purchase

1. Licensed insurers shall buy the necessary reinsurance cover for the difference between the risk underwritten and the maximum risk level held. The reinsurance cover should be effective no later than 31 December, of the next calendar year. This cover must be based on the plan submitted and renewed during the calendar year, based on current data.
2. If the reinsurance cover is smaller than the required cover (as calculated by the difference between the risk underwritten and the maximum risk level maintained) then additional coverage must be purchased no later than 30 days after identification of absence.

Article 19
Submission of the reinsurance program at CBK

1. Reinsurance program is a list of all reinsurance contracts that specify terms of the contract, the name of reinsurers and their participation, analysed for each calendar year.

2. Licensed insurers or branches of foreign insurers must prepare their reinsurance program, based on a business plan for the next calendar year and submit to the CBK for approval, no later than November 30 of each year.

Article 20

The quality of reinsurance purchased

1. At least once a year, the CBK will review the reinsurance program and will evaluate the quality of reinsurance purchased based on international reinsurers ratings published by Standard and Poor's or its equivalent.
2. The CBK will not accept reinsurance contracts by reinsurance companies with short-term rating weaker than A-3 from rating agencies. In cases of long-term reinsurance contracts, long-term rating must be no weaker than BBB + by the rating agencies.

PART V

INVESTMENTS

Article 21

Written Investment Policies

Insurers should have a written policy on investment, which describes in detail the type of investments the insurer is planning to make. Investment policy should be reviewed on annual basis and must be approved by the board of directors of the company. The investment policy of the Company would be subject to examination by the CBK and shall be in compliance with the applicable legal framework.

Article 22

Submission of Investment report to the CBK

1. The report on investments should be a list of all investments, prepared on a quarterly basis and to be report to CBK not later than 30 days after the end of the quarter.
2. The CBK may review the Investment report and take appropriate action as necessary.

Article 23

Investment Committee

1. The board of directors of an insurer should establish the investment committee, which will recommend to the board of directors on the company's investment.
2. Investment Committee shall consist of at least three people, of whom the majority must be Kosovo residents.

3. The chairman of the committee shall be a member of the board of directors.
4. All members of the investment committee will be appointed and dismissed based on the board's decision.

Article 24
Duties of investment committee

The Investment Committee meets at least four times a year (every three months) and must report to the board of directors on:

1. Safety of capital investment as well as for revenues.
2. Investments liquidity and coordination of available assets to cope with the obligations that may arise.
3. Profitability of investments, including an assessment of whether investments are profitable enough to cover the increase in liabilities arising from policies.
4. Deviation from general investment policies, guidelines, plans, strategies and objectives or financial impact of these deviations.
5. Corrective measures adopted to offset adverse results.
6. Changes or improvement of the investment plan, objectives and strategies, if needed, as well as the anticipated financial impact of such changes or improvements.
7. Recommendations of investment policy as seem necessary.

PART VI
ADDITIONAL FINANCIAL REPORTING BY INSURANCE ENTITY,
INCLUDING AUDITABLE DATA

Article 25
Annual audits

1. Any insurer or insurance intermediary operating in Kosovo must submit an annual financial report, audited by an independent auditing company licensed by the Kosovo Financial Reporting Council (KFRC). The external audit company must have a written approval by the CBK for performing external audits of annual financial statements of the insurance company.

2. The audit shall be conducted according to International Standards of Accounting and Auditing and regulations established by the CBK.
3. The application of an external auditor must be submitted for approval to the CBK on 30 June of the current year for the year to come.

Article 26
Auditing Standards

The audit shall be conducted according to International Audit Standards and Rules that CBK may describe time to time.

Article 27
Time for delivery of annual financial report

1. Insurers and insurance intermediaries until 30 April of each year shall submit to the CBK, 3 copies of the audited annual report and management letter comments on the previous financial year.
2. A copy of the audited annual report and management letter should also be submitted electronically.
3. The attached report of the external auditor, the insurer or insurance intermediary, until April 30, shall submit to the CBK, the minimum solvency margin calculated, the level of capital - equity, variable capital, risk report and the analysis and its financial performance for the previous financial year under audit report.
4. If the auditor does not verify the insurer's financial reports, including the report of the risk, the methodology of calculating the overall risk and risk retention, calculation of minimum solvency margin and variable capital, the CBK has the authority to increase the requirements for additional variable minimum capital for a licensed insurer or insurance intermediary.

Article 28
Responsibility on audited financial statements

1. The Board of Directors and management of a licensed insurer or insurance intermediary are responsible for the financial information, which contains the audited financial statements of the licensed insurer, branch of foreign insurer or insurance intermediary.
2. A decision of the Assembly of Shareholders, which approves the audited financial statements, must be submitted to the CBK together with the audited annual financial report.

Article 29
Submission of business plan

3. Licensed insurer or branch of a foreign insurer must submit a business plan to the CBK each year. The business plan for next year must be approved by the board of directors and senior officials of the insurer and submitted to the CBK until 30 November of the current year.

Article 30
The content of the business plan

The business plan shall include:

1. Income statement, balance sheet, cash flow report, risk ratio and forecasts for solvency and variable capital for the next 12 months ending on December 31.
2. Detailed information, which supports the business plan forecast for gross profit premiums, premiums average, average sum insured and damages incurred, with a comparison with actual data for the last 12 months. This information should be presented in performance analysis and risk report, in a format determined by the CBK.
3. Delivery of planned risk expressed in terms of each class of business, the number of policies to be sold and the total amount secured for the next 12 months, with a comparison of actual data in the last 12 months. In addition, information on insurable risk margin should be taken for the next 12 months. This information should be presented in the format of "Analysis and performance of risk report"
4. Submission of "Keeping calculated risk" and reinsurance program, which supports risk profile planned for the next 12 months.

Article 31
Delivery of the current quarterly data against business plan

1. The insurance company shall on quarterly basis, submit to the CBK, actual data compared with the data of the business plan and actual data of the previous period with the income statement, balance sheet, performance analysis and risk report, risk retention limits, the current position of solvency and collateral, as well as existing reports on premiums and claims that are used.
2. Quarterly report should include comments on significant changes from the business plan.

3. Quarterly Report should be sent to the CBK within 30 days after the end of the quarter.
4. Quarterly reports must be approved by the board of directors of the company or board of directors of the central company if the entity is a subsidiary.

Article 32

Monthly reports must be submitted to CBK

Each insurance company must submit monthly reports to the CBK, in written or electronic copy within 15 calendar days, starting from the last day of the month for which the report is made.

1. Monthly Premium Report in accordance with the requirements of this Regulation.
2. Monthly Claims Report in accordance with the requirements of this Regulation.

Article 33

Submission of monthly and quarterly reports materially incorrect or misleading

Materially incorrect or misleading entries made intentionally or by negligence of a licensed insurer are punishable as an offense and those responsible may be prohibited by the CBK to be senior officials, Chief Financial Officer and member of the board of directors of an insurer licensed for a period determined by the CBK.

Article 34

Late submission of monthly, quarterly and annual reports and of the external audit report

Imposition of punitive measure in amount of 1,000 Euro for late submission of reports to the CBK, within the timeframe specified by law and 500 euros for each day of delay, calculated from the date set for reporting.

PART VII

PREVENTIVE AND CORRECTIVE MEASURES

Article 35

Preventive and corrective measures

1. When the CBK has imposed limits and / or placed restrictions on the activities of a licensed insurer, branch of foreign insurer or insurance intermediary in accordance with Article 77 (d) of Regulation no. 2001/25 on Licensing, Supervision and Regulation of Insurance Companies and Insurance intermediaries, the CBK can impose other potential limits and / or restrictions:
 - a) To prohibit a licensed insurer, branch of foreign insurer or insurance intermediary to conduct insurance business activities for a particular class of business.

- b) require a licensed insurer, branch of foreign insurer or insurance intermediary, take or refrain from taking certain steps or to adopt a particular course of action or to limit the scope of his business in a certain way, or
 - c) To prohibit a licensed insurer, branch of foreign insurer or insurance intermediary to enter into a particular transaction or class of transactions or entering them other than specified.
2. Where a licensed insurer, branch of foreign insurer or insurance intermediary has been ordered to take additional measures to reserved assets, in accordance with Article 77 (g) of the Regulation no. 2001/25 on Licensing, Supervision and Regulation of Insurance Companies and Insurance intermediaries, among other CBK may impose additional measures:
 - a) To prohibit the licensed insurer, branch of foreign insurer or insurance intermediary from the systematization or disposal of an asset which belongs to him during a specified period or from removing an asset from Kosovo during the period when that asset is in Kosovo ,
 - b) To require a licensed insurer, branch of foreign insurer or insurance intermediary, to hold assets in Kosovo at the value the CBK considers as appropriate for meeting the obligations for its licensed business,
 - c) To prohibit a licensed insurer, branch of foreign insurer or insurance broker to undertake any financial obligation on behalf of another person, and
 - d) To prohibit a licensed insurer, branch of foreign insurer or insurance broker to borrow any amount to pay dividends or to repay any liability to a person whose relationship with the licensed insurer, the foreign insurer branch or insurance intermediary is required to be fit and proper under this Regulation.
 3. When a licensed insurer, branch of a foreign insurer or insurance broker is required to submit a remedy plan in accordance with Article 77 (i) of the Regulation no. 2001/25 on Licensing, Supervision and Regulation of Insurance Companies and Insurance intermediaries, the CBK may include in the claims compensation plan that the licensed insurer, branch of foreign insurer or insurance intermediary demonstrate how will be able to meet the minimum solvency, collateral requirements and deadlines for the occurrence of this restoration.
 4. When the CBK appointed an advisor for an insurance company, branch of a foreign insurer or insurance intermediary, in accordance with Article 77 (j) of the Regulation no. 2001/25, the order may provide that:
 - a) The appointment must be made at the expense of the insurance company, branch of a foreign insurer or insurance intermediary,
 - b) Advisor must provide advice on the correct security issues and
 - c) Report to the CBK, within three months from the date of that person's appointment or at the time when CBK sees fit.
 5. When the CBK requires audit firms and an insurance company, branch of a foreign insurer or insurance intermediary, who report directly to the CBK, in accordance with Article 77 (k) of Regulation No.2001/25 on Licensing, Supervision and Regulation of Insurance Companies and Insurance intermediaries, the CBK may require the audit of the affairs of an insurance company, branch of a foreign insurer or insurance intermediary:
 - a) To be conducted at the expense of the insurance company, branch of a foreign insurer or insurance intermediary,

- b) the auditor elected by the CBK, and
 - c) to replace the auditor of the insurance company, branch of a foreign insurer or foreign intermediary with one appointed according to the CBK requirements.
 - d) Unable the former Auditor to audit financial institutions for at least one year.
6. When the CBK decides to take over an insurance company, branch of a foreign insurer or insurance intermediary and its assets pursuant to Section 77 (p) of the Regulation No. 2001/25 on Licensing, Supervision and Regulation of Insurance Companies and Insurance intermediaries, the CBK may:
- a) Require the licensed insurer, branch of foreign insurer or insurance intermediary to transfer control of particular class assets to a person approved by the CBK,
 - b) To prohibit the licensed insurer, branch of foreign insurer or insurance intermediary that has to do with the rights of third parties to pay or transfer any amount of a person or create any obligation to do such.
7. Preventive and corrective measures given by the CBK under this Article shall be for such period for which CBK considers necessary and may be extended as necessary

Article 37

Temporary Administration

1. When the CBK appoints a temporary administrator in place of current management of the insurance company, branch of foreign insurer or insurance intermediary in accordance with Article 77 (n) of the Regulation no. 2001/25 on Licensing, Supervision and Regulation of Insurance Companies and Insurance intermediaries, may require as follows:
 - a) Administration costs to be paid by the licensed insurer, branch of foreign insurer or insurance intermediary,
 - b) The temporary administrator shall be under the direct control of the CBK and necessary restrictions, to have the same power as the Board of Directors.
2. Temporary administrator will take control and management of the licensed insurer, branch of foreign insurer or insurance intermediary from the date of his appointment as administrator.
3. The provisional administrator may require a person who previously held a position as a board member or director of the licensed insurer, branch of foreign insurer or insurance intermediary to provide certain information or documents about the business of licensed insurers, branch of foreign insurer or insurance intermediary.
4. CBK may at any time dismiss temporary administrator from his position.

Article 38

The tasks of the temporary administrator

1. The temporary administrator is subject to the control of the CBK and must follow instructions given by the CBK.
2. The temporary administrator shall, as soon as possible after the onset of managing a licensed insurer, branch of foreign insurer or intermediary licensed, or a part of the business of a licensed insurer, branch of an insurer foreign or insurance intermediary to submit to CBK a report with actions and recommendations which in his opinion are necessary and also give the reasons for such recommendations.
3. Temporary administrator can recommend transfer of the business or part of a business of a licensed insurer, branch of foreign insurer or insurance intermediary to another licensed insurer, branch of foreign insurer or an intermediary the insurance business continuity for a period of administration and liquidation of the licensed insurer, branch of foreign insurer or insurance intermediary or any other course of action, which it considers reasonable or necessary. Temporary administrator can recommend different actions for different parts of a licensed insurer, branch of foreign insurer or insurance intermediary.
4. The report prepared by the temporary administrator should be available for public inspection at the place designated by the CBK.
5. If the CBK shall order transfer of the business or part of a business of a licensed insurer, branch of foreign insurer or insurance intermediary to another licensed insurer, branch of foreign insurer or an insurance intermediary, the administrator shall prepare a plan for such a transfer.
6. Temporary administrator should pay compensation for damages or losses suffered by the licensed insurer, branch of foreign insurer or insurance intermediary, or any third party, if the damage or loss caused by fraud, negligence or unwillingness to apply the provisions of the law by the temporary administrator.
7. Control and management of the licensed insurer, branch of foreign insurer or insurance intermediary, may be interrupted by the temporary administrator, if the CBK determines that the control and management of a licensed insurer, branch of an insurer external or an insurance intermediary is no longer necessary.
8. The CBK may further regulate the rights and obligations of a temporary administrator, by regulation, including the settlement of a licensed insurer liabilities, branch of foreign insurer or insurance intermediary.

Article 39

License suspension

1. When the CBK suspends the license of a licensed insurer, branch of a foreign insurer or insurance intermediary in accordance with Article 77 (q) of the Regulation No. 2001/25 on Licensing, Supervision and Regulation of Insurance Companies and Insurance intermediaries, conditions may be attached to the suspension as follows:
 - a) Prohibition of conduction of any business by the insurer, branch of a foreign insurer or insurance intermediary from the effective date of the suspension, and
 - b) Such measures the CBK may take as a need to protect the interests of creditors and clients of the insurer, branch of a foreign insurer or insurance intermediary.
2. If the license is suspended and terms are given, the terms must be met by the insurer, branch of a foreign insurer or insurance intermediary for the suspension withdrawal.

Article 40 Initiation of the receivership

After the revocation of the license, the CBK should immediately appoint a legal administrator, to take control of the insurer, branch of a foreign insurer or insurance intermediary. Such action shall be recognized as legal administration and should be managed in accordance with Chapter X of legal administration, the Regulation no. 2001/25 on Licensing, Supervision and Regulation of Insurance Companies and Insurance intermediaries.

Article 41 Repeal

With the entry into force of this Regulation shall be repealed the Regulation on Deposit of Assets as Security, Capital Adequacy, Financial Reporting, Risk Management, Investment and Liquidity dated December 29, 2011, the Administrative Instruction No. 01/2009 on Guarantee Fund Investment for Life Insurance Companies, as well as any act or legal provision that conflicts with this Regulation.

Article 42 Entry into force

This Regulation shall enter into force on 15 May 2015.

Chairman of the Board of Central Bank of the Republic of Kosovo

Bedri Peci

Annex 1

	Group Tarifs		Police Number	Variable Capital
	From - To	Insured Risk		
1. Passenger Vehicles (cm3)	0 - 750	33		
	750 - 900	40		
	901 - 1100	50		
	1101 - 1300	55		
	1301 - 1500	60		
	1501 - 1700	70		
	1701 - 1950	85		
	1951 - 2250	105		
	2251 - 2700	120		
	More than 2701	140		
	2. Truck (t)	0 - 0,5	100	
0,5 - 1		110		
1 - 2		135		
2 - 3		165		
3 - 5		200		
5 - 7		235		
7 - 10		295		
10 - 15		400		
More than 15		495		
3. Bus	Base Prim	250		
		325		

Group Tarifs	Group Tarifs		Police Number	Variable Capital	
	From - To	Insured Risk			
Group Tarif 3. Interurban bus	< 55 Seats	310			
	> 55 Seats	490			
4. Tractor (Kw)	Up to 18	10			
	18 - 25	20			
	25 - 33	20			
	33 - 44	25			
	44 - 73	30			
	73 - 110	40			
	110 - 147	55			
	More than 147	65			
	5. Motorcycles (cm3)	0 - 50	15		
		50 - 100	25		
100 - 175		30			
175 - 250		45			
250 - 500		65			
More than 500		85			
6. Trailer (t)		0 - 1	15		
	1 - 3	20			
	3 - 5	25			
	5 - 10	35			
	10 - 15	55			
	More than 15	65			