
Re-Licensing Of Insurance Market Participants Is Connected With New Law ‘On Insurance Companies And Insurance Activities’

Arminfo - 29/1/2008

The board of the Central Bank of Armenia (CBA) adopted decision at its January 29 session to re-license "Prime Insurance Brokers" LLC. As ArmInfo was told at the press service of the CBA, at the same session a decision was adopted to grant "Renessa" CJSC a license for carrying out broker-dealer activity of currency purchase-sale.

ArmInfo was told at "Prime Insurance Brokers" that the company's re-licensing is connected with the new law "On insurance companies and insurance activities", adopted in April 2007 which came into force from October 2007. According to the law, all the companies engaged in insurance activity must be re-licensed within a definite period. It is fixed in the new law, that the insurance market segments are mentioned in the license, in which the insurance company or the broker works. Moreover, one and the same insurance company cannot be engaged in life insurance and non-life insurance simultaneously.

They also informed at the press service that a decision was adopted at the session on suspension of the license of "Astvan" LLC for brokerage activity, as well as on license invalidation of "First Insurance" company for non-life insurance.

To note, "First Insurance" company, which had functioned on the territory of Armenia since 1997 (the license was granted on November 3), dissolved at the end of December 2007. Moreover, part of the company's premium portfolio (contracts, valid at the moment the license was granted) is to be passed to "Ingo-Armenia" insurance company. Before that, portfolios of "Alliants-Flash" and "Fin Trust" insurance companies, which came out of market, were passed to "Ingo-Armenia".
