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**SUBJECT:** WORLDWIDE MARKETS COUNTRY MANUALS  
**SUBJECT AREA(S):** Compliance & business process advice for managing agents, syndicates & Lloyd's brokers  
**ATTACHMENTS:** Appendix 1: list of manuals / Appendix 2: sample manual / Appendix 3: list of quick reference guides available / Appendix 4: sample quick reference guide  
**ACTION POINTS:** **For information**  
**DEADLINE:** **None**

**The purpose of this bulletin is to remind the market of the existence of the country manuals detailing business processes and compliance information for Lloyd's licensed territories around the world.**

The International Compliance team within Worldwide Markets publishes country manuals for the majority of Lloyd's licensed territories around the world; please see Appendix 1 for a list of those territories that currently have a published manual.

These manuals provide a vast amount of information such as:

- Lloyd's licensing position
- Law and regulation (e.g. compulsory classes, definition of a risk)
- Requirements on how to obtain and place business (e.g. service of suit, premium procedures, wordings)
- Taxation and other charges (e.g. payment of taxes/income tax/fiscal representation)

All manuals are published on [www.lloyds.com/worldwide](http://www.lloyds.com/worldwide) and are regularly updated to reflect changes in the regulatory environment. (See appendix 2 for a sample copy of a manual)

In addition to these manuals the International Compliance team also maintain quick reference guides for over 200 countries. These quick reference guides (see appendix 4 for a sample copy of a quick reference guide) provide a high level summary of Lloyd's trading position worldwide.

Underwriters, brokers and compliance officers are encouraged to consult these manuals regularly and quick reference guides to ensure that their business practice conforms to the market's regulatory requirements.

To access the manual for a particular country please visit [www.lloyds.com](http://www.lloyds.com) and using the "Lloyd's trading status" box on the right hand side of the front page select the country of interest. Once viewing the relevant country Quick Reference Guide the Manual may be viewed by clicking on the "manual" hyperlink on the left hand side of the page.

Please note that access to the manuals is restricted to Lloyd's market participants only and the manuals are protected by a password.

In order to be issued with a password please contact Worldwide Markets using the contact details below:

**Worldwide Market Services:**

Tel: 020 7327 6677  
Email: [market.services@lloyds.com](mailto:market.services@lloyds.com)  
Box: 190B (Gallery 1)

The Worldwide Market Services desk provides the Lloyd's market with a single point of contact for advice and information on Lloyd's trading status worldwide. This desk is manned between 10.00 am – 1.00 pm / 2.00 pm – 4.30pm

If you would like to meet with a representative from Worldwide Markets in order to run through the information that is currently available to Underwriters and Brokers or to discuss a particular country in which you are trading or would like to trade please contact Worldwide Market Services in order to arrange a briefing/meeting.

This bulletin has been sent to Underwriters, Lloyd's brokers and the Compliance Officers of managing agents and Lloyd's brokers.

Julian James  
Director  
Worldwide Markets

### List of countries for which manuals are available on Lloyds.com

Australia  
Austria  
Belgium  
Canada  
Canada Lineage  
Caribbean  
Cyprus  
Czech Republic  
Denmark  
Estonia  
France  
Germany  
Gibraltar  
Greece  
Hong Kong  
Hungary  
Ireland  
Israel  
Italy  
Latvia  
Lithuania  
Luxembourg  
Malta  
Netherlands  
New Zealand  
Norway  
Poland  
Singapore  
Slovakia  
Slovenia  
South Africa  
Spain  
Sweden  
Switzerland  
US - Fact Sheets  
US - Illinois  
US - Kentucky

# Poland Manual



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**For enquiries relating to this manual please contact:**

Worldwide Markets

Lloyd's, One Lime Street

London, EC3M 7HA

Telephone: +44 (0)20 7327 6677

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# Lloyd's in Poland: Quick reference guide

This is a summary of information in the main section.

## QR1 What classes of Polish insurance can Lloyd's underwriters write?

**Direct insurance:** Non-life insurance on a services basis only. The only exception is motor vehicle liability, which Lloyd's underwriters are not authorised to carry on from Poland. Term life on a services basis only. "Services basis" is defined in section 1.2 of this manual.

**Reinsurance:** all classes.

## QR2 When is a risk a Polish risk?

A risk is situated in Poland in the following circumstances:

- where the insurance relates either to **buildings** or to **buildings and their contents**, in so far as the contents are covered by the same policy – *if the building is situated in Poland*.
- where the insurance relates to **vehicles** of any type (i.e. **ships, boats, aircraft and motor vehicles**) – *if the vehicle is registered in Poland*.
- where the policy is for **four months or less** and covers **travel or holiday risks** – *if the policyholder takes out the policy in Poland*.
- in **all other cases** – if the policyholder is an individual, he has his habitual residence in Poland or, if the policyholder is a legal person (a company or other corporate body), its establishment, to which the contract relates, is situated in Poland.

A **reinsurance** contract is a Polish risk if it reinsures an insurer located in Poland or is written via a coverholder located in Poland.

## QR3 Do intermediaries placing Polish business need Lloyd's approval?

Lloyd's brokers require Lloyd's accreditation irrespective of the source of the business they are placing.

Coverholders require Lloyd's approval to accept business or issue insurance documents under a binding authority. A binding authority that allows any underwriting decisions to be made in Poland in respect of Polish risks (other than reinsurance) is **not** permitted under a services licence.

Intermediaries placing business from Poland on an open market basis do not need Lloyd's approval.



## **QR4 What are the requirements for policy documents?**

*Language:* for insurance contracts concluded in Poland with a Polish policyholder, the insurance contract should be in Polish. It may be in English if parties agree in writing, however in the event of a legal dispute going before the Polish courts, all appropriate documentation must be available in Polish. If the contract is concluded outside Poland, the parties may agree to another language.

*Wording approval:* is not required.

*Law applicable:* choice of law allowed

*Service of suit:* There are no service of suit requirements.

## **QR5 What premium taxes and other charges are payable on policies?**

As at June 2004. Please check [www.lloyds.com](http://www.lloyds.com) for up to date tax information.

### **Premium taxes and stamp duties**

None.

### **Other charges**

0.04% of gross written premium is payable to the Polish Insurance and Pension Funds Supervision Committee and the Office of the Spokesman of the Insured. This will reduce to 0.026% for the year starting 1.1.2007. The Polish authorities propose to apply this charge to non-Polish insurers transacting Polish business on a services basis. Lloyd's will provide details of the method of payment in due course.

### **Lloyd's international operating charge**

Lloyd's international operating charge. It is charged on gross direct and reinsurance premiums to cover the costs of Lloyd's operations. A supplement applies to coverholder business. The rates vary each year.

### **Technical reserves**

Lloyd's is not required to maintain technical reserves in Poland or any other EU member state.

## **QR6 Does Lloyd's have a general representative in Poland?**

No. Lloyd's does not have a general representative in Poland. Please contact Worldwide Markets (telephone: +44 (0)207 327 6677 email: [market.services@lloyds.com](mailto:market.services@lloyds.com)) if you have any queries.

# 1 Law and regulation

## 1.1 Basic regulatory position

The EU insurance directives establish a “single licence” supervisory regime which allows insurers authorised by regulators in their “home Member State” (i.e. the Member State in which the insurer has its head office) to conduct insurance business in any other Member State without the need for further authorisation, under the freedom of establishment or freedom to provide services (see paragraph 1.2 below). The single licence regime also extends to Iceland, Norway and Liechtenstein by virtue of the EEA Agreement<sup>1</sup>.

The authorisation permitting Lloyd’s members to carry on insurance business in the EU is granted, in accordance with the EU’s Insurance Directives, to “the association of underwriters known as Lloyd’s”. It is therefore a collective authorisation, maintained by Lloyd’s centrally on behalf of all the members of Lloyd’s. There are no provisions in EU Insurance Directives that would permit the authorisation of a Lloyd’s managing agent or member to carry on insurance business in the EU independently of the collective authorisation.

The UK insurance regulator is the Financial Services Authority (FSA) and it has sole responsibility for the financial supervision of Lloyd’s business, including business carried on under the rules on establishment or the freedom to provide services in any other EU country. Lloyd’s is required to report to the FSA annually the business that Lloyd’s underwriters write from all EEA States<sup>2</sup>, including, Poland.

The Polish insurance regulator is the Commission on Supervision of Insurance and Pension Funds (KNUiFE). Lloyd’s does not report separately to KNUiFE in respect of business underwritten by Lloyd’s underwriters in Poland. Nevertheless, Lloyd’s underwriters operating under the single licence regime in Poland must comply with local rules concerning the conduct of insurance business adopted by Poland in the interest of the general good and KNUiFE has power to take steps to prevent infringement of such rules.

## 1.2 Services and establishment authorisation

Under the EU’s Insurance Directives (and EEA Agreement) Lloyd’s underwriters may obtain two different types of authorisation to transact direct insurance in and from other EEA States:

- **Freedom to provide services** – allows Lloyd’s underwriters to write direct business from another EEA State (the host state) in the UK or via a branch in another EEA State (other than the host state).

Polish coverholders may not be authorised to accept Polish direct insurance on behalf of Lloyd’s underwriters or otherwise to commit Lloyd’s underwriters in relation to such insurance.

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<sup>1</sup> The agreement on the European Economic Area signed on 2 May 1992.

<sup>2</sup> These comprise all the EU States (i.e. the United Kingdom, Portugal, Spain, France, Italy, Ireland, Belgium, Luxembourg, the Netherlands, Denmark, Germany, Greece, Austria, Sweden, Finland, Cyprus, Czech Republic, Estonia, Hungary, Latvia, Lithuania, Malta, Poland, Slovakia and Slovenia ) plus Norway, Iceland and Liechtenstein.

- **Freedom of establishment** – allows Lloyd’s underwriters to establish a branch in another EEA State. Lloyd’s underwriters need this authorisation before they can grant a binding authority to a coverholder in the EEA State concerned. Lloyd’s underwriters are not authorised to write Polish direct insurance on an establishment basis.

### 1.3 General good requirements

KNUIFE has not yet issued a list of general good requirements.

### 1.4 Lloyd’s underwriters authorisation in relation to business from Poland

*Insurance:* Lloyd’s underwriters are authorised to underwrite the classes set out in the following table:

<b>Class No.</b>	<b>Description</b>	<b>Services</b>
<b>1</b>	<b>Accidents (including industrial injury and occupational diseases)</b> Fixed pecuniary benefits Benefits in the nature of indemnity Combinations of the two Injury to passengers.	<b>Yes</b>
<b>2</b>	<b>Sickness</b> Fixed pecuniary benefits Benefits in the nature of indemnity Combinations of the two.	<b>Yes</b>
<b>3</b>	<b>Land vehicles (other than railway rolling stock)</b> All damage to or loss of land vehicles.	<b>Yes</b>
<b>4</b>	<b>Railway rolling stock</b> All damage to or loss of railway rolling stock.	<b>Yes</b>
<b>5</b>	<b>Aircraft</b> All damage to or loss of aircraft.	<b>Yes</b>
<b>6</b>	<b>Ships (sea, lake and river and canal vessels)</b> All damage to or loss of river and canal, lake and sea vessels.	<b>Yes</b>
<b>7</b>	<b>Goods in transit (including merchandise, baggage and other goods)</b> All damage to or loss of goods in transit or baggage, irrespective of the form of transport.	<b>Yes</b>
<b>8</b>	<b>Fire and natural forces</b> All damage to or loss of property (other than property included in classes 3,4,5,6 and 7) due to fire, explosion, storm, natural forces other than storm, nuclear energy and land subsidence.	<b>Yes</b>
<b>9</b>	<b>Other damage to property</b> All damage to or loss of property (other than property included in classes 3,4,5,6 and 7) due to hail or frost, and any event such as theft, other than those mentioned under number 8.	<b>Yes</b>
<b>10</b>	<b>Motor vehicle liability</b> All liability arising out of the use of motor vehicles operating on land (including carrier’s liability).	<b>No</b>

<b>11</b>	<b>Aircraft liability</b> All liability arising out of the use of aircraft (including carrier's liability).	<b>Yes</b>
<b>12</b>	<b>Liability for ships (sea, lake and river and canal vessels)</b> All liability arising out of the use of ships, vessels or boats (including carrier's liability).	<b>Yes</b>
<b>13</b>	<b>General liability</b> All liability other than those forms mentioned under numbers 10,11 and 12.	<b>Yes</b>
<b>14</b>	<b>Credit</b> Insolvency (general), export credit, instalment credit, mortgages and agricultural credit.	<b>Yes</b>
<b>15</b>	<b>Suretyship</b>	<b>Yes</b>
<b>16</b>	<b>Miscellaneous financial loss</b> Employment risks, insufficiency of income, bad weather, loss of benefits, continuing general expenses, unforeseen trading expenses, loss of market value, loss of rent or revenue, other financial loss (non-trading) and other forms of financial loss.	<b>Yes</b>
<b>17</b>	<b>Legal expenses</b>	<b>Yes</b>
<b>18</b>	<b>Assistance</b> Assistance for persons who get into difficulties while travelling, while away from home or while away from their permanent residence.	<b>Yes</b>

**Term life insurance is permitted on a services basis only.**

**Reinsurance:** Lloyd's underwriters may write all classes of life and non-life reinsurance from Poland.

## 1.5 Definition of a Polish risk

A risk is located in Poland in the following circumstances:

- where the insurance relates either to **buildings** or to **buildings and their contents** in so far as the contents are covered by the same policy – *if the building is situated in Poland.*
- where the insurance relates to **vehicles** of any type (i.e. **ships, boats, aircraft and motorvehicles**) – *if the vehicle is registered in Poland.*
- where the policy is for **four months or less** and covers **travel** or **holiday risks** – *if the policyholder takes out the policy in Poland.*
- in **all other cases** – if the policyholder is an individual, he has his habitual residence in Poland or if the policyholder is a legal person (i.e. a company or other corporate body), its establishment to which the contract relates is situated in Poland.

A **reinsurance** contract is a Polish risk if it reinsures an insurer located in Poland or is written via a coverholder located in Poland.

The definition for premium taxes may be wider. Please refer to chapter 5.

## **1.6 Compulsory classes of insurance under Polish law**

- Agricultural third party liability
- Farmers' property
- Professional indemnity for insurance brokers, tax advisors, auditors, organisers of sporting events, providers of healthcare services (hospitals and doctors), travel agents, notaries public, lawyers, legal counsellors, financial advisers, real-estate managers, security companies and patent agents.
- Motor third party liability

## **1.7 Lloyd's General Representative**

Lloyd's underwriters have not applied for an establishment licence in Poland and therefore do not have a General Representative in Poland.

## 2 Obtaining and placing insurance business from Poland

### 2.1 Intermediaries in Poland

#### 2.1.1 Polish regulations

The Polish Act on Insurance Intermediation differentiates between insurance agents and insurance brokers. Separate registers are maintained for each category. An insurance agent is entered in the register of insurance agents maintained by KNUiFE may perform agency activities under an agency contract concluded with an insurance undertaking. Insurance agents are not permitted to perform brokerage activities.

An insurance agent authorised and having its registered office in another EU country is permitted to perform agency activities in Poland provided it is entered in the register of insurance agents maintained by KNUiFE.

In relation to insurance brokers, the Act on Insurance Intermediation provides that an insurance broker shall be a natural or legal person who has a permit issued by the supervisory body (KNUiFE) to pursue brokerage activities and entered in the register of insurance brokers.

An insurance broker authorised and having its registered office in another EU country is permitted to conduct brokerage activities in Poland provided it is entered in the register of insurance brokers maintained by KNUiFE.

#### 2.1.2 Lloyd's requirements

- *Lloyd's brokers* – require Lloyd's accreditation – contact Lloyd's Broker Services department for further details (telephone: +44 (0)207 327 5807, email: [Kevin.reeves@lloyds.com](mailto:Kevin.reeves@lloyds.com))
- *Coverholders* – a coverholder means a company or partnership authorised by a managing agent to enter into a contract or contracts of insurance to be underwritten by the members of a syndicate managed by it in accordance with the terms of a binding authority. Coverholders require Lloyd's approval, which is given by Lloyd's Coverholders department (telephone +44 (0)207 327 6275) under Lloyd's Delegated Underwriting Byelaw. In accordance with Lloyd's authorisation, Lloyd's underwriters cannot give a Polish intermediary authority to make underwriting decisions on behalf of Lloyd's underwriters, except on a "prior submit" basis. This means that a Polish intermediary may receive proposals or claims notifications on behalf of Lloyd's underwriters, but must refer them to the underwriters for decision.
- *Open market correspondents ("OMC's")* – an OMC is an intermediary placing business with Lloyd's underwriters via a Lloyd's broker on an open market basis only. OMC's in, or handling business from, certain countries require Lloyd's approval or registration: see Market Bulletin Y3136 entitled "Changes to the Open Market Correspondents Approval/Registration Process" issued on 8 September, 2003 for further details. OMC's in Poland do not require Lloyd's approval or registration, unless they are handling business from one of the countries specified in Market Bulletin Y3136.

## 2.2 Routes into Lloyd's

### 2.2.1 Direct insurance

Route	Comments
Binding authority held by a Polish coverholder.	Coverholder must be approved by Lloyd's: contact Lloyd's Coverholders' Department (+44 (0)20 7327 6275) for further details.  Binding authority must be on a "prior submit" basis. Coverholder cannot be authorised to take underwriting decisions. All underwriting decisions must be taken by the Lloyd's underwriter in London or on their behalf in another EU member state where Lloyd's has "establishment" authorisation.
Binding authority held by a coverholder outside Poland	Coverholder must be approved by Lloyd's. Its Lloyd's approval must be specifically extended to include business from Poland.
Open market business via a Polish intermediary, dealing with a Lloyd's broker.	The Hungarian intermediary does not require Lloyd's approval or registration, but must operate in accordance with Polish law and regulation.
Open market business via an intermediary outside Polish, dealing with a Lloyd's broker.	The non-Polish intermediary does not require Lloyd's approval or registration, but must operate in accordance with Polish law and regulation
Open market business if the Polish client deals direct with a Lloyd's broker.	Clients may deal direct with Lloyd's brokers or other EU brokers if the broker is registered with KNUiFE.

### 2.2.2 Reinsurance

There are no legal restrictions. Lloyd's normal rules apply – i.e. all business must be placed with underwriters by a Lloyd's broker; and Lloyd's must approve any coverholder proposing to accept reinsurance on behalf of Lloyd's underwriters under a binding authority.

## 2.3 Coinsurance

Coinsurance is permitted. Syndicates entering into a co-insurance should ensure that their co-insurers are licensed to write Polish business and should use LSW1001 to show several liability.

## 2.4 Slips

Slips submitted to Xchanging Ins-sure Services in respect of Polish direct business must show:

- On panel 1, the country of origin as "Poland"

- On panel 1, the name and address of the Polish broker. Alternatively, the panel must say “direct assured”.
- On panel 2, the name and address of the assured.

## 2.5 FIL codes

Polish insurance and reinsurance transactions processed through Xchanging Ins-sure Services and Xchanging Claims Service receive the following FIL (Foreign Insurance Legislation) codes:

Type of business	4 character FIL code	2 character code shown on market advices
Direct Insurance	PLE1	UP
<b>REINSURANCE</b>		
Facultative	PLE2	UQ
Non-proportional treaty	PLE3	UR
Proportional treaty	PLE4	UR

## 2.6 Payment of premiums – Lloyd’s procedures

Brokers should pay premiums to underwriters through Lloyd’s usual channels.

All premiums processed through Lloyd’s Central Accounting which fall within the definitions of a “Polish risk” set out in section 1.4 are allocated a Polish FIL code. This information forms the basis on which Lloyd’s subsequently reports its Polish business to the FSA, Lloyd’s home state financial supervisory authority.

If premiums and claims are not paid through Lloyd’s Central Accounting, “non-cash” entries should be processed through Central Accounting, to serve as a record of the premiums and claims for reporting purposes. Any syndicate not receiving premiums and paying claims through Lloyd’s Central Accounting and not processing “non-cash” entries to create central records of the transactions should contact Worldwide Markets as this affects Lloyd’s reporting to the FSA

## 2.7 Claims

Payment and administration should comply with Lloyd’s normal requirements.

Under Polish law, an insurer is obliged within 7 days of receiving notification of a claim under a policy underwritten by it to confirm receipt of the claim and advise the policyholder of the documents which are necessary to determine the indemnification.

There are time limits for payments of insurance claims. Broadly, under the Civil Code dated 24 April 1964, unless the parties agree otherwise, the insurer



is obliged to pay the claim within 30 days of the receipt of notification of the same. If liability or quantum cannot be determined within this time, the claim should be paid within 14 days from the date on which it could with reasonable diligence be determined. The insurer is also obliged to inform the policyholder in writing if payment of the claim cannot be made within the period specified in the insurance contract or, if no time is specified in the contract, in the legislation and of the reasons for this.

If the insurer determines there is no entitlement to indemnity, or the entitlement is less than the amount claimed, the insurer must inform the policyholder of this in writing and give reasons for rejecting the claim (either in whole or in part). The insurer should also inform the policyholder of his right to pursue the claim by legal action.

The insurer is obliged to make available to the policyholder, documents relevant to the determination of the claim (other than those that are privileged). A policyholder is entitled to inspect the files concerning the claim and prepare, at his own expense, transcripts or photocopies of the documents from the claims files.

## **2.8 Cancellation**

The Polish Act on Insurance Activity provides that if the insurance contract is concluded for a period longer than 6 months, the policyholder is entitled to withdraw from it within 30 days of the day of conclusion of the contract. If the policyholder is an individual he can withdraw within 7 days of the day of conclusion of this contract. The withdrawal from the insurance contract does not release the policyholder from the obligation to pay the premium for the period during which the insurer provided coverage.

The insurance contract can also provide for a prohibition of its termination within a certain period of time, not exceeding two years.

## **2.9 Currency**

The currency in Poland is the Zloty (PLZ). Poland did not join the European monetary system on accession to the EU on 1 May 2004.

## **3 Policies and other contractual documents**

### **3.1 Disclosure requirements**

No “general good” guidelines for Poland have been issued by the KNUiFE yet. However, the following requirements apply under Polish law in relation to policyholders.

#### **3.1.1 Pre-contractual and contractual information which must be provided**

An insurer is obliged to deliver to the policyholder the text of the general insurance conditions before the conclusion of the insurance contract. The general insurance conditions should specify, among other things, the subject and scope of the insurance, the manner of conclusion of the insurance contract, the scope and term of liability of the insurer, the rights and obligations of the parties to the contract, the procedures, terms and conditions, deadlines for and manner of service of notices, claims procedures and procedures for dealing with complaints and disputes. Where the policyholder is an individual, information about complaints handling arrangements must also be provided.

#### **3.1.2 Minimum information to be shown on the insurance contract**

The policy (or other document) confirming the conclusion of the insurance contract must contain information concerning:

- the address of the insurer;
- the place of conclusion of the insurance contract;
- governing law and jurisdiction;
- the date of conclusion of the insurance contract and its term;
- the subject of the insurance contract and conditions of its implementation;
- the parties to the insurance contract;
- the amount of the premium;
- the general insurance terms and conditions of the contract (see 3.1.1 above).

### **3.2 Language requirements**

Underwriters should ensure that all documents evidencing the contract of insurance provided to the insured are in a language that the insured understands. It may be difficult to enforce a contractual provision in a court of law, if the provision is set out in a language

other than the insured's own native language. Clearly different considerations apply to different insureds and it may be appropriate to agree to provide an English language document to a sophisticated commercial insurer, even if the local language is not English.

Legally, an insurance contract concluded in Poland with a Polish policyholder should be in Polish. It may be in English (or another language), provided both parties agree, although the insurer must ensure that, in the event of a legal dispute going before Polish courts, all appropriate documentation, including the contract, is available in Polish. If the contract is concluded outside Poland, the parties may agree to another language.

Whenever the parties agree to another language, we would recommend that the agreement of the insured to accept a non-Polish contract is evidenced in writing.

### **3.3 Translations**

An arrangement exists with the translation division of RWS Group for translation services at preferential rates. For further information please contact:

Market Wordings Database  
Telephone: +44 (0)1634 392345 (or Lloyd's extension 2345)  
Facsimile: +44 (0)1634 392677 (or Lloyd's extension 2677)  
Email: [marketwordings@xchanging.com](mailto:marketwordings@xchanging.com)  
Website: <http://www.marketwordingsdatabase.com>

Note: all contracts for the aforementioned translation work are made directly with RWS.

### **3.4 Preparation of Polish policies**

There are no special arrangements for the preparation of policies for Polish risks. Xchanging Ins-sure Services does not have facilities for checking policies in Polish, so a foreign language policy must be accompanied by a translation in English.

A Lloyd's broker who wants Xchanging Ins-sure Services to prepare a policy should follow the procedure set out in the section of "Policy Production by Ins-sure" in Lloyd's Policy Signing & Accounting Manual. Please contact Enquire for details (telephone: +44 (0)207 327 2999).

### **3.5 Approval of policy wordings**

There is no legal requirement for prior approval of policy wordings.

## **3.6 Choice of law and jurisdiction**

### **3.6.1 Reinsurance**

Lloyd's underwriters are free to agree with the reinsured the law that should govern the contract. The contract may therefore be subject to English law. Contracts may designate England, or another country, as the chosen jurisdiction.

### **3.6.2 Direct insurance**

Other than in the case of compulsory insurance, Polish insurance contracts do not have to be subject to Polish law and jurisdiction. The parties may choose the law and jurisdiction of another country. However, where the risk is situated in Poland and the policyholder has his normal residence or head office there, the law applicable will be Polish law unless the parties chose another law.

The choice of the parties must be genuine: it is not sufficient for the policyholder to be given a pre-printed policy wording incorporating a choice of law clause ruling that the contract is subject to English law after the contract has been made. The policyholder must signify consent to such a choice (ideally in writing) before the contract is taken out.

## **3.7 Service of suit clause**

It is recommended that all Polish policies contain a service of suit clause although it is not a requirement of Polish law. If the policy is subject to Polish law the person nominated should be resident or working in Poland. Lloyd's has no General Representative in Poland and therefore Worldwide Markets is unable to recommend anyone for this purpose.

## **3.8 Co-insurance documentation**

A several Liability Notice ("LSW 1001 (Insurance)") must appear on every slip, covernote, renewal notice, certificate, policy or other document where a risk has been co-insured by Lloyd's underwriters and other insurers (and on all LMP slips regardless of the Lloyd's participation). This reminds clients, brokers and co-insurers that the liability of Lloyd's underwriters is several and not joint. It should not be attached to any document relating to a risk placed 100% at Lloyd's. The LSW 1001 is available from Somers Group (telephone +44 (0)1442 269 201) in sticker form or from Market Wordings Database in electronic form (telephone +44 (0)1634 392345).

A co-reinsurance version of this notice is also available in English ("LSW 1001 (Reinsurance)"). On co-reinsurance placed as slip policies it is unnecessary to quote the full wording on the slip. Reference to "LSW 1001 (Reinsurance)" suffices.

Policies written on a freedom of service basis must contain the address of Lloyd's underwriters in London.

### 3.9 Registering wordings with Xchanging

The procedures for registering non-standard wordings with Xchanging are as follows:

- (a) *Wordings Registration Scheme*: Brokers can lodge English and foreign language versions of wordings with Market Wordings Database under the Wordings Registration Scheme (see the Lloyd's Policy Signing and Central Accounting Manual). These wordings are for the exclusive use of the sponsor and any business contacts to whom the sponsor grants access.
  
- (b) *London Special Wordings Scheme*: Brokers can lodge foreign language wordings under the London Special Wording Scheme (See the Lloyd's Policy Signing and Central Accounting manual). They must provide an English translation of the wording. These wordings are then available for market use via Market Wordings Database telephone +44 (0)1634 392345 or email [marketwordings@xchanging.com](mailto:marketwordings@xchanging.com)

In both cases, the sponsor of the wording must pay translation costs.

## **4 Requirements for specific classes of insurance**

### **4.1 Motor insurance**

Lloyd's has not applied for class 10 (motor liability insurance) for vehicles registered in Poland.

Any syndicate wishing to write this class of business should contact Worldwide Markets to discuss their plans. In order to write this business on a services basis, Lloyd's would have to join the Motor Insurers' Bureau and the Motor Guarantee Fund in Poland and apply to the FSA for authorisation.

### **4.2 Life insurance**

The general life insurance contract should include:

- a definition of payment of benefits and the manner of calculation of such payments;
- the amount of premium for each risk;
- bonuses and rebates;
- tax regulations concerning life insurance.

## 5 Taxes and other charges

This information is correct as at June 2004. Please check [www.lloyds.com](http://www.lloyds.com) for up to date taxation information.

### 5.1 Premium taxes and parafiscal charges

Currently there are no premium taxes to be paid on Polish policies.

There is a charge to be paid to the Polish Insurance Chamber. This amount to 0.04% of the gross written premium. (This amount will be 0.04% starting from 2007). It is payable based on previous year's premium income. The Polish authorities propose to apply this charge to non-Polish insurers transacting Polish business on a services basis. Lloyd's will provide details of the method of payment in due course.

### 5.2 International operating charge (formerly Lloyd's Levy)

International Operating Charge

International operating charges are made by Lloyd's to recover the costs of the protection and promotion of Lloyd's international trading position (including the costs of international representation. There are three core operating charges based on an underwriter's gross international premium. The three core operating charges are:

- International operating charge on direct business of 0.30%
- International operating charge on reinsurance business of 0.11%
- International coverholder business supplement (i.e. binding authority business) of 0.15%

### 5.3 Technical reserves

Lloyd's underwriters are not required to maintain technical reserves in Poland to cover outstanding liabilities in respect of Polish risks.

## Appendix 3

Quick reference guides are available on [Lloyds.com](http://Lloyds.com) for the following countries:

Afghanistan	Czech Republic	Kazakhstan	Paraguay	Uruguay
Albania	Democratic Republic of the Congo	Kenya	Peru	US Virgin Islands
Algeria	Denmark	Kiribati	Philippines	USA
Andorra	Djibouti	Kuwait	Poland	USA - Illinois
Angola	Dominica	Kyrgyzstan	Portugal	USA - Kentucky
Anguilla	Dominican Republic	Labuan	Puerto Rico	Uzbekistan
Antigua	Ecuador	Laos	Qatar	Vanuatu
Argentina	Egypt	Latvia	Republic Of Yemen	Venezuela
Armenia	El Salvador	Lebanon	Romania	Vietnam
Aruba	Equatorial Guinea	Lesotho	Russian Federation	Zambia
Australia	Eritrea	Liberia	Rwanda	Zimbabwe
Austria	Estonia	Libya	Samoa	
Azerbaijan	Ethiopia	Liechtenstein	Saudi Arabia	
Bahamas	Falkland Islands	Lithuania	Senegal	
Bahrain	Federal Republic of Yugoslavia	Luxembourg	Seychelles	
Bangladesh	Fiji	Macau	Sierra Leone	
Barbados	Finland	Macedonia	Singapore	
Belarus	France	Madagascar	Slovakia	
Belgium	Gabon	Malawi	Slovenia	
Belize	Gambia	Malaysia	Solomon Islands	
Benin	Georgia	Maldives	Somalia	
Bermuda	Germany	Mali	South Africa	
Bhutan	Ghana	Malta	South Korea	
Bolivia	Gibraltar	Mauritania	Spain	
Bosnia-Herzegovina	Greece	Mauritius	Sri Lanka	
Botswana	Grenada	Mexico	St. Kitts & Nevis	
Brazil	Guam	Moldova	St. Lucia	
British Virgin Islands	Guatemala	Mongolia	St. Vincent	
Brunei	Guernsey	Montserrat	Sudan	
Bulgaria	Guinea	Morocco	Suriname	
Burkina Faso	Guinea-Bissau	Mozambique	Swaziland	
Burundi	Guyana	Myanmar	Sweden	
Cambodia (Kampuchea)	Haiti	Namibia	Switzerland	
Cameroon	Honduras	Nauru	Syria	
Canada	Hong Kong	Nepal	Taiwan	
Cape Verde Islands	Hungary	Netherlands	Tajikistan	
Cayman Islands	Iceland	Netherlands Antilles	Tanzania	
Central African Republic	India	New Zealand	Thailand	
Chad	Indonesia	Nicaragua	Togo	
Chile	Iran	Niger	Tonga	
China	Iraq	Nigeria	Trinidad & Tobago	
Colombia	Ireland	North Korea	Tunisia	
Comoro Islands	Isle Of Man	Northern Mariana Islands	Turkey	
Congo	Israel	Norway	Turkmenistan	
Costa Rica	Italy	Oman	Turks & Caicos	
Côte D'ivoire (Ivory Coast)	Jamaica	Pakistan	Tuvalu	
Croatia	Japan	Palestine	Uganda	
Cuba	Jersey	Panama	Ukraine	
Cyprus	Jordan	Papua New Guinea	United Arab Emirates	



## Appendix 4

### **IRELAND - Quick reference guide (available on Lloyds.com)**

This guide is intended for use by market practitioners only. It summarises Lloyd's and Lloyd's underwriters trading position in this country. It is provided for information only and no representation is made as to its completeness or accuracy. The conditions on which it is made available are set out in our [terms & conditions](#).

#### **Direct business**

Lloyd's is licensed for both [Services](#) and [Establishment](#) for all classes. Lloyd's is not a registered health insurance provider.

#### **Reinsurance business**

Permitted - no restrictions.

#### **Definition of a risk**

Ireland is a member of the EU.  
Please [click here](#) for the definition of an EU risk.

#### **General Representative (or local contact name)**

Raymond P McGovern

W G Bradley & Sons

Alexandra House

The Sweepstakes

Ballsbridge

Dublin 4

Ireland

Tel: + 353 (0)1 6700 800

Fax: + 353 (0)1 829 1444

Email: [lloyds@wgbradley.com](mailto:lloyds@wgbradley.com)

#### **Nominee for service of suit**

Recommended that all policies and other insurance contracts issued by Lloyd's for Irish clients include a service of suit clause. The General Representative may be nominated and wording LPO 147D is available.

#### **Compulsory classes of insurance**

- Third party liability for motor vehicles and airports.
- Professional Indemnity insurance for solicitors, accountants and stockbrokers.

#### **Language of contract**

Should be provided in English unless a proposer completes a proposal form in Irish and requests a contract in Irish. However, for compulsory insurance, wordings/format may either be prescribed by regulation or subject to approval by authorities. Notice (LSW 10021RL 01/95 or similar wording) required for pre-contractual disclosure.

#### **Law/Jurisdiction governing non-life contract**

Normally Irish law. Underwriters can agree with the policyholder to use another country's law.

#### **Reserves**

None.

#### **Exchange controls**

None.

## Appendix 4

### **Approval of coverholders by Lloyd's**

Approval of coverholders for full and limited binding authorities.

### **Approval/Registration of open market correspondents by Lloyd's**

Registration required for open market correspondents.

Please [click here](#) for registration form.

### **Local intermediary regulation**

All intermediaries involved in placing any class of Irish business at Lloyd's must comply with the Insurance Act 2000. Intermediaries are required to be authorised by the Irish Financial Services Regulatory Authority (IFSRA) - formerly the Central Bank. Before 1st April, 2001 intermediaries could join one of two associations: either the IBA or the IICB.

### **Sanctions**

None.

### **Other useful Information**

#### **Guidelines for transacting business in Ireland:**

[Download this PDF document](#) for UK based Lloyd's brokers

#### **Market bulletins:**

[Change of Address for Lloyd's Underwriters Sole General Representative in Ireland \(Y3323\)](#) - 27 May, 2004

[Change of Telephone Number of Lloyd's Underwriters' Sole General Representative in Ireland \(Y3267\)](#) - 17 March, 2004

[Irish Motor Insurance Requirements \(Y3209\)](#) - 11 December, 2003

[New Lloyd's Agent Appointment in Ireland \(Y3173\)](#) -29 October, 2003

[Irish Motor Insurance - The Declined Cases Agreement \(Y3128\)](#) - 29 August, 2003

[Irish procedure manual \(Y2519\)](#) - 30 April, 2001

[Irish stamp duty \(Y2331\)](#) - 27 June, 2000

[Irish stamp duty \(Y2263\)](#) - 20 March, 2000

[Irish motor procedures \(Y2290\)](#) - 17 April, 2000

[Changes to the Irish expenses levy \(Y2208\)](#) - 30 December, 1999