

Directive No. SIB/27/2004

LICENSING AND SUPERVISION OF INSURANCE BUSINESS

Amendment of

FINE FOR NON-COMPLIANCE WITH THE DIRECTIVES OF THE NATIONAL BANK OF ETHIOPIA

Issuing Authority

These directives are issued by the National Bank of Ethiopia pursuant to the authority vested in it by Article 41 of the Monetary and Banking Proclamation No. 83/1994 and Article 26(4) (d) of the Licensing and Supervision of Insurance Business Proclamation No. 86/1994.

Penalties for Non-compliance

Any insurance company that fails to comply with the requirements of any of the directives of the National Bank of Ethiopia shall be subject to a fine of birr 10,000 for each violation;

Any insurance company that fails to pay to the National Bank of Ethiopia the fine stated under 2.1 herein above within 5 (five) working days from the date of receipt of the letter of the National Bank of Ethiopia notifying the concerned insurance company of the imposition of a fine shall be subject to an additional penalty of birr200 (two hundred birr) for each day the fine remains outstanding;

The National Bank of Ethiopia may, in addition to the penalties indicated under 2.1 and 2.2 herein above, take any other measure it considers necessary.

Waiver

The National Bank of Ethiopia may waive the penalties on grounds it considers to be justified.

Repeal

Directive No. SIB/14/96 is hereby repealed and replaced by these directives.

5. Effective Date

These directives shall come into force as of the 1st day of March 2004.