

DRAFT
RULE

amending and supplementing the Accounting Regulations on individual annual financial statements and consolidated annual financial statements of entities carrying out insurance and/or reinsurance activities, approved by Rule of the Financial Supervisory Authority no. 41/2015

In accordance with the provisions of art. 2 paragraph (1) letter b), art. 3 paragraph (1) letter b), art. 5 letter b) and of art. 6 paragraphs (1) and (2) of the Government Emergency Ordinance no. 93/2012 on the establishment, organization and functioning of the Financial Supervisory Authority, approved with amendments and additions under Law no. 113/2013, with subsequent amendments and additions,

pursuant to the provisions of art. 4 paragraph (3) letter b) of the Accounting Law no. 82/1991, republished, with subsequent amendments and additions, and to provisions of art. 173 paragraph (1) letter t) and of art. 179 paragraph (4) of Law no. 237/2015 on the authorization and supervision of the insurance and reinsurance business, with further amendments,

following deliberations of the Financial Supervisory Authority's Board in the meeting of 2017,

The Financial Supervisory Authority issues this rule.

Art. I – The Accounting Regulations on individual annual financial statements and consolidated annual financial statements of entities carrying out insurance and/or reinsurance activities, approved by Rule of the Financial Supervisory Authority no. 41/2015, published in the Official Journal of Romania, Part I, no. 2 and no. 2 bis of 4 January 2016, shall be amended and supplemented as follows:

1. Point 110 shall be amended to read as follows:

„110. - Entities may value investments in the position B of assets, other than land and buildings, at fair value, in compliance with this subsection, the sole purpose being the preparation of consolidated financial statements.”

2. After point 121, a new section shall be introduced, section 3.4¹ "Valuation of government bonds recognized as financial fixed assets", including articles 121¹ and 121², with the following content:

„Section 3.4¹

Valuation of government bonds recognized as financial fixed assets

121¹ - Notwithstanding the provisions of point 53 paragraph (1), in case of purchasing government bonds for which the amount paid at purchase is higher than the amount to be reimbursed at maturity, the difference between the two values shall be registered in the account 473 "Other prepaid expenses"/analytically distinct. This difference will be recognized in the profit and loss account linearly, during the period of holding the respective securities.

121². - If the amount paid for purchasing government bonds is lower than the amount to be reimbursed at maturity, the entity shall recognize the securities purchased at the value to be reimbursed at maturity. In this case, the difference between the two values shall be registered in the account 474 "Deferred income", following to be recognized in the profit and loss account linearly, during the period of holding the respective securities."

3. After point 552, a new point shall be introduced, point 552¹, with the following content:

„552¹ - (1) In order to facilitate the free and unrestricted access of the general public, of policyholders and potential policyholders to information regarding the activity carried out during a financial year, insurance and/or reinsurance companies shall publish on their own websites the following:

- a) the short form of the annual financial statements;
- b) the short form of the external financial auditor's report.

(2) Insurance and/or reinsurance companies shall fulfill the obligation referred to in paragraph (1) within 90 days from the date of submission of annual financial statements to the Financial Supervisory Authority, according to provisions of point 552.”

Art. II. - This rule shall be published in the Official Journal of Romania, Part I, and shall apply starting with the annual financial statements related to the financial year of 2016.

President of the Financial Supervisory Authority

Mișu Negrițoiu

Bucharest,

No.