



Palestine Capital Market Authority

**Decision No. (2\٢) for the year 2007**  
**On Defining the value of the Deposit required from Insurance Companies**  
**Issued under the Insurance Act No. 20 for the year 2005**

**Article 1**

**Definitions**

The words and phrases contained in this decision have the meanings assigned to them in Article (1) of the Insurance Act No. 20 for the year 2005, unless the context indicates otherwise.

In addition to what is stated in paragraph A of this Article, the words listed below have the following meanings:

**Law:** Insurance Law No. 20 for the year 2005

**Company:** Local Insurance Company or branch of Foreign Insurance Company

**Committee:** The committee that has been formed in accordance with Article 7 of the Act, and it is authorized to follow its rules and regulations issued there under

**Deposit:** The amount of cash and non-cash offered by the Company to the Authority in order to ensure fulfilling its obligations

Signed by the President and Members of the Board of Directors:

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Palestine



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**Article 2**

Taking into account the rules of the articles contained in Chapter VIII of the Act. Every Insurance Company licensed to transact insurance business in Palestine is required to provide a deposit to the Authority as follows:

- a. Amount of (250.000) Two hundred and fifty thousand dollars from each local company licensed to conduct business of life insurance
- b. Amount of (500.000) five hundred thousand dollars from each foreign company licensed to conduct business of life insurance
- c. Amount of (250.000) Two hundred and fifty thousand dollars from each local company licensed to conduct business of general insurance (non-life)
- d. Amount of (500.000) five hundred thousand dollars from each foreign company licensed to conduct business of general insurance (non-life)
- e. Amount of (500.000) five hundred thousand dollars from each local company licensed to conduct both business of general insurance and life insurance
- f. Amount of (1.000.000) million U.S. dollars from every foreign company licensed to conduct both business of general insurance and life insurance

**Article 3**

Each company licensed to conduct the work of re-insurance in Palestine has to provide a deposit to the Authority as follows:

- a. Amount of (5.000.000) five million U.S. dollars from each Local Reinsurance Company
- b. Amount of (10.000.000) ten million U.S. dollars from each Foreign Reinsurance Company

**Article 4**

Upon a recommendation from the Director; the Committee may request from the Company to increase or decrease the amount of the deposit if needed.

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**Article 5**

The Insurance companies that are licensed to work in Palestine shall adjust their deposits within a period not exceeding the end of fiscal year 2007.

**Article 6**

This decision will be effective from the date of its issuance, and shall be published in the Official Gazette

\ Issued in the city of Ramallah on 21/1/2007

**Maher Al-Masri**

**Chairman of the Board**

**Signed by the President and Members of the Board of Directors:**

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