

Communication

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Communication on the procedures to obtain an authorisation as an insurance or reinsurance company governed by Belgian law and to obtain an extension of an authorisation

« This is a courtesy translation. Only the Dutch and French version have legal value ».

Scope

- *Companies wishing to obtain an authorisation as an insurance or reinsurance company governed by Belgian law*
- *Insurance or reinsurance companies governed by Belgian law that are subject to the Law of 13 March 2016 on the legal status and supervision of insurance or reinsurance companies and that request an extension of their authorisation*

Summary/Objectives

This Communication recalls the conditions and describes the procedure to request an authorisation as an insurance or reinsurance company governed by Belgian law. It also describes the applicable procedure for requesting an extension of an authorisation.

Legal basis

Law of 13 March 2016 on the legal status and supervision of insurance or reinsurance companies, Articles 17 to 62.

Structure

- I. *Objective*
- II. *Request for authorisation*
- III. *Request for extension of an authorisation*
- IV. *Repeal*

Dear Sir,
Dear Madam,

I. Objective

This Communication aims to describe the procedure to request an authorisation as an insurance or reinsurance company governed by Belgian law and the procedure for already authorised insurance or reinsurance companies governed by Belgian law to request an extension of their authorisation.

II. Request for authorisation

1.1. Principle

Pursuant to Article 17 of the Law of 13 March 2016 on the legal status and supervision of insurance or reinsurance companies (hereinafter referred to as "the Law"), companies that wish to pursue insurance or reinsurance activities must obtain an authorisation from the National Bank of Belgium (hereinafter referred to as "the Bank") prior to doing so.

1.2. Insurance activities

For insurance activities, the authorisation is granted per class¹. There are 18 classes of non-life insurance and 9 classes of life insurance, which are described, respectively, in Annex I and Annex II of the Law. Companies receive an authorisation to perform exclusively life or non-life insurance activities. However, companies that have been granted an authorisation for life insurance activities may also request an authorisation for the non-life insurance activities of the classes of non-life insurance 1 and 2 as referred to in Annex I of the Law (i.e. accident insurance and health insurance), and vice versa (Article 223, second and third paragraph of the Law).

An insurance company that has received an authorisation for a principal risk pertaining to a class of non-life insurance, may also cover the ancillary risks belonging to another class of non-life insurance without having to request an authorisation for those risks, provided the conditions set out in Article 21 of the Law are met.

In principle, the authorisation covers the entire class, unless the company wishes to only cover some of the risks pertaining to this class (Art. 18, 1° of the Law), in which case this shall be mentioned on the list of companies to which authorisation has been granted, which is published pursuant to Article 31 of the Law.

1.3. Reinsurance activities

As regards reinsurance activities, authorisation is granted for one of both reinsurance activities (life or non-life). These two activities may be cumulated.

1.4. Insurance and reinsurance activities

The same company may perform both insurance and reinsurance activities, provided that it has requested an authorisation for both activities.

1.5. Administrative dossier

The administrative dossier required to obtain an authorisation (Article 22 of the Law) consists of the different elements set out in the "Memorandum on application for authorisation by an insurance or reinsurance company under Belgian law" included in the **Annex** (comprising the memorandum, which was updated on 7 April 2017, and a list of the annexes to be enclosed with the memorandum of authorisation). Reference is also made to this Annex for further information on the procedure to obtain authorisation, as well as the deadline by which the Bank should make a decision.

¹ The risks of a specific class may, in principle, not be included in any other class, except for the derogations provided for in Article 21 of the Law.

III. Request for extension of an authorisation

An insurance or reinsurance company to which an authorisation has been granted, should submit a prior request for an extension of its authorisation if it wishes to expand its activities to:

- a) one or more insurance classes for which it does not have an authorisation,
- b) part of a class that is not covered by the authorisation previously granted for that same class,
- c) a reinsurance activity for which it does not have an authorisation.

The dossier for an extension of an authorisation should consist of the same documents as that for a request for authorisation. In this regard, reference is made to the "Memorandum on application for authorisation by an insurance or reinsurance company under Belgian law" included in the **Annex**.

However, certain questions included in the memorandum (e.g. concerning the capital owners (point 2.3.1. of the memorandum), the managers of the company (points 2.3.3. and 2.3.4.1.), etc.) need not be answered again if there are no changes compared with the last situation known to the Bank or with the initial request for authorisation. In such a case, it should be indicated in the memorandum that there are no changes. Additionally, the documents relating to the establishment of the company that are mentioned in the memorandum of authorisation should also be replaced by the report of the body empowered to decide on the extension of authorisation.

IV. Repeal

This Communication replaces and repeals Communication D.146 – C of 19 April 1996 from the date of its publication on the Bank's website.

A copy of this communication will be sent to the accredited auditor(s) of your company.

Yours faithfully,

Jan Smets
Governor

Annexes

- Memorandum on application for authorisation by an insurance or reinsurance company under Belgian law (version of 7 April 2017)
- List of annexes to be enclosed with the memorandum of authorisation