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## **Circular letter 19/5 introducing new forms for the notification of natural persons subject to CAA supervision**

Notification to the CAA of persons subject to its supervision has traditionally been carried out in accordance with procedures that varied however depending on the concerned function. While high formalism was in place for insurance agents - by far the largest category – the application files concerning other persons did not generally follow models proposed or imposed by the CAA, thus reflecting uncoordinated legal texts.

Following the entry into force of the Law of 7 December 2015 on the insurance sector and the imminent application of the modifications introduced by the Law transposing the IDD Directive, efforts have been made to harmonise requirements, in particular as regards the conditions governing the good repute of the concerned persons. The identification and mitigation of conflicts of interests are also a new feature to be included in application or notification files. As far as insurance intermediaries are concerned, the IDD Directive also requires the provision of IT tools for the required notifications.

In light of these developments, the CAA has decided to provide electronic templates in interactive PDF format for all natural persons to be notified and to harmonise the content and presentation as far as possible. The forms to be filled in will be available for downloading from the CAA website. As a first step, they will still have to be printed and signed by the applicants before being sent in hard copy to the CAA together with the supporting documents required.

In case the same person is subject to several notifications, a complete separate file must be submitted for each function.

It is intended to introduce the following six types of files:

FP_0	Notification file or licensing application file of a natural person for a function with an undertaking supervised by the CAA other than an insurance or reinsurance intermediary
FP_1	Notification file or licensing application file of a natural person for a function at the level of an insurance group for which the CAA is the group supervisor
FP_2	Notification file or licensing application file of a natural person as an agent or as a licensed manager (“Dirigeant agréé”) or as a director of an insurance agency
FP_3	Notification file or licensing application file of a natural person as a broker or licensed manager (“Dirigeant agréé”) of a brokerage firm or as a director of a brokerage firm
FP_4	Notification file or licensing application file of a natural person as an insurance sub-broker
FP_5	Registration file of a natural person as an insurance intermediary on an ancillary basis (IATA)

Each file has a cover page followed by four sections related to:

1. the identification of the natural person
2. the requested function (the applicant's activities for IATA)
3. a declaration of honour
4. the competence

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Files FP\_2 and FP\_4 include a fifth section with the application form and no manual entry is necessary.

The cover page and the various sections list the supporting documents to be attached to the file.

The appendix to this circular letter specifies the type of file to be submitted for each function subject to approval or notification.

When filling in the forms, the following details shall be considered.

1. Notification of persons approved as PSA or employed by a PSA

If a person approved as a PSA or employed by a PSA is invited to submit a file of type FP\_0 on a new appointment and if a file of type FP\_0 has already been submitted on a previous appointment, only the cover page and section 2 (requested function by a natural person) shall be completed. It will also be sufficient to attach as the only supporting document the copy of the act of the statutory body stating the appointment to the requested function.

2. Renewal of a director's term of office

No notification of type FP\_0 is required if an expired director's term of office, is renewed. However, notification is required if the renewal of the mandate is followed by a change in status within the Board of Directors, such as a change from director to managing director, President or Vice-President. The exemption from notification to CAA of consecutive renewals does not relieve the company from fulfilling its obligations of continuous vigilance regarding the reputability of the concerned persons.

3. Declaration of honour

It is important to note that the event of an applicant not being able to tick certain sections of the declaration of honour does not automatically trigger the CAA's non-acceptance of his notification. On the contrary, the CAA assumes that insofar as the statutory body having agreed the nomination has done it with full knowledge of the candidate's background as indicated in the declaration form, it will in a large majority of cases be able to support the position of the appointing body. However, background information will enable in such cases the CAA to exercise increased vigilance with regard to the concerned persons.

As regards the answer to questions (b) and (e), these good repute requirements are not expected not to be met when one of the measures listed in those questions was initiated more than ten years after any mandate of the notified person with the entity subject to those measures, has ended.

Whilst the declaration of honour covers a much broader field of issues than the sworn statement or the solemn declaration before a competent judicial or administrative authority or, where applicable, a notary as referred to in Article 274 of the Law, it may be used for such a sworn statement or a solemn declaration to be made. It must then be provided with the corresponding justifications.

This circular letter applies to requests for approval/notifications made as from 1<sup>st</sup> July 2019.

For the Executive Board

signed by Claude WIRION, Director