

The text below is an internet version of the regulations made by the Minister under the Insurance Act 2005 and is for information purpose only. Whilst reasonable care has been taken to ensure its accuracy, the authoritative version is the one published in the *Government Gazette* of Mauritius.

Insurance Regulations 2007

(Consolidated version with amendments as at 28 March 2013)

GN 169/2007

THE INSURANCE ACT

Regulations made by the Minister under section 129(1) of the Insurance Act

1. These regulations may be cited as the Insurance Regulations 2007.

2. In these regulations -

"Act" means the Insurance Act;

"Code" means such guidelines relating to the business conduct of Insurers and other Insurance Professionals as may be issued by the Commission under section 130 of the Act;

"technical provisions" has the same meaning as under the Insurance Act;

"FSC rules" means rules made by the Commission.

3. (1) No person shall enter into an insurance contract with an insurer, other than an insurer registered or licensed in Mauritius, purporting to cover risks -

(a) where there is a compulsory insurance requirements under an enactment,

(b) relating to an asset situated in Mauritius,

except where the Commission is satisfied that given the circumstances and nature of the relevant risks, it would not be appropriate to do so.

(2) **Repealed by [GN No. 227 of 2011]**

(3) Paragraph (1) shall not apply to –

(a) reinsurance contracts; or

(b) insurance contracts providing for export credit insurance.

Amended by [GN No. 66 of 2013]

4. (1) The African Reinsurance Corporation specified in the African Reinsurance Corporation (Privileges and Immunities) regulations 1978 shall be excluded from the application of the Act.
- (2) An insurer shall offer to cede to a statutory reinsurer, a minimum of 5 per cent of its relevant risks.
- (3) Where the statutory reinsurer -
- (a) accepts an offer made under subparagraph(2), the offeror shall effect the cession which it has offered to make;
- (b) refuses the offer, it shall give reasons for its refusal to the offeror so requests.
- (4) Any payment by an insurer to the statutory reinsurer shall be made within 2 months of the completion of the cession unless any other longer period is agreed upon between the parties.

(5) An insurer required to effect a cession shall produce or submit for inspection to the statutory reinsurer such statements, books, records, accounts or other documents and furnish such information as may reasonably be required by the statutory reinsurer.

(6) This paragraph shall not apply to an external reinsurer.

(7) In this paragraph -

"relevant risks" means risks reinsured by way of treaty;

"statutory reinsurer" means a statutory reinsurer approved by the Commission.

5. (1) For the purpose of section 24(1)(a) of the Act, an insurer, other than an external insurer, shall at all times, maintain a stated capital of not less than 25 million rupees.

(2) An external insurer shall at all times, maintain a stated capital equivalent to not less than 25 million rupees or such other amount proportionate to its risks as may be determined by the Commission, in Mauritian rupees or any other freely convertible currency.

6. (1) For the purpose of section 40(1) (b), an actuary of an insurer shall be a Fellow of one of the following professional bodies -

(a) the Actuarial Society of India;

(b) the Canadian Institute of Actuaries;

(c) the Casualty Actuarial Society (United States);

(d) the Faculty of Actuaries (Scotland);

- (e) the Institute of Actuaries (London);
 - (f) the Institute of Actuaries of Australia;
 - (g) the Society of Actuaries (United States).
- (2) No registered insurer shall propose to the Commission for approval, a person to be appointed as actuary under section 40 of the Act, unless the insurer is satisfied that the person, in addition to the requirements under the Act -
- (a) is in good standing and is fit and proper to be so approved;
 - (b) has the actuarial qualifications and experience to act as an actuary.
- (3) For the purposes of section 47, an insurer shall, at least once a year, cause an investigation to be made into its financial position by its actuary.

7. (1) An insurer -

- (a) shall at all times keep invested in Mauritius an amount of at least 50 per cent; and
- (b) may invest outside Mauritius an amount not exceeding 50 per cent,

of its technical provisions in respect of insurance business in Mauritius.

- (2) Paragraph (1) shall not apply to an external insurer.

8. (1) An application for a licence to act as insurance broker shall be made in accordance with the FSC rules.

- (2) Pursuant to section 70(5)(c) of the Act, no application for a licence as an insurance broker shall be considered unless the applicant has a professional indemnity insurance policy which indemnifies him and any person employed by him or otherwise acting for him against liability in the sum of at least Rs. 5 million for any act, error or omission in the conduct of his business.
- 9.** (1) An application for a licence to act as insurance agent, for general or long terms insurance business shall be made in accordance with the FSC rules.
- (2) An insurance agent shall not carry on the business of an insurer, insurance broker or claims professional.
- (3) A holder of an insurance agent licence must comply with the terms and conditions imposed on the licence which he has been granted and may act as an insurance agent only for the class of insurance authorised by or under his licence.
- (4) No person shall be eligible to hold an insurance agent licence unless that person, or each of his employees, insurance salesperson or other representatives who has business dealings with any member of the public
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- (a) is a fit and proper person and complies with such guidelines as may have been issued by the Commission;
- (b) meet such educational requirements, training and experience as may be approved by the Commission;
- (c) is not or has not been engaged in another occupation or business that would place him in a position of conflict of interest when acting for or as an insurance agent.

- (5) An insurance agent shall establish and maintain reasonable policies and procedures designed to ensure that each of his employees, insurance salesperson or other representatives dealing with any member of the public -
- (a) is familiar with the provisions of the Act, the regulations and rules made under the Act and the Code;
 - (b) adheres to and complies with the provisions of the Act, the regulations and rules made under the Act and the Code.
- 10.** These regulations shall be deemed to have come into operation on the 28 September 2007.

Made by the Minister on 28th September 2007.