

MARKET BULLETIN

REF: Y4958

Title	Licensing requirements for coverholders in Mauritius
Purpose	To inform the Lloyd's market of licensing requirements for coverholders in Mauritius
Type	Event
From	Kim Swan, Senior Manager, International Regulatory Affairs
Date	6 January 2016

This bulletin is addressed to all Lloyd's market participants with an interest in the delegation of underwriting authority to Mauritian insurance intermediaries. Lloyd's underwriters may appoint coverholders in Mauritius and this bulletin provides a brief summary of the licensing requirements for Mauritian domiciled intermediaries to which a binding authority may be granted, and the implications of different licences.

1. Background

Lloyd's underwriters were originally licensed under the Mauritian Insurance Ordinance 1959 and this approval was carried forward through subsequent insurance legislation, including the Insurance Regulations 1988, resulting in Lloyd's being able to write insurance and reinsurance in or from Mauritius under the current Insurance Act 2005.

As in any other territory, the standard coverholder approval process applies. In reviewing a coverholder application, it is a Lloyd's requirement that the prospective coverholder is licensed appropriately locally. The local licensing requirements for coverholders are set out below.

2. Requirements for coverholders domiciled in Mauritius

(a) Insurance Agent

A coverholder domiciled in Mauritius needs to be licensed as an Insurance Agent by the Financial Services Commission, Mauritius (FSC Mauritius).

The coverholder must be a legal entity. In Mauritius, legal entities are incorporated/registered with the Corporate and Business Registration Department.

Further details about the incorporation/registration of legal entities may be found at:

<http://companies.govmu.org/English/Pages/default.aspx>

(b) Where the coverholder intends to conduct solely or chiefly non-Mauritian domiciled insurance and reinsurance business:

Where the coverholder intends to conduct solely or chiefly non-Mauritian domiciled insurance and reinsurance business, in **addition** to being licensed as an Insurance Agent, the coverholder may also apply for a Category 1 Global Business (GBC1) licence.

The Global Business (GB) framework is available in Mauritius to a resident corporation which proposes to conduct business activities outside Mauritius. The GB framework is regulated by the FSC Mauritius.

In determining whether a coverholder holding a GBC1 licence is conducting mostly non-Mauritian domiciled insurance and reinsurance business, the FSC Mauritius will take into consideration the percentage of the revenue derived from the Mauritian and non-Mauritian insurance and reinsurance business. The percentage of the revenue derived from the non-Mauritian domiciled insurance and reinsurance business shall at all times exceed the percentage of the revenue from the Mauritian domiciled insurance and reinsurance business.

Further details about the GB framework may be found at:

http://www.fscmauritius.org/media/65458/gb_guide_25_01_12.pdf

(c) Where the coverholder is conducting, or intends to conduct, solely or chiefly Mauritian insurance and reinsurance business:

Where the coverholder is conducting, or intends to conduct, solely or chiefly Mauritian insurance and reinsurance business, the coverholder needs to be licensed as an Insurance Agent as detailed in point 2(a) above.

Please note that Mauritian insurance and reinsurance business relate to insurance policies covering risks situated in Mauritius. Risks situated in Mauritius are defined in the Mauritian Insurance Act 2005, an extract of which is set out at Appendix 1.

3. Applying for the licences

Applications for the Insurance Agent licence and the GBC1 licence are considered in parallel by the FSC Mauritius, and any application should be completed and submitted simultaneously.

Full details about the application process may be found at:

http://www.fscmauritius.org/media/36787/codified_list_180614.mht

4. Contact Details

Lloyd's encourages prospective coverholders and those looking to appoint a coverholder in Mauritius to notify Lloyd's of these plans at the earliest opportunity.

Lloyd's may be contacted at:

Amit Khilosia, Lloyd's Regional Manager, Africa
Telephone: +44 (0)20 7327 7167
Email: Amit.Khilosia@lloyds.com

Or

The Delegated Authorities Team
Telephone: +44 (0)20 7327 6275
Email: coverholders@lloyds.com

Further details about the coverholder application process may be found on the Lloyd's coverholder web pages: <https://www.lloyds.com/the-market/i-am-a/delegated-authority>

For further information Lloyd's International Trading Advice may also be contacted on: +44(0)20 7327 6677 or LITA@lloyds.com.

Appendix 1

An extract of Section 2 of the Insurance Act 2005:

“risk situated in Mauritius” means –

- (a) in the case where the insurance relates to property and buildings, or to buildings and the contents, in so far as the contents are covered by the same insurance policy, any risk related to property situated in Mauritius;
- (b) in the case where the insurance relates to vehicles of any type, any risk related to any vehicles registered in Mauritius;
- (c) in the case where the insurance relates to travel or holiday risks, whatever the class concerned, any risk related to travel or holiday if the policy covering the risk is of a duration not exceeding one year and the policy is issued in Mauritius,
- (d) in the case where the insurance relates to any risk of any kind, other than a risk specified in paragraphs (a), (b) or (c), any risk of such kind if the policyholder is resident in Mauritius;

Further details may be found in the Insurance Act 2005:

<http://www.fscmauritius.org/media/61668/insurance-act-2005-.pdf>