



Banc Ceannais na hÉireann
Central Bank of Ireland

Eurosystem

2016

Guideline for Solvency II (Re)Insurance Undertakings on Directors' Certifications



Contents

1. Introduction	2
2. Legal Basis	2
3. Substantive Requirements.....	4
Appendices	6

1. Introduction

1.1 This guideline has been prepared by the Central Bank of Ireland (the "Central Bank") with respect to insurance undertakings and reinsurance undertakings ("re)insurers") authorised under the European Union (Insurance and Reinsurance) Regulations 2015 that are required to comply with financial services legislation in the following areas:

- The Insurance Acts, as defined in the European Union (Insurance and Reinsurance) Regulations 2015;
- European Union (Insurance and Reinsurance) Regulations 2015 ("S.I. 485 of 2015"); and
- Applicable European Commission Delegated Regulations and European Commission Implementing Regulations designated as designated enactments in section 2(2A) of the Central Bank Act 1942.

1.2 The compliance statement requirements for all (re)insurers in respect of financial years ending on or before 31st December 2015 and for (re)insurers not subject to the Solvency II regime¹ from 1st January 2016 onward are dealt with in the "Guideline for Life Insurance Undertakings, Non-Life Insurance Undertakings and Reinsurance undertakings – Compliance Statements" issued in 2014.

2. Legal Basis

2.1 Section 3(I) of this guideline is made by the Central Bank pursuant to section 27A of the Central Bank Act 1997 (the "Act"). (Re)insurers have been served with a notice ("Notice") by the Central Bank under section 25 of the Act requiring those undertakings to submit a compliance statement ("Compliance Statement") to the Central Bank on their compliance with relevant obligations². Where a (re)insurer receives a Notice, it shall ensure that a Compliance Statement complies with the format of the Compliance Statement appended to this guideline in Appendix I. The requirements imposed through a

¹ Including undertakings excluded from the Solvency II regime by Regulations 4 to 10 of S.I. 485/2015 and, subject to Regulation 11 of S.I. 485/2015, those insurance and reinsurance undertakings closing their activity.

² Relevant obligations as stated in the Notice are:

- The Insurance Acts, as defined in the European Union (Insurance and Reinsurance) Regulations 2015;
- European Union (Insurance and Reinsurance) Regulations 2015;
- Applicable European Commission Delegated Regulations and European Commission Implementing Regulations designated as designated enactments in section 2(2A) of the Central Bank Act 1942; and
- The Corporate Governance Requirements for Insurance Undertakings 2015, as may be amended or replaced from time to time, or, the Corporate Governance Requirements for Captive Insurance and Captive Reinsurance Undertakings 2015, as may be amended or replaced from time to time, as applicable.

Notice are without prejudice to any other requirements imposed on (re)insurers.

- 2.2 Section 3(II) of this guideline is made by the Central Bank for the purpose of specifying the form of directors' accuracy certificates to be submitted to the Central Bank in accordance with Regulation 36 of S.I. 485 of 2015, more particularly, certifications in respect of the annual quantitative templates, each regular supervisory report or annual summary of the regular supervisory report and each own risk and solvency assessment report of a (re)insurer.

3. Substantive Requirements

(I) Compliance Statement

- 3.1 (Re)insurers are expected to comply with their relevant obligations, and as arising by a Notice issued under section 25 of the Act, are required to submit to the Central Bank a Compliance Statement in the format set out in Appendix I to this guideline, together with supporting documentation relevant to any material non-compliance reported, so as to accurately reflect the relevant status of the undertaking as of the date of submission.
- 3.2 The Compliance Statement should be submitted to the Central Bank not later than the date on which the (re)insurer is required to submit its annual quantitative templates and regular supervisory report or annual summary of the regular supervisory report (the "Submission Date"). Prior to submitting a Compliance Statement, all persons holding the position of a director with a (re)insurer (as defined in the Companies Act 2014) at the end of the financial year to which the Compliance Statement refers and who continues to hold that position at the time of submitting the Compliance Statement, should attest to the accuracy of the information contained in the Compliance Statement, and do so by signing both Part A and Part B of the forms concerned.
- 3.3 Where a Compliance Statement is due in respect of a financial year end between 1st January 2016 and 29th June 2016 for which no annual quantitative templates or regular supervisory report are due, that Compliance Statement should be submitted to the Central Bank at the same time as the financial statements in respect of that financial year end only. Compliance Statements due in respect of the financial year end 2017, and each year thereafter until further notice is given, shall be submitted to the Central Bank on or before the Submission Date.

(II) Directors' Accuracy Certifications

- 3.4 (Re)insurers are expected to comply with their obligations under Regulation 36(1) and (2) of S.I. 485 of 2015 by submitting the following to the Central Bank:
- A directors' accuracy certification in respect of the annual quantitative templates ("QRTs");
 - A directors' accuracy certification in respect of each regular supervisory report or the annual summary of the regular supervisory report ("RSR"); and
 - A directors' accuracy certification in respect of each own risk and solvency assessment ("ORSA") report.

- 3.5 The above accuracy certifications should be submitted to the Central Bank in the format set out in Appendices II, III and IV to this guideline so as to accurately reflect the relevant status of the undertaking as of the date of submission.
- 3.6 The accuracy certifications should be submitted to the Central Bank at the same time as the reports to which they relate. Prior to submitting the above accuracy certifications, at least two persons holding the position of a director with a (re)insurer (as defined in the Companies Act 2014) and the Chief Executive Officer as of its date of submission, should attest to the accuracy of the information contained in each accuracy certification, and do so by signing the forms concerned.
- 3.7 Where any of the reports relating to the accuracy certifications required under Regulation 36 of S.I. 485 of 2015 materially change, and therefore require resubmission to the Central Bank, a new directors' accuracy certification of the relevant report will also be required and should be submitted at the same time as the resubmitted report.
- 3.8 Where a (re)insurer has a financial year ending between 1st January and 29th June 2016 it is not required to provide the annual QRTs or the RSR to the Central Bank for the 2016 financial year end. On that basis the associated accuracy certifications of those reports are not required either. However, a directors' accuracy certification in respect of any ORSA report submitted during 2016 must be provided to the Central Bank.

Appendices

Appendix I

Compliance Statement

Part A

Compliance statement required under Section 25 of the Central Bank Act 1997

We, the Directors of [Name of Undertaking], confirm that during the financial year ended on [date] the undertaking;

- has materially complied with all of its obligations and requirements imposed by or under the following:
 - The Insurance Acts, as defined in the European Union (Insurance and Reinsurance) Regulations 2015;
 - European Union (Insurance and Reinsurance) Regulations 2015 (S.I. 485 of 2015);
 - Applicable European Commission Delegated Regulations and European Commission Implementing Regulations designated as designated enactments in section 2(2A) of the Central Bank Act 1942.

Or,

- has failed to materially comply with all of its obligations and requirements imposed by or under the above provisions in the instance(s) identified in the report of material non-compliance annexed to this statement.

[Delete as appropriate]

Signatures:

Part B

Compliance statement required under section 25 of the Central Bank Act 1997 and in accordance with Section 26 of the Corporate Governance Requirements for Insurance Undertakings 2015 or Section 18 of the Corporate Governance Requirements for Captive Insurance and Captive Reinsurance Undertakings 2015

We, the Directors of [Name of Undertaking] confirm that, to the best of our knowledge, during the financial year ended on [date] the undertaking;

- has materially complied with all of its obligations and requirements under the Corporate Governance Requirements for Insurance Undertakings 2015, as amended or replaced from time to time, or, the Corporate Governance Requirements for Captive Insurance and Captive Reinsurance Undertakings 2015, as amended or replaced from time to time [Delete as appropriate].

Or,

- has failed to materially comply with its obligations and requirements under the Corporate Governance Requirements for Insurance Undertakings 2015, as amended or replaced from time to time, or, the Corporate Governance Requirements for Captive Insurance and Captive Reinsurance Undertakings 2015, as amended or replaced from time to time [Delete as appropriate] in the instance(s) identified in the report of material non-compliance annexed to this statement.

[Delete as appropriate]

Signatures:

Overview of board and sub-committees

Directors

Directors: name	Status on board	Membership and status on sub-committee	Length of tenure on board and sub-committee	No & nature of other Directorships held

Sub-Committees established

Audit	Risk	Remuneration	Nomination	Other

Meetings

Type of meeting	Number of meetings required	Total number held	Frequency of meetings	Attendance

Appendix II

Directors' accuracy certification required under Regulation 36 (1) of the European Union (Insurance and Reinsurance) Regulations 2015 (S.I. 485 of 2015)

Subject to permitted estimations and approximations, we the Directors and Chief Executive of [Name of Undertaking] certify to the Central Bank of Ireland the accuracy of the information contained in the annual quantitative templates dated [date report made up to] as submitted to the Central Bank of Ireland on [submission date].

Signatures:

Appendix III

Directors' accuracy certification required under Regulation 36 (2) of the European Union (Insurance and Reinsurance) Regulations 2015 (S.I. 485 of 2015)

Subject to permitted estimations and approximations, we the Directors and Chief Executive of [Name of Undertaking] certify to the Central Bank of Ireland the accuracy of the information contained in the regular supervisory report, or annual summary of the regular supervisory report, dated [date report made up to] as submitted to the Central Bank of Ireland on [submission date].

Signatures:

Appendix IV

Directors' accuracy certification required under Regulation 36 (2) of the European Union (Insurance and Reinsurance) Regulations 2015 (S.I. 485 of 2015)

Subject to permitted estimations and approximations, we the Directors and Chief Executive of [Name of Undertaking] certify to the Central Bank of Ireland the accuracy of the information contained in the own risk and solvency assessment report dated [date report made up to] as submitted to the Central Bank of Ireland on [submission date].

Signatures:



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