

BELIZE:

INSURANCE (AMENDMENT) BILL, 2024

ARRANGEMENT OF CLAUSES

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BILL

For

AN ACT to amend the Insurance Act (Act No. 30 of 2023); to provide for realignment of terminology and internal cross-references and to amend the provisions for the disclosure of beneficial owners; and to provide for matters connected therewith or incidental thereto.

(Gazetted, 2024)

BE IT ENACTED, by and with the advice and consent of the House of Representatives and Senate of Belize and by the authority of the same, as follows:

1. This Act may be cited as the

Short title.

INSURANCE (AMENDMENT) ACT, 2024,

and shall be read and construed as one with the Insurance Act, which is hereinafter referred to as the principal Act.

Act No. 30 of 2023.

2. Section 2 of the principal Act is amended by–

Amendment of section 2.

(a) inserting in the appropriate alphabetical sequence, the following term and definition–

““category” means, in relation to any insurance company or insurer, any of the categories of licence specified in section 14;” and

(b) deleting the term and definition “segregated company” and substituting the following–

““segregated portfolio company” means a company incorporated according to the Belize Companies Act as a segregated portfolio company;”.

Amendment of
section 14.

- 3.** Section 14 of the principal Act is amended—
- (a) by renumbering section 14 as section 14(1);
 - (b) in paragraph (b)(ii), by deleting the phrase “category 2(a)” and substituting the phrase “category 2(i)”;
 - (c) in paragraph (b)(iii), by deleting the phrase “categories 2(a) and 2(b)” and substituting the phrase “categories 2(i) and 2(ii)”;
 - (d) in paragraph (b)(iv), by deleting the phrase “categories 2(a), 2(b) and 2(c)” and substituting the phrase “categories 2(i), 2(ii) and 2(iii)”;
 - (e) in paragraph (d)—
 - (i) in sub-paragraph (ii), by deleting the semi-colon at the end of the sub-paragraph and substituting a full stop; and
 - (ii) by deleting sub-paragraph (iii); and
 - (f) by inserting after section 14(1) as renumbered, the following new sub-section—

“(2) In the case of a segregated portfolio company, each segregated portfolio and the company must be allocated to one of the categories under sub-section (1).”.

Amendment of
section 17.

- 4.** Section 17(2) of the principal Act is amended by inserting after paragraph (c), the following new paragraph—

“(ca) Category 2(iv)—

- (i) General: \$250,000
- (ii) Long-term: \$500,000
- (iii) Composite: \$750,000;”.

Amendment of
section 20.

- 5.** Section 20 of the principal Act is amended by deleting the phrase “sections 16, 27, 29” and substituting the phrase “sections 19, 42, 44”.

Amendment of
section 33.

- 6.** Section 33(1)(a) of the principal Act is amended by deleting the phrase “26(1)” and substituting the phrase “29(1)”.

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7. Section 38(1) of the principal Act is amended by deleting the phrase “section 37” and substituting the phrase “section 36”. Amendment of section 38.
8. Section 40 of the principal Act is amended by deleting the phrase “section 37” and substituting the phrase “section 36”. Amendment of section 40
9. Section 41 of the principal Act is amended— Amendment of section 41
- (a) in sub-section (1)—
- (i) by deleting the word “names” and substituting the word “details”; and
- (ii) by deleting the words “of such shares”;
- (b) in sub-section (2)—
- (i) by deleting the word “names” and substituting the word “details”; and
- (ii) by deleting the words “of the shares registered in their names”;
- (c) by repealing sub-section (3) and replacing it with the following—
- “(3) If an insurer or insurance intermediary knows or has reasonable ground to believe that a ‘relevant change’ has occurred in relation to the details of ultimate beneficial owners provided under sub-section (1), it must serve a notice on such an individual—
- (a) to confirm whether or not a change has occurred; and
- (b) if so, to state the date of change and to confirm or correct the required particulars included in the notice, and supply any missing information.”;
- (d) by inserting after sub-section (3), the following new sub-sections—
- “(3A) A “relevant change” under sub-section (3) occurs if—

- (a) the person ceases to be a beneficial owner in relation to a relevant insurer or insurance intermediary, or
- (b) any other change occurs, as a result of which the mandatory data on beneficial ownership under sub-section (1) has become incorrect or incomplete.”; and

(3B) An insurer or insurance intermediary is not required to give notice under sub-section (3) if–

- (a) it has already been informed of the relevant change, and been supplied with all the particulars under sub-section (3A), and
- (b) the information and particulars were provided either by the person concerned or with his or her knowledge.

(3C) An insurance company or insurance intermediary must serve a notice under sub-section (3) as soon as reasonably practicable after it learns of the change or first has reasonable grounds to believe that the change has occurred.

(3D) A notice under sub-section (3) must state that the addressee is to comply with the notice by no later than ten calendar days from the date of the notice.”.

Amendment of section 49.

10. Section 49 of the principal Act is amended by deleting the marginal note and substituting the following–

“Consideration of statement of company.”.

Amendment of section 64.

11. Section 64 of the principal Act is amended by deleting the marginal note and substituting the following–

“Eligibility for appointment of directors and officers.”.

Amendment of section 74.

12. Section 74 of the principal Act is amended by deleting the marginal note and substituting the following–

“Removal and replacement of auditors.”.

Amendment of section 83.

13. Section 83 of the principal Act is amended by deleting the marginal note and substituting the following–

“Misleading advertisement, etc..”.

14. Section 114 of the principal Act is amended by deleting the marginal note and substituting the following— Amendment of section 114.

“Order for winding-up by Court, how treated.”.

15. Section 121 of the principal Act is amended by deleting the phrase “according to section 14” . Amendment of section 121.

16. Section 127 of the principal Act is repealed and replaced with following— Replacement of section 127.

“Requirements. **127.** A licensed insurer and a segregated portfolio company under categories 2, 3 and 4 shall at all times—

- (a) comply with their obligations under the Belize Companies Act, or any other enactment under which the applicant is incorporated;
- (b) be licensed only under one category of insurer licence;
- (c) have a registered office in Belize;
- (d) have management in Belize with adequate knowledge and expertise of the insurance business to be carried on that can be carried by an insurance manager, and have at least one director resident in Belize; or have appointed a registered insurance manager in Belize with adequate corporate governance and knowledge and experience of the insurance business to be carried on; and appointed an attorney-at-law resident in Belize (consent to which appointment shall be signified by the attorney-at-law in writing) who is approved by the Supervisor for the purpose of accepting service of process in any legal proceedings to which the insurer is a party and any notices required to be served on them;
- (e) keep at its registered office in Belize financial and technical information as to correctly record and explain its business, transactions, and financial position;
- (f) monitor the amount of its regulatory capital resources and minimum capital requirement on an ongoing basis;

- (g) calculate its prescribed capital requirement and any other capital requirement and report the results of that calculation to the Supervisor as prescribed by the Regulations;
- (h) hold regulatory capital resources, as prescribed by the Regulations, greater or equal to its minimum capital requirement and to its prescribed capital requirement or other capital requirements when prescribed by regulation, and for a segregated portfolio, the regulatory capital resources must be calculated as if it were a stand-alone insurer, subject to a maximum for the segregated portfolio.
- (i) keep separate accounts when carrying on both long term business and general business, and the Regulations may require and the Supervisor may request recording and reporting measures to clearly understand separately the business, transactions, and financial position of both businesses.”.

Amendment of section 159.

17. Section 159 of the principal Act is amended by deleting the phrase “sections 158 and 159” and substituting the phrase “section 157 or 158”.

Amendment of section 176.

18. Section 176 of the principal Act is amended by deleting the marginal note and substituting the following—

“Notice of issuance and cancellation of motor vehicle insurance.”.

Amendment of section 178.

19. Section 178 of the principal Act is amended by deleting the marginal note and substituting the following—

“Notification by motor vehicle insurer of total loss settlement, etc..”.

Amendment of section 181.

20. Section 181(i) of the principal Act is amended by deleting the words “complains are handle” and substituting the words “complaints are handled”.

Amendment of section 186.

21. Section 186 of the principal Act is amended by deleting the marginal note and substituting the following—

“No unauthorized insurance intermediation.”.

Amendment of section 207.

22. Section 207(1) of the principal Act is amended by deleting the phrase “section 4” and substituting the phrase “section 7”.

Amendment of section 213.

23. Section 213 of the principal Act is amended by—

(a) deleting the marginal note and substituting the following–

“Provision of information to Supervisor.”; and

(b) in sub-section (1) by, inserting after the word “necessary”, the words “for supervisory objectives including”.

24. Section 230 of the principal Act is amended by deleting the marginal note and substituting the following–

Amendment of section 230.

“Jurisdiction of local courts on all Belize issued insurance policies.”.

25. Schedule III by deleting paragraph 5 and substituting the following–

Amendment of Schedule III.

“Bonds, debentures, municipal paper issued by the local municipal bodies subject to the following conditions–

(a) that are secured by the establishment of a specific sinking fund; or

(b) that are secured by assignment of an annual payment by the Government of Belize, where such annual payment is sufficient to meet the interest falling due on the bonds, debentures, municipal paper outstanding and the principal amount of the bonds, debentures, or municipal paper maturing for payment in the year in which the annual payment is made; or

(c) is guaranteed by the Government of Belize.”.