

COURTESY TRANSLATION

MARKET CONDUCT SUPERVISION DIRECTORATE
PRODUCT SUPERVISION DIVISION
DISTRIBUTION AND FOREIGN OPERATORS SUPERVISION
DIVISION II

Rome

Prot. n.

To the insurance undertakings with
head office in Italy pursuing life and/or
accident insurance
TO THEIR PREMISES

To the branches in Italy of insurance
undertakings whose head offices are in
a non-EEA country carrying on life
and/or accident insurance in Italy
TO THEIR PREMISES

To the insurance undertakings whose
head offices are located in another
Member State of the EEA carrying on
life and/or accident insurance in Italy
under the freedom of establishment or
the freedom to provide services
TO THEIR PREMISES

RE: Dormant policies Inquiry on the payment of policies to the beneficiaries

We refer to our letter to the market dated 6 December 2022¹ by which IVASS asked the recipient undertakings for the list of the tax codes of the insureds in order to ascertain, in collaboration with the Revenue Authority and through cross-checks in the Tax Register, the death of the insured and the corresponding date. In particular, the following information was requested:

- the lists of the tax codes of insureds covered by contracts in force on 30 November 2022;

¹ <https://www.ivass.it/normativa/nazionale/secondaria-ivass/lettere/2022/lm-06-12/index.html>

- the tax codes for the contracts no longer in force, when they have not been already communicated for previous cross-checks, whenever the undertakings had doubts about whether the insureds were still alive and/or needed to verify the date of the death.

The results of the cross-checks were returned to each undertaking in January, so that they could proceed with the payment of the amounts due to the beneficiaries.

In order to enable IVASS to verify the status of payment of the sums related to these policies, including both life and accident policies, a report is requested by June 30, 2023, on the activities carried out for the settlement, including an update on the policies that have been cross-checked in past years.

With reference only to life policies, the attached excel table should also be provided, filled out according to the instructions in the file. The table also requests a set of data relating to the payment of the policies that have been cross-checked in past years.

The reply shall be sent to the address vigilanzacondottamercato@pec.ivass.it, together with the indication of the name and details of the contact person (telephone number and email address).

Best regards.

By delegation
of the Joint Directorate

COMPLETION INSTRUCTIONS:**Instructions common to the three tables**

1	The IVASS code must be reported in cell D3 "undertaking's code". It is made up, for undertakings with head office in Italy or carrying on business by way of establishment, by the sequence of one alphabetic character, three numbers and one alphabetic character, while for those carrying on business by way of free provision of services by the sequence of five numbers.
2	The survey refers to policyholders with policies under Article 2 (1) of legislative decree 209/2005. Therefore, all policies classified in the life classes are included, regardless of the type of benefit (constant, decreasing, with-profit, index and unit linked) and of the form (term life insurance, hybrid, whole-life and policies with automatic extension of maturities).
3	The cells in grey do not have to be filled in
4	For collective policies, the number of parties insured should be considered by indicating one policy per insured party.
5	The amounts, expressed in Euros, with no decimal place, must be calculated according to the policy conditions. If this information is not available, an estimate of the benefit due on the date of the insured event may be used.

Table 1

6	This table provides information on the tax codes acquired by letter to the market of 6 December 2022. When filling out the table, the individual insured, insured party in collective policies, should be counted one time only regardless of the policies in which it appears as insured.
7	Row 1 must indicate the number of insureds of life insurance policies, referred to in Article 2 (1) of Legislative Decree 209/2005, for whom tax codes have been transmitted to IVASS in response to the letter of 6 December 2022.
8	Row 2 should show the ratio, expressed as a percentage with two decimal digits, between the insureds in row 1 and those referring to contracts in force as of 30 November 2022.
9	Row 3 must indicate the number of deceased insureds

Table 2

10	Row 1 should show the policies associated with the insureds shown in row 3 of Table 1, by counting all the policies associated with the same insured/insured party. Thus, the total number of policies must be at least equal to the number of insureds reported in row 3 of Table 1.
11	Row 2 should show the policies of holders of mixed policies who are still alive at policy maturity except those for which the death of the insured occurred after contract maturity, already reported in row 1.
12	Row 3 does not need to be filled in because it automatically reports (on the basis of a preset formula) the information from the policies shown in rows 1 and 2 for which <u>benefit entitlement has already been verified</u> .
13	Row 4 should report the policies in row 3 for which the beneficiaries have already collected the benefit due
14	Row 5 should report the policies in row 3 that are still to be paid, for which the procedures necessary for the payment of the benefits due to the beneficiaries already identified are being completed
15	Row 6 should display the policies in row 3 for which the relative amounts must be assigned to the Dormant Accounts Fund, as per Article 1 (343), of Law no. 266 of 23 December 2005. For this purpose account must be taken of the date of death, for benefits in case of death, and the expiry date of the policy for benefits due in case of survival of the insured at contract maturity.
16	Row 7 should indicate policies in rows 1 and 2 for which the verification of entitlement to benefit is still pending (e.g., identification of the cause of death to verify possible exclusions of coverage, beneficiaries not yet identified).
17	Row 8 should indicate policies in rows 1 and 2 for which <u>it has been verified that the benefit is not payable</u> (e.g., death occurring after contract maturity for death policies, voluntary discontinuation of premium payments, cause of death included among those excluded from coverage....).

Table 3

18	The table shows information, by numbers and amounts, on the checks carried out for the years 2021 and earlier to ascertain whether the insureds were still alive, updated to the latest date available to the company. The rows should be filled in by reporting the information on the tax codes provided in response to the following requests by IVASS: - Year 2021: Letter to the market of 13 December 2021; - Year 2020: Letter to the market of 13 October 2020 and letters sent to single foreign undertakings in 2021; - Previous years: Letters to the market of 14 December 2017, 3 September 2018 and 25 September 2018.
19	Columns (a) and (b) do not need to be filled in because they automatically report (on the basis of a preset formula) the information on the policies for which <u>benefit entitlement has already been verified</u> .
20	Columns (c) and (d) report the policies indicated in columns (a) and (b) for which the beneficiaries have already collected the benefit due.
21	Columns (e) and (f) report the policies indicated in columns (a) and (b) for which the payment to the beneficiaries made by the company has not been successful (e.g. settlements made by drawing checks returned to the company).
22	Columns (g) and (h) report the policies indicated in columns (a) and (b) for which the procedures necessary for the payment of the benefits due to the beneficiaries already identified are being completed.
23	Columns (i) and (l) display the policies indicated in the columns (a) and (b) for which the relative amounts must be assigned to the Dormant Accounts Fund, as per Article 1 (343), of Law no. 266 of 23 December 2005.
24	Columns (m) and (n) report policies for which operations to identify/trace beneficiaries or verify the entitlement to the benefit are still in progress.
25	Columns (o) and (p) report policies for which <u>it has been verified that the benefit is not payable</u> according to the terms of the contract (e.g., death occurring after contract maturity for death policies, voluntary discontinuation of premium payments, cause of death included among those excluded from coverage....).
26	Columns (q) and (r) report policies for which the settlement has been suspended because the activities already conducted were unsuccessful (e.g., because the beneficiaries could not be traced). The amounts related to such policies, in the absence of a request for the benefit by the beneficiaries and when the relevant conditions are met, must be assigned to the Dormant Accounts Fund, as per Article 1 (343), of Law no. 266 of 23 December 2005.

LIFE INSURANCE POLICIES - Status of payments after the checks carried out in 2022 and earlier to ascertain whether the insureds were still alive (COURTESY TRANSLATION)

company's code
company's name

insert IVASS code
insert name

Table 1 - deaths ascertained through cross checks in 2022

1	Number of insureds for whom checks were carried out to ascertain whether they were still alive	
2	Percentage of insureds for whom checks were carried out compared to the total number of insureds as at 30 November 2022	
3	Number of deceased insureds	

Table 2 - Status of payments - checks carried out in 2022 to ascertain whether the insureds were still alive

		Numbers	Amounts in euro
1	Policies associated to the insureds set out in row 3 of Table 1.		
2	Mixed policies that have reached maturity for which the insured was still alive		
3	Policies for which entitlement to benefits has been ascertained	0	0
4	- of which policies already collected by the beneficiaries		
5	- of which policies still to be paid		
6	- of which policies for which the relative amounts must be assigned to the Dormant Accounts Fund		
7	Policies for which the verification of entitlement to benefit is still pending (e.g., identification of the cause of death to verify possible exclusions of coverage, beneficiaries not yet identified).		
8	Policies for which it has been verified that they do not have to be paid because there is no entitlement to the benefit (e.g., for policies in case of death when death occurred after contract maturity, voluntary termination of the contract, voluntary discontinuation of premium payments,).		

Table 3 - Status of payments after the checks carried out in 2021 and earlier to ascertain whether the insureds were still alive

Checks to ascertain whether the insureds were still alive were carried out in	Policies for which entitlement to benefits has been ascertained		of which policies already collected by the beneficiaries		of which policies paid but not collected by the beneficiaries		of which policies still to be paid		of which policies for which the relative amounts must be assigned to the Dormant Accounts Fund		Policies still to be checked		Policies for which it has been ascertained that there is no entitlement to benefits		Policies suspended	
	Numbers (a)	amounts in € (b)	Numbers (c)	amounts in € (d)	Numbers (e)	amounts in € (f)	Numbers (g)	amounts in € (h)	Numbers (i)	amounts in € (l)	Numbers (m)	amounts in € (n)	Numbers (o)	amounts in € (p)	Numbers (q)	amounts in € (r)
Year 2021	0	0														
Year 2020	0	0														
Previous years	0	0														

CHECKS

Table 2 row 1 >= Table 1 row 3

Table 2 row 3 = Table 2 rows 4+5+6

Table 2 rows 1+2 = Table 2 rows 3+7+8

Table 3, for each row, column (a) = columns (c) + (e) + (g) +(i)

Table 3, for each row, column (b) = columns (d) + (f) + (h) +(l)