

Commission for the Financial Market amends information on investments of insurance and reinsurance companies

On July 30, 2024, the Chilean Commission for the Financial Market ("CFM") published the [Official Letter No. 2,354](#) (the "Official Letter") amending Official Letter No. 1,835 of April 24, 2007, **which provides instructions regarding the form and content of information on investments made by insurance and reinsurance companies.**

This Official Letter is the result of the implementation of a regulatory proposal which, after two periods of public consultation, seeks to strengthen the surveillance of the risks associated with the assets that comprise the investment portfolios of insurance and reinsurance companies.

In this context, the CFM issued a [regulatory report](#) identifying areas for improvement and indicating the amendments to be implemented through the Official Letter. These amendments cover the following matters:

- 1 Detailed loan information:** Registry B.12 is introduced in order to provide a description of the loans granted by insurers, detailing the stock of credits, as well as the identification of the debtor and the characteristics and conditions of the outstanding loans at the closing of each month being reported.
- 2 Information on leased real estate, delays on payment of mortgage loans and leasing:** Registry B.13 is introduced, which will contain information on leased real estate, such as the type of real estate, type of contract, characteristics and delays in payment of mortgage loans and leasing contracts. This registry will allow calculating vacancy and analyzing risk profiles based on the type of real estate and contract.
- 3 Information on guarantees related to derivative instruments:** Registry B.14 is introduced to detail the guarantees constituted and received as a result of derivative instrument transactions with authorized counterparties, improving the supervision of these transactions by the CFM.
- 4 Update of existing registries:** New fields will be created in existing registries to supplement information and support the CFM's surveillance of regulatory compliance. These fields will systematize the submission of fixed income instrument duration used to prepare the vector of discount rates (VTD), necessary for the calculation of annuity technical reserves and the asset adequacy test.
- 5 Flexibility and update of information for future changes:** The annexes of Official Letter 1,835 will be moved to a Technical Annex in the System for Online Information Submission - SEIL (*Sistema de Envío de Información en Línea*) of the CFM's website, allowing for prompt adjustments in response to new regulatory changes. Insurance and reinsurance companies will be notified in advance of any amendments to the Technical Annex by the CFM.

The Official Letter will be effective as of December 1, 2024, and it will be applied as of that month's information, which must be reported no later than January 15, 2025.

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