

Insurance Authority Insurance Authority	Policy management
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No: UTC/276/202401

Date: 11/01/2024

Topic: Extending the period of work suspension based on Paragraph (22) of Article (9) of the rules regulating electronic insurance brokerage businesses

His Excellency the CEO..

Director of Compliance...

May the peace, blessings, and mercy of God be upon you

In Reference to Resolution No. (441/189) dated 09/15/1441 AH, which included work suspension in Paragraph No. (22) of Article (9) of the rules regulating electronic insurance brokerage businesses, which stipulated: “Do not receive any insurance premiums on behalf of the company, and the premiums are collected directly by the insurance company.” For a period of 6 months from the date of the decision, and with reference to Insurance Authority Resolution No. 4/S/445, which includes extending the suspension period in Paragraph No. (22) referred to above, and based on the Insurance Authority’s support for the insurance sector in a way that enhances its effectiveness and ensures the stability of financial transactions in it.

We inform you that electronic insurance brokerage companies must continue to implement the mechanism for collecting insurance premiums through the use of a restricted bank account “Escrow Account” Under the supervision of the electronic payment platform and the bank hosting the account based on the broker’s agreements with insurance companies, this mechanism will continue until 12/31/2024 AD, provided that the agreement includes the application of the following mechanism:

- 1- The purpose of the account must be to organize the process of receiving and transferring insurance premiums resulting from electronic brokerage operations, and the broker may not use the account for any other purpose.
- 2- The process of transferring receivables to all parties from the account shall be carried out by the electronic payment platform and the host bank based on the agreements concluded between the broker and insurance companies.
- 3- Receivables transfers must be completed immediately

Best regards

Policy management

Distribution range:

- Insurance companies
- Electronic insurance brokerage companies