

Decision 2014-03 of 24 February 2015 against Compagnie nantaise d'assurances maritimes et terrestres (non-compliance with Article L.322-2-2 of the Insurance Code and non-compliance with a cease-and-desist order)

In a decision in which the company was publicly named, the Sanctions Committee handed Compagnie nantaise d'assurances maritimes et terrestres a reprimand together with a fine of EUR 250,000.

The Committee ruled on the infringement of the principle of speciality laid down in Article L.322-2-2 of the Insurance Code by an insurance company which, as well as insuring shipping contracts, engaged in property investment. It also ruled on the consequences of a cease-and-desist order issued by the College requiring the company to comply with this principle.

The Committee judged that the manifest infringement of this principle, which is unequivocal and well known to the industry, could be sanctioned notwithstanding the absence of any regulatory provision clarifying it, and that such infringement could be assessed according to various criteria, including in particular the direct pursuit of a business other than insurance, the value of assets or the income generated by them, or the percentage of those assets that represented insurance liabilities. It found that the respondent company mainly operated as a property holding company and that it had thus manifestly gone beyond the limits allowed for by the aforementioned article. The Committee further ruled that the company's failure to comply with the cease-and-desist order constituted a serious breach of its obligations.