

# INSURANCE, REINSURANCE, PENSION PLANS AND SUPPLEMENTARY HEALTH Newsletter

No. 3

SEPTEMBER 2020 TO OCTOBER 2020

This is the third edition of the Insurance, Reinsurance, Pension Plans and Supplementary Health Newsletter, with a compilation of the main news and innovations in the insurance market.

In this issue, we present the following sections:

[In the Media](#) · [Regulatory News](#) · [On the Agenda](#)

We hope you enjoy the latest edition that our team has worked hard to put together!

[INSURANCE AND REINSURANCE PRACTICE](#)

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## **INSURANCE AND REINSURANCE TEAM**

[Marcia Cicarelli](#), [André Alarcon](#), [Luciana Prado](#), [Camila Prado](#), [Laura Pelegrini](#), [Valéria Santos](#), [Juliana Piolla](#), [Raquel Valente](#), [André Perez](#), [Thais Muchiuti](#), [Ludimilla Rodrigues](#), [Lucas Nascimento](#), [Octávio Galindo](#) e [Lígia Cavassana](#).

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## IN THE MEDIA

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- [INSURANCE AND REINSURANCE](#)
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### [ON THE AGENDA - SECURITY MARKET NEWS](#)

On September 9, 2020, **Marcia Cicarelli**, partner from the Insurance and Reinsurance team at Demarest, gave a virtual lecture on the Brazilian judicial system in partnership with U.S. law firm Wilson Elser and with English partner law firm DAC Beachcroft.

On September 17, 2020, **Marcia Cicarelli** gave a virtual lecture on cyber risks insurance at “Instituto Connect de Direito Social” (ICDS).

On September 30, 2020, **Marcia Cicarelli** gave a virtual lecture on product civil liability in USA, Latin America, Europe and Canada, together with professors from other jurisdictions, in partnership with U.S. law firm Wilson Elser and with English partner law firm DAC Beachcroft.

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On September 30, 2020, **Luciana Prado**, partner from the Insurance and Reinsurance team at Demarest, took part in the debate on “**ILS: the Insurance Risk Securitization**” held in **Uqbar Day event**, hosted by Uqbar Education and Financial Information.

On October 2020, legal directory The Legal 500 ranked Demarest’s Insurance and Reinsurance team as “Tier 1”, the highest in Latin America law firms rankings. Individually, **Marcia Cicarelli** was highlighted as a “Leading Individual” and **Camila Prado**, senior lawyer of the Insurance and Reinsurance team at Demarest, was highlighted as a “Rising Star”. [Read in full.](#)

On October 6, 2020, **Marcia Cicarelli** and **Laura Pelegrini**, senior lawyer from the Insurance and Reinsurance team at Demarest, took part in a Webinar with the theme “**Business Interruption and Covid-19 – the FCA case in British Courts and its impact on other jurisdictions**”, hosted by Demarest in partnership with the law firms DAC Beachcroft LLP; and Allende & Brea and Torres Carpio Portocarrero e Ritcher Abogados. [See in full.](#)

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On October 7, 2020, **Luciana Prado** took part in the “**Webinar THB – Cyber 360°**”, covering **Cyber Risks and the Brazilian General Data Protection Law (LGPD)**, hosted by THB Group Brasil. [See in full.](#)

On October 7, 2020, **Marcia Cicarelli** took part in a Webinar on the topic of “**Climate Change**”, hosted by English law firm DAC Beachcroft – Legalign Global University America (New York). [See in full.](#)

On October 8, 2020, **Marcia Cicarelli** and **Camila Prado**, together with **Tatiana Campello**, partner from the Intellectual Property and Innovation team at Demarest, took part in a webinar on “**Covid-19 and Cyber Insurance Tendencies – Chile’s Case Study**”, hosted by Demarest in partnership with law firms DAC Beachcroft LLP and Allende & Brea e Torres Carpio Portocarrero and Ritcher Abogados. [See in full.](#)

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On October 9, 2020, **Marcia Cicarelli** and **Luciana Prado** were interviewed by the LexLatin portal on the impacts of the pandemic in the insurance market. [Read in full.](#)

On October 13, 2020, **Marcia Cicarelli** took part in a webinar on “**The Future of Insurance and Reinsurance post-Covid-19**”, hosted by Demarest in partnership with law firms DAC Beachcroft LLP and Allende & Brea e Torres Carpio Portocarrero and Ritcher Abogados. [See in full.](#)

On October 15, 2020, **Luciana Prado** took part in a webinar on “**Political Risks and Social Unrest – Challenges of Insurance Coverage in Latin America**”, hosted by Demarest in partnership with law firms DAC Beachcroft LLP and Allende & Brea e Torres Carpio Portocarrero and Ritcher Abogados. [See in full.](#)

On October 21, 2020, **Marcia Cicarelli** took part in a Webinar on “**How are Brazilian Law Firms supporting Diversity & Inclusion**”, hosted by the New York State Bar Association. [See in full.](#)

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### [CNSP Resolution No. 388 – 09/10/2020](#)

The National Council of Private Insurance (CNSP) published, on September 10, 2020, Resolution CNSP No. 388, which establishes the segmentation of insurance companies, capitalization companies, local reinsurers and open supplementary pension funds for the proportional application of prudential regulation.

The National Council of Private Insurance (CNSP) Resolution No. 388 has been effective since October 1, 2020.

[Read in full.](#)

### [SUSEP Circular No. 613/2020 – 09/18/2020](#)

The Superintendence of Private Insurance (SUSEP) published SUSEP Circular No. 613, which provides for the handling of consumer complaints from supervised markets and within the scope of the entity itself, with the main objective of differentiating “complaints” and “denunciations”, as well as to institute a new digital platform for the registering of complaints, effective as of January 1, 2021.

The Superintendence of Private Insurance (SUSEP) Circular No. 613/2020 has been effective since October 1, 2020 and repealed SUSEP Circular No. 292/2005 that deals with the same subject.

[Read in full.](#)

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SUSEP Circular No. 614, from september 11, 2020 – 09/16/2020

The Superintendence of Private Insurance (SUSEP) published a new Circular that provides for the Civil Liability Insurance of Terrestrial Vehicles Owners and/or Drivers, within the category of leisure, private or rental vehicles, enrolled and/or registered in Brazil, which enter, on an international trip, in Mercosul countries, for damages caused to people or non-transported objects (green-letter insurance).

SUSEP Circular No. 615 – 09/23/2020

The Superintendence of Private Insurance (SUSEP) published a new Circular which amends SUSEP Circular No. 517, which will become effective on January 4, 2021.

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### SUSEP Public Consultation No. 019/2020 – 10/06/2020

The Superintendence of Private Insurance (SUSEP) opened for public consultation a draft of a new Resolution that provides for the rules and criteria for property insurance operations, with the main objective of reviewing and consolidating SUSEP's Circulars regarding property insurance plans considered mass insurances.

The deadline for sending suggestions and criticisms to SUSEP was November 5, 2020.

[Read in full.](#)

### SUSEP Public Consultation No. 020/2020 – 10/15/2020

The Superintendence of Private Insurance (SUSEP) opened for public consultation a new draft of a Resolution that provides for regulation of the activities of local reinsurers that operate with the exclusive purpose of accepting risks through reinsurance or retrocession operations, as well as their financing through the issuance of debt linked to (re)insurance risks.

The deadline for sending suggestions and critiques to SUSEP was October 30, 2020.

[Read in full.](#)



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SUSEP Circular No. 616, from October 13, 2020 – 10/15/2020

The Superintendence of Private Insurance (SUSEP) published a new Circular to include Section III in SUSEP Circular No. 517, regarding the Independent Auditor Report on Financial Statements.

The new Circular will be effective as of January 4, 2021.

SUSEP Public Consultation No. 022/2020 – 10/22/2020

The Superintendence of Private Insurance (SUSEP) opened for public consultation a draft of a new Circular that amends SUSEP Circular No 517, which stipulates technical provisions, liability adequacy testing, asset reducers, underwriting risk capital, operational and market credit, institution of a operational losses database, as well as accounting regulations and accounting audits independent from the insurance companies, open complementary pension fund entities, capitalization companies and reinsurance companies.

The deadline for sending suggestions and critiques to SUSEP is November 23, 2020.

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### [SUSEP Public Consultation No. 021/2020 – 10/22/2020](#)

The Superintendence of Private Insurance (SUSEP) opened for public consultation a draft of a new Resolution of National Council of Private Insurance (CNSP) that amends CNSP Resolution No. 321, which stipulates various financial and technical procedures imposed to insurance companies, open complementary pension fund entities, capitalization companies and reinsurance companies.

The deadline for sending suggestions and criticisms to SUSEP is November 23, 2020.

[Read in full.](#)

### [SUSEP Public Consultation No. 023/2020 – 10/26/2020](#)

The Superintendence of Private Insurance (SUSEP) opened for public consultation a draft of a new Circular about security policy and data and information secrecy of registering entities licensed to provide services on insurance operation register, open complementary pension, capitalization and reinsurance.

The deadline for sending suggestions and criticisms to SUSEP is November 10, 2020.

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## ANS PUBLIC CONSULTATION No. 80/2020, September 1, 2020

On September 9, 2020, the National Agency of Supplementary Health (ANS) made available a Public Consultation with the objective of collecting subsidies in face of the proposal of alteration of IN No. 54 of 2017, of DIOPE, which deals with procedures and requirements for obtaining prior annual authorization (APA) for the movement of guarantor assets.

The deadline for sending suggestions and criticisms to ANS was October 23, 2020.

## PREVIC PUBLIC CONSULTATION No. 79/2020 September 1, 2020

On September 9, 2020, the National Agency of Supplementary Health (ANS) made available a Public Consultation in order to receive contributions for the proposal of Normative Resolution that amends NR No. 440, of December 13, 2018, that institutes the Program of Certification of Good Practices in Health Care for Operators of Private Health Care Plans. The amendment consists of the inclusion of an annex with the Manual of Certification in Adequate Birth and another with the Glossary of Good Practices in Adequate Birth.

The deadline for sending suggestions and criticism to ANS was October 23, 2020.

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## PREVIC PUBLIC CONSULTATION No. 08/2020

On September 9, 2020, the National Superintendence of Complementary Welfare (Previc) made available a Public Consultation for the revision of the Normative Instruction nº 18, of 2014, which establishes guidelines and procedures to be adopted by the EFPC, in compliance with the provisions of [Law No. 9,613/1998](#), which provides on the crimes of money laundering or concealment of assets, rights and values.

The deadline for sending suggestions and criticisms to PREVIC was October 9, 2020.

## PREVIC PUBLIC CONSULTATION No. 09/2020

On September 16, 2020, the National Superintendence of Complementary Social Security (Previc) made available a Public Consultation for the revision of Normative Instruction No. 13, of 2019, which establishes the procedure for qualification of managers of closed complementary social security entities.

The deadline for sending suggestions and criticisms to PREVIC was October 23, 2020.

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**ANS PUBLIC CONSULTATION No. 81/2020, September 30, 2020**

On September 30, 2020, the National Agency for Supplementary Health (ANS) made available a Public Consultation for the updating of the List of Procedures and Events in Health for the 2019/2020 Cycle.

The deadline for sending suggestions and criticisms to ANS will end on November 21, 2020.

**PREVIC NORMATIVE INSTRUCTION No. 33, October 23, 2020 - Technical-Actuarial Criteria**

On 10/23/2020, the National Superintendence of Complementary Pension Plans (Previc) published the new Normative Instruction No. 33, which Regulates technical-actuarial criteria for defining the duration of the liability, the parameter interest rate, the pricing adjustment, the study technical adjustment of actuarial hypotheses, in addition to establishing procedures to be adopted by closed supplementary pension entities for the allocation and use of surpluses and the preparation, approval and execution of deficit settlement plans.

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PREVIC NORMATIVE INSTRUCTION No. 34 – October 28, 2020 - Procedures on money laundering crime

On October 28, 2020, the National Superintendence of Complementary Welfare (Previc) published the new Normative Instruction 34 that establishes guidelines and procedures to be adopted by the EFPC, in compliance with the provisions of Law 9,613, of 1998, which provides for the crimes of money laundering or concealment of assets, rights and values.

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## **LEGISLATIVE BILL REQUIRES INSURERS TO RETURN PART OF THE PREMIUM DUE TO THE PANDEMIC**

Bill 4,417/20 requires auto insurers to return part of the insurance premiums paid to policyholders due to the Covid-19 pandemic. The justification of the author of the Bill, Representative Glaustin of Fokus (PSC-GO), is that there was a considerable decrease in the risks of contracts due to the pandemic.

[Read in full](#)

## **SUSEP APPROVES INSURANCE INTEROPERABILITY**

The Superintendence of Private Insurance (SUSEP) approved, on October 8, 2020, a draft convention to establish the interoperability of the Operations Registration System (SRO).

As of the date of publication, the accredited and homologated registrars must provide an integrated platform of supervision of the insurance market, according to a communication notice from B3, which participates in the system.

[Read in full](#)

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## **INSURANCE WILL OFFER TELEMEDICINE PROTECTION**

In view of the significant increase in telemedicine during the pandemic, the insurance company HDI and the health insurance broker It's Seg launched an insurance policy to cover medical errors and leaks of patient data collected during remote medical care. The policy covers risks between BRL 50 thousand and BRL 10 million.

[Read in full](#)

## **RURAL INSURANCE: CONAB SUPERVISES SUBSIDIZED PROPERTIES**

CONAB technicians are to inspect crops, pastures and forests to verify the information contained in the policy.

By the end of the year, technicians from the National Supply Company (CONAB) will survey 1,300 properties benefiting from the Rural Insurance Premium Subsidy Program (PSR), in 10 states. They will go through crops, pastures and forests to check the information contained in the policy, such as area and culture.

[Read in full](#)



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## **UNILATERAL TERMINATION OF INSURANCE FOR NON-PAYMENT MUST BE PRECEDED BY NOTIFICATION TO THE INSURED (STJ)**

The Third Panel of the Superior Court of Justice (STJ) reaffirmed the understanding that the termination of an insurance contract due to non-payment must be preceded by a notification to the insured, as well as the extent of the debt and whether it is significant given the particularities of the case.

[Read in full](#)

## **LOYOLA: WE WANT TO EXPAND INSURANCE DISTRIBUTION CHANNELS IN THE NORTH AND NORTHEAST BY 2021**

Pedro Loyola, director of the Risk Management Department of the Agricultural Policy Secretariat of the Ministry of Agriculture, informed that the portfolio intends to expand rural insurance distribution channels for producers in the North and Northeast of the Brazil next year.

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## **GENERAL DATA PROTECTION LAW (LGDP) ENTERS INTO FORCE**

Brazil's General Data Protection Law (LGPD) became effective on October 18, 2020.

As a result, there is a need to create the National Data Protection Authority (ANPD), which will act as the regulatory agency for the topic. In practice, only after such establishment will there be effective enforcement of the law.

[Read in full](#)

## **COMPLAINTS FROM THE INSURANCE INDUSTRY WILL NOW BE MADE THROUGH GOVERNMENT WEBSITE, NO LONGER BY SUSEP**

The Superintendence of Private Insurance (SUSEP) published Circular 613 in the Official Gazette (DOU), regarding the handling of complaints from consumers in the supervised markets.

From January 1, 2021 these complaints will be made through the website [consumidor.gov.br](http://consumidor.gov.br), and no longer through SUSEP.

The deadline for insurance companies, capitalization companies and open complementary pension entities to make their registration on the site ended on October 30.

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## **INTERNATIONAL SEMINAR SEEKS TO PROMOTE ANTI-FRAUD CULTURE IN INSURANCE THAT GOES BEYOND THE BORDERS OF COUNTRIES**

Between September 13 and 19, the sixth edition of the Pan American Congress on Insurance Offenses (COPADES), organized by the Office for the Coordination of Insured Risks (BCRA), brought together, remotely, experts from insurance companies, reinsurers and representatives of supervisory bodies from various countries to discuss insurance offenses and update knowledge on more assertive measures to prevent and combat fraud.

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## **LEGISLATIVE BILL DETERMINES RURAL LANDOWNERS RETAIN FIRE LIABILITY INSURANCE**

Bill 4.714/20 determines that rural area owners retain civil liability insurance for fire.

According to the text under analysis in the House of Representatives, the obligation will not apply to the family farmer or small rural producer (plot of up to 50 hectares), as defined in the Atlantic Forest Law. Contracting will also be optional when authorized by the competent environmental agency.

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## **MAPA WILL SUPPORT PARAMETRIC INSURANCE AS AN OPTION FOR RURAL PRODUCERS TO PROTECT ACTIVITIES**

After authorization from the Superintendence of Private Insurance (SUSEP), the Interministerial Management Committee of Rural Insurance approved Resolution 79, which established the 20% premium subsidy for parametric insurance, for any activity.

[Read in full](#)

## **PROPERTY INSURANCE IN BRAZIL AND THE NEW REGULATORY FRAMEWORK**

The Superintendent of SUSEP, Solange Vieira, and its director, Rafael Scherre, in an article written for Valor Econômico on the subject, understand that it is essential to expand insurance coverage in the country to leverage economic growth.

The discussions about regulation and its impacts on the economy have been constant in recent years in Brazil. It is no different for the insurance sector, in which it has been fundamental to seek an effective rationalization of regulation, which over time has become overly prescriptive.

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## **GUARANTEE, PARAMETRIC AND CYBER INSURANCES HAVE PROGRESSED WITH THE PANDEMIC**

Among the various insurance types, three have progressed during the pandemic, with the initiative of groups of executives to solve financial problems of their clients and also of the market itself, with risks that have occurred and that are excluded from the contracts.

[Read in full](#)

## **SUSEP APPROVES INTEROPERABILITY IN INSURANCE**

The Superintendence of Private Insurance (SUSEP) approved, on August 10, 2020, the draft convention to establish the interoperability of the Operations Registration System (SRO).

From now on, official register agents must provide an integrated platform for the supervision of the insurance market, according to a statement from B3, which participates in the system.

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## **SUSEP EXPLAINS THE CHANGES PROPOSED IN NEW RULES AND CRITERIA FOR INSURANCE OPERATIONS**

On October 23, a further webinar was held by SUSEP to show the proposed changes to simplify the rules and criteria for property insurance operations. Residential, business and condominium insurance, loss of business insurance and insurance for various risks are dealt with in the draft circular.

"We are making a series of changes in the regulatory framework that we are trying to establish more freedom for insurers so that they can offer better service to consumers," said Solange Vieira, Superintendent of SUSEP.

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