

Ethias Droit Commun will take the legal form of a cooperative and transfer its insurance portfolio to Ethias SA

- At its meeting of October 25, the Board of Directors of Ethias Droit Commun, Mutual Insurance Association, has approved the plan for the transformation of the legal form of the association, which will become, with the approval of the general assembly, and unless the NBB opposes, a cooperative company with limited liability.
- Last June, the Board had already approved the transfer of the insurance portfolio “Work Accidents (Public Sector)” to Ethias SA on 31/12/2017, subject to the approval by the NBB and the effective transformation of the association.
- Ethias Droit Commun will therefore no longer be an insurance company but a management company that will hold essentially a participating interest in Vitrufin SA (holding company owning 100% of Ethias SA), in addition to participating interests in VEH and Socofe.
- Its name will be changed to EthiasCo.

Last May, an agreement was concluded between the shareholders of the group providing, in particular, a prospect of stability in the shareholding for a period of 2 years and a simplification of the structures.

It is in this context that the centralization of all insurance activities within Ethias SA has to be seen, by means of the transfer of the last insurance activity that is still carried out by Ethias Droit Commun (DC). Furthermore, this activity is already reinsured at 95% by Ethias SA. The transfer will take place as of right and will not entail any changes in the tariff and coverage conditions of the contracts.

As a result, Ethias DC will no longer be subject to the Solvency II regulations and will no longer be able to retain its legal form of mutual insurance association for which membership comes from the underwriting of an insurance contract. This is why the association will be transformed into a cooperative company called “EthiasCo”, which is the legal form closest to the mutualist spirit. The purpose of this company will be the management of participating interests. Just as now, it will remain one of the shareholders of the group.

Each current member of Ethias DC will become a member of EthiasCo and, as such, will be automatically granted co-operators’ shares, whose return could be allocated to support local initiatives, thus maintaining the nearly 100-year old link between Ethias and the public bodies.

Lastly, it should be noted that the acquisition of Ethias DC's portfolio will not affect the solvency margin of Ethias SA.