

PRESS RELEASE

The CNMC investigates DKV Seguros y Reaseguros, S.A.E. for potential anticompetitive practices

- While the lockdown was in effect, it is alleged to have unilaterally eliminated the temporary disability coverage in the policies of self-employed workers.
- It sent a letter to this group of policyholders informing them of their obligation to accept the changes supposedly required by the applicable law, and if not, that their policy would be terminated.

Madrid, 29 December 2020 - The CNMC has initiated disciplinary proceedings against DKV Seguros Y Reaseguros,S.A.E. for potential anti-trust practices. Specifically, the company is alleged to have unilaterally removed the temporary disability coverage from the policies of self-employed policyholders while the state of alarm was in effect, citing the disappearance of the subject matter, without said removal being allowed by the applicable law, namely Law 50/1980 of 8 October on Insurance Contracts. ([S/0030/20: DKV COBERTURAS AUTÓNOMOS](#))

This conduct materialised when the company sent a letter to some of its policyholders informing them of said voidance and the need to accept this change pursuant to the applicable law; if they did not, the entire policy would be nullified.

The CNMC knew about such practice after assessing certain information received through the inbox (covid.competencia@cnmc.es). The CNMC enabled this channel during the lockdown to provide a contact point aimed at gathering all complaints and queries related to the application of competition rules during the pandemic.

After its analysis, the CNMC concluded that the insurance company's actions are not in keeping with the good faith required of companies. It also believes that it could have misled the recipients of the aforementioned letter by alleging a regulatory requirement to change the policy.

All of this could constitute an act of unfair competition penalised in Article 3 of the Anti-Trust Law, in relation to articles 4 and 5 of Law 3/1991 of 10 January on Unfair Competition (LCD).

This conduct could affect the general interest by distorting competition in the market and altering the economic behaviour of those affected clients who accepted the modifications to their disability leave policy.

The initiation of these proceedings does not prejudge the final result of the investigation. A maximum period of 18 months is now open for the CNMC to investigate and decide the case.

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