21st April 2017

NOTICE

BERMUDA SOLVENCY CAPITAL REQUIREMENT UPDATE PROPOSAL – DRAFT RULES: WORKING VERSION FOR THE PURPOSES OF FIELD TESTING THE PROPOSAL

On 13th April 2017, the Bermuda Monetary Authority (Authority) published a notice (notice) confirming new dates for consultation in relation to the "Bermuda Solvency Capital Requirement Updated Proposal" (the consultation paper). The notice advised that draft Insurance (Prudential Standard) Amendment Rules relating to Class 4 and 3B insurers; Class C, D and E insurers, Class 3A insurers and insurance groups (the draft Rules) in connection therewith, would be published by 21st April 2017.

In connection with the foregoing, the Authority proposes to, at this time, post instructions instead of draft Rules. Please be advised that such instructions shall form the basis of the draft Rules and are being posted solely for the purposes of assisting the market to field test the technical measures outlined in the consultation paper.

In addition, the Authority anticipates consulting on additional technical measures and related requirements during the third quarter of 2017. Such consultation will, amongst other things, compile all proposed changes to the Insurance Prudential Standard Rules (Rules), including the measures currently being field tested. Draft rules shall be made and posted in connection with the consultation process; which is proposed to occur prior to the end of 2017. The final version of the Rules to be adopted, are proposed to be published on the website of the Authority on 31st July 2018.

If there any questions on the foregoing, kindly contact RiskAnaltyics@bma.bm.