24th October 2016

Dear Stakeholders:

Re: Proposed amendments to be made to the Insurance Prudential Standards Rules, Insurance (Eligible Capital Rules) and Insurance (Group Supervision) Rules (the Rules)

The Bermuda Monetary Authority (the Authority) would like to thank stakeholders for their continued support in furthering the development of the Bermuda insurance regulatory framework. The Authority appreciates the feedback received and is committed to working closely with its stakeholders to ensure that the regulatory regime is effective and is aligned with international standards.

On 15th May 2016, the Authority published notices and draft legislation with the intent of enhancing Anti-Money Laundering (AML) reporting requirements for Long-Term direct insurers and to properly align reporting requirements for eligible capital, particulars of ceded reinsurance, cash and cash equivalent counterparty analysis, schedule of currency risk and schedule of concentration.

The Authority only received comments with regards to the AML reporting requirements, specifically that the AML reporting should be consistent with that for captives (Class A and B insurers). A copy of revised reporting requirements can be found in the Legislation/Insurance section of the Authority's website.

Yours sincerely,

Bermuda Monetary Authority