



13th March 2013

NOTICE

Proposed Amendment to the Life Insurance Act 1978

The Authority is posting this proposed change to the Life Insurance Act 1978 (the “LIA”) for information.

The proposed change seeks to clarify -

- where a life policy has been validly assigned under a policy, then priority will be established under the LIA, regardless of whether additional registrations may have been made under the Companies Act 1981 and/or Mortgage Registration Act 1786; and
- the ambit of the LIA will apply to all contracts that are expressed to be governed by Bermuda Law.

Representatives of industry supported by Business Bermuda have suggested the proposed wording, and the Policy, Legal and Enforcement Department have reviewed the proposal and concluded that there are no major policy points which these changes may trigger.

Any comments on these recommendations put forward are welcomed, and should be sent to policy@bma.bm

EXHIBIT A



BERMUDA

1978 : 25

LIFE INSURANCE ACT 1978

Application (old version)

- 2 (1) This Act applies —
- (a) only to contracts made after its commencement; and
 - (b) to all contracts made in Bermuda unless the parties agree that some other law shall apply.

Application (revised version)

- 2 (1) This Act applies —
- (a) only to contracts made after its commencement; and
 - (b) to all contracts made in Bermuda or contracts which by their terms are expressed to be governed by Bermuda law unless the parties agree that some other law shall apply.