



13 March 2020

NOTICE

BERMUDA SOLVENCY CAPITAL REQUIREMENT FOR 2019 YEAR-END EQUITY RISK CAPITAL CHARGE–ADJUSTMENT FOR DEFERRED TAX ASSETS

Bermuda Monetary Authority (Authority) would like to inform registrants that the commercial general business insurers (Class 3A, Class 3B and Class 4) 2019 year-end Bermuda Solvency Capital Requirement (BSCR) models have been updated on the Authority’s website for the equity risk capital charge with the amendment to “Other Tangible Assets” calculation. The amendment eliminates the capital charge previously levied on Deferred Tax Assets (DTA). While this minor amendment has been necessitated by a few insurers with DTA, no further action is required for insurers that do not have DTA and have already completed the prior models released on 20 December 2019.

The updated models are found on the Authority’s website at:

<https://www.bma.bm/document-centre/reporting-forms-and-guidelines-insurance>

Further, this amendment was included in the updated models for insurance groups and commercial long-term insurers (Class C, Class D, Class E) that were released on 24 February 2020.

Any questions relating to the above, or any questions related to BSCR reporting, should be directed to riskanalytics@bma.bm.