



BERMUDA MONETARY AUTHORITY

[ASSET AND LIABILITY STATEMENT]

- 2025 Completion Instructions

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A. Overview

A.1. Background

1. In December 2024, the Bermuda Monetary Authority (Authority or BMA) issued the Consultation Paper (CP) [Proposed Enhancements to Public Disclosure Regime: Public Disclosure of Assets and Liabilities for Commercial Long-term Insurers](#). As a result of the CP, the BMA has strengthened the regulations governing the public disclosure of assets and liabilities for commercial long-term insurers. These enhancements apply to all Bermuda-regulated commercial long-term insurers¹, except for domestic insurers. These enhancements aim to:
 - (i) Improve the accessibility and detail of asset-related disclosures to ensure relevant information is available in a clear and comprehensive manner; and
 - (ii) Strengthen transparency around insurers' investment portfolios to support informed decision-making by policyholders.
2. The purpose of this document is to give instructions and guidance on how to complete the disclosure template for assets and liabilities (the 'Asset and Liability Statement') following the CP.

A.2. Asset and Liability Statement Completion Guidelines

3. The general completion instructions below are to be used as a guide for the completion of the Asset and Liability Statement for the purposes of public disclosure of investments and reserves.
 - (a) Investments must be listed at the Committee on Uniform Security Identification Procedures (CUSIP)/International Securities Identification Number (ISIN) or position level (internal ID). In this context, position level refers to the individual security, instrument or asset;
 - (b) Assets and Liabilities must be reported on a Generally Accepted Accounting Principles (GAAP) basis as defined under Section 17A of the Insurance Act (1978), which recognises the following standards: the International Financial Reporting Standards (IFRS); the GAAP that apply in Bermuda, Canada, the United Kingdom or the United States of America; or other such GAAP that the Authority may recognise. The values reported in the Asset and Liability Statement should reconcile to the amounts reported in the GAAP financial statements;
 - (c) The 'Other Assets' tab should capture all the other assets not accounted for in the other tabs. These include, but are not limited to, deferred tax assets, cash, equities and other similar items. These assets can be disclosed at an aggregate level by asset type;
 - (d) The figures in the 'Liabilities in the Reserves' tab must be entered as positive values, with negative liability values indicating an asset. For the avoidance of doubt, negative liabilities should be recorded in the 'Reserves' tab as negative values;
 - (e) For the 'Asset Appropriateness and ALM' tab, where necessary, insurers are encouraged to incorporate visuals or dashboards that effectively illustrate and address the questions posed. Responses should be tailored in granularity and detail to align with the insurer's investment strategy, size, complexity and overall business profile;

¹ Classes C, D and E.

- (f) For the 'Bonds and Loans' and 'Structured Assets' tabs, companies are encouraged to disclose the name of the Issuer, Counterparty or Special Purpose Vehicle (SPV) associated with each bond, loan or structured asset wherever possible. Where such disclosure is not practical, companies may instead provide a descriptive identification of the Issuer or, alternatively, disclose the name of the associated project;
- (g) Notes may be used to disclose supplementary information that aids the interpretation of figures, methodologies or assumptions. Notes should be clear, relevant and detailed enough to ensure that readers interpret the information presented accurately;
- (h) The figures that are required to be inserted in the template must be the full amount (i.e., all zeros should be included);
- (i) Figures must be denominated in the insurer's reporting currency. Where an insurer's assets or liabilities are denominated in a different currency, insurers should indicate this using the currency columns provided in each of the tabs. However, all numerical fields must still be completed in the insurer's reporting currency;
- (j) The template includes automated data validation checks that use conditional formatting to highlight cells with potential data errors. This colour coding allows users to quickly identify and resolve data issues before submitting the template to the Authority. Please pay close attention to the following colour codes:
- Grey – Cells with missing values
 - Yellow – Cells that may contain erroneous data
 - Red – Cells with confirmed errors
- (k) The 'Validation Report' sheet summarises all errors identified in the template using in-built Excel formulas. The report also includes a dedicated column where companies may add comments or explanatory notes to address any unresolved errors flagged by the template. This functionality is designed to minimise follow-up queries and reduce back-and-forth communication between companies and the Authority. While the Validation Report is optional, companies are encouraged to use it to improve data accuracy and enhance overall reporting quality; and
- (l) The 'Summary Sheet' automatically pulls data from all tabs and gives an overview of all the information entered.

B. ‘Reserves’ Tab

1. This section provides instructions on how to complete the Asset and Liability Statement on a product-type basis for the tabs relating to ‘Reserves’.

Field	Description
Product Type	This field in the statement should list the product type. Product types are classified into the following categories: mortality (term assurance, whole life, universal life); longevity (immediate pay-out annuities, future contingent annuities, pension pay-outs); disability; annuities certain only; deferred accumulation annuities; disability income; and group disability. Please refer to the <i>Bermuda Capital and Solvency Return Instruction Handbook for Class E, Class D and Class C Insurers</i> published on the Authority’s website annually for additional guidance on the product classification.
Currency	Currency of denomination, e.g. USD, GBP, JPY, EUR. The currency disclosed must match the denomination of the insurer’s underlying contractual obligations for each product type. If the same product type is issued in multiple currencies, the insurer must provide separate entries for each currency, repeating the product type for each corresponding denomination. However, all the values must be converted into the reporting currency.
Gross Reserves	This field is for entering the value of gross reserves, before the impact of any reinsurance.
Reinsurance Recoverable	This field is for entering the value of reserves expected to be recovered from reinsurers under existing reinsurance arrangements.
Net Reserves	This field is for entering the value of net reserves. Net reserves are calculated as gross reserves less reinsurance recoverable. They represent the insurer’s retained liability after reinsurance.
Effective Duration	This field is for reporting the effective duration of the liability, expressed in years. Effective duration measures the sensitivity of the present value of the projected liability cashflows to changes in the yield curve.

C. 'Asset Appropriateness and ALM' Tab

1. The 'Asset Appropriateness and ALM²' tab summarises the company's investment strategy, financial resilience, liquidity and risk management practices. All of the fields must be populated in sufficient detail.

Field Number	Description of Requirement
1	Provide, under this field, a brief assessment of the suitability of the asset allocation to the nature, duration, risks and cash flow profile of the insurer's liabilities. In addition, clearly explain how the specific characteristics of the liabilities influence the insurer's asset allocation.
2	Provide a description of how the insurer uses stress testing, sensitivity analysis and scenario analysis on their assets and liabilities to ensure financial resilience under various adverse conditions. Include details about how the results of these stress testing exercises are used to update the insurer's investment allocation and asset-liability matching targets.
3	Description of the liquidity of the asset portfolio, both under normal and stress conditions. Briefly describe the contingency measures in place to ensure adequate liquidity under adverse situations.
4	Provide a brief overview of the risk management practices employed to reduce exposure to market, credit and liquidity risks. This should include information on the use of derivatives and other instruments, including a summary of internal policies governing their application.
5	Explain any significant changes in asset allocations, sectoral exposures or general shift in investment strategy over the year. Provide a brief forward-looking analysis of potential significant changes in future.
6	Provide any additional information in this tab regarding the insurer's asset management and ALM practices that may help stakeholders assess the appropriateness of the asset strategy, the alignment between assets and liabilities, or any unique aspects of the insurer's business model.

² ALM – Asset and Liability Management

D. Assets and Derivatives

1. This section provides instructions on how to complete the Asset and Liability Statement on a column-by-column basis for the tabs relating to Assets, including Derivatives.
2. The table below reflects an indicative Asset Class mapping from relevant Bermuda Solvency Capital Requirement (BSCR) Schedules to the Asset and Liability Statement. The mapping is indicative only and is intended solely to aid insurers in categorising assets into the Asset and Liability Statement categories. In some cases, more than one mapping may be possible depending on the specifics of the case (and any specific instructions or directions provided by the BMA). For the avoidance of doubt, for BSCR purposes, and in particular for the schedules feeding the capital requirement calculations, insurers are expected to perform classifications based on the nature, characteristics and risks of specific assets, and in compliance with Prudential Rules, Instructions and relevant guidance.

Asset and Liability Statement	BSCR Schedule IIB (EBS) Field description	BSCR Schedule VI Field description
Cash	Cash and Cash Equivalents	Cash
Short-Term Treasury Bills	Cash and Cash Equivalents	Other
Certificates of Deposit	Cash and Cash Equivalents	Certificates of Deposit
Short-Term Commercial Paper	Cash and Cash Equivalents	Short-Term Commercial Paper
Money Market Funds	Cash and Cash Equivalents	Money Market Funds
Other Cash Equivalents	Cash and Cash Equivalents	Other
Sovereign Bonds	Corporate & Sovereign Bonds	Sovereign Bonds
Federal / Central Government Agencies	Corporate & Sovereign Bonds	Sovereign Bonds
Local Governments and Regional Authorities	Corporate & Sovereign Bonds	Municipals
Supranationals	Corporate & Sovereign Bonds	Supranational (multilateral development banks and international organisations)
Corporate Bonds - Non-Financial	Corporate & Sovereign Bonds	Corporate bonds
Corporate Bonds - Financial	Corporate & Sovereign Bonds	Corporate bonds
Covered Bonds	Corporate & Sovereign Bonds	Other - Secured Bonds
Other - Secured Bonds	Corporate & Sovereign Bonds	Other - Secured Bonds
Other - Unsecured Bonds	Corporate & Sovereign Bonds	Other - Unsecured Bonds
Other - Short-Term Debt	Corporate & Sovereign Bonds	Other - Unsecured Bonds
Loans – Middle Market	Corporate & Sovereign Bonds	Middle Market Loans
Loans – Large Cap	Corporate & Sovereign Bonds	Leveraged Loans
Collateral Loans	Collateral Loans	Collateral Loans
Policy Loans	Policy Loans	Policy Loans
Other Direct Loans	Asset Backed Securities	Other Direct Loans
RMBS - Agency	Residential MBS	RMBS - Agency
RMBS - Non-Agency	Residential MBS	RMBS - Non-agency
CMBS - Agency	Commercial MBS	CMBS
CMBS - Non-Agency	Commercial MBS	CMBS
CLO - Broadly syndicated	Asset Backed Securities	CLOs
CLO - Middle market	Asset Backed Securities	CLOs

Asset and Liability Statement	BSCR Schedule IIB (EBS) Field description	BSCR Schedule VI Field description
CDO	Asset Backed Securities	CDOs
ABS - Auto loans	Asset Backed Securities	Auto Loan ABS
ABS - Student loans	Asset Backed Securities	Student Loan ABS
ABS - Credit cards	Asset Backed Securities	Credit Card Receivable ABS
ABS - HELOC	Asset Backed Securities	Other ABS
ABS - Aircraft	Asset Backed Securities	Other ABS
ABS - Trade receivables	Asset Backed Securities	Other ABS
ABS - Real estate leases	Asset Backed Securities	Other ABS
ABS - Equipment leases	Asset Backed Securities	Other ABS
ABS - Royalties	Asset Backed Securities	Other ABS
ABS - Energy	Asset Backed Securities	Other ABS
ABS - Other	Asset Backed Securities	Other ABS
Rated Feeder	Asset Backed Securities	Other ABS
CFO Note	Asset Backed Securities	Other ABS
Other Structured Securities	Asset Backed Securities	Other ABS
Listed Equity - Direct	Listed Equity Securities in Developed Markets	Listed Equity - Direct
Private Equity - Direct	Other Equities / Other Assets	Private Equity - Direct
Private Equity - Mutual Fund	Other Equities / Other Assets	Private Equity - Fund
Other - Listed Equity	Other Equities / Other Assets	Other - Listed Equity
Other - Private Equity	Other Equities / Other Assets	Other - Private Equity
Mutual Fund - Sovereigns	Corporate & Sovereign Bonds	Mutual Fund - Sovereigns
ETF - Corporates	Corporate & Sovereign Bonds	Exchange-Traded Fund - Corporates
Mutual Fund - Corporates	Corporate & Sovereign Bonds	Mutual Fund - Corporates
ETF - Short-Term Debt	Corporate & Sovereign Bonds	Exchange-Traded Fund - Corporates
Mutual Fund - Short-Term Debt	Corporate & Sovereign Bonds	Mutual Fund - Corporates
Other Bond Funds	Corporate & Sovereign Bonds	Other Funds
Other Loan Fund	Asset Backed Securities	Other Loan Fund
Other Direct Private Lending	Asset Backed Securities	Other Direct Private Lending
Listed Preferred Equity - Direct	Preferred Shares	Listed Preferred Equity - Direct
Listed Preferred Equity - Mutual Fund	Preferred Shares	Listed Preferred Equity - Mutual Fund
Private Preferred Equity - Direct	Preferred Shares	Private Preferred Equity - Direct
Private Preferred Equity - Mutual Fund	Preferred Shares	Private Preferred Equity - Fund
Other - Listed Preferred Equity	Preferred Shares	Other - Listed Preferred Equity
Other - Private Preferred Equity	Preferred Shares	Other - Private Preferred Equity
Commercial and Farm Mortgages	Mortgage Loans - Other Commercial and Farm	Commercial and Farm Mortgages
Other Commercial Real Estate Loans	Mortgage Loans - Other Commercial and Farm	Other Commercial Real Estate Loans
Residential Mortgages	Mortgage Loans – Other Residential Mortgages	Other Residential Loans
Other Residential Loans	Mortgage Loans – Other Residential Mortgages	Other Residential Loans

D.1.1 Common Field Names

3. This section provides definitions for common field names that are contained in most or all asset tabs. The asset specific definitions are then included in sections B.1.2 to B.1.6.

Field	Description
Asset ID: CUSIP/ISIN/Internal ID	An asset-level unique identification code
Asset Name	Name of the debt instrument in question. This may reflect details of the issuing entity (borrower) and unique elements that distinguish the issue in question from other debt instruments issued by the same borrower.
BMA Asset Classification	Asset class for each asset as determined to be appropriate with reference to the list of BMA Asset Classes.
Currency	Currency of denomination, e.g. USD, GBP, JPY, EUR. This need not be the currency of the country in which the debt was issued.
Country of Risk	Country in which the debt structure (bond, loan, etc.) was issued
Ownership Vehicle	This field indicates whether the asset is held directly (e.g., direct property investment or direct investment in a corporate bond or loan tranche) or whether the investment uses an investment interface (e.g., an investment trust, fund, or other collective investment scheme).
Asset Type	Asset Type category used in the modelling process
BSCR Rating Mapping	BSCR Rating determined in accordance with the rules set out in the Instructions Handbook (i.e., the lowest of the ratings acceptable for BSCR purposes)
Maturity Date	Maturity date of the debt instrument (bond, loan tranche, etc.) if one exists
Market Value	Mark-to-market (for tradable assets) or mark-to-model (for private placements) fair value of the asset
Coupon Type	Nature of the coupon payment, either Fixed, Floating or Other, where Other could reflect, for example, Index Linked
Affiliated, Connected or Related Issuer	Assets with counterparty credit exposure to an affiliate, connected or related party. Insurers shall review the underlying counterparties in determining whether they are affiliated. 'Affiliated' means one company is affiliated with another company only if one of them is the subsidiary of the other, or both are subsidiaries of the same company, or each of them is controlled by the same person.

D.1.2 ‘Bonds and Loans’ and ‘Structured Assets’ Tabs

4. The Bonds and Loans category includes most of the traditional investment asset classes in government bonds, corporate fixed income and private placement debt not covered by other bespoke asset classes and common stock investments of insurance companies.
5. Structured Assets are pre-packaged structured finance investment strategies based on a single security, a basket of securities, options, indices, commodities, debt issuances, foreign currencies, or derivatives. Structured products frequently include Commercial Mortgage-Backed Securities (CMBS), Residential Mortgage-Backed Securities (RMBS), Collateralised Loan Obligations (CLO), other Asset Backed Securities (ABS), rated feeders, Collateralised Fund Obligations (CFO) notes, and Collateralised Debt Obligations (CDO).

Field	Description
Issuance Type (Public or Private)	Specify whether the asset is publicly tradeable (e.g., through an exchange) or whether it is a private placement. For this classification, 144A securities should be classified as publicly tradeable
Issuer/Counterparty	This is the name of the borrowing entity that issued the debt instrument (e.g., a bond or loan). In the case of a Special Purpose Vehicle (SPV), this will be the name of the OpCo/Project Co, not the HoldCo
US GAAP/IFRS Valuation Hierarchy Level	The valuation hierarchy corresponding to the inputs used to value the security
Nominal Amount	This field reflects the amount borrowed. Specify the holding size in units. For derivatives, this will reflect the derivative's notional value
Book Value	This is the accounting balance sheet value used in GAAP and/or IFRS standards. According to most accounting practices, this reflects the original cost after allowance for depreciation, amortisation and/or impairment
Fixed Coupon Rate (%)	This is a percentage of the nominal/holding size or the Floating Coupon as a reference index and spread
Effective Duration	The duration of an instrument where the value is calculated to include the expected change in cashflows caused by changes in market interest rates
Gross Market Yield (%)	An investment's gross yield to maturity represents its profit before taxes, expenses, and the cost of default and downgrade are deducted. The gross yield is expressed as a percentage. The yield on a fixed-income security is the discount rate that equates the present value of future cashflows to the current price

D.1.3 ‘Commercial Mortgage Loans’ Tab

6. A commercial real estate loan is a legally enforceable mortgage secured by a first lien on commercial property as opposed to residential property. Commercial Real Estate (CRE) refers to finished property that is used for non-residential purposes, such as (but not limited to) offices, retail space, hospitals, hotels or warehouses. Residential buildings with more than four dwelling units are also considered CRE.

Field	Description
State, if Country is USA	The US state where the collateral is located. If multi-state, identify the primary location of the collateral
Commercial Property Type	The specific classification of the commercial property
Delinquency Status	This option can be selected from the drop-down list showing the number of days since the last unfulfilled payment was due. For assets where the collateral is being or has been foreclosed, please select that option independently of the number of days delinquent
Original Loan Balance	The initial amount of the loan when it was first issued
Current Loan Balance	The total amount remaining on the loan as of the current valuation date
Current CLTV	The ratio of the value of the currently outstanding loan principal to the most recently assessed value of the underlying collateral. In the context of property-backed investments, collateral value would reflect the most recent property valuation
Effective Duration	The duration of an instrument where the value is calculated to include the expected change in cashflows caused by changes in market interest rates
Fixed Coupon (%)	Fixed Coupon as a percentage of nominal/holding size

D.1.4 ‘Residential Mortgage Loans’ Tab

7. A residential real estate loan is a legally enforceable mortgage secured by a first lien on residential real estate. Residential real estate consists of finished properties that have the nature of a dwelling and satisfy all applicable laws and regulations, enabling the properties to be occupied for housing purposes (i.e. residential property). Residential properties with more than four dwellings are considered CRE.

Field	Description
State, if Country is USA	US state location of the collateral. If multi-state, identify the primary location of the collateral
Residential Property Type	Residential property type (e.g., single family, multi-family, condo, co-op, land, etc.)
Delinquency Status	Delinquency status from the drop-down list showing number of days since the last unfulfilled payment was due. For assets where the collateral is being or has been foreclosed, please select that option independently of the number of days delinquent.
Current Loan Balance	Amount outstanding on the loan at the current valuation date
Effective Duration	Duration of an instrument where the value is calculated to include the expected change in cash flows caused by changes in market interest rates
Fixed Coupon (%)	Fixed Coupon as a percentage of nominal/holding size

D.1.5 ‘Derivatives’ Tab

8. Active derivative positions are defined as those held by the registrant at the measurement date.

Field	Description
CUSIP/ISIN	This is an asset-level unique identification code
Derivative Type	This field should describe the type of derivative, for example, Interest Rate Swap (IRS) or Inflation Swap, as well as the leg the asset line refers to, for example, Receiver or Payer
Derivative Asset Class	This field should reflect the underlying asset class of the derivative as selected from the drop-down options available
Date of Maturity or Expiration	The date of maturity or expiration of the investment
Number of Contracts	The contract number
(Base) Currency	The currency of the denomination, e.g. USD, GBP, JPY, EUR. This need not be the currency of the country in which the debt was issued
Notional Amount	This field reflects the amount borrowed. Specify the holding size in units. For derivatives, this will reflect the derivative's notional value
Fair Value	This is the value consistent with fair value and market consistent principles. For tradeable assets, this should reflect the market value. For non-tradeable assets, this will reflect the mark-to-model value

D.1.6 ‘Separate Account Assets’ and ‘Other Assets’ Tabs

9. ‘Other Assets’ do not traditionally fit into the investment categories reported under the other categories. Examples include hedge funds or private equity.
10. ‘Separate account Assets’ are assets held in a dedicated ‘separate account’ (or ‘unit linked/with-profits sub-fund/linked fund’, etc.) corresponding to contracts under which investment risk is borne by the contract holder or policyholder. These assets are legally or contractually segregated from the insurer’s general assets and liabilities. They support only the liabilities (reserves, benefit obligations, etc.) of those specific policies or policyholders and are not available to meet general account liabilities.

Field	Description
US GAAP/IFRS Valuation Hierarchy Level	The valuation hierarchy corresponding to the inputs used to value the security
Nominal Amount	This field reflects the amount borrowed. Specify the holding size in units. For derivatives, this will reflect the notional value of the derivative
Book Value	This is the accounting balance sheet value used in GAAP and/or IFRS standards. This, according to most accounting practices, reflects the original cost after allowance for depreciation, amortisation, and/or impairment
Coupon Rate (%)	The Fixed Coupon is expressed as a percentage of nominal / holding size, and the Floating Coupon is expressed as the index plus spread
Gross Market Yield (%)	An investment's gross yield to maturity represents its profit before taxes, expenses and the cost of default and downgrade are deducted. The gross yield is expressed as a percentage. The yield on a fixed-income security is the discount rate that equates the present value of future cashflows to the current price