



BERMUDA

INSURANCE (PRUDENTIAL STANDARDS) (CLASS 3A SOLVENCY
REQUIREMENT) AMENDMENT (NO. 3) RULES 2016

BR 120 / 2016

TABLE OF CONTENTS

- 1 Citation
- 2 Amends Schedule I
- 3 Revokes and replaces Schedule IIA
- 4 Commencement

SCHEDULE

The Bermuda Monetary Authority, in exercise of the power conferred by section 6A of the Insurance Act 1978, makes the following rules:

Citation

1 These Rules, which amend the Insurance (Prudential Standards) (Class 3A Solvency Requirement) Rules 2011 (the “principal Rules”), may be cited as the Insurance (Prudential Standards) (Class 3A Solvency Requirement) Amendment (No. 3) Rules 2016.

Amends Schedule I

2 Schedule I to the principal Rules is amended—

- (a) in paragraph 3, in Table 2 (“Capital charge factors for *Eqastclass_i*”) by deleting “*Other equity investments*” and substituting the following—

<i>Other equity investments</i>		
Company-occupied real estate less: encumbrances	Form 1EBS, Line 7(a)	10.0%

INSURANCE (PRUDENTIAL STANDARDS) (CLASS 3A SOLVENCY REQUIREMENT) AMENDMENT (NO. 3) RULES 2016

Real estate investments less: encumbrances	Form 1EBS, Line 7(b)	20.0%
Other equity investments	Form 1EBS, Lines 2(e), 3(e) and Schedule IIA, Line 21, Column (7)	20.0%
Other tangible assets and deposit liabilities - net of segregated accounts	Form 1EBS, Lines 13(k), 14(d) and 36(f) Less 13(d)	20.0%

(b) in paragraph 6, in Table 5 (“Capital charge factors for *Concastclass_i*”) by deleting “Investment in Affiliates - Unregulated financial operating entities” and substituting the following—

Investment in Affiliates - unregulated financial operating entities	Schedule XXI Column D	55.0%
---	-----------------------	-------

Revokes and replaces Schedule IIA

3 Schedule IIA to the principal Rules is revoked and replaced.

Commencement

4 These Rules come into operation on 31 March 2017 and apply to financial years commencing on or after 1 January 2018.

INSURANCE (PRUDENTIAL STANDARDS) (CLASS 3A SOLVENCY
REQUIREMENT) AMENDMENT (NO. 3) RULES 2016

SCHEDULE

(paragraphs 2 and 3)

The Schedule referred to in paragraph 2 and 3 has been omitted from these Rules and published on the Authority's website www.bma.bm in accordance with section 6A(8) of the Insurance Act 1978.

Made this 12th day of December 2016

Chairman
Bermuda Monetary Authority