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10th February, 2010

Dear Class 4 and Class 3B Re(insurers):

RE: Schedule V – Schedule of Risk Management (i) and (l)

Schedule V - Schedule of Risk Management of the Insurance Prudential Standards (Class 4 Solvency Requirement) Order 2008 ("the Order") requires submission of the following information to the Authority in the Capital and Solvency Return:

- (i) the catastrophe exposure limits, gross probable maximum loss, and net probable maximum loss by territories and by statutory lines of business separated by insurance and reinsurance; and
- (l) financial impact and description of stress and scenarios.

In accordance with market requests, we attach a template for the above as a guide in relation to the consistency, accuracy and completeness of information. This should reduce both unnecessary communication and the need to make re-submissions. The attached template has 4 reporting input worksheets: Exposure Limits, Gross Probable Maximum Losses, Net Probable Maximum Losses, and Stress and Scenarios. Companies are encouraged to still make reference to Schedule V - Schedule of Risk Management in the Order to confirm that they have fulfilled all reporting requirements.

Please note that use of this template is **not** mandatory for this year; however, the Authority would highly appreciate its use as well as any comments in respect of its improvement.

Events ID

As you are aware, the Event IDs for the Vendor Modelled RDS' are updated each year after the annual publication of our prescribed stress and scenario testing requirements. We attach the prescribed stress and scenario testing document with the latest Event IDs.

Should you have any questions or clarifications, please do not hesitate to contact us at policy@bma.bm. You may also contact myself at 441-278-0331.

Yours faithfully,

Craig Swan
Director
Policy, Research & Risk Assessment Department