

**SEGREGATED ACCOUNTS COMPANIES AMENDMENT ACT
2004**



BERMUDA

2004 : 30

**SEGREGATED ACCOUNTS COMPANIES AMENDMENT ACT
2004**

Date of Assent: 17 December 2004

Operative Date: 17 December 2004

ARRANGEMENT OF SECTIONS

1	Short title	5	Amendment of section
2	Amendment of section 2		17B
3	Amendment of section 3	6	Amendment of section 18
4	Amendment of section 5		

WHEREAS it is expedient to amend the Segregated Accounts Companies Act 2000:

Be it enacted by The Queen's Most Excellent Majesty, by and with the advice and consent of the Senate and the House of Assembly of Bermuda, and by the authority of the same, as follows:

Short title

1 This Act may be cited as the Segregated Accounts Companies Amendment Act 2004.

Amendment of section 2

2 Section 2 of the Segregated Accounts Companies Act 2000 (in this Act referred to as "the principal Act") is amended —

- (a) in subsection (4), by deleting "Trust Companies Act 1991" and substituting "Trusts (Regulation of Trust Business) Act 2001"; and
- (b) by inserting the following subsection next after subsection (4) —

"(5) Section 24 of the Insurance Act 1978 shall not apply to an insurer who is registered as a segregated accounts company under this Act."

Amendment of section 3

3 Section 3 of the principal Act is amended by repealing subsection (2) and substituting the following subsection —

"(2) From the date of registration under this Act, a segregated accounts company shall be bound by this Act and from such date it may establish one or more segregated accounts to which this Act shall apply."

Amendment of section 5

4 Section 5 of the principal Act is amended in subsection (2)(a)(iv)(C) by deleting "vexations" and substituting "vexatious".

Amendment of section 17B

5 Section 17B of the principal Act is amended —

- (a) in subsection (1) —
 - (i) by repealing paragraphs (a) and (b), and substituting the following paragraphs —
 - "(a) that no party shall seek, whether in any proceedings or by any other means whatsoever or wheresoever, to establish any interest in or recourse against any asset linked to any segregated account to satisfy a claim or liability not linked to that segregated account;
 - (b) that if any party succeeds by any means whatsoever or wheresoever in establishing any interest in or recourse against any asset linked to any segregated account of the

company in respect of a liability not linked to that segregated account, that party shall be liable to the company to pay a sum equal to the value of the benefit thereby obtained by him; and"; and

(ii) in paragraph (c), by deleting "attributable" wherever it occurs and substituting "linked"; and

(b) in subsection (4), by deleting "attributable" wherever it occurs and substituting "linked".

Amendment of section 18

6 Section 18 of the principal Act is amended —

(a) by repealing subsection (1) and substituting the following subsection —

"(1) Notwithstanding any enactment or rule of law to the contrary, any asset of a segregated accounts company which is linked to a particular segregated account is deemed to be owned by the company as a separate fund which does not form part of the general account."; and

(b) in subsection (13) by deleting "1973" and substituting "1972".
