



Memorandum

Date: May 30, 2011
To: Industry stakeholders
From: Shauna MacKenzie
Subject: Insurance Appeal Tribunal Regulations 2011

Issue: Enactment of Insurance Appeal Tribunal Regulations 2011 (the “Regulations”)

Background: The Insurance Act 1978 was amended in 2006 to provide for an appeal process. Similar to other financial services sector an appeal tribunal may be constituted to address an appeal from the decision of the Authority on the following matters:

- Cancelling the registration of a registered person
- Direction to remove a controller under section 32 (2)(j)
- Making adjustments to an insurer’s capital under section 6D
- Objection to a material change under section 30JA

The Regulations also enable a controller who is being removed to appeal the decision along with the registered person. The Regulations are similar to those adopted for other tribunals including the regulations enacted under the Trusts (Regulation of Trust Business) Act 2001, the Investment Business Act 2003 and the Banks and Deposit Companies Act 1999.

Discussion: The Regulations are made under section 44D and are subject to negative resolution procedure. The Regulations have been signed off by the Attorney General’s Chambers. The only matter to be addressed is the right of a designated insurer to appeal an adjustment to the capital requirements by the Authority as provided for under section 6D. The appeal provisions do not appear to cover designated insurers.

The Ministry of Finance proposes to make these regulations by the end of June. Would you please forward comments to the Bermuda Monetary Authority by **June 22, 2011**.

Thank you for your attention to this matter.

Shauna MacKenzie
Director, Legal Services and Enforcement