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PRESS RELEASE

For Release: Thursday 24th September 2009

BERMUDA MONETARY AUTHORITY AND FLORIDA OFFICE OF INSURANCE REGULATION SIGN COOPERATION AGREEMENT

Memorandum of Understanding sets formal basis for cooperation and coordination between both regulators

The Bermuda Monetary Authority announced today that it has signed a Memorandum of Understanding (MOU) with the Florida Office of Insurance Regulation (FLOIR). This is the latest in a number of such agreements that the Authority has signed to formalise existing working relationships and interaction with its regulatory counterparts overseas.

Matthew Elderfield, Chief Executive Officer of the Authority and Kevin McCarty, Florida Insurance Commissioner, signed the MOU today. The agreement takes immediate effect and establishes a formal basis for consultation, cooperation and coordination between the Authority and the FLOIR, including the exchange of information relevant to each agency's supervisory, regulatory and examination responsibilities in relation to insurance companies of mutual interest.

On signing the agreement, Matthew Elderfield said, "We are very happy to be building on our existing history of cooperation with our colleagues at the Florida Office of Insurance Regulation by establishing this MOU. The Bermuda reinsurance market provides a critically significant level of support to Florida-based insurers. The MOU means we can assist each other on supervisory matters involving companies of common interest within our respective markets. Taking such actions is in the ultimate interests of policyholders and supports overall stability in the insurance market."

More.../



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Commissioner McCarty also welcomed the formalising of relations between the two agencies and said, “Just as we work closely with other state regulators in this country to monitor company solvency and implement consumer protections, we must also increase our cooperation with our international counterparts. As we observed during the downturn in our economy a year ago, America’s insurance markets are systemically intertwined with those of other countries.”

According to data published by the Association of Bermuda Insurers and Reinsurers, Bermuda’s reinsurers paid \$22 billion to rebuild the US Gulf and Florida coasts from the hurricane seasons of 2004 and 2005, and Bermuda carriers currently provide more than 60% of the hurricane reinsurance in Florida and Texas.

Recognising the efforts of those involved in negotiating the MOU Mr. Elderfield added, “The teams at the Authority and the Florida Office worked very effectively together to develop and confirm this agreement. I’d like to thank in particular Dina Wilson, Legal Counsel at the Authority and Susan Dawson, General Counsel at the Florida Office, for their hard work on this initiative.”

By establishing the MOU, both regulatory bodies formally express their willingness to cooperate with each other in the interest of fulfilling their respective regulatory mandates and functions. The MOU also covers procedures for the regulators to both request and provide investigative assistance, where appropriate, with respect to companies and individuals conducting insurance business in Bermuda and Florida.

The Bermuda Monetary Authority (BMA) is an independent statutory authority established under the Bermuda Monetary Authority Act 1969. The BMA has statutory responsibility for the supervision and regulation of financial institutions including insurance companies and insurance intermediaries in Bermuda.

The Florida Office of Insurance Regulation (Office) has primary responsibility for regulation, compliance and enforcement of statutes relating to the business of insurance and the monitoring of industry markets. The Office pursues its mission of public protection via regulatory oversight of insurance



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company solvency, policy forms and rates, market conduct performance and monitoring new company entrants into the Florida market.

- End -

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