



22 September 2023

## NOTICE

### **Consultation Paper – Proposed Enhancements to the Regulatory Regime for Commercial Insurers: Revised Draft Rules and Guidance Notes for all Commercial Classes and Insurance Groups**

The Bermuda Monetary Authority (Authority or BMA) strives to ensure that the cornerstones of the Bermuda regulatory regime continue to be sound, serving the double goal of protecting policyholders and contributing to financial stability. The Authority thanks its stakeholders for their continued engagement and support to enhance the regulatory framework.

On 8 December 2022, the Authority published a Notice informing stakeholders about upcoming targeted enhancements to Bermuda's regulatory regime for commercial insurers that was primarily focused on long-term insurers. Accordingly, on 24 February 2023, the Authority published a consultation paper: *Proposed Enhancements to the Regulatory Regime and Fees for Long-term Commercial Insurers* (CP1). The Authority's assessment of the feedback received from stakeholders, along with its continuous efforts to enhance the regulatory regime, resulted in the publication of a second version of the Consultation Paper (CP2) on 28 July 2023, requesting feedback from stakeholders to be submitted no later than 15 September 2023. Subsequently, on 8 September, the Authority published the revision of insurance group rules (*Insurance (Prudential Standards) (Insurance Group Solvency Requirement) Rules 2011*) and guidance notes that transpose the changes proposed in the CP2 into the insurance rules and guidance to regulate the activities of insurers. Stakeholders are requested to provide feedback on the group rules by 29 September 2023.

The Authority has now published the remaining set of rules for each applicable commercial insurer class on the BMA website for consultation ([Open Discussion/Consultation Papers - BMA](#)) as follows:

- Revision of insurance rules for commercial classes 3A, 3B, 4, C, D and E.
- Group rules previously published on September 8 with one amendment that clarifies that the scenario based approach is available to be used only for long-term insurance exposures.

The Authority invites stakeholders to provide comments on the draft rules and guidance notes to [riskanalytics@bma.bm](mailto:riskanalytics@bma.bm) no later than 29 September 2023.