



BERMUDA

INSURANCE (PUBLIC DISCLOSURE) RULES 2015

BR 56 / 2015

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The Bermuda Monetary Authority, in exercise of the powers conferred by section 6A of the Insurance Act 1978, makes the following Rules—

Citation

- 1 These Rules may be cited as the Insurance (Public Disclosure) Rules 2015.

Interpretation

- 2 In these Rules, unless the context requires otherwise—
- “Act” means the Insurance Act 1978;
  - “Code” means the Insurance Code of Conduct;
  - “Eligible Capital Rules” means the Insurance (Eligible Capital) Rules 2012;
  - “filing date” has the meaning given in section 17(4)(b) of the Act;
  - “financial condition report” means any financial condition report prepared in accordance with rule 3;

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“insurer” means a Class 3A, Class 3B, Class 4, Class C, Class D or Class E insurer;

“relevant overseas authority” means an authority, discharging in another jurisdiction or territory, functions corresponding to those of the Authority under the Act;

“significant event” means an event, in the opinion of the Board of Directors of an insurer, which has occurred—

- (a) after year-end but before the filing date of the financial condition report;
- (b) after the filing date and publication of the financial condition report,

that has or will have a material impact on the information contained in the financial condition report regarding an insurer’s operations; including but not limited to, acquisitions, divestitures or new lines of business entered into.

### Financial condition report

3 (1) Schedule I has effect.

(2) Every insurer shall prepare a financial condition report in accordance with Schedule I.

(3) A financial condition report shall be comprised of an electronic version and a printed version, and shall be filed with the Authority on or before the filing date.

(4) Every insurer with a website shall publish on its website a copy of the financial condition report within 14 days of the date the report was filed with the Authority.

(5) Every insurer that does not have a website must furnish to the public a copy of a financial condition report within 10 days of receipt of a request made in writing.

(6) Every insurer shall keep copies of the financial condition report at its head office for a period of five years beginning with its filing date.

(7) In considering an application made in accordance with section 6C of the Act to modify or exempt an insurer from the requirements under these Rules, the Authority may take into account the following situations—

- (a) where the Authority is satisfied that the disclosure of certain information will result in a competitive disadvantage for an insurer;
- (b) where there are contractual obligations between an insurer and policyholders or counterparties to keep certain information confidential;
- (c) where such disclosures may be prohibited by a jurisdiction’s law or may breach a direction issued by the Authority or any other relevant overseas authority;
- (d) where the Authority is satisfied that the disclosure of information by the insurer will be made directly to all policy holders, beneficiaries and counterparties and the disclosures are equivalent to the information required for the financial condition report;

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- (e) where an insurer is a member of an insurance group and the Authority is the Group Supervisor of the insurance group; and is satisfied that the filing of the insurance group's financial condition report provides information that is appropriate and specific to the insurer's business;
- (f) where there are other statutory public disclosure requirements imposed on an insurer under the Act; and the Authority is satisfied that references may be made to the requirements under this Rule where such disclosures provide similar information to that required in the financial condition report.

(7A) When considering situations for an exemption under paragraph (7)(a) or (b), the Authority shall not grant an application of an insurer for an exemption from the requirement to provide particulars relating to paragraph (e) (capital management) of the financial condition report of the insurer required in accordance with Schedule 1.

(8) Where approval has been granted by the Authority for a modification or exemption in accordance with the Act, the insurer may state in its financial condition report that the Authority has provided such approval.

*[Rule 3 paragraph (7A) inserted by BR 41 / 2016 rule 2 effective 13 May 2016]*

### Subsequent event

4 (1) Where a significant event occurs on or before an insurer's filing date, such insurer shall submit to the Authority a report on the event at the time of filing its financial condition report under rule 3 as part of the financial condition report under the Schedule I, heading "Subsequent Event".

(2) Where a significant event occurs after an insurer's filing date, such insurer shall submit to the Authority a report on the event within 14 days of the occurrence of such event.

(3) Every insurer with a website shall publish on such website, a report on a significant event occurring after the filing date within 30 days of the date submission of the report to the Authority, or by such other date agreed by the Authority.

(4) Every insurer that does not have a website must furnish to the public a copy of any report on a significant event occurring after the filing date within 30 days of receipt of a request made in writing.

(5) Every insurer shall keep copies of reports on any significant event at its head office for a period of five years beginning after the date such report was filed with the Authority.

### Declaration on financial condition report or significant event

5 Every financial condition report or report on a significant event submitted by an insurer shall be signed by—

- (a) the chief executive of the insurer; and

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- (b) any senior executive responsible for actuarial or risk management or internal audit or compliance function,

declaring that to the best of their knowledge and belief, the financial condition report or the report on a significant event fairly represents the financial condition of the insurer in all material respects.

### Failure to file a financial condition report or significant event

6 (1) Where an insurer fails to file a financial condition report or a report on a significant event as the case may be, it shall be liable to a civil penalty calculated in accordance with sub-rule (2).

(2) For each week or part of a week that an insurer fails to comply with a requirement imposed on it under rules 3 and 4 of these Rules, it shall be liable to a civil penalty not exceeding—

(a) \$1,000 in the case of a Class 3A or Class C insurer;

(b) \$5,000 in the case of a Class 3B, Class 4, Class D or Class E insurer,

and the civil penalty applicable to an insurer falling within more than one paragraph shall be the higher penalty.

### Commencement

7 These Rules come into operation on 1 January 2016 and apply to financial years commencing on or after 1 January 2016.

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SCHEDULE

(rule 3)

*The Schedule to these Rules has been omitted.*

*In accordance with section 6A(8) of the Insurance Act 1978, the Schedule referred to in rule 3 of these Rules is published separately on the website of the Authority: [www.bma.bm](http://www.bma.bm).*

Made this 13th day of July 2015

Chairman  
The Bermuda Monetary Authority

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*[Amended by:*

BR 41 / 2016]