

Insurance (Valuation and Capital) Regulations 2004

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No. S 498

**INSURANCE ACT
(CHAPTER 142)**

INSURANCE (VALUATION AND CAPITAL) REGULATIONS 2004

In exercise of the powers conferred by sections 9(1)(c), 17, 18 and 64(1) of the Insurance Act, the Monetary Authority of Singapore hereby makes the following Regulations:

PART I

PRELIMINARY

Citation and commencement

1. These Regulations may be cited as the Insurance (Valuation and Capital) Regulations 2004 and shall come into operation on 23rd August 2004.

Definitions

2.—(1) In these Regulations, unless the context otherwise requires —

“Accounting Standards” has the same meaning as in section 4(1) of the Companies Act (Cap. 50);

“aggregate limit”, in relation to a contract of reinsurance entered into between an SPRV and a ceding insurer, means the maximum amount payable to the ceding insurer under that contract;

[S 845/2018 wef 01/01/2019]

[Deleted by S 233/2013 wef 18/04/2013]

“appointed day” means the date of commencement of these Regulations;

[Deleted by S 233/2013 wef 18/04/2013]

[Deleted by S 137/2020 wef 31/03/2020]

“ceding insurer” means an insurer that enters into a contract of reinsurance with an SPRV;

[S 845/2018 wef 01/01/2019]

“collective investment scheme” has the same meaning as in section 2(1) of the Securities and Futures Act (Cap. 289);

[Deleted by S 137/2020 wef 31/03/2020]

“counterparty” means any person who is under a financial obligation to the insurer;

“debt security” includes any debenture, bond or note;

[Deleted by S 137/2020 wef 31/03/2020]

“equity security” includes any stock, share, depository receipt or unit in a collective investment scheme;

[Deleted by S 137/2020 wef 31/03/2020]

[Deleted by S 137/2020 wef 31/03/2020]

“fully funded”, in relation to an SPRV, means —

- (a) in the case of any contract of reinsurance entered into between the SPRV and a ceding insurer that specifies an aggregate limit, that the

assets held on trust or otherwise held under the terms of that contract by or on behalf of the SPRV for the benefit of the ceding insurer are not at any time less than the potential liabilities of the SPRV under all reasonably foreseeable scenarios, taking into account the aggregate limit of that contract and the expenses that the SPRV expects to incur; and

- (b) in the case of any contract of reinsurance entered into between the SPRV and a ceding insurer that does not specify an aggregate limit, that the assets held on trust or otherwise held under the terms of that contract by or on behalf of the SPRV for the benefit of the ceding insurer are not at any time less than the potential liabilities of the SPRV under all reasonably foreseeable scenarios, taking into account the obligations of the SPRV towards the ceding insurer under that contract and the expenses that the SPRV expects to incur;

[S 845/2018 wef 01/01/2019]

[Deleted by S 137/2020 wef 31/03/2020]

“general fund” means an insurance fund established and maintained by a licensed insurer under section 17(1) of the Act for general business;

[S 137/2020 wef 31/03/2020]

[Deleted by S 137/2020 wef 31/03/2020]

“insurance securitisation”, in relation to an SPRV, means any debt or other financing arrangement entered into by the SPRV with an investor, where repayment of the principal or interest (or both) to the investor is contingent upon the occurrence or non-occurrence of an event, upon which the ceding insurer is exposed to financial loss under contracts of insurance or reinsurance that the ceding insurer has issued;

[S 845/2018 wef 01/01/2019]

“investment-linked fund” means an insurance fund for investment-linked policies established and maintained under section 17(1A) of the Act;

[Deleted by S 137/2020 wef 31/03/2020]

“MAS Notice 129” means the notice commonly known as MAS Notice 129 issued by the Authority under sections 36(3), 36(3A), 37(1)(b) and 64(2) of the Act, as amended from time to time, and includes any notice that replaces it;

[S 845/2018 wef 01/01/2019]

“MAS Notice 130” means the notice commonly known as MAS Notice 130 issued by the Authority under sections 36(3), 36(3A) and 64(2) of the Act, as amended from time to time, and includes any notice that replaces it;