



# IAIS

INTERNATIONAL ASSOCIATION OF  
INSURANCE SUPERVISORS

# Application Paper on the Regulation and Supervision of Captive Insurers

Caroline Bradley  
Chair, Captive Insurance Drafting Team

Stakeholder Session  
5 October 2015



### Comments and input received from:

- 12 in total
- 5 Members

Comments posted to IAIS website August 2015

## Comments and resolutions - General

---

Comment	Resolution
Scope of Paper	Often rejected as went outside reach of paper
Degree of prescriptiveness/proportionality	Application should be proportionate and not overly prescriptive but yet still provide demonstration on how supervision can apply
Paper reliance on ICPs under review	ICP revision is a continual evolving process, papers are published periodically and must simply allow for this reality
Clarity/improvement in understanding	Drafting changes made to improve understandability of intentions

# Comments and resolutions – Structure, language and application of ICPs

---

Comment	Resolution
Structural Issues	Improvements in clarity on the proportionality principle to avoid repetition throughout the paper
Language Issues	Use of language – should/must/may – reviewed and amended where appropriate
Applying to – Licensing Management and control On-site inspections Disclosure ORSA and ERM	Drafting changes made where necessary to add clarity but resisted where comments suggested deviating from or going beyond the ICPs.

# Comments and resolutions – Protected Cells, Pure Captives and Insurance Managers

---

Comment	Resolution
Differing approaches to PCCs	Differences in supervisory approaches to protected cell companies allowed for to reflect variations which now exist
Approaches to pure captives e.g. ORSA	Scalability and proportionality reflected in the paper
Insurance Managers	ICPs make no requirement for Licensing Drafting changes made to clarify that the ICPs do not apply to Insurance Managers but to the captives that they manage

# Next steps

---

- Stakeholder session 5 October
- Presentation for approval at Parent Committees in mid November to AGM
- Presentation for adoption at AGM in mid November
- Adopted end November and paper published

# Contact information

---

Caroline Bradley  
Chair – Captive Insurance Drafting Team

Lance Leatherbarrow  
Senior Policy Advisor / Risk Officer

Telephone: + 41 61 280 8326  
Mobile: + 41 76 350 8326  
Email: lance.leatherbarrow@bis.org

c/o Bank for International Settlements  
Centralbahnplatz 2  
CH-4002 Basel  
Switzerland  
Website: [www.iaisweb.org](http://www.iaisweb.org)