

**Insurance (General Provisions and Exemptions for Marine Mutual Insurers)
Regulations 2007**

Table of Contents

Enacting Formula

Part I PRELIMINARY

1 Citation and commencement

2 Definitions

**Part II FINANCIAL REQUIREMENT BEFORE REGISTRATION, FUND
SOLVENCY REQUIREMENT AND CAPITAL ADEQUACY
REQUIREMENT**

3 Paid-up capital requirement

4 Fund solvency requirement

5 Capital adequacy requirement

**6 Exemptions in respect of Insurance (Valuation and Capital)
Regulations 2004**

Part III ACCOUNTS AND STATEMENTS

**7 Exemptions in respect of Insurance (Accounts and Statements)
Regulations 2004**

8 Forms

9 Balance sheet in respect of global business operations

10 Additional returns

11 Provisions as to returns lodged

12 Valuation of assets and liabilities

13 Lodgment and signature of additional returns

14 Additional returns in electronic form

15 Deadlines for lodgment of returns

Part IV General EXEMPTIONS

16 Exemption from deposit

17 Exemption in respect of insurance funds

18 Exemption from actuarial certification of liabilities

19 Exemption in respect of Policy Owners' Protection Fund

Part V MISCELLANEOUS

20 Revocation

21 Savings and transitional provisions

THE SCHEDULE Insurance Act (Chapter 142) Insurance (General Provisions and Exemptions for Marine Mutual Insurers) Regulations

No. S 746

**INSURANCE ACT
(CHAPTER 142)**

INSURANCE (GENERAL PROVISIONS AND

EXEMPTIONS FOR MARINE MUTUAL INSURERS) REGULATIONS 2007

In exercise of the powers conferred by sections 9, 18, 36, 52(1) 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 (General Provisions and Exemptions for Marine Mutual Insurers) Regulations 2007 and shall come into operation on 1st January 2008.

Definitions

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

“electronic record” has the same meaning as in section 2 of the Electronic Transactions Act (Cap. 88);

“GSIF amount”, in relation to an insurance fund that relates to Singapore policies, means the highest of the following amounts:

- (a) \$400,000;
- (b) 20% of net premiums written of the fund in the preceding financial year; or
- (c) 20% of claim liabilities of the fund as at the end of the preceding financial year;

“marine adventure” has the same meaning as in section 3(2) of the Marine Insurance Act (Cap. 387);

“marine mutual insurance business” means the business of providing the insurance of liabilities under insurance policies on the basis of mutual insurance —

- (a) upon goods, merchandise or property of any description transported on board vessel, including incidental transit before and after shipment;
- (b) upon the freight of, or any other interest in or relating to, vessels;

- (c) upon vessels, or upon machinery, tackle furniture or equipment of vessels;
- (d) against damage arising out of or in connection with the use of vessels, including third-party risks;
- (e) against risks incidental to the construction, repair or docking of vessels, including third-party risks; or
- (f) against such other risks as the Authority considers to be connected with or incidental to marine adventures or any of the matters referred to in paragraphs (a) to (e);

“marine mutual insurer” means an insurer registered under section 8 of the Act as a direct insurer to carry on general business and which is permitted to carry on marine mutual insurance business only;

“mutual insurance” has the same meaning as in section 85(1) of the Marine Insurance Act;

“valuation date” means the date on which the assets and liabilities of a marine mutual insurer are valued.

PART II

FINANCIAL REQUIREMENT BEFORE REGISTRATION, FUND SOLVENCY REQUIREMENT AND CAPITAL ADEQUACY REQUIREMENT

Paid-up capital requirement

3. For the purposes of section 9(1)(c) of the Act, the Authority shall not register an applicant as a marine mutual insurer unless the applicant has a paid-up ordinary share capital (or its equivalent recognised by the Authority as applicable to the applicant under the laws of the country or territory in which the applicant is incorporated, formed or established) of not less than \$5 million.

Fund solvency requirement

4. For the purposes of section 18(1)(a) of the Act, the fund solvency requirement in respect of an insurance fund established and maintained by a marine mutual insurer under the Act shall at all times be such that —

- (a) in the case of an insurance fund that relates to Singapore policies, the surplus of assets over liabilities of the fund, less its contingent liabilities, is

not less than the GSIF amount; and

- (b) in the case of an insurance fund that relates to offshore policies, the amount of assets in the fund, less its contingent liabilities, is not less than the amount of liabilities of the fund.

Capital adequacy requirement

5. For the purposes of section 18(1)(b) of the Act, the capital adequacy requirement of a marine mutual insurer shall at all times be such that the shareholders' equity and surplus, less the contingent liabilities of the insurer, is not less than the sum of \$400,000 and the GSIF amount.

Exemptions in respect of Insurance (Valuation and Capital) Regulations 2004

6. A marine mutual insurer shall be exempt from regulations 3 and 4 of the Insurance (Valuation and Capital) Regulations 2004 (G.N. No. S 498/2004).

PART III

ACCOUNTS AND STATEMENTS

Exemptions in respect of Insurance (Accounts and Statements) Regulations 2004

7. A marine mutual insurer shall be exempt from the following requirements in the Insurance (Accounts and Statements) Regulations 2004 (G.N. No. S 494/2004):

- (a) the requirement, under regulation 4(2)(a) of those Regulations, to lodge Annexes 1A, 1B, 1C, 1D, 1E, 1F (a), 1F (b), 1F (c), 1F (d), 1G, 1H, 1I, 1J, 1K, 1L, 1M, 1N, 1 (i), 1 (ii) and 1 (iii) to Form 1 in the First Schedule to those Regulations;
- (b) the requirement, under regulation 4(2)(b) of those Regulations, to lodge Annexes 2A, 2B, 2C, 2C (a), 2C (b), 2E, 2G, 2H and 2J to Form 2 in the First Schedule to those Regulations; and
- (c) the requirements under regulations 5(1)(a), (b)(ii), (c) and (5), 8 and 10 of those Regulations.

Forms

8.—(1) The forms mentioned in these Regulations are those set out in the Schedule, or the First Schedule to the Insurance (Accounts and Statements) Regulations 2004, as the case may be.