

Notice No. : MAS 126 (Amendment) 2015

Issue Date : 7 December 2015

ENTERPRISE RISK MANAGEMENT (“ERM”) FOR INSURERS

Introduction

1. This Notice is issued pursuant to section 64(2) of the Insurance Act (Cap. 142) (“the Act”) and amends MAS Notice 126 Enterprise Risk Management (“ERM”) for Insurers dated 2 April 2013 (“the Existing Notice”).

Amendments

2. The Existing Notice is hereby amended:
 - (a) by inserting immediately after subparagraph (d) in paragraph 8, the following sub-paragraph:

“(da) “executive officer”, in relation to an insurer’s head office, means any person, by whatever name described, who –

 - i) is in the direct employment of, or acting for or by arrangement with, the head office; and
 - ii) is concerned with or takes part in the management of the head office on a day-to-day basis;”
 - (b) by inserting immediately after paragraph 8, the following paragraph:

“8A. Any references to a “board” or a “board of directors” in this Notice, other than in this paragraph, shall, in the case of a licensed insurer incorporated outside of Singapore, mean:

 - (a) the board of directors of the insurer;
 - (b) all executive officers of the insurer’s head office with oversight responsibilities for the insurer’s Singapore operations; or
 - (c) any committee of the insurer’s head office or regional office, with oversight responsibilities for the insurer’s Singapore operations.”

- (c) by deleting paragraphs 44 and 45 and substituting the following paragraphs:
- “44. A Tier 1 insurer shall lodge its first ORSA report which is approved by its board of directors–
- (a) in the case where it is licensed under section 8 of the Act on or before 31 December 2014, by 31 December 2014;
 - (b) in all other cases, by 31 December of the year in which it becomes licensed under section 8 of the Act.
- 44A. Subject to paragraph 44, a Tier 1 insurer shall lodge its ORSA report annually with the Authority within 2 weeks from the date the ORSA report is approved by its board of directors.
45. An insurer which is not a Tier 1 insurer shall lodge its first ORSA report within 2 weeks from the date the ORSA report is approved by its board of director and in any case, no later than –
- (a) in the case where it is licensed under section 8 of the Act on or before 31 December 2014, 31 December 2015;
 - (b) in all other cases, 31 December of the year following the year in which it becomes licensed under section 8 of the Act.
- 45A. Regardless of when the first ORSA report was lodged, an insurer which is not a Tier 1 insurer shall lodge its subsequent ORSA reports with the Authority every third year from 2015, *i.e.* 2018, 2021, 2024 and so on, within 2 weeks from the date each subsequent ORSA report is approved by its board of directors.”

Commencement

3. This Notice shall take immediate effect.