

**The text below is an internet version of the rules issued by the Financial Services Commission under the Financial Services Act 2007 and the Insurance Act 2005 and is for information purpose only. Whilst reasonable care has been taken to ensure its accuracy, the authoritative version is the one published in The Government Gazette of Mauritius.**

**INSURANCE (GENERAL INSURANCE BUSINESS SOLVENCY)  
(AMENDMENT) RULES 2010**

**FSC Rules made by the Financial Services Commission under Section 93 of the Financial Services Act 2007 and Sections 23 and 130 of the Insurance Act 2005.**

**1. Citation**

These Rules may be cited as the Insurance (General Insurance Business Solvency) (Amendment) Rules 2010.

**2. Interpretation**

In these Rules -

“principal Rules” means the Insurance (General Insurance Business Solvency) Rules 2007;

“Commission” means the Financial Services Commission established under section 3 of the Financial Services Act 2007.

**3. Rule 5 of the principal Rules amended**

Rule 5 of the principal Rules is amended by numbering the existing paragraph as paragraph (1) and adding the following new paragraphs -

- (2) Notwithstanding paragraph (1), subject to the prior approval of the Commission, the capital available to an insurer may include subordinated loans.
- (3) The Commission may grant an approval under paragraph (2) where –
  - (a) the title deed setting out the terms of the subordinated loan explicitly mentions that the loan is legally subordinated to the claims of policyholders and other creditors of the insurer;
  - (b) the subordinated loan is unsecured;
  - (c) the subordinated loan has an original maturity period of over 5 years;

- (d) the subordinated loan may be redeemed before maturity only at the option of the insurer and with the prior written approval of the Commission; and
- (e) the subordinated loan shall not, in the event of the winding up of the insurer, be repaid until the claims of policyholders and other creditors have been fully satisfied.

**4. Commencement**

These Rules shall come into operation on 31 December 2010.

Made by the Financial Services Commission on 29 December 2010.