MEMORANDUM OF UNDERSTANDING

Between the
Bermuda Monetary Authority (BMA)
And the
National Association of Insurance Commissioners (NAIC),
The United States of America

MEMORANDUM OF UNDERSTANDING

The Bermuda Monetary Authority (BMA) and the members of the National Association of Insurance Commissioners (NAIC), recognizing the increasing international activity in insurance markets and the corresponding benefits of increasing continued mutual cooperation between the relevant supervisory authorities as a means for improving their effectiveness in administering and enforcing the insurance laws of their respective jurisdictions, have reached the following understanding:

1. DEFINITIONS

For the purposes of this Memorandum of Understanding, the terms set out below have the assigned meanings unless the context requires otherwise:

Authority means:
- The Bermuda Monetary Authority (BMA), an independent statutory authority established under the Bermuda Monetary Authority Act 1969. The BMA has statutory responsibility for the supervision and regulation of financial institutions including insurance companies and insurance intermediaries in Bermuda.

- The National Association of Insurance Commissioners (NAIC), a non-profit Delaware corporation, acting on behalf of its members, who are the chief insurance regulatory officers in each of the fifty States, the District of Columbia and the U.S. territories.

- The BMA and the NAIC shall be collectively referred to herein as ‘the Authorities.’

Laws, regulations and requirements means the provisions of the laws, or the regulations and requirements enacted in Bermuda and the fifty States, the District of Columbia and the U.S. territories, for the purpose of regulating the business of insurance. The Authorities acknowledge that they may only provide information under this Memorandum if permitted or not prevented under applicable laws, regulations and requirements.
2. OBJECTIVES

2.1 This Memorandum sets forth the basis upon which the NAIC, acting on behalf of its members, and the BMA propose to provide for mutual assistance and the exchange of non-confidential information. The purpose of the Memorandum is to provide a framework for co-operation, increased mutual understanding, the exchange of non-confidential information and technical assistance to the extent permitted by laws, regulations and requirements.

2.2 As of January 1, 2015 the BMA is recognized by the NAIC as a Qualified Jurisdiction under the NAIC's Credit for Reinsurance Model Law. The Authorities agree to continue to engage in a dialogue regarding reinsurance collateral issues, seek to identify areas for cooperation in international standard setting, and share information on regulatory developments of mutual interest.

2.3 The Authorities intend to use their best endeavors to ensure that the fullest mutual assistance is provided within the terms of the Memorandum and engage in consultations, as appropriate, on mutually agreeable approaches designed to enhance the integrity and efficiency of their respective insurance markets and the exercise of insurance market supervisory functions within the framework set out under clause 2.1.

2.4 This Memorandum does not modify or supersede any laws, regulations and requirements in force in, or applying to, BMA or members of the NAIC, or the jurisdictions in which they are authorized to regulate the business of insurance, and does not create any legally binding obligations on or confer any rights to, the NAIC or Bermuda. This Memorandum is not intended to affect any arrangements under any other Memorandums in existence to which either of the Authorities is a party.

3. SCOPE

3.1 The Authorities will attempt to meet once a year at mutually agreeable locations, including during International Association of Insurance Supervisors (IAIS) meetings to discuss regulatory developments, ways to enhance cooperation in international standard setting and other topics of mutual interest. Additional meetings may be arranged by mutual agreement.

3.2 The Authorities, as deemed appropriate by each respective Authority, may provide mutual assistance periodically such as through:
   a. participation in internships with specific educational focus;
   b. educational seminars held in the host country;
   c. provision of training manuals/material; and
   d. any other issues of common interest.
3.3 The Authorities recognize the need and desirability of providing mutual assistance and exchanging non-confidential information and agree that the NAIC may provide any such information exchanged to any of its members. Each Authority retains the right to deny or defer assistance for any reason.

3.4 The Authorities will bear their own respective expenses that may be incurred by them under the Memorandum. However, where the cost of fulfilling a request is deemed substantial, the responding Authority may on a case-by-case basis, request the requesting Authority to bear some or all of such costs.

4. TERMINATION

4.1 This Memorandum will continue to have effect unless terminated by either of the Authorities by giving 10 days advance written notice to the other Authority.

5. ENTRY INTO EFFECT

5.1 This Memorandum will be effective from the date of its signature by the BMA and the NAIC.

This Memorandum of Understanding is hereby entered into as evidenced by the signatures of the following representatives of the BMA and the NAIC.

FOR THE BERMUDA MONETARY AUTHORITY

FOR THE NATIONAL ASSOCIATION OF INSURANCE COMMISSIONERS

[Signatures]

Chief Executive Officer

President

[Dates]

15th August 2015

8/15/15