



## **TURKS & CAICOS ISLANDS FINANCIAL SERVICES COMMISSION**

### **Producer Owned Reinsurance Companies: Minimum Paid up Capital**

This Guideline applies specifically to producer owned reinsurance companies (“PORC’s”), licensed to conduct insurance business in or from the Turks and Caicos Islands. It is issued by the Financial Services Commission (“the Commission”) pursuant to regulation 6 of the Insurance Regulations and section 43 of the Financial Services Commission Ordinance (‘FSCO’) to provide guidance as to the minimum level of capital required for a PORC licence.

A regulatory condition for the issuance and maintenance of a PORC licence is that that applicant/licensee must have paid up capital of, at least, \$5,000.00. The Commission reserves the right, based on its assessment of the risk of the applicant/licensee, to increase the paid up capital for an applicant or the minimum capital requirement for a licensee.

In varying the capital requirements for an applicant/licensee, the Commission will consider, but not be limited by, the following:

- i) Size of the company as measured by assets, premiums written and insurance liability.
- ii) The kinds of business written and the company’s net exposure.
- iii) The company’s risk profile.

Insurers are required at all times to hold sufficient capital to maintain a solvency margin that is adequate to enable the insurer to meet its liabilities under all conditions, taking into account the nature, size, complexity, structure, risk profile and diversity of the business.

This guideline will come into effect on the 15<sup>th</sup> February 2019 and will apply to applications received by the Commission after that date.

**Financial Services Commission  
8 February 2019**