• Irish based insurers are subject to the EU’s Solvency II Directive.
• EU’s Solvency II Directive sets out strict rules on insurance companies management and capital requirements.
• Insurers must respect the Solvency Capital Requirement (SCR).
• Mandatory effective governance and risk management policies for Irish insurers.

Protection of client assets is a key priority of the Central Bank of Ireland (“CBI”).

• Safeguard of Client assets: asset managers adhere to general good principles and prescriptive requirements.
• Supervising process: CBI actively monitors the above obligations.
• Returns analysis: CBI periodically analyses the financials of insurers.
• Fitness and Probity Regime: key people must be competent and capable, honest, ethical, of integrity and also financially sound.
• Extensive powers: CBI can intervene where an insurer fails to meet its regulatory obligations.
• Requirement to hold additional capital: CBI may impose additional capital requirements if an insurer does not adequately meet the SCR.

• Segregation of Client assets from the insurer’s assets.
• No right to seize or execute Client assets: insurer’s creditors have no right to seize these assets and the insurer cannot create a lien or charge over these assets in favour of another party.
• Insurer’s asset ring-fence and segregated: policyholders’ assets are segregated from insurers’ technical provisions.
• Insurer’s assets must be sufficient to back up insurers’ liabilities to policyholders.
• Insurer’s technical provisions must be calculated based on realistic assumptions and must include a risk margin, to take account of future uncertainty.

• Is one of the strongest cross border life insurance companies in Europe.
• Exceeded its capital requirement obligations, with a solvency capital ratio of 206% in Q4 2020.
• Carries out extensive due diligence on the Custodians Banks and Asset Managers.
• Active monitoring of Custodians Banks and Asset Managers.