SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN
INSURANCE DIVISION

SECP

Karachi, 20th January 2012

Circular Ref: 04/2012

SRO 16(I)/2012 dated 9 January 2012
Amendments in the Securities and Exchange Commission [Insurance] Rules 2002
New Solvency Related Requirements for Insurance/Takaful Companies

The Securities and Exchange Commission is pleased to announce that the new Solvency Regime have been notified vide SRO 16(I)/2012 dated 9 January 2012; thereby modifying the SEC [Insurance] Rules 2002. Barring certain phase-wise enhancement in limits, the changes take effect, immediately.

2. Highlights of the amendments are mentioned below:

- Rationalization of admissibility limits for certain assets;
- Enhancing Minimum Solvency Requirement for Non-life insurers and Shareholders' Fund for Life Insurers; and
- Enhancing Statutory Fund requirement by introducing Risk Based Margin above the current Policyholders Liabilities.

3. Whilst the Gazette Notification is under publication; the afore-stated SRO is available at our website (URL: http://www.secp.gov.pk/notification/pdf/2012/Amendments-Requirements-Solvency-Rules2012.pdf).

Shahid Nasim
Executive Director – Insurance

-CEOs of all Insurance & Takaful Companies
-Chairman, Insurance Association of Pakistan
-President, Institute of Chartered Accountants of Pakistan
-President, Pakistan Society of Actuaries
-President, Pakistan Banks' Association
-President, Institute of Cost & Management Accountants of Pakistan

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