



Welcome to HFW's Insurance Bulletin, which is a summary of the key insurance and reinsurance regulatory announcements, market developments, court cases and legislative changes of the week.

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hfw 1. Regulation and legislation

UK: Complaints against the financial services regulators: the Bank of England, the FCA and the PRA

Earlier this month the FCA and PRA published a consultation paper on changes to the complaints scheme operated by the Bank of England, the FCA and the PRA (the regulators) in accordance with section 87 of the Financial Services Act 2012 (the FS Act). New subsections 9A and 9B have been inserted into section 87 of the FS Act (investigations of complaints against regulators) in accordance with section 20 of the Small Business, Enterprise and Employment Act 2015. It should be noted that although an annual report is already published by the Complaints Commissioner section 87 of the FS Act sets out more detailed requirements.

Following the introduction of the new subsections the independent Complaints Commissioner appointed by the regulators and approved by Her Majesty's Treasury (the Treasury) is now required to produce an annual report which will analyse the regulators' handling of complaints.

Where the annual report makes recommendations or criticisms in relation to the handling of complaints by the regulators, each regulator must publish a response and send a copy to both the Complaints Commissioner and the Treasury. The Treasury will put the report and any responses before Parliament.

Comments on the consultation paper should be provided by 9 March 2016 and the new legislative requirements which will become part of the



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complaints scheme are expected to be published in a Policy Statement in March 2016.

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EU: Moving towards a bilateral agreement between the European Union and the US relating to prudential insurance and reinsurance measures?

Since 2012, representatives of the EU and the US have expressed their will to negotiate an agreement to improve the supervision of insurers and reinsurers operating in both countries.

In November 2015, the US Treasury Department and the US Trade Representative's office announced their intention to begin negotiations on insurance and reinsurance measures with the EU with the aim of agreeing

a bilateral agreement relating to the prudential governance of the insurance and reinsurance sector.

A new step towards a future bilateral agreement was initiated on 18 and 19 February 2016, as the EU's and the US's representatives met in Brussels and agreed to engage in a "meaningful stakeholder consultation" to move forward efficiently and expeditiously discussions on the issue.

One of the issues that will need to be addressed during the negotiations is the collateral that the US require from European reinsurance companies and whether the US are prepared to reduce or remove this collateral.

Currently, European reinsurance companies not only must comply with the EU solvency rules (Solvency II) but must also meet additional requirements when underwriting in the US: the US requires foreign companies that reinsure US insurers to put in place collateral in an amount representing a high percentage of the reinsurance cover provided to US insurance companies, sometimes up to 100% of the amounts reinsured. Such a requirement does not exist for US reinsurance companies.

In this regard, EU and US representatives also expressed their "good faith pursuit of an agreement on matters relating to group supervision, exchange of confidential information between supervisory authorities on both sides, and reinsurance supervision, including collateral".

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hfw 2. HFW publications and events

France: The wind of change: emergence of an insurance regime appropriate for French marine renewable energy projects?

HFW has published a briefing on the French National Assembly’s adoption of article 19 of the draft law on the ‘blue economy’ which introduces an insurance regime tailor-made for Marine Renewable Energy (MRE) installations. The briefing analyses the types of insurance cover that apply to MRE projects, the proposed MRE regime and two existing regimes from which MRE projects are excluded.

The briefing can be found in French [here](#)¹ and in English [here](#)².

For more information, please contact [Pierre-Olivier Leblanc](#), Partner, on +33 1 44 94 40 50, or pierre-olivier.leblanc@hfw.com, or your usual contact at HFW.

1 <http://www.hfw.com/Le-vent-de-l-assurance-tourne-pour-les-EMR-emergence-d-un-regime-d-assurance-adapte-aux-EMR-Fevrier-2016>

2 <http://www.hfw.com/The-wind-of-change-emergence-of-an-insurance-regime-appropriate-for-French-marine-renewable-energy-projects-February-2016>

HFW attends Sub Saharan Africa conference

On Thursday 25 February 2016, HFW Partner [Graham Denny](#) attended Commercial Risk Africa’s conference on Sub Saharan Africa. The conference focussed on the expansion of Sub Saharan Africa and the opportunities this represents for the corporate risk and insurance communities, together with the insurance risks associated with this growing market.

HFW Partner Andrew Bandurka gives presentation to LIIBA on E&O issues

On Wednesday 2 March 2016, HFW Partner [Andrew Bandurka](#) gave a presentation to the London & International Insurance Brokers’ Association (LIIBA) on E&O problems which brokers face in connection with placing Business Interruption risks/ policies.

HFW sponsors Insurance Network Strategic Claims Conference 2016

HFW sponsored the Insurance Network Strategic Claims Conference 2016 which took place on Thursday 3 March 2016. HFW Partner [Paul Wordley](#) chaired a workshop on “Assessing claims contribution to your London market business”.

HFW Partner [Pierre-Olivier Leblanc](#) also attended the conference.

HFW attending Lillehammer Energy Claims Conference

HFW Partners [Jonathan Bruce](#) and [Geoffrey Conlin](#) and Senior Associate [Alison Proctor](#) are attending the Lillehammer Energy Claims Conference in Lillehammer, Norway from Wednesday 2 March to Friday 4 March 2016.

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