



HM GOVERNMENT OF GIBRALTAR
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PRESS RELEASE

No: 479/2014

Date: 12th September 2014

Gibraltar opens its doors to Insurance Linked Securities (ILS)

HM Government of Gibraltar is delighted to welcome the publication of the ILS Guidelines by Gibraltar's financial regulator the Financial Services Commission (FSC). The Government with the support and participation of ILS experts from around the world, established a working group that has been providing industry expertise and feedback to the Government and the FSC over recent months as the FSC has been finalising the ILS Guidelines.

Gibraltar's ILS Guidelines have been prepared to be fully Solvency II compliant based on the most up to date EIOPA position. Gibraltar plans to offer a new European Union (EU) domicile for cat bonds, sidecars, collateralised reinsurance based ILS transactions and has been working closely with Industry professionals to ensure the Guidelines and processes are fit for purpose.

Albert Isola MP, Minister for Financial Services stated: "Gibraltar has a vibrant and growing insurance sector with some £3.6 billion of premium income in 2013. Last year the Government set out to develop and attract new insurance activity to Gibraltar with the ILS sector being a serious target market. I am most grateful to all those individuals and companies, from Gibraltar and abroad, that have invested significant time and provided invaluable input and know-how to the working group over recent months. I am confident that with their support and contribution Gibraltar's ILS Guidelines provide both the commercial and regulatory frameworks to enable ILS business to flourish from Gibraltar."

Joe Perdoni, the recently appointed Head of Prudential at the FSC remarked: "We look forward to working with the ILS industry to develop this new insurance sector in Gibraltar, within a strong regulatory framework. The working group has been very supportive and provided valuable market insight to the FSC and I thank them for their contribution. We fully appreciate the time to market under which the capital markets operate in the ILS sector and we are confident that our Guidelines will support those market requirements whilst maintaining at all times a robust and highly professional regulatory environment."

The introduction of these innovative new products to Gibraltar's financial services sector is an example of the effective and close working relationship between the

Ministry of Financial Services, Gibraltar Finance, the FSC and the private sector both locally and internationally.