



6. It is also important for insurers and reinsurers to have adequate risk management practices in place to mitigate the risk of claims arising and to ensure that they are prepared to handle claims effectively and efficiently when they do arise. This can include having robust claims processing systems, maintaining adequate reserves to cover potential claims, and having clear and transparent communication channels with policyholders and other stakeholders.

7. Overall, the handling of claims of non-life insurers against reinsurers is a critical aspect of the insurance industry, requiring careful attention to the terms of the reinsurance contract, the legal and regulatory framework governing the industry, and the risk management practices of the insurers and reinsurers involved. By ensuring that claims are handled fairly, efficiently, and in accordance with the contractual and legal requirements, the insurance industry can maintain its financial stability and continue to provide essential protection to policyholders.

Answer 2:

Claims of non-life insurers against reinsurers are handled carefully under the guidelines set by FINMA Circular 2016/5 to ensure that the reinsurance recoverables are secure and contribute appropriately to the solvency and liquidity needs of the non-life insurers. Here's how these claims should be managed:

1. **Crediting of Reinsured Portions**: The reinsured portions of the provisions are offset against the tied assets of non-life insurance companies. This means that the amounts recoverable from reinsurers can be included in the assets that secure policyholder claims.

2. **Crediting Limits Based on Credit Rating**:

- Reinsurers with a credit rating of 2 or better can be credited up to 20% of the target amount of the tied assets.



- For credit rating level 3, the limit is 10% of the target amount.



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