

- For credit rating level 3, the limit is 10% of the target amount.
 - For credit rating level 4, the limit is 5% of the target amount.
 - Reinsurers with a credit rating of 5 are not allowed for offsetting against the tied assets.
3. **Special Provisions for Group Reinsurers:** If the reinsurer is part of the same group as the insurer, the limits for crediting are reduced by 50%.
 4. **Total Limits for Group Reinsurers:** When offsetting claims relating to several reinsurers that belong to the same group, the total of the offsets is capped at 1.5 times the limits stated above based on the group's credit quality step.
 5. **Special Cases:** Special reinsurance relationships, like those relating to the Swiss natural hazard pool, can be credited up to 10% of the target amount of the tied assets.
 6. **Approval and Review Process:**
 - Applications for offsetting must be submitted using a form prescribed by FINMA.
 - If the conditions or the creditworthiness of the reinsurer change, the crediting must be adjusted according to the limits and FINMA must be notified immediately.
 7. **Continued Compliance:** Insurance companies must ensure that they continually meet the requirements for crediting and must report any changes to FINMA that might affect their compliance with these provisions.



These regulations ensure that the claims of non-life insurers against their reinsurers are managed in



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