



Effective date: 1 January 2026

NOTICE FOR INSURANCE COMPANIES AND TAKAFUL OPERATORS
NOTICE NO. TIU/N-2/2025/22

NOTICE ON REPORTING OF CAPITAL ADEQUACY LEVEL



Notice on Reporting of Capital Adequacy Level

1. INTRODUCTION

- 1.1. This Notice is issued pursuant to section 88 of the Insurance Order, 2006 and section 90 of the Takaful Order, 2008 [“the Orders”] for licensed insurance companies and takaful operators to frequently report their capital adequacy level in a standardised format, and in a timely manner.
- 1.2. The reporting of capital adequacy level aims to encourage:
 - 1.2.1. More active risk management by insurers;
 - 1.2.2. Provide clearer information on the performance and financial strength of insurers; and
 - 1.2.3. Facilitate early and effective intervention by the Authority, if necessary.
- 1.3. This Notice is to be read in conjunction with the following:
 - 1.3.1. Notice on Filing Requirements for Insurance Companies [Notice No. TIU/N-1/2017/5];
 - 1.3.2. Notice on Filing Requirements for Takaful Operators [Notice No. TIU/N-2/2017/6]; and
 - 1.3.3. any other notices, directives or guidelines, which the Authority may issue from time to time.
- 1.4. This Notice shall take effect on 1 January 2026.

2. DEFINITIONS

- 2.1. For the purpose of this Notice:
 - 2.1.1. “Authority” means Brunei Darussalam Central Bank (“BDCB”) as defined by the Brunei Darussalam Central Bank Order, 2010 [“BDCB Order”];



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- 2.1.2. “insurer” means a registered insurance company under the Insurance Order, 2006 and a registered takaful operator under the Takaful Order, 2008, unless otherwise specified; and
- 2.1.3. “Key Responsible Person” means a person whose activity is regulated by the Authority under the Orders and refers to senior persons that are accountable or responsible for the management and oversight of the insurers of which they may hold controlled functions in executive positions.

3. CAPITAL ADEQUACY FRAMEWORK

- 3.1. The Capital Adequacy Framework (hereafter known as “the Framework”) sets the Authority’s expectation for the insurer’s maintenance of their capital adequacy level to commensurate with the risk profile of the operations and act as financial buffer for the exposures.
- 3.2. The Framework adopts a “total balance sheet approach” for the solvency assessment of the insurer. The approach recognises the interdependence between all assets, all liabilities, all regulatory capital requirements and all capital resources. Material interactions between assets and liabilities are to be consistently reflected in both qualifying capital resources and capital requirements.
- 3.3. To assist the monitoring of capital adequacy levels, an insurer shall comply with the components of the Framework as specified under **Appendix 1**. In the event of any amendments to the Framework, the Authority shall give a minimum one month notice of any changes to the insurers, prior to such amendments coming into force.

4. REPORTING REQUIREMENT

- 4.1. An insurer shall prepare their capital adequacy level computations based on the workbook **(Appendix 2)** provided by the Authority.
- 4.2. Insurers shall submit their computations for the following financial period certified by the Key Responsible Person or equivalent, with specific requirements as set out below:

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Frequency of Reporting	Application / Transitions	Deadline for submission
Biannual [As at end of June and December of applicable year]	2026 - 2027	a) For 2026, within 60 days after the end of each half year b) For 2027, within 45 days after the end of each half year
Quarterly [As at end of March, June, September and December of applicable year]	2028 onwards	a) For 2028, within 45 days after the end of each quarter b) For 2029 onwards, within 30 days after the end of each quarter

- 4.3. Any reference to the appendices in this Notice shall be construed as reference to the current version of the appendices which are displayed at the Authority's website at www.bdcg.gov.bn.

**MANAGING DIRECTOR
BRUNEI DARUSSALAM CENTRAL BANK**

Issue date: 24 Jamadilakhir 1447H / 15 December 2025M