

AMENDMENT OF THE CAPTIVE INSURANCE REGULATION

Pursuant to the authority vested in me by the FSM Code, Title 17, Section 102, the FSM Captive Insurance Regulations originally adopted on December 18, 2008 and further amended on February 9, 2016 and October 10, 2022, are further amended by amending section "XI", as follows:

Regulation XI is amended to replace the existing second numbered paragraph with the following language:

2. For outstanding claims the total estimated amount of all outstanding claims plus an amount within the range calculated by the loss reserve specialist of the captive insurance company's recommended Incurred But Not Reported (IBNR) reserve. If a recommended IBNR reserve calculation has not been made, the company shall reserve 20% of the estimated amount of outstanding claims at the end of the last preceding year or 20% of the projected amount of claims for the current year, whichever is greater.

Approved:

Date:

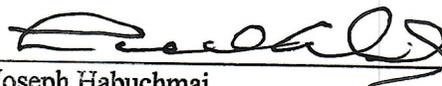
8/27/25



H.E. Wesley Simina  
President  
Federated States of Micronesia

Date:

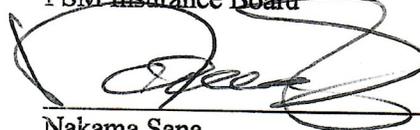
9/17/24



Joseph Habuchmai  
Chairman  
FSM Insurance Board

Date:

09-18-2024



Nakama Sana  
Insurance Commissioner

Approved as to legal sufficiency:

Date:

7/30/25



Leonito Bacalando Jr.  
Secretary  
FSM Department of Justice