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Update of the Methodology for „Rating of the ability of insurance companies to pay claims"

Date of Rating Committee:	**20.06.2018**
Date for publication:	**21.06.2018**

BCRA - Credit Rating Agency (BCRA) is the third qualified rating agency in the EU, registered under the Regulation (EC) 1060/2009 of the European Parliament and of the Council. The credit ratings, assigned by BCRA, are recognized throughout the EU and are entirely equal with the other ratings, recognized by the European Securities and Markets Authority (ESMA), without any territorial or other restrictions.

The Rating Committee of BCRA – Credit Rating Agency (BCRA) held a meeting on 20 June 2018 and made a decision to place „under review" all current ratings of the ability of insurance companies to pay claims, namely:

- **„DZI – General Insurance" EAD;**
- **ZD „Lev Ins" AD;**
- **„ZD Euroins" AD;**
- **ZAD „Armeec";**
- **ZD „Bul Ins" AD;**
- **ZAD „Allianz Bulgaria" AD;**
- **ZAD „OZK - Insurance" AD;**
- **„ZD EIG Re" EAD**

The decision taken is in accordance with the requirements of the procedures of **Regulation 1060/2009** of the European Parliament and the Council regarding changes in the "Methodology for a rating of the ability of insurance companies to pay claims", entering into force on 21 June 2018.

The updated Methodology is available at:
https://www.bcra-bg.com/files/cpaic_methodology_2018_en.pdf

The changes in the Methodology for rating the ability of insurance companies to pay claims, applied by BCRA are in compliance with the requirements introduced by the Commission's **delegated Regulation 2015/35**. The latter include amendments in **Directive 2009/138/EC** of the European Parliament and the Council (**Solvency 2**), related to the insurance undertakings operating in the European Union territory, including additions and changes in their reporting templates.

The status "under review" will be removed upon the forthcoming individual review of each rating according to the new methodology of the above-mentioned insurance companies which will take place within six months following the current change.

BCRA team expects that the changes will not affect the major part of the assigned ratings of the insurance companies, while in a limited number of cases might lead to a change at one notch.