



BERMUDA MONETARY AUTHORITY

BOARD OF DIRECTORS CODE OF CONDUCT

This Code of Conduct provides guidance on a range of ethical issues that may affect Board members during their deliberations of the Bermuda Monetary Authority (BMA) business. As the Board is responsible for setting the overall direction of the BMA, all members are required to adhere to the principles of independence, accountability, integrity and transparency adopted by the Board. High standards of ethical behaviour must be appropriately reflected in the performance of the Board. Thus Board members shall observe the following:

1. When conducting BMA business, Board members are required to fulfill all regulatory and statutory obligations as prescribed by the relevant laws of Bermuda, including the Bermuda Monetary Authority Act, 1969.
2. Board members are required to treat one another and Authority management and staff with the utmost respect, civility, and cooperation. Power and authority granted to Board Members by virtue of their position should not be abused.
3. Board members are required to be familiar with and evidence their agreement with the policies, procedures, and codes that govern their conduct and actions while acting on behalf of the Authority. Board Members will be expected to participate in all Board sanctioned Directors training.
4. Before beginning deliberations, Board members are required to review and devote sufficient time to all relevant materials in order to make informed decisions on matters being considered.
5. Board members should be familiar with:
 - The Bermuda Monetary Authority Act 1969
 - Banks and Deposit Companies Act 1999
 - Insurance Act 1978
 - Investment Business Act 2003
 - Trusts (Regulation of Trust Business) Act 2001
 - Companies Act (as relevant)
 - And any other local laws and regulations that are implemented in the future which will significantly impact regulated entities
6. Board members shall have access to specialists or any other additional resources that are required in the execution of their duties.
7. When reaching a decision, Board members must adhere to the principle of collective responsibility.
8. Members shall attend Board and respective Sub-Committee meetings on a regular and punctual basis and if they are unable to attend, they must provide advanced notice of their absence to the designated Chair or recording secretary.

9. In order to mitigate real and perceived conflicts of interest, all Board members will disclose details of business or other interests as required in the *Bermuda Monetary Authority Board of Directors Conflict of Interest Code* and as prescribed by The Bermuda Monetary Act 1969.
10. All BMA information that is received by Board members in the course of their duties is protected under Section 31 of the Bermuda Monetary Authority Act 1969 and cannot be released or discussed with outside parties unless specified and approved by the Chairman of the Board.
11. All queries from the press, radio and television relating to the BMA should be referred to the Communications Unit in the Chief Executive Officer's Office unless otherwise specified.
12. Board members are expected to maintain their financial affairs in good order at all times.
13. Direct communication by staff to Board members on routine matters related to their normal functions should be avoided; instead staff should utilize the proper reporting lines to address these issues. However, staff should be encouraged to utilize the Corporate Governance and Ethics Committee when reporting any wrongdoing or operational malfeasance that they may observe during the course of their duties.
14. Board members should exercise good judgment in accepting hospitality, entertainment and gifts from those entities that have an interest in the outcome of the Authority's decisions.
15. In Accordance with the *Bermuda Monetary Authority Act 1969 (first Schedule 8a-c)* a Board member can be removed from office for the following reasons:
 - 7.1 If they have been absent from meetings for more than three months without the consent of the Board.
 - 7.1 If they become bankrupt, that their estate has been sequestered or that they have made an arrangement with or granted a trust deed for their creditors.
 - 7.1 Is unable or unfit to discharge their functions as a member.
16. Any breaches or issues arising from the application of the Code of Conduct shall be referred to the Corporate Governance and Ethics Committee for review and the determination of appropriate sanctions, if any.