



31 August 2022

NOTICE

Updated Insurance Code of Conduct

1. The Bermuda Monetary Authority (Authority or BMA), as Bermuda's integrated regulator of the financial services sector, explored policy proposals to develop a conduct of business framework by applying appropriate customer protection measures for regulated financial services businesses' customers. Furthermore, the Authority also aims to address emerging prudential issues and ensure Bermuda's regulatory framework remains aligned with international standards.
2. The Authority proposed amendments to the Insurance Code of Conduct (Code) for public consultation in October 2021, which intend to secure customer protection and encourage best practices within Bermuda's insurance industry. A stakeholder letter followed, published in December 2021, detailing the conduct of business changes to the Code.
3. Additionally, a further consultation took place in January 2022, proposing amendments to ensure other sections of the Code remain aligned with international prudential standards in key areas such as corporate governance, outsourcing, business continuity, and disaster recovery and risk management.
4. Following a review of the public consultation feedback, the Code has been finalised and published. The Code will come into effect immediately; however, the Authority will allow the following transition periods from today's issue date to become compliant with the new provisions of the Code for insurers registered under Section 4 of the Insurance Act 1978:
 - a) A period of six months to become compliant with the new provisions of the Code's section 8; and
 - b) A period of 12 months to become compliant with the new provisions/amendments of all the other sections of the Code (i.e., excludes the provisions of section 8 as outlined in 'a' above).
5. Insurers with questions regarding the implementation of the new Code provisions are encouraged to approach their usual BMA contact.