



REGULATORY UPDATE

October–December 2025



Preface

This Regulatory Update reports on activities at the Bermuda Monetary Authority (Authority or BMA) for the quarter ended 31 December 2025*.

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REGULATORY

Consultation/Discussion Papers

The BMA (Authority or BMA) issued the following Consultation Papers (CP) for consultation and other related documents in Q4-2025:

- A [Stakeholder Letter](#) was published on 16 October 2025 in response to the CP entitled *Proposed Corporate Service Provider (CSP) Business Rules 2025*, published in April 2025. The letter summarises the industry feedback and the Authority's responses to stakeholders' requests, regarding: (i) viewing financial reporting forms; (ii) the submission of consolidated reports; (iii) the scope of licensing and licensable activities within the CSP regime; (iv) the calculation of minimum net assets; and (v) Client Money. Additionally, the letter highlights the BMA's regulatory approach and next steps, with a commitment to publishing supplementary materials ahead of the regime's implementation
- A [Stakeholder Letter](#) was published on 19 November 2025 to accompany the CP entitled *Proposed Payment Services Act*, published in August 2025. The letter summarises the substantive feedback on the CP received from stakeholders, along with the BMA's responses. It also advises stakeholders of the BMA's intent to proceed to introduce the Payment Services Act and the development of the supporting regulatory instruments necessary to operationalise the new payments framework
- A Discussion Paper (DP) entitled [Asset Tokenisation](#) was published on 5 November 2025. The purpose of this DP is to seek stakeholder input on the opportunities, challenges and potential regulatory considerations related to asset tokenisation in Bermuda. Specifically, it aims to explore whether tailored regulatory measures or guidance are necessary for entities engaged in tokenisation activities and to assess whether the existing principles-based regime requires further enhancements to adequately address the complexities and nuances of this evolving space. Industry and other stakeholders were invited to provide feedback by 9 January 2026

Policy and Guidance

The BMA published the following guidance:

- [The AML-ATF Ministerial Advisory 3/2025: Money Laundering and Terrorist Financing Controls in Higher Risk Jurisdictions](#). The publication highlights that Bermuda's regulated sector must apply enhanced customer due diligence to business relationships and transactions involving jurisdictions identified as high-risk for money laundering, corruption, terrorist financing or international sanctions. This requirement aligns with Regulation 11 of the *Proceeds of Crime (Anti-Money Laundering and Anti-Terrorist Financing Regulations 2008)* and references the latest Bermuda Financial Action Task Force statements on high-risk countries

Updates to Policy, Reporting Forms and Guidelines

The Authority published the following forms and guidelines in Q4-2025:

- Discount Rates 30 September 2025 (22 October)
- Personal Declaration Form for Directors/Officers (26 November)
- 2025 Year-End Filing Requirements for Class 3A (18 December)
- 2025 Year-End Filing Requirements for Classes 4 and 3B (18 December)
- 2025 Year-End Filing Requirements for Class C (18 December)
- 2025 Year-End Filing Requirements for Insurance Groups (18 December)
- 2025 Year-End Filing Requirements for Collateralised Insurers (18 December)
- 2025 Year-End Stress and Scenario Instructions for Classes 4 and 3B and Insurance Groups (18 December)

Updates to Policy, Reporting Forms and Guidelines continued

- Class 3A 2025 BSCR (18 December)
- Class 3B 2025 BSCR (18 December)
- Class 4 2025 BSCR (18 December)
- Class C 2025 BSCR (18 December)
- Class D 2025 BSCR (18 December)
- Class E 2025 BSCR (18 December)
- Group 2025 BSCR (18 December)
- Collateralised Insurers 2025 BSCR (18 December)
- 2025 Year-End General Business Handbook (18 December)
- 2025 Year-End Insurance Group Instructions Handbook (18 December)
- 2025 Year-End Long-Term Instructions Handbook (19 December)
- 2025 Year-End Stress and Scenario Instructions for Classes C, D and E (19 December)
- 2025 Year-End Filing Requirements for Class D and E (19 December)
- 2025 Year-End Filing Requirements for Classes 1, 2, 3, A and B (23 December)
- 2025 Year-End Supporting Documents for Limited Purpose Insurers (23 December)
- Lapse Liquidity and Scenario-Based Approach Return – 2025 Data Template (23 December)
- Lapse Liquidity and Scenario-Based Approach Return – 2025 Completion Instructions (23 December 2025)
- Updated Class IIGB and Class IILT BSCR models were distributed to regulated entities on 22 December 2025 for testing

BMA Reports and Surveys

The BMA issued the following reports, surveys and other publications in Q4-2025:

- [*Bermuda's Coordinated Portfolio Investment Survey \(CPIS\) 2024 Report*](#) (27 November 2025) – This report features a study that is part of the International Monetary Fund's comprehensive international survey that measures Bermuda's foreign portfolio investment asset holdings in 2024. Key aspects of the report include a breakdown of the holdings by type, geographical distribution and sector (i.e., insurance, investment funds, banks and the Bermuda Government)
- [*Macprudential Risk: Analysis of Annual Statutory Filings of P&C Commercial Insurers \(Legal Entities FY-2024\)*](#) (22 December 2025) – This report presents aggregated information based on the annual statutory filings of Bermuda P&C commercial insurers for 2024. It also provides key statistics as well as analyses and interpretations of market data
- [*Bermuda Long-term Insurance Market Analysis and Stress Testing Report*](#) (22 December 2025) – This report highlights the key market characteristics of Bermuda's commercial long-term insurance sector in 2024 and the results of the 2024 mandatory annual stress testing exercise. The report discusses the sector's growth, which has been driven by demand from direct insurers and institutions that use reinsurance to manage their exposures, risks, balance-sheet volatility and capital. This demand has been against the backdrop of a challenging economic environment and an ageing population with rising life expectancy
- [*Bermuda Insurance Property and Casualty Market Catastrophe Risk and Stress Testing Analysis*](#) (18 December 2025) – This report highlights the key market characteristics of Bermuda's commercial P&C insurance sector in 2024 and the results of the 2024 mandatory annual stress testing exercise. The report demonstrates the Bermuda P&C market's overall resilience and Bermuda insurers' ability to absorb large losses while remaining adequately capitalised with liquid resources to settle policyholder claims

- [Catastrophe Risk Modelling - 2024 Report](#) (18 December 2025) – This report offers an overview of the catastrophe modelling practices in Bermuda in 2024 and reaffirms the Authority’s commitment to maintaining high standards of transparency
- [Digital Asset Business - Thematic Review](#) (1 October 2025) – The purpose of this review was to collect sector-wide insights into key operational and regulatory practices, focusing on vertical integration, governance, outsourcing and head office requirements. The review aimed to identify sector patterns, trends and emerging risks while recognising differing levels of maturity and sophistication across firms based on business models, scale and development stages
- [Bermuda Cyber Underwriting Report 2025](#) (22 December 2025) – The report draws attention to the key market trends, resilience measures and supervisory initiatives in 2024 that are shaping the future of cyber risk protection
- [Bermuda Insurance Sector Operational Cyber Risk Management - 2025 Report](#) (22 December 2025) – This report is based on the 2024 year-end filing return data, including the enhanced 2024 Bermuda Solvency Capital requirement (BSCR) cyber risk filing returns. The BMA issues this report to provide high-level information presented in these returns from commercial insurers, insurance managers and insurance brokers and agents
- [Bermuda Captive Insight Report - 2023 Year-end Data](#) (4 December 2025) – This report provides aggregate information based on the annual statutory filings of Bermuda captive insurers. It highlights macroprudential trends, regulatory developments for captives, key statistics and an analysis of market data. The report shows that the Bermuda captive market continues to thrive, showing impressive growth and expanding global relevance
- On 6 November 2025, the BMA published a [press release](#), *Bermuda Monetary Authority Advances Landmark Embedded Supervision Initiative To Architect Real-Time Regulatory Oversight For DeFi*, which highlighted progress on its Embedded Supervision Initiative. The announcement followed the Request for Proposals (RFP) issued earlier in 2025

and invited participants to collaborate through the Authority’s Innovation Hub. The press release reveals that the first pilot project, now underway, involves Chainlink Labs, Apex Group Ltd., Hacken and Blueprint

LEGISLATIVE

The Bermuda Monetary Authority Amendment Act 2025

The Bermuda Monetary Authority Amendment Act 2025 amends the Bermuda Monetary Authority Act 1969 to (i) make provision for the Bermuda Monetary Authority to share information with the Bermuda Deposit Insurance Corporation (BDIC) and (ii) revise the fees payable under the Fifth Schedule. The Bermuda Monetary Authority Amendment Act 2025 became operative on 1 January 2026.

Insurance Amendment (No. 2) Act 2025

The Insurance Amendment (No. 2) Act 2025 amends the Insurance Act 1978 to make provisions to enhance the oversight and regulation by the BMA of insurance groups by (i) expanding the criteria for group supervision; (ii) creating a regime for regulating designated insurance holding companies for the purposes of group supervision; (iii) confirming the circumstances in which the Authority shall act as group supervisor; (iv) requiring notification and no-objection of certain material changes with respect to an insurance holding company; and (v) for purposes connected with and incidental to those matters. The Insurance Amendment (No.2) Act 2025 became operative on 7 January 2026.

The Bermuda Monetary Authority (Commemorative Coin Series) (Bermuda Sea Creatures) Amendment Regulations 2025

The regulations were issued to allow for the Bermuda Monetary Authority to issue a series of commemorative coins with Bermuda Sea Creature designs. The Bermuda Monetary Authority (Commemorative Coin Series) (Bermuda Sea Creatures) Amendment Regulations 2025 became operative on 14 November 2025.

Banks and Deposit Companies (Over-the-Limit Fees and Unauthorised Overdraft Fees) Regulations 2025

The regulations impose restrictions on the ability of an institution that is licensed under the Banks and Deposit Companies Act 1999 to charge over-the-limit and unauthorised overdraft fees and specifies the manner in which such institutions should administer such fees. Certain restrictions relating to charges became operative on 25 September 2025. The manner in which the institutions administer over-the-limit and unauthorised overdraft fees will become operative on 25 March 2026.

Insurance (Prudential Standards) (Class C, Class D and Class E Solvency Requirement) Amendment Rules 2025

The Insurance (Prudential Standards) (Class C, Class D and Class E Solvency Requirements) were amended to allow the BMA to obtain an asset and liability statement from Class C, Class D and Class E insurers. [The amendments to the Insurance \(Prudential Standards\) \(Class C, Class D and Class E Solvency Requirement\) Amendment Rules 2025](#) became operative on 1 January 2026.

INTERNATIONAL AFFAIRS

The BMA played an active role on the international stage by participating in the following international meetings, conferences and activities throughout Q4-2025.

International Association of Insurance Supervisors (IAIS)

The Executive Committee (ExCo) met virtually on 9 and 28 October 2025. Alongside reports from the Chairs of the IAIS parent committees and the Secretary General, the ExCo agenda included:

- Approval of revised IAIS committee mandates to better align with the core objectives and operational priorities set out in the *IAIS Strategic Plan 2025-2029*

- Approval of the draft aggregate report on the progress monitoring of the implementation of the Holistic Framework supervisory material
- Approval of the scope and timing of the baseline self-assessment as the starting point for the ComFrame Implementation Assessment
- Approval of the draft *Global Insurance Market Report (GIMAR) 2025* special topic edition on the potential financial stability implications of natural catastrophe protection gaps, published in November 2025

ExCo also met in Tirana, Albania, on 10-12 November 2025. Alongside reports from the Chairs of the Audit and Risk Committee, Implementation and Assessment Committee, Macroprudential Committee, Policy Development Committee and the Secretary General, ExCo held discussions and/or made decisions on the following topics:

- Approval of the proposals for the 2026 in-person meeting cycle for the committees, as well as for the virtual Global Seminar
- Approval of Insurance Capital Standards (ICS) related ComFrame standards, along with their associated introductory notes and questions, for public consultation
- Approval of the draft revised Application Papers on recovery and resolution, for consultation
- Approval of the *ICS Self-Assessment Questionnaire (SAQ)* template and instructions
- Approval of the GIMAR 2025 for publication in early December
- Approval of the Issues Paper on structural shifts in the life insurance sector for publication
- Approval of the revised Global Monitoring Exercise (GME) assessment methodology and ancillary indicators for publication

At the post-AGM meeting, ExCo elected the new ExCo Chair and approved the new Committee Chairs, effective

1 January 2026. In addition, ExCo reappointed the Budget Committee (BC) Chair. During the quarter, the BMA also represented Bermuda in a variety of IAIS Working Group and Task Force meetings, including the Macroprudential Monitoring Working Group, the Macroprudential Supervision Working Group, the Resolution Working Group and the Supervisory Material Review Task Force.

Other International Standard Setting Bodies

October 2025

- Attended the International Organisation of Securities Commissions (IOSCO) Inter-American Regional Committee (IARC) Annual General Meeting in Buenos Aires, Argentina
- Participated in IOSCO World Investor Week (WIW) – a week-long global campaign that focused on technology developments, digital finance and investor protection
- Attended the Financial Action Task Force (FATF) Plenary in Paris, France, representing the IAIS as an observer organisation
- Attended a meeting of the Regulatory Oversight Committee (ROC) of the Legal Entity Identifier (LEI) initiative in Sydney, Australia, to discuss developments regarding LEI and the Global Legal Entity Identifier Foundation (GLEIF)

November 2025

- Attended the Group of International Financial Centre Supervisors (GIFCS) Plenary in the Cayman Islands
- Attended the Financial Stability Institute (FSI) - IOSCO 20th Annual Conference in Basel, Switzerland
- Attended the Caribbean Financial Action Task Force (CFATF) Plenary and Working Group meetings in Barbados as part of the Bermuda delegation
- Participated in the IOSCO Annual Growth and Emerging Markets Committee (GEMC) meeting in Valletta, Malta, where the BMA delivered a

presentation on its approach to financial inclusion as part of the Authority's work as a member of the GEMC's sub-working group on FinTech and Financial Inclusion in emerging markets

December 2025

- Hosted the FSB Regional Consultative Group Americas in Hamilton, Bermuda
- Participated in the FSB-FSI workshop on the regulation, supervision and oversight of crypto-asset activities, issuers and service providers in Basel, Switzerland

Bilateral Meetings

The BMA also participated in the following bilateral meetings during the quarter:

October 2025

- Attended bilateral in-person meetings with the NAIC leadership in Hamilton, Bermuda
- Participated in a bilateral in-person meeting and provided training on Asset-Intensive Reinsurance (AIR) at the Insurance Authority of Hong Kong in Hong Kong

November 2025

- Joined bilateral in-person meetings with the Portuguese Insurance Regulator, Autoridade de Supervisão de Seguros e Fundos de Pensões (ASF), in Lisbon, Portugal
- Participated in a bilateral in-person meeting with the Swiss Financial Market Supervisory Authority (FINMA) in Tirana, Albania
- Attended a bilateral in-person meeting with the Financial Supervisory Commission of Chinese Taipei (FSC) and the Taiwan Insurance Institute (TII) in Tirana, Albania
- Attended a bilateral in-person meeting with the Malta Financial Services Authority (MFSA) in Tirana, Albania

Bilateral Meetings November 2025 continued

- Met with the Financial Services Agency (FSA) of Japan in Tokyo, Japan
- Participated in a bilateral in-person meeting with the British Virgin Islands Financial Services Commission in Singapore
- Attended a bilateral in-person meeting with the Monetary Authority of Singapore in Singapore
- Joined bilateral in-person meetings with the Hong Kong Monetary Authority and the Hong Kong Securities and Futures Commission in Hong Kong

December 2025

- Attended a bilateral in-person meeting with the European Insurance and Occupational Pensions Authority (EIOPA) in Frankfurt, Germany

Conferences, Seminars and Panels

October 2025

- Participated in a discussion at the IMF-IAIS panel titled *Structural Shifts in Life Insurance and Implications for Financial Stability*, in Washington, D.C.
- Participated in a panel titled *Supervisors in Conversation* an InsuranceERM conference titled *Insurance Risk & Capital Bermuda 2025* in Hamilton, Bermuda
- Participated in a panel session titled *Click Once, Lose Everything?: The Future of Digital Asset Custody* at the DC FinTech Week conference in Washington, D.C.
- Participated in a panel session titled *Regulators' Forum: Global Insights for a Changing Market* at ITC Vegas in Las Vegas, Nevada
- Chaired the Overseas Territories Financial Services Regulators Meeting in Miami, Florida
- Attended the World Bank/International Monetary Fund Fall Annual Meetings in Washington, D.C.

November 2025

- Attended the Nebraska Department of Insurance Annual Conference titled *Insurtech on the Silicon Prairie* in Omaha, Nebraska
- Participated in a discussion on market developments at the Institute of Actuaries of Japan Annual Conference in Tokyo, Japan
- Participated in the Association of Business Insurers and Reinsurers (ABIR) Roundtable event in Hamilton, Bermuda
- Participated in the PwC Bermuda Insurance Summit in Hamilton, Bermuda
- Attended EIOPA's EU-US Insurance Dialogue Project - Public Stakeholder Session in Tirana, Albania
- Participated in the IAIS Annual Conference in Tirana, Albania
- Attended Hong Kong FinTech Week, including the Ensemble Roundtable organised by the Bank for International Settlements' (BIS) Innovation Hub at the Hong Kong Monetary Authority in Hong Kong
- Participated in the Insights Forum as part of the Singapore FinTech Festival in Singapore
- Participated in a panel discussion titled *Staying Safe Onchain: The Key to Mass Adoption* at the SmartCon Conference in New York City, New York
- Attended the Global Financial Innovation Network (GFIN) Annual General Meeting in Singapore

December 2025

- Attended the NAIC Fall National Meetings in Hollywood, Florida
- Participated in a discussion with the EIOPA Catastrophe Task Force titled *Catastrophe Days* event virtually
- Attended the Financial Times' Global Banking Summit in London, UK





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