



Bermuda regulatory updates

Q3 2026

Financial Sanctions Implementation Unit ("FSIU") - financial sanctions updates

During Q3 2026, Bermuda continued to implement updates to sanctions measures through the FSIU, reflecting changes to UK sanctions regimes as extended to Bermuda, comprising the Russia Regime, Counter-Terrorism (International) Regime, Libya Regime, Global Human Rights Regime, Democratic Republic of the Congo Regime, Sudan Regime, Global Anti-Corruption Regime, Cyber Regime, Chemical Weapons Regime, ISIL (Da'esh) and Al-Qaida Regime, Afghanistan Regime and Iran Regime.

Firms are reminded that sanctions obligations apply to all persons and legal entities operating in Bermuda and that sanctions measures may change frequently.

The FSIU continued to highlight the requirement to check applicable Bermuda and UK sanctions lists, freeze assets of designated persons where required, and submit reports to the FSIU, in accordance with Bermuda sanctions legislation.

[Click here for more](#)

AML/ATF Ministerial Advisory 2-2026 (published by the FSIU on July 24, 2026)

Per the anti-money laundering ("AML") and anti-terrorist financing ("ATF") Ministerial Advisory 2-2026, that was issued by the Bermuda Minister of Justice, the FATF published two statements identifying jurisdictions with strategic deficiencies in their AML/CFT regimes on June 19, 2026.

[Click here for more](#)

Updated statements (lists) from the Financial Action Task Force ("FATF"):

High-Risk Jurisdictions subject to a Call for Action - June 19, 2026

Jurisdictions under Increased Monitoring - June 19, 2026

As a result of the latest review by the FATF, Algeria and Namibia are no longer subject to increased monitoring.

Bermuda Monetary Authority ("BMA") - New policy implementation - police clearance certificate requirement for key persons

Effective October 1, 2026, a police clearance certificate ("PCC") is required for each key person subject to a fit and proper assessment, including persons who hold significant or controlling interests, or who perform senior management or other key functions, for new applications involving anti-money laundering/anti-terrorist financing regulated financial institutions.

PCCs will also be required where there is a change to a key person for an existing RFI entity, such as in the case of an appointment of a new director or reporting officer, even where that individual has previously been approved by the BMA.

PCCs will remain valid for up to 12 months from the date of issue.

Updated PCCs are not required annually for existing entities unless there is a new key person appointment or another change to a key person that triggers a new submission requirement.

Click here for more

BMA – Securities Sector Outreach Session - September 15, 2026

A webinar was held by the BMA to discuss the money laundering (“ML”), terrorist financing (“TF”) and proliferation financing (PF) risks, the upcoming Caribbean Financial Action Task Force (“CFATF”) mutual evaluation review and the Bermuda National Risk Assessment (“NRA”) specifically for the securities industry on September 15, 2026.

The CFATF mutual evaluation review onsite will take place between April 12-23, 2027, which will include public and private sector interviews.

Based on Bermuda’s latest NRA, Bermuda’s national ML threat remains high, driven mainly by foreign predicate offences (due to Bermuda’s international business links), including foreign fraud, insider trading, corruption and bribery, tax crimes and cybercrime, but also by domestic drug trafficking.

Bermuda’s national TF risk profile is low, but it has a medium inherent PF vulnerability, due to its exposure to international business activity.

Financial institutions (“Fis”) must now conduct a PF risk assessment (see Proceeds of Crime (Anti-Money Laundering and Anti-Terrorist Financing) Amendment Regulations 2026 and <https://www.bma.bm/useful-links> for the National Risk Assessment reports and the FSIU’s Bermuda Counter Proliferation Financing Guidance for more details).

BMA - proliferation financing (“PF”) session – September 17, 2026

Warning signs include transactions involving dual-use goods/technology that can be used for military purposes or involving a high-risk country that is known for its connection with proliferation of weapons of mass destruction (“WOMD”).

The use of crypto-assets and digital tools to move funds across borders is also increasing, designed to bypass traditional financial oversight and detection.

Sanctions evasion tactics include reliance on diplomatic personnel, illicit shipments and the use of front companies to purchase sensitive goods (i.e. potential WOMD).

Therefore, it is important to screen redemption beneficiaries and vendors, not just the registered investor.

Entities must report any suspicions of proliferation financing activities to the FSIU.

BMA - consultation paper – The responsible use of artificial intelligence in financial services (discussion/consultation papers - BMA)

The BMA published a consultation paper on a proposed guidance note (“GN”) for the responsible use of artificial intelligence (“AI”) in Bermuda’s regulated financial services sector, which is intended to help firms understand how existing regulatory requirements apply when developing, deploying or using AI, while supporting innovation and maintaining appropriate safeguards.

The proposed guidance note takes a principles-based and proportionate approach, covering areas such as governance, risk management, data oversight, transparency, cyber security, and operational resilience.

It does not introduce new regulatory requirements or create a separate AI licensing regime.

The BMA is inviting feedback from regulated entities and other stakeholders, with comments due to be submitted to policy@bma.bm by October 30, 2026.

BMA – Enforcement Guide Statement of Principles on the Exercise of Enforcement Powers

This Statement of Principles, which was published by the BMA on August 17, 2026, provides a unified guide on the BMA’s exercise of its enforcement powers and how it proposes to administer its enforcement functions.

This document replaces the 2018 Statement of Principles and Guidance on the Exercise of Enforcement Powers.

[Click here for more](#)

BMA – stakeholder letter on consultation on the regulation of digital identity service provider business

The BMA intends to conduct a targeted review of the existing AML/ATF framework and develop supervisory guidance addressing the use of digital identification solutions for customer due diligence purposes. This work will focus on:

- Digital onboarding and identification and verification requirements
- Reliability, independence and assurance assessments
- Assessments of foreign digital identity frameworks
- Record-keeping expectations
- Ongoing digital identity lifecycle considerations
- Any stakeholder who requires further clarification or wishes to provide additional input should contact the Authority at policy@bma.bm.

[Click here for more](#)

BMA - digital asset business ("DAB") - thematic review 2026

The purpose of this thematic review is to gather comprehensive, market-wide data on key operational and regulatory aspects across a defined sector. By focusing on internal audit, cross-jurisdictional compliance, conduct, effectiveness of the senior representative, and insurance coverage, the review aims to identify patterns, trends, and emerging risks that affect the industry as a whole. The data collected may facilitate the formulation of best practices that promote compliance with the DAB regulatory framework across all market participants.

Consequently, all DABs are expected to complete the thematic review.

This form should be completed and submitted via email to fintech@bma.bm by the close of business on November 15, 2026.

[Click here for more](#)

Office of the Registrar of Companies ("RoC") – industry notice

An industry notice was sent via email to stakeholders on September 25, 2026 to advise that the Beneficial Ownership Amendment Act 2026 has been enacted following passage by the legislature and receipt of the Governor's assent on September 14, 2026.

The Beneficial Ownership Regulations 2026 and the Beneficial Ownership Exemption Order 2026 have also been published and took effect on September 25, 2026

The Principal Act, Amendment Act, Regulations and Exemption Order are available through the links below:

- *[The Beneficial Ownership Act 2025](#)*
- *[The Beneficial Ownership Amendment Act 2026](#)*
- *[The Beneficial Ownership Exemption Order 2026](#)*
- *[The Beneficial Ownership Regulations 2026](#)*

Deadlines for Q4 2026:

- BMA

- December 31, 2026: Statement of Compliance for Designated Funds, Registered Funds, Standard Funds, Institutional Funds, Administered Funds, and Specified Jurisdiction Funds with a June 30 year-end.

- CITA

- December 31, 2026: Economic Substance Declarations for in-scope entities with a June 30 year-end.



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