

**BELIZE:**

**INSURANCE (MICROINSURANCE) REGULATIONS, 2025**

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BELIZE:

STATUTORY INSTRUMENT

No. 41 of 2025

*REGULATIONS made by the Minister responsible for insurance in exercise of the powers conferred upon him by section 241 of the Insurance Act, Act No. 30 of 2023, and all other powers thereunto him enabling.*

*(Gazetted 2nd April, 2025)*

PART I

*Preliminary*

1. These Regulations may be cited as the Citation.

**INSURANCE (MICROINSURANCE)  
REGULATIONS, 2025.**

2.-(1) In these Regulations– Interpretation.

“Act” means the Insurance Act; Act No. 30 of  
2023.

“value chain” means the set of activities that add value to any of the stages of insurance life cycle phases, namely–

- (a) product design;
- (b) marketing and information;
- (c) advice and conflict of interest;
- (d) sale;
- (e) post-sale service; and

(f) claims and complaints;

“proof of insurance” means a written document in which the insurance is recorded, and–

- (a) in the case of individual insurance, it may consist of the insurance proposal accepted by the policyholder; and
- (b) in the case of group insurance, it shall be a document separate from the proposal accepted by the policyholder, which shall be the insurance certificate;

“group microinsurance policy” means a microinsurance policy that meets the following conditions–

- (a) the master policyholder purchases the insurance policy on behalf of group members and their beneficiaries.
- (b) the group is identifiable and exists independently of the insurance contract;
- (c) the group is not formed by–
  - (i) registered insurer;
  - (ii) a person acting as an insurance broker, an insurance agent, or any other type of insurance intermediary; and
- (d) the risks insured under the policy are related to the common interests or activities of the beneficiaries;

“consumers of microinsurance” means policyholders, insured persons or parties and beneficiaries of microinsurance, as

well as potential policyholders, insureds and beneficiaries, where applicable;

“policy” means a microinsurance policy;

“policy summary” means a document which–

- (a) synthesizes the general conditions of micro insurance when they are longer than ten thousand (10,000) characters, not counting spaces or the index;
- (b) may contain no more than five thousand (5,000) characters, not counting spaces or the index; and
- (c) shall be read together with the insurance policy’s general conditions; and

“Remote communication” means media used for carrying out transactions or operations without requiring the simultaneous physical presence of the parties involved, and which can be used for transactions or operations in promotion and distribution, contracting, acceptance of proposals by policyholders and insured persons or parties, designation of beneficiaries, payment of premiums and benefits, post-sales services, delivery of information, and presentation of claims and complaints.

**3.-(1)** An insurer shall assess and implement the principles outlined in these Regulations, considering its characteristics as an entity, the rules that can be applied to it, the characteristics of the microinsurance it sells, and the target market to which it is directed.

**Proportional  
application of  
the principles.**

(2) The insurer shall submit a report to the Supervisor of the application by its entity of the principles and other rules established in these Regulations.

(3) The Supervisor may issue guidelines on the proportional application of the principles.

## PART II

### *Characteristics of Microinsurance*

Characteristics  
of  
microinsurance.

4. Microinsurance products shall be simple, unambiguous and shall adopt the following characteristics–

- (a) consumer documentation and information shall be intelligible and highlight limitations, such as exclusions and other risk coverage limitations, obligations, and charges;
- (b) when the product contains several types of coverage, the risks covered shall be clearly and independently identified along with any limitations and the terms applicable to each type, and the types of coverage included shall respond to the identified interests of the target segment to which the product is directed in accordance with the analysis referred to in regulation 9;
- (c) a policy shall contain–
  - (i) a minimum of exclusions and if any additional exclusion is required, the insurer shall technically justify it during the product development process in accordance with the exclusions and the terms of justification of additional exceptions set out in the Schedule;
  - (ii) a clause stating a policy shall have a contract term of up to, but not exceeding, twelve months; and

Schedule.

- (iii) a clause which states that the premium shall not increase during the term of the contract;
- (d) a policy shall be concise, and where the general conditions exceed the limit of ten thousand (10,000) characters without spaces, not counting spaces or the index, a policy summary shall be attached; and
- (e) a policy summary shall contain–
  - (i) a summary of the cover provided by, and the key features of, the microinsurance policy;
  - (ii) an explanation for any technical or legal language used;
  - (iii) the name of the insurer and the address of its principal office in Belize;
  - (iv) a description of the insured risks and any exclusions or limitations that apply;
  - (v) the duration of the policy, the period of cover, the grace period and any waiting periods that apply;
  - (vi) the principal benefits provided under the policy;
  - (vii) any obligations on a prospective policyholder to disclose material facts before purchasing the policy;
  - (viii) procedures for the payment of premiums, the date when premium is payable

and the amount of premium payable, including consequences of nonpayment of premiums;

- (ix) whether, and in what circumstances, the policy is renewable and the procedures for renewal;
- (x) the contact details of the insurer;
- (xi) the claims procedures;
- (xii) the right to complain and the method of lodging a complaint; and
- (xiii) a statement that the Policy Summary does not contain the full terms of the insurance policy, which are to be found in the policy document, and how the policyholder may obtain a digital or hard copy of the policy document.

Price of insurance premiums.

**5.** The price of insurance premiums shall not exceed two thousand four hundred dollars per year of coverage.

Use of remote communication.

**6.** In addition to traditional means, microinsurance products may use remote means for payments, contracting, information and advice delivery, post-sales services, and claim and complaint submissions.

Microinsurance contract.

**7.-(1)** A microinsurance contract shall enter effect when the policyholder accepts the insurance proposal of the insurer.

(2) A premium payment may be required at the time the microinsurance contract is entered into.

(3) The policy shall state that the insurer shall not terminate the insurance in advance except when it is legally provided for.



(4) Where the insurer identifies that a policy is not suitable for a policyholder, it shall advise them of this opinion and advise that they may cancel the policy.

(5) If necessary, in the cases of life, accidents and health insurance, the insurer may require the insured to complete a health declaration with specific and clear questions that can be completed immediately and do not affect the simplicity and clarity of the product, and this information may be used for claims analysis but not to deny coverage.

**8.-(1)** Microinsurance products shall be designed, distributed, and serviced to meet the insurance interests and objectives of the target consumers and contribute to their financial well-being.

Consumer's  
interests

(2) Insurers and intermediaries shall exercise appropriate product oversight and governance to ensure quality financial products are designed, distributed, and serviced.

### PART III

#### *Particular Principles and Rules for Conduct of Business for Microinsurance*

**9.-(1)** In the process of designing microinsurance, the insurer shall consider and analyse the following–

Product  
development.

- (a) the characteristics and needs of the low-income consumer segment which the product is aimed at and their relationship to the benefits it offers;
- (b) whether the product complies with the characteristics required by the Act and these Regulations;
- (c) whether the channels and remote means associated with the product complement

traditional means, whether they are the ones that best suit the target market;

- (d) when technological or digital means are used for the distribution and management of the product, the correct operation, explainability and security in terms of continuity and privacy of information verified by the insurer;
- (e) risks related to consumer fair treatment identified and mitigated through the product's value chain, including its different participants and the activities that can be delegated to them by any regulations made for the conduct of business in relation to insurance;
- (f) that insurance intermediaries and microinsurance agents, admitted to the product value chain, are suitable for the activities they will carry out, and that contracts with them provide for adequate risk management; and
- (g) the money laundering and financing of terrorism and proliferation financing risk level of the product documented by the entity's compliance officer.

(2) An insurer shall develop a Microinsurance Product Analysis document with information relating to sub-regulation (1), which shall be issued by the staff responsible for product development of the insurer and available upon request of the Supervisor.

**10.** Where there is promotional material which does not contain all the terms of the general conditions of the insurance, the insurer shall comply with the following–

Duty of the insurer where Promotional material does not contain general conditions.

- (a) ensure that any promotional material or any communication or disclosure directed to consumers of microinsurance, in whatever form or by whatever means, is simple, clear, and accurate;
- (b) ensure that when written, promotional material is legible to the average consumer in the target market;
- (c) consider necessary aspects for complying with the requirements of persons with special needs who request this insurance;
- (d) clearly specify the insurer that offers the product;
- (e) include a declaration that the promotional material does not contain all the terms of the general conditions, which may include restrictions, and specify how to access this information;
- (f) at a minimum, provide information about the type of insurance and primary coverage; and
- (g) indicate the means available for obtaining additional information, including providing a website, telephone number, e-mail address, and hours of operation.

**11.-(1)** Before any contract enters effect, the insurer or the insurance intermediary shall inform the future policyholder of how to have access to the insurance proposal, general conditions, proof of insurance, and the policy summary, when applicable.

**Pre-  
contractual.**

(2) For group microinsurance policies–

- (a) where group underwriting is applied, price discrimination shall not be allowed between individuals within the group;
- (b) the master policyholder shall disclose the premium payable by each member of the group and the benefits payable to the members at the contract's inception; and
- (c) the respective certificate of insurance shall be delivered to the insured, which will include information on the means available to submit claims.

(3) The insurance proposal shall contain contact information, including a telephone number, website, or any communication network and at least one physical address where an interested party may consult frequently asked questions about the product they purchase and receive advice on insurance.

(4) The insurer shall take the necessary measures to reveal the existence of any conflict of interest that may affect the purchase decision of the policyholder.

(5) Where the insurance is an accessory to the acquisition of another good or service, the insurer shall take the necessary measures so that a potential policyholders is aware of—

- (a) any such situation before contracting;
- (b) the option available to them of not acquiring the insurance; and
- (c) the percentage of the insurance cost received by the micro insurance intermediary.

**12.**—(1) The insurer shall provide the policy holder with information about how to access the general conditions of the insurance and the policy summary, when applicable, and the policyholder shall keep a written document as proof of the insurance.

Policy  
servicing.

(2) When the contract enters effect, or as soon as possible, the insurer shall take the necessary measures to collect all the data required to comply with its obligations rapidly and efficiently.

(3) The policy shall contain at least one telephone number, a physical address, an e-mail address, or any other means of digital communication by which the insurer responds to inquiries related to the product.

(4) The insurer shall have a means of contact with the policyholder and insured, as appropriate, to which it shall report any relevant situation related to the insurance policy.

**13.**—(1) A microinsurer shall develop a claims and complaints procedure which shall be simple and include only necessary requirements which are easy to fulfill.

Claims and  
complaints.

(2) A microinsurer shall pay or reject a claim within fourteen days of receipt of a claim notification with all the requirements established under the microinsurance policy and if the claim is rejected, it shall notify the claimant of the legal and contractual reasons for rejection.

(3) Where a microinsurance agent receives a claim notification, such notification shall be deemed to have been received by the microinsurer.

(4) Where an Insurer is unable to complete the claim process within the period specified in sub-regulation (2) due to a reasonable cause, the insurer shall provide the consumer with an extension of time of up to another fourteen days prior to the end of the first fourteen days.

(5) The policy shall indicate–

- (a) in corresponding order, authorities, including the Supervisor, and respective means of contacting the authorities to present claims and complaints, the content of the procedure, and administrative deadlines; and
- (b) the possibility of going to judicial authorities when appropriate.

(6) A microinsurer may reject a claim partially or totally and in such cases shall ensure that any resolution made clearly indicates the contractual clause or legal rule that justifies this rejection and its relevance in the specific case as well as any authorities in the terms indicated in sub-regulation (5).

**Confidentiality.**

**14.** An insurer shall implement the necessary measures and controls to protect the confidentiality of consumer sensitive information.

## PART IV

### *Channels for Distribution of Microinsurance*

**Distribution.**  
**Act No. 30 of**  
**2023.**

**15.**–(1) Microinsurance may be distributed directly by the insurer, insurance intermediaries, and microinsurance agents in accordance with section 180(1) of the Act.

(2) Where insurance intermediaries participate in the distribution of microinsurance, the contract between the insurance intermediaries and the corresponding insurer shall define at least–

- (a) the obligations and powers of each;

- (b) the responsibility to the consumer for errors and omissions of the intermediary, which shall be jointly and severally shared with the insurer except in the case of insurance brokerage companies; and
- (c) an exit strategy that avoids affecting service to consumers in cases where an intermediary terminates its participation in the commercialisation and sales of the product.

**16.-(1)** The minimum functions of microinsurance intermediaries which shall be included in the contracts with insurers are as follows—

**Minimum  
functions of  
microinsurance  
intermediaries.**

- (a) to make available to potential policyholders the insurance proposal of the insurance company, the general conditions, and other related information prepared by the insurer;
- (b) to assist potential policyholders with the necessary actions to formalise the acceptance of the insurance proposal; and
- (c) to assist policyholders in withdrawing and canceling a policy when appropriate.

(2) Unless agreed to in the contract with the insurer, a microinsurance agent shall not give advice regarding the product and its function, but shall provide information about how guidance can be obtained from the insurer.

(3) The contract referenced in sub-regulation (1) shall indicate both the minimum functions and any additional functions that the insurer delegates to the microinsurance intermediary.

(4) When an intermediary, other than a microinsurance agent, distributes the insurance, it shall do so in accordance with its nature, the legal relationships it maintains with the insurer, and the regulatory framework that governs it.

Microinsurance  
agent.

**17.**—(1) An insurer shall appoint a microinsurance agent by entering into an agreement that specifies the terms and conditions of such appointment, including the duties and responsibilities of both the microinsurance agent and the insurer.

(2) An individual may be appointed and act as a microinsurance agent without obtaining a licence as an insurance agent under the Act.

(3) A microinsurer may appoint an individual as its microinsurance agent in accordance with the following conditions—

- (a) the insurer is satisfied that the individual is fit and proper to be a microinsurance agent;
- (b) the individual has completed a relevant microinsurance training program;
- (c) the individual shall be monitored and supervised as a microinsurance agent by a microinsurer; and
- (d) the microinsurer has duly informed the Supervisor of Insurance.

(4) A microinsurer shall keep a register, published on its website, of all microinsurance agents appointed, which shall include—

- (a) the full name, business address, and contact details of each agent;



- (b) the date upon which the agent was appointed and on which the appointment was terminated or will terminate, where applicable; and
- (c) any microinsurance products that the microinsurance agent is authorised to distribute.

**18.**—(1) Every microinsurer shall provide, at its own expense, at least twenty-five hours of training to all microinsurance agents in insurance selling, policyholder servicing, and claims handling.

**Training.**

(2) A microinsurer shall ensure that its microinsurance agents undergo refresher training of at least fifteen hours every three years from the date of entering into the agreement.

(3) Microinsurance training programmes shall include appropriate and relevant training on—

- (a) the provisions of the Act and regulations relating to microinsurance, conduct of business, and consumer protection;
- (b) the duties and responsibilities of the agent or employee about the distribution of microinsurance policies;
- (c) the specific microinsurance policies and products that the agent or employee will be authorised to distribute;
- (d) the insurance market of Belize; and
- (e) changes to the policies and products of the insurer.

Fees payable to a microinsurance agent exceeding 15%.

**19.** If the commissions or fees payable to a microinsurance agent exceed fifteen (15) percent of the premium paid, the microinsurer shall require authorisation from the Supervisor.

Other participants in the microinsurance value chain.

**20.**—(1) The participation of third parties in the value chain of microinsurance products shall be included in the respective contract signed with the insurer or intermediary, and in the latter case, only if the insurer agrees to this possibility.

(2) The contract referred to in sub-regulation (1) shall include—

- (a) the obligations and capacities of the third-party service provider;
- (b) the joint and several liability of the third-party service provider to the consumer for errors and omissions; and
- (c) terms and conditions for termination of the contractual relationship by the third-party service provider.

(3) The insurer shall ensure that the third-party service providers are qualified to carry out the activities delegated to them.

Termination of contracts.

**21.**—(1) If any person in the microinsurance value chain terminates the contractual relationship that enabled it to act as such, and in doing so, policyholders and insured persons or beneficiaries, as appropriate, of current microinsurance policies are affected, the insurer shall inform customers who may be affected in a proper and timely manner.

(2) Upon termination of the respective contracts, the insurer shall take the necessary measures to ensure that the service of policyholders and insured persons or beneficiaries, as appropriate, is not interrupted and that the persons

referred to in sub-regulation (1) do not continue carrying out any activities which they were entitled to do prior to the termination of the contract.

## PART V

### *Miscellaneous*

**22.**—(1) The Supervisor may require micro insurers to provide periodic reports of statistical information related to the distribution and management of their microinsurance products.

Information that can be publicly disclosed.

(2) The Supervisor may publicly disclose, in an aggregated or disaggregated format, by product, line, insurer, geographical region, gender, or others, the material information and indicators that it determines is expected to enhance market discipline by providing meaningful and useful information to—

- (a) policyholders to make decisions on insuring risks with the insurer; and
- (b) market participants, which includes existing and potential investors, lenders and other creditors, to make decisions about providing resources to the insurer.

## SCHEDULE

*[regulation 4]*

## ANNEX 1. EXCLUSIONS

Insurers may incorporate exclusions similar to those indicated below into their microinsurance policies without justification. If any additional exclusion is necessary, it must be justified in the Microinsurance product analysis in accordance with regulation 4 of the Insurance Microinsurance Regulations.

**Exclusions that do not require justification for any coverage**

1. The following risks are included in the scope of coverage but excluded when they occur as a direct consequence of the following–

- (a) civil or international war, terrorism, riot, strike, subversive movement, or, in general, popular commotions of any kind;
- (b) volcanic eruptions, earthquakes, hurricanes, or any other natural event, except where these are not the principal risks covered;
- (c) premeditated action or omission, intentional or due to serious fault of the policyholder, insured, or beneficiary;
- (d) conditions or situations existing prior to contracting the insurance that affect the interest that is insured;
- (e) criminal acts or non-compliance with the law by the policyholder, insured, or beneficiary; or
- (f) strikes, stoppages, riots, fights, riots and other events that alter the public order of the country.

**Exclusions that do not require justification for specific coverage**

2.-(1) Exclusions applicable to unemployment coverage do not require

justification for specific coverage. These include employment contracts or legal and regulatory employment relationships that end in any of the following circumstances–

- (a) during the trial period or at the end of it;
- (b) by voluntary resignation of the insured person or by mutual agreement;
- (c) in the case of a group policy in which the policyholder is the employer, massive layoffs greater than thirty percentage of the total employees occur in a short period of less than six months;
- (d) due to the expiration of the time defined in fixed-term contracts or due to the completion of the contracted work or labour;
- (e) when the employer terminates the employment contract for fair cause;
- (f) when the insured person retires due to old age or disability;
- (g) when the insured person is a relevant company shareholder from which, they are dismissed;
- (h) in the case of public employees: due to expiration of the term or period for which they were elected or appointed or due to the imposition of an administrative sanction that constitutes a cause for disqualification, dismissal, or suspension; or
- (i) when the insured person voluntarily joins a labour mobility regime.

**3.** Exclusions applicable to death coverage do not require justification for specific coverage and include the following–

- (a) the insured person commits suicide, attempted suicide, or self-inflicted injuries;

- (b) the death occurs due to or as a consequence of the consumption of alcohol, narcotics, hallucinogenic substances, and toxic or heroic drugs voluntarily ingested by the insured person, other than by medical prescription;
- (c) the death occurs due to or as a consequence of homicide with a firearm, sharp weapon, sharp weapon or blunt object;
- (d) the death occurs due to or as a consequence of aesthetic or plastic surgeries for beautification purposes, except reconstructive surgeries;
- (e) when the insured person dies due to or as a consequence of medical treatment or surgery that has been required as a result of an accident not covered by the policy;
- (f) when the insured person does not die due to an accident covered in the policy but rather due to or as a consequence of medical treatment or surgery performed as a result of the accident; or
- (g) when the insured person dies while participating in risky activities or as a result of practices, tests, or extreme sports.

**4.** Exclusions applicable to civil liability coverage do not require justification for specific coverage where the responsibilities are derived from—

- (a) agreements made by the insured without the prior consent of the insurer; or
- (b) contracts, agreements, penal clauses, or performance guarantees.

**5.** Exclusions applicable to coverage related to automobile driving do not require justification for specific coverage and includes—

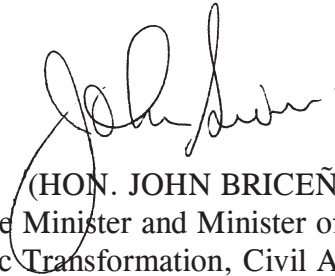
- (a) cases where the driver does not have a qualifying driving license;
- (b) participation in competitions or tests of safety, resistance, regularity, and speed, with or without consent of the insured;
- (c) if, when the accident occurs, the driver of the insured vehicle is under the influence or effects of alcohol, toxic or disturbing drugs, narcotics, psychotropic substances, stimulants, or other substances that produce states of alteration and similar enervating or depressive effects; or
- (d) when the permitted passenger capacity is exceeded according to the vehicle manufacturer's specifications.

### **Justification for additional exclusions**

6. The justification for additional exclusions will appear in the Microinsurance Product Analysis document and will be based on one of the following criteria–

- (a) reinsurer's requirement for which specific reference will be made to the reinsurance contract, reinsurer's requirement, or similar;
- (b) the material effect of the exclusion on the product whether in its price, deductible, distribution, subscription, or service, among others. The affected aspect and the scope of that impact must be specifically described, that is, how the insurance behaves with and without the exclusion, referring to the internal document containing the corresponding analysis, the agreement, or any other documentation; or
- (c) ethical or reputational aspects of the insurer justified by documented or similar policies. the specific element and in what specific sense it is affected must be indicated.

**MADE** by the Minister responsible for insurance this 1st day of April, 2025.

A handwritten signature in black ink, appearing to read 'John Briceño', is positioned above the printed name.

(HON. JOHN BRICEÑO)

Prime Minister and Minister of Finance,  
Investment, Economic Transformation, Civil Aviation and E-Governance  
*(Minister responsible for insurance)*