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Change in Corporate Culture: New Expectations of the AMF for Insurer's "Commercial Practices"

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On March 11, 2011, the Autorité des marchés financiers (the "AMF") published a draft ***Commercial Practices Guideline***, which is available for public consultation on the website of the AMF until April 22, 2011.

This Guideline constitutes a statement of principle on the expectations of the AMF concerning the sound commercial practices of insurers and financial institutions. This process is part of the mandate of oversight and "prudential supervision" that was entrusted to the AMF following the recent decline in the financial markets.

Through the proposed measures, the AMF is seeking a firm commitment from the boards of directors and senior officers of insurance companies for the application of the "best practices" in their management and operations in order to promote public confidence.

This bulletin primarily discusses the scope of the application of the Guideline to insurers.

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