

L. NO. 15,040

WHAT CHANGES WITH THE NEW INSURANCE AND REINSURANCE LAW

The new Brazilian Insurance and Reinsurance Law, [L. No. 15,040](#) of December 9, 2024, will come into effect starting from [December 11, 2025](#). This legislation represents the consolidation of regulatory standards for the insurance sector in Brazil and aims to promote greater clarity and transparency in all operations.

It is important to note that this material is consultative and is not intended to establish new guidelines for operations in Brazil at this initial stage. The topic still depends on infralegal regulation and additional definitions, such as the concept of complex risks, the framing of the reinsurance proposal, applicable deadlines, among other points. We are committed to sharing any updates and adjustments with our partners and clients as soon as they become available.

WHAT CHANGES?

TACIT ACCEPTANCE

The reinsurance proposal [will be considered tacitly accepted 20 days after the date it is received](#), if no objection is raised. This rule was created to streamline the process and bring greater predictability to operations.

In addition, the new law formally introduced the concept of the reinsurance proposal, which will need to be detailed in infralegal rules, which may change the dynamics of market offerings. These changes reinforce the importance of clear, transparent, and timely communication among all parties involved.

As Brokers, insurers and reinsurers, we will need to remain attentive to the correct email addresses for submitting proposals, as well as to any changes in the reinsurers processes (especially the local ones). During this transition period, it is essential to follow up on submissions with appropriate safety margin and maintain close communication with the reinsurers, monitoring process adjustments to ensure that we are aligned with the updated workflows.



CLAIMS HANDLING



Insurers will have up to **30 days** to issue their position on a claim's coverage. This period may be suspended twice, and in **complex cases** the regulatory authority may extend it to up to 120 days — an expectation aimed primarily at cases classified as large risks, in accordance with current regulations.

Handling the claims is an exclusive responsibility of the Insurer, which has the prerogative to hire service providers to conduct the process. Even so, the final decision regarding coverage and the amount owed to the insured lies solely with the insurer. These service providers are required to promptly inform the insurer whenever partial amounts become payable during the process, otherwise they may be held jointly liable for any damage resulting from the delay.

The report is common to all parties, and if coverage is denied, in whole or in part, the insurer must provide the interested party with the documents produced or obtained that support its decision, as long as they are not considered confidential by law or that their disclosure would not cause harm to third parties, except pursuant to a court or arbitral order.

Finally, the denial of coverage must be expressed and justified, and the insurer may not change its justification in the event of litigation, unless new and previously unknown facts arise.

DEADLINES

CLAIMS SETTLEMENT

After coverage is acknowledged, or partial amounts are recognized as due, payment must be made **within 30 days**, otherwise late-payment charges may apply.

STATUTORY LIMITATION

New deadlines for dispute resolution. Insurers have 1 year to claim amounts owed; insureds have 1 year to challenge a formal claim denial; and a 1-year period applies to claims between insurers, reinsurers, and retrocessionaires.

REINSURANCE PROCESSES



These changes are expected to modify the reinsurance dynamics. The entire operation will need to rely on **cooperation both during negotiations and in the handling of claims**. These changes will likely require a **review of policy wording and the inclusion of information that supports the claims process**, always considering the new timelines, roles, and responsibilities established by the legislation.

The terms and conditions must clearly reflect the scope of coverage, including clauses related to claims handling, confidentiality, and the objective definition of exclusions.

These changes not only aim to improve operational efficiency but also to strengthen trust among all parties involved, ensuring a more predictable and secure business environment.

LATIN RE COMMITMENT

Latin Re is committed to adapting our processes and internal controls to ensure compliance with the new legislation. We are reviewing our reinsurance contract templates, wordings, response timeframes, and updating internal policies and training programs. Our goal is to ensure a transparent and collaborative transition, while understanding the impact of these guidelines on our clients and partners. It is essential to work with established players who are committed to best practices and market standards.

We remain at your disposal to clarify any questions and to discuss how these changes may affect your operation. **We believe that, together, we can navigate these changes effectively, further strengthening our partnership.**