



CENTRAL BANK OF TRINIDAD & TOBAGO

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CIRCULAR LETTER TO ALL GENERAL INSURANCE COMPANIES AND ATTIC SECRETARIAT

REF: CB-OIFI-305/2014

Dear Sir/Madam

Reinsurance Arrangements – 2014

The Central Bank of Trinidad and Tobago (the Central Bank), as part of the ongoing monitoring of the insurance sector, requires insurance companies to submit information on their reinsurance arrangements on an annual basis.

Accordingly, a summary of reinsurance arrangements (including facultative) **existing** as at January 1, 2014 should be submitted to the undersigned by **March 1, 2014**:

- (1) The summary should include for each treaty and facility:
 - a) treaty/facility number;
 - b) effective date;
 - c) expiry date;
 - d) the nature and limits of cover;
 - e) the classes of business protected;
 - f) the number and cost of reinstatements available;
 - g) the estimated reinsurance premiums and exchange commission if relevant;
 - h) the names and shares of reinsurers and their most current ratings;
 - i) a description of the circumstances in which facultative reinsurance is used; and
 - j) a summary of any material changes to the structure or terms based on your 2013 submission.

Please include details of any Reinstatement premium protection policy arrangements.

- (2) A confirmation letter from your reinsurer(s) or broker(s) indicating whether:
 - a) the summary of the reinsurance arrangements is accurate and complete;
 - b) all reinsurance arrangements have been placed and are legally enforceable, including the current status of documentation;

- c) all reinsurance premiums due from the insurer to reinsurers have been paid (or the status of any overdue payments) for each treaty and facility; and
- d) there are any disputes with reinsurers about recovery on particular claims or the coverage provided, including in respect of reinsurance for previous years.

Please be reminded that, for arrangements effective subsequent to January 1, 2014 or any changes, particulars should be submitted within thirty days in accordance with Section 23 of the Insurance Act Chap 84:01.

We anticipate your usual cooperation.

Yours sincerely



Michelle Chong Tai-Bell
Chief Actuary
Financial Institutions Supervision Department