



# CENTRAL BANK OF TRINIDAD & TOBAGO

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CIRCULAR LETTER TO ALL INSURANCE COMPANIES AND ATTIC SECRETARIAT

REF: CB-OIFI-1398/2010

**Guidance on documentation required  
Re: Sections 24 and 119 of the  
Insurance Act Chapter 84:01**

The purpose of this Circular letter is to provide applicants seeking regulatory approval of new or amended products under Sections 24 and 119 of the Insurance Act Chapter 84:01 with the Central Bank of Trinidad and Tobago's (Central Bank) information requirements to facilitate the product approval process. This is an interim measure as the Central Bank is in the process of reviewing its requirements regarding such approvals and formal guidelines in this respect will be circulated for discussion in due course.

In the short-term, the documents specified below are required to satisfy a typical product approval request and additional information may be requested as appropriate to the circumstances. The same requirements apply where an application is received regarding policies offered by an Association of Underwriters (Association).

**Information Requirements**

- 1) The policy contract, including a sample schedule of benefits;
- 2) The policy application form;
- 3) Policy illustrations given to clients showing the rate on interest assumed in the calculations, where relevant;
- 4) Endorsements, where applicable;
- 5) Premium rates;
- 6) Summary of the relevant reinsurance arrangements which includes the following information, where applicable:
  - The nature, retention and limits of the treaty
  - The classes of business protected by the treaty
  - The names and shares of reinsurers on the treaty
  - A description of the circumstances in which facultative reinsurance is used
- 7) A signed statement by the Appointed Actuary of a long term insurer, the Chief Financial Officer of a general insurer, or the pricing actuary of an Association stating:

- That he/she has reviewed the policy contract and has found the premium rates to be adequate;
  - That he/she has reviewed the policy illustrations (if applicable) and found that they provide full, true and plain disclosure to the consumer;
  - The pricing assumptions used;
  - That the profitability targets set by the Board are met;
  - That sensitivity testing was completed; and
  - The most critical assumptions that pose the greatest risk to the company.
- 8) Confirmation of Board of Inland Revenue approval, in the case of a registered annuity.
- 9) Where applicable, confirmation by the Association of any third party administration or marketing arrangements entered into and regulatory approval from the jurisdiction in which the policy is originally issued.

Please note that the Central Bank no longer requires a copy of the actuary's full pricing report but the actuarial certification must adhere to the new requirements stipulated in 7) above. With regards to amendments to existing policies, the information requirements will vary based on the materiality of the change and therefore you are advised to contact my office for further guidance. Please note that applications regarding policies offered by an Association are made through its local principal representative.

Yours sincerely



Anthony Roberts  
Chief Actuary  
**Financial Institutions Supervision Department**