



Central Bank of Trinidad and Tobago

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December 23, 2020

CIRCULAR LETTER TO:

ALL AGENCIES AND BROKERAGES
INSURANCE BROKERS ASSOCIATION OF TRINIDAD AND TOBAGO (IBATT)
ASSOCIATION OF TRINIDAD AND TOBAGO INSURANCE COMPANIES (ATTIC)
TRINIDAD AND TOBAGO INSURANCE INSTITUTE (TTII)
TRINIDAD AND TOBAGO ASSOCIATION OF INSURANCE
FINANCIAL ADVISORS (TTAIFA)

REF: CB-OIFI-2626/2020

**COMPLIANCE WITH SECTIONS 112 (11) AND (12) OF THE INSURANCE ACT, 2018 (AS
AMENDED)
DISTRIBUTION AND SALE OF COLLECTIVE INVESTMENT SCHEMES**

The Central Bank of Trinidad and Tobago (the “Central Bank”) wishes to advise all agencies and brokerages of Section 112(11) and (12) of the Insurance Act, 2018 (the “Act”) which stipulates that:-

“112 (11). An agency shall not carry on any business other than the business of an insurance agency except for the distribution and sale of collective investment schemes; and

112 (12). A brokerage shall not carry on any business other than the business of insurance brokerage except for the distribution and sale of collective investment schemes...”

Please be reminded that the Trinidad and Tobago Securities Exchange Commission (Commission) is the regulatory body responsible for the registration and regulation of collective investment schemes in accordance with the Securities Act, 2012, Chapter 83:02 (as amended) (Securities Act).

Further, the Commission has also issued Guidelines for collective investment schemes which contain a number of requirements for the proper regulation of collective investment schemes in Trinidad and Tobago. The Guidelines can be accessed at the following location: <https://ttsec.org.tt>. Agencies and brokerages conducting the distribution and sale of collective investment schemes are required to comply with the provisions of the Act, the Securities Act, Regulations and Guidelines made thereunder and any other applicable laws.

The Central Bank wishes to advise that any agency or brokerage which engages in the distribution and sale of collective investment schemes is required to notify the Inspector of such arrangement or material changes to any existing arrangement by.... . A “**material change**” for this purpose would constitute one as is defined under section 4(1) of the Securities Act when used in relation to a collective investment scheme as, that is to say:

Circular Letter:

To All Agencies & Brokerages

Insurance Brokers Association of Trinidad and Tobago (IBATT)

Association of Trinidad and Tobago Insurance Companies (ATTIC)

Trinidad and Tobago Insurance Institute (TTII)

Trinidad and Tobago Association of Insurance Financial Advisors (TTAIFA) 23 December, 2020

“a change in the business, operations or affairs of the issuer, the disclosure which would be considered important by a reasonable investor in determining whether to purchase, sell or transfer or continue to hold securities of the issuer...”

Failure to comply with the provisions outlined in Sections 112 (11) and (12) of the Act is considered an offence and may result in the Central Bank taking further regulatory action in accordance with the Act.

Please be guided accordingly.

Yours sincerely



Patrick Solomon

INSPECTOR OF FINANCIAL INSTITUTIONS