

April 24, 2026

CIRCULAR LETTER TO:

Insurance Companies Registered under the Insurance Act, 2018
Association of Trinidad and Tobago Insurance Companies (ATTIC)
Institution of Chartered Accountants of Trinidad and Tobago (ICATT)
Caribbean Actuarial Association (CAA)

REF: CB-OIFI-881/2026

**GUIDELINE FOR THE APPROVAL OF INSURERS TO
ENGAGE IN REAL ESTATE ACTIVITIES**

The Central Bank of Trinidad and Tobago (Central Bank/Bank) thanks the industry for the comments received on the draft *Guideline on Approval for Insurers to Engage in Real Estate Investments*, which was issued on June 27, 2024.

The Central Bank has considered carefully all feedback received and pursuant to section 278 of the Insurance Act, 2018 (the Act) is now issuing the final *Guideline for the Approval of Insurers to Engage in Real Estate Activities (Guideline)* for your attention and implementation.

The Guideline contemplates all real estate activities in which insurers may be engaged, and its purpose is to ensure that insurers' participation in real estate activities is conducted in a prudent, transparent and sustainable manner, consistent with the objectives of policyholder protection and financial stability. Key aspects of the Guideline include:

- (i) detailing of the application process for approvals; and
- (ii) an outline of the Central Bank's principal considerations for approving investments in real estate, which include compliance with capital adequacy, liquidity governance and risk management standards.

The Bank further advises that, in respect of item (i) above, the application process outlined in the Guideline was amended to ensure compliance with the expectation in the Act and now includes two (2) levels of approval - **a First Level Approval and a Second Level Approval**.

The **First Level Approval** relates to the requirement for approval in instances where the aggregate value of the investments in carrying on the business of holding, managing or otherwise dealing in real estate in accordance with section 30(7) of the Act, is twenty-five percent (25%) or less of the insurer's Adjusted Assets. Such First Level Approval is a simplified process, requiring submission of an attestation by the Chairman of the Board of Directors of the insurer that certain conditions exist, however the insurer should take into consideration the matters set out in Section 6 of the Guideline.

The **Second Level Approval**, relates to the requirement to obtain prior approval in instances where an insurer proposes to invest in real estate activity where the aggregate value of such investment will exceed 25% of the insurer's Adjusted Assets, and for **EVERY** approval of a permissible real estate entity. In making the application for Second Level Approval, an insurer should take into account, at a minimum, the matters outlined in Sections 7 and 8 of the Guideline.

The final Guideline and the Central Bank's responses to comments on the draft Guideline are appended and may also be accessed on the Bank's website at https://www.central-bank.org.tt/cbtt_storage/2026/04/guideline-for-the-approval-of-insurers-to-engage-in-real-estate-activity-april-2026.pdf and https://www.central-bank.org.tt/cbtt_storage/2026/04/table-of-responses-to-guideline-for-the-approval-of-insurers-to-engage-in-real-estate-activites-april-2026.pdf, respectively.

Insurers are advised to pay particular attention to Section 9 of the Guideline, entitled "Effective Date and Transition Period", which sets out obligations and expectations applicable to all insurers.

The Central Bank anticipates your usual cooperation in this matter.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Michelle Francis-Pantor', written over a horizontal line.

Michelle Francis-Pantor
INSPECTOR OF FINANCIAL INSTITUTIONS