



CENTRAL BANK OF TRINIDAD & TOBAGO

Eric Williams Plaza, Independence Square, Port-of-Spain, Trinidad, Trinidad and Tobago
Postal Address: P.O. Box 1250
Telephone: (868) 625-4835; 4921; 5028; Fax: (868) 627-4696
E-Mail Address: info@central-bank.org.tt
Website: www.central-bank.org.tt

March 11, 2014

CIRCULAR LETTER TO ALL GENERAL INSURANCE COMPANIES AND ATTIC SECRETARIAT

REF: CB-OIFI-580/2014

Request for information under Section 51(1) of the Insurance Act Chapter 84:01 ("the Act") on adequate reserving required by Section 172 of the Act

The Central Bank of Trinidad and Tobago ("the Central Bank") wishes to remind all general insurance companies that pursuant to Section 172 of the Act:

"(1) Every company shall, in addition to the reserves required to be included pursuant to section 168, provide reserves for meeting outstanding claims.

(2) Every company shall furnish to the Central Bank details of the methods used in calculating the reserves to be provided under subsection (1).

(3) The Central Bank may disallow any method used in calculating the reserves referred to in subsection (2) where it is satisfied that the method does not result in the provision of adequate reserves."

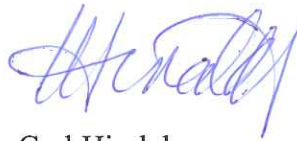
Kindly note that the Central Bank of Trinidad and Tobago (Central Bank) has revised the Form B4 Schedules used to assess adequacy of reserves as follows:

1. To capture relevant information in respect of non-reinsurance recoveries for the Motor class of insurance business only. Non-reinsurance recoveries include salvage, subrogation, excesses and other recoveries from policyholders or other third parties.
2. To include a reconciliation between quarterly CB20 and CB40 submissions and the year-end financials used in the completion of the Schedules.

In accordance with Section 51(1) of the Act, the Inspector requires that all general insurance companies provide complete and accurate Form B4 Schedules (Schedules) for their financial year ending 2013 on the revised basis. The revised format and instructions for completion of the Schedules can be found on the Central Bank's website at <http://www.central-bank.org.tt/content/regulatory-returns-and-instructions-0>.

Completed Schedules based on unaudited financials are required by **April 2, 2014**. In addition, completed Schedules based on audited financials (if different) must be submitted by **June 30, 2014**.

Yours sincerely



Carl Hiralal
Inspector of Financial Institutions