



CENTRAL BANK OF TRINIDAD & TOBAGO

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June 4, 2013

**CIRCULAR LETTER TO ALL INSURANCE COMPANIES
AND BROKERS**

REF: CB-OIFI-1413/2013

Business with Insurance Companies and Intermediaries

The Central Bank of Trinidad and Tobago (Central Bank) hereby reminds all insurance brokers that insurance companies or intermediaries with whom insurance business is transacted must be registered with the Central Bank under the Insurance Act, Chapter 84:01 (the Act). Persons may refer to the Central Bank's website at <http://www.central-bank.org.tt/content/insurance-sector> for a list of insurers and intermediaries registered under the Act.

Section 102 of the Act stipulates, *inter alia*, that a broker is personally liable to the insured on all contracts of insurance unlawfully made by or through him directly or indirectly with an insurer not registered to carry on insurance business in Trinidad and Tobago in the same manner as if such broker had been the insurer.

Where a locally registered broker conducts business with an insurer, intermediary or reinsurer in another jurisdiction, due diligence should be carried out to ensure, without limitation that such insurer, intermediary or reinsurer:

- a. is subject to regulation and supervision acceptable to the Central Bank;
- b. has achieved an acceptable rating from a recognized rating agency such as A,M. Best;
- c. has implemented best practice procedures such as Anti- Money Laundering and the Combating of Terrorism Financing; and
- d. has implemented satisfactory policies and procedures for claims handling.

Kindly acknowledge receipt by signing, dating and returning a copy of this letter.

Yours sincerely

A handwritten signature in blue ink, appearing to read 'Carl Hiralal'.

Carl Hiralal

INSPECTOR OF FINANCIAL INSTITUTIONS