



CENTRAL BANK OF TRINIDAD & TOBAGO

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CIRCULAR LETTER TO ALL LIFE INSURANCE COMPANIES AND ATTIC SECRETARIAT

REF: CB-OIFI-307/2014

Dear Sir/Madam

Reinsurance Arrangements – 2014

The Central Bank of Trinidad and Tobago (the Central Bank), as part of the ongoing monitoring of the insurance sector, requires insurance companies to submit information on their reinsurance arrangements to the Central Bank on an annual basis.

Accordingly, a summary of **existing** reinsurance arrangements (including facultative) should be submitted to the undersigned by **March 1, 2014**:

- (1) The summary should include for each treaty:
 - a) Treaty number;
 - b) Reinsurer;
 - c) Reinsurer's most current rating;
 - d) Effective date;
 - e) Renewal and Cancellation terms;
 - f) The classes of business/products/territories covered;
 - g) Type of reinsurance/Basis of reinsurance/Reinsurer's share;
 - h) Retention limits;
 - i) Automatic and facultative limits;
 - j) Recapture terms;
 - k) Summary of any profit sharing;
 - l) Details of any non-standard exclusions
 - m) Details of any non-guarantee of rates
 - n) Volume statistics – new business
 - o) Volume statistics – in-force business
 - p) Governing Law;
 - q) A summary of any material changes to the structure or terms effected in 2013

- (2) A confirmation letter from your reinsurer(s) indicating whether:
- a) reinsurance premiums due are settled on a timely basis for each treaty; and
 - b) there are any material disputes about recovery on particular claims, the coverage provided, underwriting of risks or the administration of the treaties.

Please also be reminded that in accordance with Section 23 of the Insurance Act Chap 84:01, particulars of any changes to reinsurance arrangements should be submitted within thirty days.

We anticipate your usual cooperation.

Yours sincerely



Michelle Chong Tai-Bell
Chief Actuary
Financial Institutions Supervision Department