



CENTRAL BANK OF TRINIDAD & TOBAGO

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CIRCULAR LETTER TO ALL INSURANCE COMPANIES

REF: CB-OIFI-1003/2011

FITNESS AND PROPRIETY OF DIRECTORS AND OFFICERS

The Central Bank of Trinidad and Tobago (Central Bank) wishes to remind all insurance companies registered (registrants) under the Insurance Act, Chap. 84:01 (IA) of their responsibility to ensure that the persons they wish to appoint to the position of director or officer are fit and proper to carry out their function. In addition, sections 19 and 20 of the IA require registrants to notify the Central Bank prior to appointing a chief executive officer or a director.

Registrants are therefore strongly urged to ensure that the screening process for appointing persons as officers and directors of their institutions is robust and that such persons are of good character, competent, capable and financially sound in accordance with the "Fit and Proper" Guideline (<http://www.central-bank.org.tt/pdf/Other/Fit%20and%20Proper.pdf>).

Further, enhanced due diligence should be applied when considering persons for the position of an officer or a director if such persons were previously employed or involved with a failed or failing financial institution. In such circumstances, the registrant should give due consideration to *inter alia*, the position that the person held and his/her role and function in the previous organization.

Please be guided accordingly.

Yours faithfully

A handwritten signature in black ink, appearing to read 'Carl Hiralal', written over a light blue horizontal line.

Carl Hiralal
INSPECTOR OF FINANCIAL INSTITUTIONS