



# Central Bank of Trinidad and Tobago

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December 22, 2020

**Circular Letter to  
Insurance Companies Registered under Insurance Act 1980 as at December 31, 2020  
The Institute of Chartered Accountants of Trinidad and Tobago  
Association of Trinidad & Tobago Insurance Companies Secretariat  
Caribbean Actuarial Association**

**REF: CB-OIFI: 2563/2020**

## **Regulatory Reporting Requirements for Insurance Companies registered in Trinidad and Tobago**

The Insurance Act, 2018 (Act), save and except sections 184 and 185, was proclaimed with effect from January 1, 2021. Further, Regulations under the Act were made by the Minister of Finance with effect from January 1, 2021.

One crucial outcome of the new measures imposed by the Act is a new format for regulatory reporting to the Central Bank of Trinidad and Tobago (Central Bank).

On August 21, 2019, the Inspector of Financial Institutions (Inspector) held a forum on the Insurance Act 2018 Annual Returns to address any concerns, queries or comments that insurers may have had on these returns. Subsequently various returns were sent to the insurance industry for testing and feedback.

Having considered the valuable feedback received thereafter, and in light of the proclamation of the Act, the Inspector advises that, in accordance with sections 11(1) and 145 of the Act and the Insurance (Capital Adequacy) Regulations, 2020, each insurer must submit the regulatory reports and returns within such period and in the form specified herein:

### **1. Insurers - In Respect of Returns which are due for a reporting period ending before January 1, 2021:**

Regulatory Returns which are due for a reporting period ending before January 1, 2021 should be submitted to the Central Bank in accordance with the format used under the Insurance Act, 1980 within the time period stipulated below:

- a. *Annual Fiscal Package*  
Within six (6) months of the financial year ends which are before January 1, 2021.
- b. *Quarterly Return*  
Within twenty (20) business days after the end of the quarter ended December 31, 2020.

**2. Insurers - In Respect of Returns which are due for a reporting period ending after January 1, 2021:**

Insurers are required to submit audited Annual Fiscal Packages and unaudited Quarterly Packages in the form as specified in Appendices I and II as applicable to long-term or general insurers. The first Annual Fiscal Package submission is due *within four months* after the end of the insurer's first financial year end following proclamation of the Act. Subsequently thereafter the returns are due within sixty (60) days after the financial year end.

**3. Unaudited Capital Adequacy Returns (Refer to Circular Letter Ref. CB-OIFI 2603/2020):**

Pursuant to regulation 26 of the Insurance (Capital Adequacy) Regulations, 2020, insurers (with the exception of the branches of foreign insurers) are required to submit capital adequacy returns within the time period stipulated below:

*a. First Submission:*

The first unaudited capital adequacy return for the end of the first quarter immediately preceding proclamation of the Act must be submitted within three (3) months from the commencement of the Insurance (Capital Adequacy) Regulations 2020. Accordingly, in light of the commencement of these Regulations effective January 1, 2021, the first unaudited capital adequacy return is required for the quarter ended December 31, 2020 and must be submitted by April 1, 2021. Further details can be seen in Appendix II.

*b. Quarterly Submissions:*

Insurers are required to submit unaudited capital adequacy returns in the form as specified in Appendix II.

**4. Credit Exposure**

Every insurer is required to submit details on its credit exposure within the time period stipulated below:

*a. First Submission:*

Pursuant to sections 89(5) and 90(7) of the Act, insurers are required to submit details of their credit exposures which are in excess of the limits in these sections within sixty (60) business days after the proclamation date. Accordingly, in light of the proclamation date of January 1, 2021, insurers are required to submit by March 26, 2021, the unaudited credit exposure Form B for the position as at January 31, 2021. Further details can be seen in Appendix II.

*b. Quarterly Submissions:*

Insurers are required to submit unaudited credit exposure returns in the form as specified in Appendix II.

**5. Catastrophe Reserve Fund - In Respect of Returns which are due for a reporting period ending after January 1, 2021:**

Pursuant to section 45(1) of the Act, every insurer carrying on property insurance business is required to submit statements relating to its Catastrophe Reserve Fund in the form as specified in Appendix II, showing details of the appropriations pursuant to section 44(2) and any applicable reductions pursuant to section 44(5), within thirty (30) business days after the financial year end as a stand-alone unaudited return, with its annual audited fiscal package and at any other times as required by the Inspector.

**6. Branches of Foreign Insurers:**

Branches of Foreign Insurers are also required to submit the additional Quarterly Submissions in the form as specified in Appendix II.

Insurers are advised that the forms specified by the Inspector for all of the regulatory reports and returns required under the Act, can be accessed at <https://www.central-bank.org.tt/publications/regulatory-returns/insurance-sector-regulatory-return>.

Regulatory reports and returns must be submitted in both hardcopy and electronic form:

- i. The hardcopies are to be forwarded to:

**The Inspector of Financial Institutions  
Financial Institutions Supervision Department  
Central Bank of Trinidad and Tobago**

- ii. The electronic copies should be forwarded by e-mail to:

[insurance\\_reports@central-bank.org.tt](mailto:insurance_reports@central-bank.org.tt).

Please note that in accordance with Schedule 6 of the Act, the non-submission of certain returns in accordance with the statutory timeframes may attract an administrative fine.

Any queries may be forwarded electronically to:

[CBTTInsuranceAct2018Returns@central-bank.org.tt](mailto:CBTTInsuranceAct2018Returns@central-bank.org.tt) .

Please ensure that relevant personnel in your institutions are advised of the process for submission of the returns.

We anticipate your usual cooperation.

Yours sincerely



**Patrick Solomon  
Inspector of Financial Institution**

## **Appendix I - Regulatory Report/Return Form**

### **Statement of Responsibilities and Certification of Compliance**

- Statement Acknowledging the Responsibilities of the Board of Directors and Management
- Statement of the Responsibilities of the Board of Directors
- Statement of the Board of Directors - Compliance Review
- Reinsurance Arrangements Attestation Certificate
- Capital Adequacy Declaration - Company's Officers
- Capital Adequacy Declaration - Appointed Actuary/ Director
- Statement Verifying Annual Return

### **Corporate Information**

- Annual Corporate Information
- Out of Trinidad and Tobago Operations
- Shareholders - By Class of Shares
- Corporate and Regulatory Information (Foreign)
- General Questionnaire
- Reinsurance Information
- Encumbered Assets
- Consolidated - Other Information
- Consolidated - Summary of selected Financial Data for five years
- Non-consolidated - Summary of Motor Vehicle Insurance Business in force
- Corporate Documents Submitted
- Supervisory Fees - Annual Report

## **CONSOLIDATED FINANCIAL STATEMENTS AND EXHIBITS**

### **Financial Statements**

- Consolidated Financial Statements - Assets
- Consolidated Financial Statements - Liabilities, Policyholders' and Shareholders' Equity
- Consolidated Financial Statements - Statement of Earnings and Expenses
- Consolidated Financial Statements - Comprehensive Income
- Consolidated Financial Statements - Statement of Changes in Equity
- Consolidated Financial Statements - Statement of Cash Flows

### **Investments**

- Consolidated - Summary of Investments in Trinidad & Tobago
- Summary of Investments by Territory

### **Analyses of Assets & Liabilities, Territory and Currency**

- Summary of Asset and Liabilities - By Territory
- Liquid Assets and Cashable Liabilities - In Trinidad and Tobago/Outside Trinidad and Tobago Liquid Assets (Vested in Trust)
- Subordinated Debt at Year End

## **NON-CONSOLIDATED FINANCIAL STATEMENTS AND EXHIBITS**

### **Financial Statements**

- Assets - In Trinidad & Tobago / Outside Trinidad & Tobago
- Liabilities, Policyholders' and Shareholders' Equity - In Trinidad & Tobago / Outside of Trinidad & Tobago
- Statement of Income - In Trinidad & Tobago / Outside Trinidad & Tobago
- Comprehensive Income (Loss) and Accumulated Other Comprehensive Income (Loss)
- Statement of Changes in Equity
- Catastrophe Reserve Fund
- Statement of Equity in Participating Account
- Statement of Trinidad & Tobago Business Assets/Liabilities

### **Investments**

- Summary of Assets - In Trinidad & Tobago / Outside Trinidad & Tobago
- Statement of Assets - Outside Trinidad & Tobago - By Territory

### **Liabilities**

- Policy Liabilities by Class of Business - In & Outside Trinidad & Tobago
- Policy Liabilities and Other Actuarial Liabilities Summary
- Other Actuarial Liabilities
- Reinsurance Assets
- Investment Contracts at Amortised Costs
- Accounts Payable and Other Liabilities

### **Capital Adequacy Exhibits**

- Capital Adequacy Returns Summary Page
- Regulatory Capital Available:
  - Asset Default Risk
  - Investment Volatility Risk
  - Off Balance Sheet Risk
  - Foreign Currency Mismatch Risk
- Long-term Insurance Business:
  - Asset Liability Mismatch Risk
  - Mortality Risk
  - Morbidity Risk
  - Lapse Risk
  - Interest Margin Pricing Risk
  - Liquidity and Operation Risk
  - Guarantee Risk
- General Insurance Business:
  - Premium Adequacy Risk
  - Outstanding Claim Risk
  - Catastrophe Risk

- Valuation Forms:
  - Property Valuation Form
  - Unrated Bonds Valuation Form
  - Quoted Common Shares Valuation Form
  - Non-Permissible Values

### **Insurance Exhibits**

- Non-Consolidated Financial Statements - Statement of Income - In Trinidad & Tobago Business
- Non-Consolidated Financial Statements - Statement of Income - Outside Trinidad & Tobago Business
- Analysis of Premiums and Commissions - In Trinidad & Tobago
- Analysis of Premiums and Commissions - Outside Trinidad & Tobago
- Analysis of Policyholders' Benefits Long-term - In Trinidad and Tobago
- Analysis of Policyholders' Policyholders' Benefits - Outside Trinidad & Tobago
- Analysis of Underwriting Income - By Class of Business - Trinidad & Tobago
- Analysis of Underwriting Income - By Class of Business - Outside Trinidad & Tobago
- Analysis of Underwriting Income/(Loss) - By Territory
- Premiums Written for a Term longer than 12 Months-by Territory
- Statements of Claims Paid and Outstanding by Class of Business - Trinidad & Tobago
- Statements of Claims Paid and Outstanding by Class of Business - Non-Trinidad & Tobago

### **Segregated Funds - Long-term Insurance**

- Net Assets
- Changes in Net Assets
- Segregated Fund Net Movement for the Year by Type of Fund - In Trinidad & Tobago
- Segregated Fund Net Movement for the Year by Type of Fund - Outside Trinidad & Tobago
- Segregated Funds Questionnaire

### **Other Income and Expenses**

- Long-term Insurance:
  - Other Revenue - In Trinidad and Tobago
  - Other Revenue - Outside Trinidad and Tobago
  - Interest Expense & Finance Costs - In Trinidad and Tobago
  - Expenses - Insurance Operations (In Trinidad and Tobago)
  - Interest Expense & Finance Costs - Outside Trinidad and Tobago
  - Expenses - Insurance Operations (Outside Trinidad and Tobago)
- General Insurance:
  - Other Income - In Trinidad & Tobago by Class of Business
  - Other Income - Outside Trinidad & Tobago by Class of Business
  - General Expenses - In Trinidad & Tobago
  - Interest Expense & Finance Costs - In Trinidad & Tobago and Outside Trinidad & Tobago

- General and Investment Expenses - Outside Trinidad & Tobago
- Notes to the Insurance Returns
- Validation Schedule

**Miscellaneous Exhibits - Long-term Insurance**

- Analysis of Amounts of Life Insurance - Effected and in Force
- Movement of Annuities - Individual Annuities
- Movement of Annuities - Group Annuities and Pensions
- Movement of Insurance in Life Individual & Group (Direct) - In Trinidad and Tobago
- Movement of Insurance - Life - Group (Direct) - By Territory
- Notes to the Insurance Returns
- Validation Schedule

## Appendix II – Reporting Timelines

<b>1. QUARTERLY PACKAGE</b>		
<b>Reports</b>	<b>Frequency</b>	<b>Timeframe for Submission</b>
<i>Quarterly Returns Version 5.0</i> <ul style="list-style-type: none"> <li>• CB-20 – Balance Sheet and Schedules</li> <li>• CB-40 – Statement of Income and Expenses and Schedules</li> <li>• Schedule 1A – Interest Rates on TT Dollar Mortgage Loans</li> <li>• Schedule 1B – Interest Rates on TT Dollar Investment Contracts</li> <li>• CB-201 – Investment Exposure</li> <li>• CB-202 – Liability Exposure</li> </ul> <u>Branches of Foreign Insurers (only)</u> <ul style="list-style-type: none"> <li>• Stat Deposit – Statutory Deposit Requirement</li> <li>• Stat Fund – LT - Statutory Fund - Requirement in Respect of Long-term Insurance Business</li> <li>• Stat Fund – MV - Statutory Fund Motor - Requirement in Respect of Motor Vehicle Insurance Business</li> </ul>	Quarterly	Twenty (20) business days after the end of the period to which the Quarterly Returns relate
<i>Quarterly Shareholdings Report</i>		
<i>Unaudited Credit Exposures Reporting Form – CB 105i</i>		
<i>Unaudited Capital Adequacy Returns</i> <ul style="list-style-type: none"> <li>- First submission</li>   <li>- Subsequent submissions</li> </ul>		Reporting date of December 31, 2020 due three (3) months after proclamation  Twenty (20) business days after the end of the period to which the Quarterly Returns relate
<b>2. One off Submissions</b>		
<b>Reports</b>	<b>Frequency</b>	<b>Timeframe for Submission</b>
<i>Unaudited Credit Exposures Reporting - CB 105i - Form B</i>	One off	Sixty (60) business days after Proclamation
<b>3. ANNUAL FISCAL PACKAGE</b>		
<b>Reports</b>	<b>Frequency</b>	<b>Timeframe for Submission</b>
<i>Annual Returns</i> <ul style="list-style-type: none"> <li>• Statement of Responsibilities and Certification of Compliance</li> <li>• Corporate Information</li> <li>• Consolidated Financial Statements and Exhibits</li> <li>• Non-Consolidated Financial Statements and Exhibits</li> </ul> <i>Asset Schedule Return (Supplement to Annual Returns)</i>	Annually	First submission after proclamation is due four (4) months after the financial year end  Subsequent submissions due Sixty (60) business days after the financial year end
<i>Catastrophe Reserve Fund</i> <ul style="list-style-type: none"> <li>- Unaudited Standalone Return</li> </ul> <i>Note: An audited return is also required as part of the Annual Returns submission</i>	Annually	Thirty (30) business days after the financial year end