

Legal Notice No.

REPUBLIC OF TRINIDAD AND TOBAGO

**THE INSURANCE ACT, 2018**

**REGULATIONS**

Made by the Minister under section 279 of the Insurance Act  
and subject to negative resolution of Parliament

**THE INSURANCE (POLICY LIABILITIES) REGULATIONS, 2023**

Citation	<p>1. (1) These Regulations may be cited as the Insurance (Policy Liabilities) Regulations, 2023.</p> <p>(2) These Regulations apply to valuations of policy liabilities and other actuarial liabilities for returns filed pursuant to the Act by insurers carrying on long-term insurance business and general insurance business.</p>
Insurance Act No. 2018	<p>2. In these Regulations –</p> <p>“Act” means the Insurance Act, 2018;</p> <p>“appointed actuary” means an actuary appointed by an insurer pursuant to section 78;</p> <p>“annual return” mean the annual audited return required to be submitted in accordance with Section 145 of the Act;</p> <p>“financial statements” mean financial statements required to be submitted in accordance with Section 144 of the Act;</p> <p>“policy liabilities and other actuarial liabilities” mean the liabilities related to the insurer’s policies and other obligations to policyholders, including commitments, that are in force at the date of valuation or that were in force before that date and may include the liabilities identified in section 157(4) of the Act and in any Guidelines issued by the Central Bank;</p> <p>“standards of accepted actuarial practice” means the standards of the Caribbean Actuarial Association and any other actuarial standards as specified by the Inspector in respect of the application of these Regulations.</p>

Application of Standards	3. The appointed actuary of an insurer shall apply the standards of accepted actuarial practice with respect to actuarial work required under the Act and these Regulations.
Verification of Data	<p>4. (1) The appointed actuary shall–</p> <ul style="list-style-type: none"> <li>(a) ensure that he is familiar with the procedures for the administration and accounting of the business of the insurer; and</li> <li>(b) establish suitable control procedures to verify– <ul style="list-style-type: none"> <li>(i) that the valuation data for both assets and liabilities are consistent with the terms of the insurer’s contracts of insurance and contracts for commission;</li> <li>(ii) the validity of the deeds, contracts and documents of title that support the insurer’s investments and other source data; and</li> <li>(iii) the insurer’s compliance with applicable accounting practices, and make any appropriate adjustments.</li> </ul> </li> <li>(c) describe in the actuarial report the verification, assessment and review of the data used in the valuation.</li> </ul> <p>(2) The appointed actuary may consider the work of the auditor and any other person for the accuracy of the data used in the valuation and if the appointed actuary has any doubts regarding the accuracy of the data, he shall disclose any reservations in the actuarial report.</p> <p>(3) The appointed actuary shall take such steps, as are necessary, to ensure–</p> <ul style="list-style-type: none"> <li>(a) the reasonableness of the result of any calculation; and</li> <li>(b) that any inconsistencies and errors in the valuation system are reported to the insurer and appropriate measures to correct such inconsistencies and errors are recommended.</li> </ul> <p>(4) The appointed actuary shall verify the consistency of the current valuation data and results with the previous valuation data and results, the financial statements and the reconciliation of the valuation data.</p>
Expected experience	<p>5. (1) The appointed actuary shall discuss with the responsible officers of the insurer, the current and projected strategy of the insurer for investments, underwriting, claims, marketing, pricing and administration.</p> <p>(2) The appointed actuary shall study the experience of the business of the insurer and the most comparable published industry experience if available.</p>
Insurer’s requirements for the valuation	<p>6.(1) An insurer shall ensure that any actuarial valuation made pursuant to sections 158 and 215 of the Act is carried out in keeping with IFRS, the standards of accepted actuarial practice, Guidelines issued by the Central Bank and any requirement of the Inspector.</p> <p>(2) An insurer shall consider the advice of its appointed actuary in determining the value of policy liabilities and other actuarial liabilities and any disclosures to be included in its financial statements and annual returns.</p>

Appointed actuary and the report on the valuation	7. The appointed actuary shall ensure that the report on a valuation made pursuant to section 158 or 215 contain any information that may be requested to be included by the Inspector pursuant to Section 11(1)(f) of the Act.
Acceptable assumptions, methods and working papers	<p>8. (1) Where the Inspector is of the view that policy liabilities and other actuarial liabilities are inappropriate, and the appropriateness of particular assumptions or methods is not sufficiently demonstrated, the Inspector shall require the appointed actuary to adopt other acceptable assumptions or methods, and to re-compute the policy liabilities and other actuarial liabilities.</p> <p>(2) An insurer or its appointed actuary, as the case may be, shall give the Inspector access to the working papers and supporting documentation relating to the computation of the policy liabilities and other actuarial liabilities reported in the annual return and in the appointed actuary's valuation.</p>
Actuarial certificate	9. The actuarial valuation reports made pursuant to sections 158 and 215 of the Act shall include an actuarial certificate in such format as specified by the Inspector from time to time.
Actuarial certificate under section 158 of the Act	<p>10. The actuarial certificate included in the actuarial valuation report made pursuant to section 158 of the Act shall be accepted as the actuarial certificate required under section 145(2) of the Act.</p> <p>11. The Insurance (Caribbean Policy Premium Method) Regulations, 2020 are revoked.</p> <p>12. These Regulations shall come into operation on , 2023.</p>