

LEGAL NOTICE NO. 379

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 (PARTICIPATING ACCOUNT)
REGULATIONS, 2020

1. These Regulations may be cited as the Insurance (Participating Citation
Account) Regulations, 2020.

2. In these Regulations—

“Act” means the Insurance Act, 2018;

“dividend or bonus policy” means the participating policy
dividend or bonus policy established by the board of
directors pursuant to regulation 3.

Interpretation

Act No. 4 of
2018

3. In the case of an insurer that issues participating policies, its Board to
board of directors shall within six months after commencement of these establish
Regulations, establish a policy consistent with the provisions of the policy
Articles of Incorporation, Continuance or Amendment, Bye-Laws, other
constituent documents, and rules of the insurer and this Act and
Regulations—

(a) for determining the dividends and bonuses to be paid to the
participating policyholders; and

(b) with respect to the operation of each of the participating
accounts maintained pursuant to section 43 of the Act.

4. The board of directors of an insurer shall review annually the Board to
policy required under regulation 3. review policy

5. An insurer shall credit to or debit from a participating account, Allocation of
that portion of the investment income or losses of the insurer for a income to
financial year, including accrued capital gains or losses, whether or not participating
realized, that is determined in accordance with a method that is— account

(a) in the written opinion of the appointed actuary of the
insurer, fair and equitable to the participating
policyholders;

(b) approved by resolution of the board of directors, after
considering the written opinion of the appointed actuary; and

(c) not disallowed by the Inspector under subregulation 7(2),
on the ground that it is not fair and equitable to the
participating policyholders, within sixty business days after
receiving all of the information submitted pursuant to
regulation 7.

Allocation of expenses to participating account

6. An insurer shall debit from a participating account, that portion of the expenses, including taxes, of the insurer for a financial year that is determined in accordance with a method that is—

- (a) in the written opinion of the appointed actuary, fair and equitable to the participating policyholders;
- (b) approved by resolution of the directors, after considering the written opinion of the appointed actuary; and
- (c) not disallowed by the Inspector, on the ground that it is not fair and equitable to the participating policyholders, within sixty business days after the Inspector receives all of the information submitted pursuant to regulation 7.

Filing of allocation method for participating account

7. (1) An insurer shall submit to the Inspector—

- (a) a copy of the resolutions referred to in subregulations 5(b) and 6(b);
- (b) a copy of the written opinion of the appointed actuary referred to in subregulations 5(a) and 6(a); and
- (c) any other information relevant to the allocation method requested by the Inspector,

within thirty business days after the approval of the resolutions.

(2) Where the Inspector disallows methods pursuant to subregulations 5(c) and 6(c), he may specify an alternate method which, in his opinion, is fair and equitable to the participating policyholders of the insurer.

Review of allocation method for participating account

8. (1) The appointed actuary of an insurer shall report annually in writing to the board of directors and state his opinion on the fairness and equity of the method used by the insurer for allocating its investment income, losses and expenses, including taxes to a participating account maintained pursuant to section 43 of the Act.

(2) The board of directors of an insurer shall review annually the opinion of the appointed actuary submitted in accordance with subregulation 8(1) and shall act pursuant to regulations 5 and 6 accordingly.

Commencement

9. These Regulations shall come into operation on 1st January, 2021.

Dated this 6th day of November, 2020.

C. IMBERT
Minister of Finance