

**AS AMENDED IN THE HOUSE OF
REPRESENTATIVES**

No. 12 of 2007

Fifth Session Eighth Parliament Republic of
Trinidad and Tobago

HOUSE OF REPRESENTATIVES

BILL

AN ACT to amend the Insurance Act, Chap. 84:01

THE INSURANCE (AMENDMENT) BILL, 2007

Explanatory Note

(These notes form no part of the Bill, but are intended only to indicate its general purport)

This Bill seeks to amend the Insurance Act, Chap. 84:01 to revise the limit on investment in equities by registered pension plans.

Clause 3 would amend section 46 of the Insurance Act to clarify that the Second Schedule of the Act sets out the securities and other assets in which the assets of a statutory fund could be invested and the manner in which such investments are to be made.

Clause 4 would amend section 186 of the Act to ensure that the trustees of a registered pension fund plan could invest the assets of the plan in the assets permitted by section 46 as well as in a manner set out in the Second Schedule.

Clause 5 would amend the Second Schedule to set out the criteria that would allow over-funded registered pension fund plans to invest in ordinary shares in excess of fifty per cent of the accepted value of the total assets of the company/plan

BILL

AN ACT to amend the Insurance Act, Chap. 84:01

[, 2007]

ENACTED by the Parliament of Trinidad and Tobago as Enactment
follows:

1. This Act may be cited as the Insurance Short title
(Amendment) Act, 2007.

2. In this Act “the Act” means the Insurance Act. Interpretation
Chap. 84:01

Section 46 amended

3. Section 46 of the Act is amended by repealing subsection (1) and substituting the following subsection:

“(1) The assets of a statutory fund shall not be invested except in the assets and in such manner as specified in the Second Schedule.”.

Section 186 amended

4. Section 186 of the Act is amended by repealing subsection (1) and substituting the following subsection:

“(1) The trustees of a registered plan shall not invest the assets of the plan except—

(a) in such securities as a company may by section 46 invest the assets of its statutory fund; and

(b) in any other manner as specified in the Second Schedule.”.

Second Schedule amended

5. The Second Schedule to the Act is amended by—

(a) renumbering paragraph 5 as paragraph 5(1); and

(b) inserting after paragraph 5(1) as renumbered, the following subparagraph:

“(2) Notwithstanding paragraph 5(1) and subject to any requirements as specified by the Central Bank by notice published in the *Gazette*, a registered pension fund plan which has a total accepted value of assets in excess of one hundred and fifty per cent of its total liabilities may invest in ordinary shares up to a limit of—

(a) fifty per cent in respect of that portion of the total accepted value of assets equivalent to one hundred and fifty per cent of the total liabilities; and

(b) one hundred per cent in respect of that portion of the total accepted value of assets in excess of one hundred and fifty per cent of the total liabilities in such manner that the aggregate value of the investment under this subparagraph and subparagraph (a) shall not exceed seventy per cent of the total accepted value of the assets of the plan.

(3) For the purpose of paragraph 5(2), total liabilities shall be determined based on the assumptions used in the latest actuarial investigation conducted pursuant to section 185 of the Act and the details of the plan's membership used for the purpose of determining these liabilities shall comply with such requirements as specified by the Central Bank.”.

Passed in the House of Representatives this day
of , 2007.

Clerk of the House

I confirm the above.

Speaker

Passed in the Senate this day of , 2007.

Clerk of the Senate

I confirm the above.

President of the Senate

No. 12 of 2007

FIFTH SESSION
EIGHTH PARLIAMENT
REPUBLIC OF
TRINIDAD AND TOBAGO

BILL

An Act to amend the Insurance Act,
Chap. 84:01

Received and read the

First time

Second time

Third time
