

LEGAL NOTICE NO. 213

REPUBLIC OF TRINIDAD AND TOBAGO

THE NATIONAL INSURANCE ACT, CHAP. 32:01

ORDER

MADE BY THE MINISTER UNDER SECTION 23(2) OF THE NATIONAL
INSURANCE ACT

THE NATIONAL INSURANCE ORDER, 1999

1. This Order may be cited as the National Insurance Order, 1999. Citation
2. The first Schedule to the National Insurance Act, is amended: First Schedule
Chap. 32:01
amended
 - (a) by deleting subparagraph (a) of paragraph 1 and substituting the following subparagraph:

“(a) bonds, debentures, stocks or other evidence of indebtedness of, or guaranteed by the Government of:

- (i) the Republic of Trinidad and Tobago;
- (ii) any commonwealth country;
- (iii) the United States of America, or a state thereof;
- (iv) any other country, or state thereof, approved by the Minister with responsibility for Finance,

provided that, with respect to sub-subparagraphs (ii), (iii) and (iv), the country or state and the particular security shall carry an investment grade rating by an internationally recognised rating agency;”;

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- (b) by deleting subparagraph (e), (f) and (g) of paragraph 1 and substituting the following subparagraphs:

“(e) fully paid ordinary shares, preferred shares, bonds, debentures or other evidence of indebtedness of, or guaranteed by, a corporation incorporated in any country or state referred to in subparagraph (a)(i) to (iv) which during a period of

five years ending less than one year before the date of purchase thereof has either:

- (i) paid a dividend in each of such years upon its ordinary shares; or
- (ii) had earnings in each of such years available for the payment of a dividend upon such shares,

of at least four per cent of the average value at which the shares were carried in the capital stock account of the corporation during the year in which the dividend was paid or in which the corporation had earnings available for the payment of dividends, as the case may be, provided that—

- (A) subject to paragraph 1B, an investment in ordinary shares shall not, without the approval of the Minister with responsibility for Finance, exceed twenty-five per cent of the total funds of the Board; and
 - (B) where an investment in ordinary shares is to be made in a country or state referred to in subparagraph (a)(ii) to (iv), the country or state and the particular country shall carry and investment grade rating by an internationally recognised rating agency;
- (f) unit certificates, shares or other evidence of participation in financial assets whose portfolio is regulated by authorities in a country or state listed in subparagraph (a)(i) to (iv).”;

(c) by inserting after paragraph 1 the following paragraphs:

“ 1A. Notwithstanding the provisions of paragraph 1, the Board may invest in any other security as may be approved by the Minister with responsibility for Finance.

1B. Investments in countries outside of Trinidad and Tobago shall not altogether exceed ten per cent of the total investment portfolio of the Board.

1C. For the purposes of this Schedule, an investment in securities of the Government of the Republic of Trinidad and Tobago denominated in a foreign currency shall not be treated as an investment in a country outside of Trinidad and Tobago.;

(d) in paragraph 4, by deleting the full-stop and substituting the words ‘; or’ and by inserting after subparagraph (b), the following subparagraph:

“(c) any bank in a country referred to in paragraph 1(a)(i) to (iv), except in the case of Trinidad and Tobago, approved by the Minister with responsibility for Finance.”.

Dated this 4th day of November, 1999.

M. JOB
*Acting Minister of Finance,
Planning and Development*