

LAWS OF GUYANA

INSURANCE ACT

CHAPTER 91:02

**Act
20 of 1998
Amended by
16 of 2009**

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CHAPTER 91:02

INSURANCE ACT

20 of 1998.

An Act to repeal the Insurance Act and to provide for the regulation of insurance in Guyana, the promotion of competition in the insurance industry, the protection of consumers and for purposes related thereto or connected therewith.

[18TH DECEMBER, 2002]

**PART I
PRELIMINARY**

Short title.

1. This Act may be cited as the Insurance Act.

Interpretation.

2. In this Act –

"actuary" means a person possessing actuarial

qualifications as may be approved by the Commissioner for the purposes of this Act;

"association of underwriters" means an association of individual underwriters organized according to the system known as Lloyd's whereby every underwriting member of a syndicate becomes liable for a separate part of the sum secured by each policy subscribed to by that syndicate, limited or proportionate to the whole sum thereby secured;

"auditor" means a person who is a member of and in good standing with the Institute of Chartered Accountants of Guyana;

Schedule 1 "class of insurance business" means any of the classes of insurance business listed in Schedules 1 and 2;

Schedule 2 "Commissioner" means the Commissioner of Insurance appointed under section 3;

"controller" means a person having the power directly or indirectly either to direct the management of an insurer or if that insurer is a body corporate with shares to exercise or control, the exercise of twenty-five per cent or more of any class of voting shares;

"the Court" means the High Court;

"external insurer" means an undertaking carrying on insurance business which is formed under the laws of a country other than Guyana;

"financial year" means each period of twelve months at the end of which the balance of accounts is struck, or, if no such balance is struck, then the calendar year;

Schedule 2. "general insurance business" means insurance business listed in Schedule 2;

"insurance agent" or "agent" means any person who holds an appointment in writing from an insurer enabling him to place insurance business with that insurer, but does not include an insurance broker;

"insurance broker" or "broker" means a person who as an individual contractor brings together, with a view to the insurance of risks, persons seeking insurance and insurance undertakings, and carries out work preparing contracts of insurance, but does not include an insurance agent;

"insurance business" means the assumption of the obligations of an insurer in any class of insurance business, and includes re-insurance business, in Guyana;

"insurance company" or "company" means a body corporate which carries on or proposes to carry on insurance business in Guyana;

"insurer" means a company carrying on insurance business and, except where otherwise stated, includes all the members of an association of underwriters which is registered as an insurer;

"judicial manager" means a judicial manager appointed by the Court pursuant to subsection (1) of section 69;

Schedule 1 "life insurance" means insurance of a class specified in Class 1 of Schedule 1;

Schedule 1 "long-term insurance business" means insurance business described in Schedule 1;

"main representative" means a person who is appointed

by an external insurer to act as its agent and to carry on insurance business in Guyana with express authorization from the Commissioner to enter into contracts on behalf of such external insurer and upon whom all lawful processes in any action or proceeding against such external insurer shall be served;

"Minister" means the Minister responsible for Finance;

"mutual insurer" means an insurer owned by the policy-holders and whose shareholders (if any) are entitled to interest but not dividends on their capital;

"officer" includes a director, manager, secretary, treasurer, actuary or any other person designated as an officer of an undertaking by its rules;

"pension fund manager" means any person who registers one or more pension fund plans under Part XVI;

"person" shall include –

- (a) a natural person and any corporation or other entity which is given, or is recognized as having legal personality by the laws of any country or territory;
- (b) any unincorporated association or unincorporated body of persons, whether formed in Guyana or elsewhere, including a partnership, joint venture or consortium;
- (c) the government of a country or territory, any public, local or municipal authority in Guyana or elsewhere and any international organization or body, whether or not its members include Guyana and whether or not having legal personality; and

(d) a person who, under the law of any country or territory, together hold a fiduciary, representative or official position shall be treated as a single person;

"policy" means any written contract of insurance whether contained in one or more documents;

"policy-holder" means the person who for the time being has legal title to a policy, and includes any person to whom a policy is for the time being assigned;

"registration" means an authorization issued by the Commissioner;

"regulations" means regulations made by the Minister under section 17;

"scheme" means a proposal for the transfer, acquisition or amalgamation of an insurance business;

"undertaking" means a body corporate, partnership or an unincorporated association carrying on a trade or business;

"underwriter" means any person named in a policy as liable to pay or contribute towards the payment of the sum secured by the policy.

PART II
COMMISSIONER OF INSURANCE

Commissioner.

3. (1) The Minister shall appoint a Commissioner of Insurance who shall be responsible for carrying out the functions assigned to the Commissioner by this Act.

(2) The Commissioner shall hold office on such terms and conditions, including remuneration, as the Minister may determine.

(3) The Minister may with the consent of the President remove the Commissioner from office.

(4) The Commissioner may resign his office by notice in writing to the Minister.

Functions.

4. The Commissioner is charged with the general administration of this Act, and in the exercise of his functions he shall conform with any general or special directions given to him by the Minister.

Disqualifi-
cation.

5. (1) Where the Commissioner becomes a member of the National Assembly, he shall immediately cease to be the Commissioner.

(2) The Commissioner shall be disqualified from holding and shall cease to hold office if he is adjudged bankrupt or is convicted of an indictable offence in relation to a business, or is convicted of an offence involving fraud or dishonesty, whether in connection with a business or not.

Declaration of
interest.

6. Where the Commissioner or a person connected to the Commissioner has any financial interest directly or indirectly in any insurer or external insurer, he shall, before exercising any functions as Commissioner, declare the nature of such interest to the Minister and shall comply with such directions as the Minister may give him in regard thereto.

Confidential-
ity.

7. (1) Subject to subsection (3) a person shall not disclose any information obtained by him –

(a) while performing duties as the Commissioner;

- (b) as a member of the staff of the Commissioner; or
- (c) as a member of any body consulted in pursuance of any provision of this Act, while performing duties relating to any such consultation.

(2) A person who contravenes subsection (1) shall be guilty of an offence.

(3) Nothing in subsection (1) shall prevent disclosure of information in a report made to the Commissioner or on behalf of the Commissioner to the Minister in connection with his duties.

PART III MANAGEMENT AND STAFF

Staff.

8. (1) The Commissioner may from time to time appoint individuals as members of his staff with the prior approval of the Minister as to the number of staff and the staff positions.

(2) An individual on the staff of the Commissioner shall be employed on such terms and conditions as the Commissioner may from time to time determine with the consent of the Minister.

Advisers and consultants.

9. The Commissioner may, out of money at his disposal, from time to time engage actuaries, consultants, advisers or managers as he considers necessary for the discharge of the functions of his office.

Management and delegation.

10. (1) The Commissioner may, without prejudice to his general responsibilities under this Act, perform any of his

functions through or by any member of his staff or through another person or persons duly authorised by the Commissioner in that behalf.

(2) The Commissioner may with the consent of the Minister, delegate functions to members of his staff or other persons duly authorised.

Arbitration
Board.

11. (1) There shall be established within the office of the Commissioner an Insurance Arbitration Board which shall consist of three members: the Commissioner or his representative, a representative of the Insurance Association of Guyana or a successor group representing the insurers, and a broker chosen by the brokers of Guyana through fair means.

(2) Where in relation to a policy, any dispute or difference arises between a policy-holder and an insurer or broker, this dispute shall be arbitrated by the Insurance Arbitration Board.

(3) Decisions of the Insurance Arbitration Board may be appealed to the High Court.

c. 7:03.

(4) The Insurance Arbitration Board shall conduct arbitrations in accordance with the Arbitration Act.

PART IV **FINANCIAL PROVISIONS**

Sources of
funds.

12. (1) Thirty days before the end of each financial year, the Commissioner shall in cooperation with the representatives of the insurers formulate and submit to the Minister a budget reflecting monies that the Commissioner will need in order to carry out the provisions of this Act during the following year.

(2) The budget referred to in subsection (1) shall be approved by the Minister with amendments, if any, within

fourteen days of the submission of the budget to the Minister.

Estimate of fees collected.

13. (1) Thirty days before the end of each financial year, the Commissioner shall prepare an estimate of the amount of registration fees and other levies that are anticipated to be collected by the Commissioner in the following year.

(2) The estimate referred to in subsection (1) shall be approved by the Minister with amendments, if any, within fourteen days of the submission of the estimate to the Minister.

Assessment.

14. The Commissioner is hereby authorised to make an annual assessment against each insurer, insurance broker, Association of Underwriters, and, Manager of a Pension Fund Plan under the control of the Commissioner, which assessment shall be *pro rata* based upon the revenues of each of the entities and assessments shall be approved by the Minister if he determines that the amount of registration fees and other levies collected by the Commissioner will be insufficient to cover the annual operating cost of the office of the Commissioner. Any amount unexpended in such year shall be credited against the assessment in the following year and the assessment in the following year shall be reduced by such unexpended amount.

Accounts.

15. (1) The Commissioner shall keep in such form as may be approved of by the Minister proper accounts of moneys received and expended by him.

(2) The accounts shall be audited by an accredited auditor and when so audited shall together with a report on the accounts be presented to the Minister by the Commissioner and copies shall be made available to the National Assembly and shall be published not later than six months after the end of each financial year to which it refers.

(3) The Commissioner shall submit to the Minister such other reports and information as the Minister may require.

Annual Report.

16. The Commissioner shall submit to the Minister an Annual Report of his activities and the administration of this Act within thirty days of the end of the calendar year to which it refers. The Minister shall place the Annual Report before the National Assembly within fourteen days of receipt of the Annual Report and shall cause the Annual Report to be published. The Annual Report shall include a list of information on the functions and activities of the Commissioner and shall specifically comment on trends and developments in insurance in Guyana and other matters that are likely to have an impact on insurance in Guyana.

PART V

SUBSIDIARY LEGISLATION

Regulations.

17. The Minister, after consulting with the Commissioner, may make regulations for carrying out the provisions of this Act.

Appeals.

18. (1) An appeal lies to the Insurance Board of Review from any decision, direction, or order of the Commissioner, under this Act.

(2) The Insurance Board of Review to be appointed by the Minister shall consist of three members, one member recommended by the Commissioner, one member chosen by the Insurance Association of Guyana or a successor group representing the insurers, and one member chosen by the brokers of Guyana through fair means.

(3) Members of the Insurance Board of Review shall serve a three year term.

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Insurance

(4) The Commissioner, members of the Commissioner's staff, members of the insurance Association of Guyana or a successor group, and registered brokers shall not be eligible to be members of the Insurance Board of Review.

(5) Members of the Insurance Board of Review shall not have a financial interest in the insurance business in Guyana.

(6) Members of the Insurance Board of Review shall be paid for their time and expenses from the budget of the office of the Commissioner.

(7) An appeal from the Insurance Board of Review shall lie to the High Court.

PART VI OFFENCES AND PENALTIES

Offences.

19. (1) Any person who contravenes –

- (a) any provision of this Act;
- (b) any regulations; or
- (c) any direction or requirement made by the Commissioner or a person authorised by the Commissioner,

shall be guilty of an offence, unless he proves that he did not knowingly commit such contravention or omission and, in the case of a default in complying with any such provision, direction or requirement, the offence shall be deemed to be continued so long as the default continues.

(2) Where an offence against this Act is committed by a company and the offence is proved to have been committed with the consent or connivance of, or to have been facilitated by any neglect on the part of, any director, principal officer, or other officer or an actuary or auditor of the company, he, as well as the company, shall be deemed to be guilty of the offence.

(3) Where any person signs a document required by or under this Act which he knows to contain false information, that person is guilty of an offence.

(4) Proceedings for an offence shall not be commenced after the expiration of three years from the commission of the offence.

(5) Any proceedings against a company in respect of an offence against this Act shall be without prejudice to any proceedings for the judicial management, or the winding-up of the company or of any part of the business of the company which may be taken in respect of the matter constituting the offence.

Summary
convictions.

20. (1) The Commissioner shall appoint a Special Prosecutor to be responsible for prosecuting any violations of this Act.

(2) Any offence against this Act for which no other penalty is prescribed is punishable as a summary offence -

(a) in the case of a company, by a fine not exceeding one million dollars and where the offence is a continuing offence, by a further fine not exceeding one hundred thousand dollars for every day during which the offence continues; and

- (b) in the case of an individual, by a fine not exceeding one hundred thousand dollars or imprisonment for a term not exceeding three years, and where the offence is a continuing offence, by a further fine not exceeding ten thousand dollars for every day during which the offence continues after the conviction was first obtained.

PART VII
REGISTRATION OF INSURERS

Restriction on
insurance
business.

21. (1) Only companies or Associations of Underwriters registered with and authorised by the Commissioner under this Act may carry on insurance business in Guyana.

(2) A company or association which attempts to carry on insurance business without registering with the Commissioner shall be guilty of an offence.

Registration.

22. Every company or association seeking registration under this Act shall pay a filing fee of two hundred and fifty thousand dollars to the Commissioner.

Application for
registration.

23. (1) Any company or association may make application to the Commissioner for registration under this Act.

(2) The application for registration shall be in writing, signed by a Director of the company or principal representative of the association, and shall specify-

- (a) the address of the head office of the

company or the association;

- (b) the names of the directors and the auditors and the name and address of the principal representative of the company or association;
- (c) the name of the actuary of the company or association;
- (d) the countries, if any, outside Guyana in which the company or association carries on insurance business; and
- (e) the classes of insurance business undertaken or to be undertaken by the company or association.

(3) The application shall be accompanied by -

- (a) a copy of the instruments constituting the company or association or other duly certified proof of incorporation;
- (b) a copy of the articles of association or other rules of the company or association;
- (c) a copy of the latest revenue-account and balance sheet of the company or association and a copy of the latest actuarial valuation report upon the financial position of the company or association;
- (d) in the case of a company or association having shareholders, a

statement showing the nominal, subscribed and paid-up capital of the company or association and the amount of the capital which has been paid up in cash;

- (e) in the case of long-term insurance business a copy of the premium rate book in use, or to be used by the company or association in Guyana;
- (f) specimens of the various standard forms of proposals and policies to be issued in Guyana, certified by a director or the principal representative of the company or association to be true and correct; and
- (g) a copy of any reinsurance contract in effect at the time of application.

(4) The Commissioner may require any company or association making application for registration under this Act to furnish him with such additional information as he may require.

(5) Every company or association carrying on insurance business in Guyana immediately before the commencement of this Act shall, within two months of the commencement, make application in accordance with this section to the Commissioner for registration. Upon submission of its application, the company or association shall be deemed registered and should the Commissioner find any portion of the application to be deficient, the company shall be given six months from the initial filing deadline to cure such deficiency without penalty.

(6) The Commissioner shall decide whether to grant or refuse an application or seek additional information and so inform the applicant in writing within one month of receiving the application. Where additional information is sought, the Commissioner shall decide and inform the applicant of the decision within one month of receiving the additional information which he sought.

Qualifications
for registration.

24. (1) Where the Commissioner, after appropriate inquiry or by the production of documentary evidence, and upon the advice of an actuary, is satisfied in respect of the applicant insurance company or association that –

- (a) the requirements of sections 21 and 22 in so far they are applicable, have been complied with;
- (b) the company or association is solvent, and not subject to proceedings under section 68;
- (c) the company or association is likely to be able to comply with such of the provisions of this Act as would be applicable to it;
- (d) the company or association has made adequate arrangements for reinsurance of that class of insurance business or that there is no justification for making such arrangements;
- (e) the managing director or controller of the company or person in charge of the association is a fit and proper person;

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- (f) in the case of a company or association that carries on, or proposes to carry on, some other form of business in addition to insurance business, the carrying on of both insurance, business and that other business is not contrary to the public interest;
- (g) the name of the company or association is not identical with or does not so closely resemble the name of an insurance company or association already registered under this Act as to be likely to deceive; and
- (h) being a foreign company or association, it -
 - (i) is lawfully constituted in accordance with the laws of the country in which it is incorporated and has undertaken insurance business in that country for at least three years before the date of the application; and
 - (ii) has appointed some person resident in Guyana to be its main representative in Guyana and has informed the Commissioner in writing of the name and address of that person,

the Commissioner shall, either unconditionally or subject to such conditions as he may specify, register the insurance company or association in respect of such class or classes of insurance business and shall authorize the applicant accordingly.

(2) Where the Commissioner is not satisfied, in relation to all or any of the classes of insurance business in respect of which the application is made, as to one or more of the conditions mentioned in subsection (1), he shall notify the insurance company or association in writing that he proposes to refuse to register it in respect of one or more of the classes of insurance business for which application is made and give his reasons for so doing.

Registration
Certificate.

25. The registration shall be in the form of a certificate which shall –

- (a) specify the class of insurance business in respect of which the insurer is registered to carry on insurance business; and
- (b) be *prima facie* evidence that the insurer named on the certificate is registered to carry on insurance business of the class shown on the certificate.

Revocation of
registration.

26. (1) An insurer which ceases to carry on insurance business of a class for which it is registered under this Act shall notify the Commissioner in writing to this effect and on being so notified, the Commissioner shall subject to subsection (4) revoke the registration of the insurer in respect of that class.

(2) Where an insurer is registered under this Act to carry on insurance business and the Commissioner has reason to believe that the insurer has not carried on that insurance business within two years of the grant of

registration or has not done so for a period of more than two years, he may serve on the insurer a notice requiring it to satisfy him, within one month after the date of service of the notice, that it is carrying on the registered insurance business in Guyana.

(3) The Commissioner may revoke the registration of an insurer on which notice is served under subsection (2) where the insurer does not within the time specified in that subsection satisfy the Commissioner that it is carrying on insurance business in Guyana.

(4) The Commissioner shall not revoke the registration of an insurer in respect of a particular class of insurance business so long as the insurer is under liability to Guyana policy-holders unless he is satisfied that -

- (a) reasonable provision has been or is being made to meet that liability; and
- (b) adequate arrangements have been or are being made for payment in Guyana of premiums and claims; on those policies.

(5) The Commissioner may revoke the registration of an insurer if it appears to him that -

- (a) the insurer is or is likely to be unable to meet its obligations, or has unreasonably delayed settlement of claims payable on policies issued by it;
- (b) the insurer has failed to comply with any of the provisions of this Act;

- (c) the insurer has not, within a period of one month from the date on which the Commissioner required from it in writing any information which he was entitled to require from it under this Act furnished that information duly and satisfactorily; or
- (d) the registration was procured as a result of any misleading or false representation or in consequence of any incorrect information (whether the representation was made or information was supplied wilfully or otherwise).

(6) The Commissioner shall, when the registration of the insurer is cancelled -

- (a) within fourteen days of the cancellation, give written notice of cancellation to the insurer specifying the reasons for the cancellation of the registration of the insurer; and
- (b) require the insurer to deliver its certificate of registration to him within twenty-eight days of the cancellation or such shorter period as may be specified in the notice.

PART VIII

ACCOUNTS AND DOCUMENTS

Annual
Accounts.

27. (1) An insurer other than an external insurer shall at the expiration of each financial year prepare a revenue account in respect of each class of insurance business carried on.

(2) An insurer other than an external insurer, which carries on both long-term and general insurance business, shall prepare a separate profit and loss account (or income and expenditure account if the long-term insurance business is not operated for profit) and balance sheet in respect of long-term insurance business.

(3) An insurer other than an external insurer shall submit any report on the affairs of the insurer submitted to shareholders or policy-holders in respect of the financial year.

Compliance.

28. (1) An insurer other than an external insurer shall comply –

c. 89:01.

(a) with sections 157 to 169 (Financial Disclosure) of the Companies Act and with the Sixth Schedule of that Act as modified for insurance companies; and

(b) with, in the case of a mutual insurer, the equivalent requirements as to financial disclosure contained in the law under which it is established.

(2) In addition to the requirements under subsection (1) and section 27, an insurer carrying on general insurance business shall state in its accounts the basis on which it has provided for outstanding claims on its balance sheet including the extent to which it has provided for claims incurred but not reported.

External
insurer annual
account.

29. (1) An external insurer shall at the expiration of each financial year prepare, in relation to its activities in Guyana, revenue accounts, a profit and loss account and a balance sheet in the format prescribed by the Commissioner

for insurance in the country in which its head office is situated.

(2) If not prepared in accordance with subsection (1), an external insurer shall prepare a separate revenue account, separate profit and loss account (or income and expenditure account if the long-term insurance business is not operated for profit) and balance sheet in respect of each class of insurance business carried on.

Annual filing.

30. (1) An insurer other than an external insurer shall deposit with the Commissioner four copies of each account prepared in accordance with section 27 and four copies of the documents prepared under section 28 within six months of the end of each financial year. The said four copies shall be typewritten and one copy shall be signed by a director and the secretary of the insurer and shall indicate the date on which the accounts were approved by the board.

(2) An external insurer shall deposit with the Commissioner four copies of the materials prepared in accordance with section 29 within six months of the end of each financial year. The said four copies shall be typewritten and one copy shall be signed by a director, the secretary, and the main representative of the insurer and shall indicate the date on which the accounts were approved by the board.

(3) The documents prepared by the insurer in accordance with subsections (1) and (2) shall be approved by an independent auditor, paid for at the expense of the insurer, and proof of the approval of the independent auditor shall be submitted with the documents prepared in accordance with subsections (1) and (2).

(4) If in any case it is made to appear to the Commissioner that the circumstances are such that a

longer period than six months should be allowed he may, at the written request of the insurer, extend that period by not more than three months.

(5) The written request referred to in subsection (4) shall be filed with the Commissioner prior to the date on which the six months expired.

Associated groups.

31. Where two or more insurance companies, that operate as separate entities that can be wound up in accordance with the law under which they are incorporated, are associated together in a group, then, in addition to the separate accounts required by section 30, the Commissioner may require the parent company or association of the group to prepare, at the end of each financial year and in the prescribed form and manner –

- (a) a consolidated balance sheet showing at the close of the financial year, the position as a group of the parent company or association and all its subsidiary companies;
- (b) a consolidated profit and loss account showing the profit or loss as a group of the parent company or association and all its subsidiary companies during the financial year; and
- (c) such other documents as may be prescribed,

and the balance sheet and profit and loss account shall bear a certificate by an auditor approved by the Commissioner as to whether in his opinion it gives a true and fair view of the financial position as a group at the close of that financial year or, as the case may be, of the profit and loss as a group during that financial year, of the parent company or association and all its subsidiary companies.

Investigation
by actuary.

32. (1) Every insurer carrying on long-term insurance business shall once in every three years cause an investigation to be made into its financial condition, including its liabilities, by an actuary and furnish the Commissioner an abstract of the result of the investigation.

(2) The abstract referred to in subsection (1) above shall indicate the basis of valuation adopted and the resulting surplus or deficit.

(3) An insurer carrying on long-term insurance business with a view of distribution of surplus shall not pay, allocate or transfer any part of the assets of its statutory fund established under section 46 except with approval of the Commissioner and on the basis of the abstract referred to in subsections (1) and (2).

Explanation
and additional
information.

33. (1) Where it appears to the Commissioner that any account, balance sheet, abstract, statement or return filed with him by an insurer in accordance with this Act

- (a) is in any particular unsatisfactory, incomplete, incorrect or misleading; or
- (b) does not comply with the requirements of this Act,

he may, by written notice served on the insurer, require such explanations or additional information as he considers necessary and the insurer shall respond within fourteen days of receiving notice from the Commissioner.

(2) After considering any explanations made by or on behalf of the insurer or where no explanations were made within the time specified in the notice, the Commissioner may reject the account, balance sheet, abstract, statement or return and give such directions as he thinks necessary for varying

the account, balance sheet, abstract, statement or return. The insurer shall have thirty days to comply with the Commissioner's directions.

(3) If the Commissioner is not satisfied with the accounts and additional information under subsection (1), he may require an audit to be carried out at the expense of the insurer.

(4) If the Commissioner sees fit, he may at any time require an audit to be carried out at the expense of the insurer in order for the Commissioner to carry out his duties under this section.

Shareholder
copy.

34. A printed copy of the latest account or balance sheet of an insurer filed with the Commissioner in accordance with section 30 shall, on the application of a shareholder of the insurer, be forwarded to him by the insurer.

Production of
documents.

35. The Commissioner may under special circumstances require an insurer registered under this Act to carry on insurance business to –

- (a) furnish him at such time and in such manner as he may determine with such information in connection with its insurance business as he may specify;
- (b) produce at such time and place as he may determine such books or papers in connection with its insurance business as he may specify; or
- (c) produce forthwith to that person authorised in writing by the Commissioner such books or papers as the

person may specify.

Mutual
insurers.

c. 89:01.

36. (1) On and after the commencement of this Act any written law which establishes or confirms the establishment of a mutual insurer shall, in so far as it relates to auditors, cease to have effect whereupon the qualifications, powers and duties of auditors of a mutual insurer shall be those mentioned in sections 170 to 172 and 174 to 186 of the Companies Act.

c. 89:01.

(2) References to shareholders in the provisions of the Companies Act mentioned in subsection (1) shall be deemed references to "members" and "profit and loss accounts" shall include reference to any revenue or other account which the insurer customarily presents to its members as part of its annual report in order to explain the state of affairs of the insurer.

Acquisition or
redemption of
shares

c. 89:01.

37. Sections 38, 39 and 40 (acquisition or redemption of own shares) of the Companies Act shall not apply to an insurer registered under this Act unless the Commissioner decides otherwise.

Directors

c. 89:01.

38. Notwithstanding anything to the contrary contained in the Companies Act, an insurer, other than an external insurer, to which this Act applies, shall have at least two directors and any balance sheet to be delivered by it to the Commissioner under this Act shall be signed by a director and the insurer's secretary.

Licensed
financial
institution.

c. 85:03.

39. (1) An insurer to which this Act applies shall be deemed to be a licensed financial institution under the Financial Institutions Act, but only in relation to section 14 ("restriction on certain financial activities") and section 28 ("conflicts of interest").

(2) In sections 14 and 28 referred to in subsection (1), references to "the Bank" shall, in so far as insurance

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companies to which this Act applies be references to "the Commissioner".

PART IX DEPOSIT

Deposits.

40. (1) An insurer may not be registered under this Act and may not carry on any class of insurance business unless it has made the appropriate deposit under this section.

(2) Where an insurer proposes to carry on -

- (a) long-term insurance business, the deposit shall be five million dollars per class subject to adjustment by the Commissioner after January 01, 2001 to reflect inflation; or
- (b) any class of general insurance business, the deposit shall be an amount equal to twenty percent of the net premium income of the insurer for that class (after deduction of any premium by the insurer for reinsurance) in Guyana during the financial year last preceding the deposit, or five million dollars, whichever amount is greater.

Assets of the insurer.

41. (1) All deposits made by an insurer under this Act shall be deemed to form part of the assets of the insurer.

(2) All interest and dividend accruing on any securities deposited under this Act shall be paid to the insurer making the deposit.

(3) Where an insurer ceases to be registered, any deposit or part of it may be retained by the Commissioner until he is satisfied that liabilities to policyholders have been met.

Evidence of deposit.

42. The Commissioner shall, on demand by an insurer, furnish the insurer with a certificate in writing setting out the nature and extent of any deposit held by him together with the particulars of the securities, if any, forming the whole or part of the deposit.

Accounting of deposit.

43. (1) If an insurer has made a deposit pursuant to section 40, at the end of each financial year, the insurer, shall, where necessary, deposit or be refunded, an amount equal to the difference between the last preceding deposit and twenty percent of the net premium income during each financial year, except that the deposit shall not be less than five million dollars.

(2) A directive to the insurer dictating the amount the insurer needs to deposit shall not be issued until the Commissioner has given an opportunity to the insurer to be heard in connection with the matter.

(3) An insurer that fails to deposit with the Commissioner money or approved securities or both as required by him under this section is guilty of an offence and the Commissioner may, if he deems it necessary in the interest of the policy-holders, cancel the registration of that insurer.

Stolen,
destroyed or
damaged
deposit.

44. If any moneys or securities held by Commissioner as the deposit, or part of it, are, while so deposited, lost, stolen, destroyed or damaged, the injury occasioned to all persons interested in the moneys or securities shall be made good out of moneys to be appropriated by the Minister for the purpose.

Substitute
deposits.

45. An insurer may, at any time, substitute for any security or cash held by the Commissioner as the deposit, or part of it, required to be made by the insurer under this Act, any approved security or cash, but so that the total amount then deposited is not less than the amount required by this Act and any security or cash so substituted is subject to the same charge or liability as the security or cash withdrawn.

PART X
STATUTORY FUNDS

Establish
statutory fund.

46. (1) Every insurer registered under this Act to carry on insurance business shall establish and maintain a statutory fund in respect of each class of insurance business.

(2) The statutory fund shall be established on the date on which the insurer commences the carrying on of each class of insurance business or not later than four months after the commencement of this Act, whichever is the later date.

(3) The fund referred to in subsection (1) shall be established and maintained –

(a) in the manner mentioned in subsections (4), (5) and (6); and

(b) under an appropriate name in respect of each class of insurance business referred to in subsection (1).

(4) Every insurer carrying on long-term insurance business in Guyana shall place in trust in Guyana assets equal to its liabilities and contingency reserves less the amount deposited on account of the insurance business pursuant to this Act with respect to its Guyana policy-holders as established by the balance sheet of the company or association at the end of its last financial year.

(5) Every insurer carrying on non-long-term insurance business in Guyana shall place in trust in Guyana assets equal to its liabilities and reserves less the amount deposited on account of the insurance business pursuant to this Act with respect to its policy-holders in Guyana as established by the revenue account of the company or association at the end of its last financial year.

(6) Assets required pursuant to subsections (4) and (5) shall be so placed not more than four months after the end of the financial year to which the balance sheet or the revenue account of the company or association relates.

Assets.

47. (1) Subject to subsections (2) and (3), the assets representing each statutory fund of an insurer shall not be applied directly or indirectly to any class of insurance business other than that in respect of which the fund was established and is being maintained.

(2) Where the value of the assets mentioned in subsection (1) is shown on an actuarial investigation made under this Act to exceed the amount of the liabilities attributable to any class of insurance business, the restriction imposed by subsection (1) shall not apply to so much of those assets as represents the excess.

(3) Nothing in subsection (1) shall be construed as precluding an insurer from exchanging, at fair market value, assets representing each statutory fund for other assets of the company or association.

(4) The provisions of subsection (1) shall apply notwithstanding any arrangements for the subsequent repayment to the fund of any money out of the receipts of any other class of insurance business.

(5) Any mortgage or charge, including a charge

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imposed by a court on the application of a judgment creditor, shall be void to the extent to which it contravenes the provisions of subsection (1).

(6) No insurer and no insurance company or association of which any such insurance company or association is a subsidiary shall declare a dividend at any time when the value of the assets representing each statutory fund established and maintained by the company or association as determined in such manner as may be prescribed, is less than the amount of the liabilities attributable to that insurance business.

(7) A company or association that carries on more than one class of insurance business in respect of which it is required to establish and maintain a statutory fund shall keep such books of accounts and other records as are necessary for the purpose of identifying -

- (a) the assets respecting each statutory fund; and
- (b) the liabilities attributable to each class of insurance business.

Trusts.

48. (1) A trust referred to in subsections (4) and (5) of section 46 shall be created by a trust deed the contents and the trustees of which shall be approved by the Commissioner before the trust is created and the deed shall be in such form as may be prescribed.

(2) Notwithstanding the provisions of subsection (1), the Commissioner may on such terms and conditions as the Minister thinks fit, allow the assets required to be held in trust in Guyana to be placed in trust outside Guyana.

(3) The Commissioner may for the purposes of this section allow the assets required to be placed in trust to be held by a bank to the order of or on behalf of the Commissioner and such assets shall be deemed to be placed in trust and the bank shall be deemed to be a trustee.

Approval of
Commissioner.

49. (1) A trustee may not deal with any assets held in trust by him without the prior general or specified approval of the Commissioner.

(2) A trustee shall submit to the Commissioner in such form and at such times as may be prescribed, a list of the assets held in trust by him pursuant to section 46.

(3) A trustee who contravenes the provisions of subsection (1) shall be under the same liability as if the appropriate policy-holders had been beneficiaries of the trust.

Long-term
insurance fund.

50. The long-term insurance business fund established pursuant to section 46 shall be the security of the policy-holders as though it belonged to an insurer carrying on no other insurance business than long-term insurance business and is not liable for any contracts of the insurer for which it would not have been liable had the insurance business of the insurer been only that of long-term insurance, and is not to be applied, directly or indirectly, for any purpose other than that of long-term insurance business.

Statutory fund
statement.

51. The insurer, shall within thirty days after the date of establishment of the statutory fund mentioned in section 46 or within such further time as the Commissioner may allow and thereafter within six months of the expiration of each financial year, furnish the Commissioner with a statement in accordance with the prescribed form showing –

(a) particulars of the liabilities of the insurer in respect of which the fund is established, as at the date of establishment of the fund;

- (b) particulars of the assets comprising the fund; and
- (c) such additional information relating to the fund as he may require.

Unsatisfactory statement.

52. If it appears to the Commissioner that -

- (a) a statement furnished to him under section 51 is in any respect unsatisfactory, incomplete, inaccurate or misleading or otherwise fails to comply with the requirements of that section; or
- (b) the value of the assets, or of the assets included in a particular class of assets as shown by the statement is insufficient or excessive,

the Commissioner may, after considering any explanation made by or on behalf of the insurer, give to the insurer, such directions in writing as he thinks necessary for

- (i) the variation of the statement; and
- (ii) for an increase or decrease in the value of the assets respectively,

and the insurer shall within thirty days comply with any directions so given.

Furnish information.

53. An insurer shall, if directed by the Commissioner, furnish him within thirty days or within such further time as the Commissioner may allow, with such information as he requires for the purpose of exercising his powers under sections 51 and 52.

Assets.

54. The assets shown by a statement furnished to the Commissioner by an insurer under section 51, or by the statement as varied, where directions are given by the Commissioner, or on appeal, for the variation of the statement, as being assets of any statutory fund, shall be deemed to form part of those assets, unless they more properly form part of the assets of some other statutory fund.

Investment in Guyana.

55. (1) Subject to subsections (2) and (4), every insurer carrying on long-term insurance business in Guyana under this Act shall have assets invested in Guyana and shall maintain such assets in an amount of not less than eighty-five per cent of its statutory fund, provided however that for each percentage point of its assets invested in the common stock or long term debt of a company in Guyana, the eighty-five percent minimum may be reduced by one percentage point, up to a maximum of a ten percentage point reduction.

(2) An insurer carrying on long-term insurance business in Guyana may, for the purpose of complying with the requirements of subsection (1), invest each year in assets in Guyana and keep invested therein an amount not less than eighty per cent of its net premium income in that year in respect of long-term insurance policies issued in Guyana until the amount so invested is equal to the amount of investment required by subsection (10).

(3) Every insurer carrying on long-term insurance business in Guyana shall invest each year in securities approved by the Commissioner subject to such terms and conditions as may be imposed by him an amount equal to twenty per cent of the increase in that year of its statutory fund as mentioned in subsection (1) of section 46 and the amount so invested is reckoned as part of the investment required by this section to be made by the insurer.

(4) The assets of a statutory fund shall not be invested except in the securities specified in Schedule 3.

Schedule 3

(5) The Minister may amend by order Schedule 3.

PART XI
ACQUISITION, TRANSFER AND AMALGAMATION

Application for confirmation of scheme.

56. (1) An insurer shall not transfer or amalgamate any class of its insurance business, either in whole or in part, to or with the insurance business of any other insurer, except in pursuance of a scheme prepared in accordance with this Part and confirmed by the Commissioner.

(2) An application for the confirmation of a scheme shall be made to the Commissioner by or on behalf of any insurer engaged in the acquisition, transfer or amalgamation, and an application with respect to any matter connected with a scheme or a proposed scheme may be made at any time before it is confirmed, by any person who, in the opinion of the Commissioner is likely to be affected by the scheme or the proposed scheme.

(3) Where an application is made under subsection (2), the Commissioner shall set a date not less than two months from the date of the application for the hearing thereof.

(4) At the hearing of the application the insurer is entitled to appear and to be heard either through one of its officers or through an attorney-at-law. The Commissioner may hear such other evidence as he considers necessary and any person who, in the opinion of the Commissioner is likely to be affected by the scheme is entitled to be heard.

(5) In the case of an external insurer, the provisions of this section shall apply only to the acquisition, transfer or amalgamation of insurance business relating to policies in Guyana.

Terms of
agreement.

57. A scheme shall set out the terms of the agreement or deed under which it is proposed to effect the acquisition, transfer or amalgamation and shall contain such further provisions as are necessary to give effect thereto.

Requirements
for
confirmation.

58. Before a scheme for the acquisition, transfer or amalgamation of any class of insurance business of an insurer is confirmed by the Commissioner -

- (a) certified copies of the assets and liabilities of the companies engaged in the acquisition, transfer or amalgamation shall be submitted to the Commissioner;
- (b) a copy of the scheme together with copies of the actuarial and other reports, if any, upon which the scheme was founded, shall be submitted to the Commissioner;
- (c) copies of the scheme and of every report submitted to the Commissioner or summaries of the scheme and reports approved by the Commissioner shall, unless the Commissioner otherwise directs, be transmitted to every policy-holder of any class of insurance business affected by the scheme by the companies engaged in the acquisition, transfer or amalgamation, at least fifteen days before the application for confirmation of the scheme is to be heard;
- (d) notice of the intention to make the application (the notice to contain such particulars as may be prescribed) shall, not less than one month after the copy of the scheme is submitted to the Commissioner, be published in the *Gazette* and in such local

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newspapers as may be approved by the Commissioner;

- (e) the scheme shall be open for inspection by any policy-holder or shareholder affected by it, for a period of fifteen days after the publication of the notice, at the office of each insurer engaged in the acquisition, transfer or amalgamation;
- (f) the Commissioner may cause a report on the scheme to be made by an independent actuary and shall cause copy of the report to be sent to each of the companies engaged in the acquisition, transfer or amalgamation; and
- (g) the Commissioner may give directions concerning –
 - (i) the publication of advertisements of the scheme;
 - (ii) the giving of notices to shareholders, policy-holders or creditors of the companies; or
 - (iii) the holding of meetings of any insurer affected and such directions shall be complied with by the person to whom they are given.

Policy-holder
dissent.

59. The Commissioner shall not sanction a scheme unless –

- (a) the provisions of this Part are complied with;

-
- (b) subject to paragraph (c), a number of policy-holders representing no more than ten percent of the total amount assured in any one portfolio involved in the scheme dissent therefrom;
 - (c) in the case of a group policy, a number of policy-holders representing not more than twenty-five percent of the total group in any one portfolio to which the scheme relates, dissent therefrom; or
 - (d) he is satisfied that the acquisition, amalgamation or transfer is not detrimental to the policy-holders.

Notice of confirmation.

60. (1) The Commissioner shall give notice to the insurers regarding whether he confirms or disapproves of the scheme within one month of the hearing on the scheme.

(2) When confirmed by the Commissioner, the scheme shall be binding on all persons and shall have effect notwithstanding anything in the instruments constituting the insurer or in the articles of association or in any rules of the insurer. The directors of any insurer affected by the scheme shall cause a copy of the scheme to be filed with the Registrar of Companies.

(3) All expenses incurred by the Commissioner in obtaining the report of any actuary on the scheme or any other expenses that the Commissioner has related to approving the acquisition, amalgamation or transfer shall be defrayed by the companies engaged in the acquisition, transfer or amalgamation, and any sum due in respect of those expenses may be recovered summarily as a civil debt by the Commissioner from the companies either jointly or severally.

Acquisition of a class of business.

61. Where any class of insurance business carried on by an insurer is acquired, transferred to or amalgamated with the insurance business of another insurer, the insurer to which the insurance business is acquired, transferred or the insurer carrying on the amalgamated insurance business shall, within one month after the acquisition, transfer or amalgamation, submit to the Commissioner –

- (a) a certified copy of the, agreement or deed under which the acquisition, transfer or the amalgamation is effected; and
- (b) a statutory declaration made by the Chairman of the Board of Directors or by the principal representative of the insurer –
 - (i) specifying every payment made or to be made to any person in respect of the acquisition, transfer or amalgamation; and
 - (ii) stating that to the best of his knowledge and belief no other payment, other than those specified has been or is to be made in money, policies, bonds, valuable securities property of any description or any other valuable consideration, by or with the knowledge of any parties to the acquisition, transfer or amalgamation.

Conversion into mutual companies and vice versa.

62. (1) Notwithstanding anything in its, memorandum or other instruments of incorporation or in its articles or other rules or in this Act, a company or association incorporated in Guyana that has a share capital and that is registered under this Act to transact long-term insurance business, whether alone or in combination with any

other class of insurance business, may, with the approval of its shareholders constituting not less than three fourths of the number of its shareholders and together holding not less than three-fourths of its share capital and with the permission of the Commissioner, establish and implement a plan for the conversion of the company or association into a mutual company by the purchase of shares of the company or the conversion of the shares into debentures in accordance with such conditions as may be prescribed.

(2) A company may be demutualised by means of the procedure specified in subsection (1).

PART XII
INTERVENTION, JUDICIAL MANAGEMENT AND
WINDING UP

Intervention.

63. (1) Subject to subsection (2) and to sections 64 and 65, the Commissioner may at any time intervene in the affairs of an insurer registered under this Act.

(2) The power of intervention conferred by subsection (1) shall be exercisable where the Commissioner is satisfied that –

- (a) the exercise of the power is essential in order to protect policy-holders or potential policy-holders of the insurer against the risk of the insurer's inability to meet its liabilities or, where an insurer is carrying on long-term insurance business, to fulfil the reasonable expectations of policy-holders or potential policy-holders;
- (b) the insurer has failed to satisfy any obligation imposed on it by this Act;

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- (c) the insurer has furnished misleading or inaccurate information to the Commissioner under or for the purposes of any provision of this Act;
- (d) an application for registration would be refused if such an application were made at the time of the proposed intervention;
- (e) an insurer which is carrying on general insurance business is deemed to be unable to pay its debts;
- (f) in the case of an insurer which is carrying on long-term insurance business, the value of the assets representing the statutory fund maintained in respect of such class of insurance business does not exceed the liabilities of that insurance business;
- (g) there has been unreasonable delay in the settlement of claims under policies issued by the insurer; or
- (h) it is in the best interests of the policy-holders for him to intervene.

Notice of intervention.

64. (1) The Commissioner shall, before exercising the power conferred on him by section 63 serve on the insurer a written notice to the effect that –

- (a) he is considering exercising the power and the ground on which it may be exercised; and

(b) the insurer may within thirty days of the date on which the notice is served make written representations to the Commissioner.

(2) Before exercising his power of intervention the Commissioner shall take into consideration any representations made to him pursuant to paragraph (b) of subsection (1).

Exercise of intervention power.

65. (1) The Commissioner may, where he exercises his power of intervention, require the insurer by instrument in writing –

(a) to refrain, as of the date specified in the instrument -

(i) from effecting any contracts of insurance either generally or with respect to a specified class whether or not the effecting of the contract falls within a class of insurance business which the insurer is authorised to carry on; or

(ii) from varying any existing contracts;

(b) to limit to a specified amount the aggregate amount of premiums to be written by the insurer whether the aggregate relates to premiums to be received by the insurer or to the aggregate after deducting any premiums payable by the insurer for

reinsuring the liabilities in consideration of which premiums are to be received;

- (c) to refrain from naming investments of a specified class or description;
- (d) to realize, before the expiration of the period specified in the instrument, the whole or a specific proportion of investments of a specified class or description held by the insurer;
- (e) to prepare and submit at earlier and with greater frequency the documents required to be prepared under section 27;
- (f) to have an actuary or any other person appointed by the Commissioner investigate the financial position of the insurer in respect of its insurance business or any part thereof and to submit to the Commissioner a report of the investigation on or before a specified date; or
- (g) to take such action as appears to him to be necessary for the purpose of protecting policy-holders or potential policy-holders of the insurer against the risk that the insurer is or is likely to be unable to meet its liabilities or, in the case of an insurer carrying on long-term insurance business, to fulfil

the reasonable expectations of policy-holders or potential policy-holders.

(2) The Commissioner may, where he considers it desirable so to do rescind or vary any requirement imposed by him on an insurer pursuant to subsection (1).

(3) Notice of the imposition of a requirement or of the rescission or variation thereof may be published in the *Gazette* and in such local newspapers as may be approved by the Commissioner.

(4) Any costs to the Commissioner or to the Commissioner's office incurred with respect to the Commissioner's duties under this section and sections 63 and 64 shall be paid for by the insurer for which the Commissioner had to intervene. Procedures for the reimbursement of the Commissioner and the Commissioner's office shall be determined by the Minister.

Winding-up.

c. 89:01

66. (1) The Court may order the winding up of an insurer to which this Act applies in accordance with Part V of the Companies Act, subject to the modification that the insurer may be ordered to be wound up on the petition of ten or more policy-holders.

(2) The petition mentioned in subsection (1) shall not be presented except by leave of the Court and leave shall not be granted until a *prima facie* case has been established to the satisfaction of the court and until security for costs for such amount as the court may think reasonable has been given.

Petition.

67. (1) Where the Commissioner is satisfied that it is necessary or proper that the insurer ought to be wound up, he may, with the leave of the court, present a petition –

(a) for the winding up by the Court, of

the insurer on the ground –

- (i) that the insurer has contravened section 21;
 - (ii) in the case of an insurer, that was carrying on insurance business in Guyana before the commencement of this Act and registration of which insurer under this Act has been refused, that it is in the interest of the policy-holders that the insurer be wound up;
 - (iii) in the case of an insurer the registration of which under this Act has been cancelled, that it is in the interest of the policy-holders that the insurer be wound up;
 - (iv) that any officer of the insurer or its holding company refuses to comply with any requirements under section 46;
 - (v) that the results of an investigation of the insurer are such that it is in the interest of the policy-holders that the insurer be wound up; or
 - (vi) that the insurer is insolvent pursuant to section 68; or
- (b) for an order that the insurer or any

part of the insurance business of the insurer be placed under judicial management on the ground -

- (i) that the insurer is in financial difficulties;
- (ii) that the insurance business of the insurer is not being conducted in accordance with sound insurance principles and practice; or
- (iii) that it is otherwise in the interest of the policy-holders that such an order be made,

and the Court may order accordingly.

(2) An insurer may, in respect of itself, after giving the Commissioner one month's notice in writing of its intention so to do, petition the Court for any order specified in subsection (1).

(3) Both the insurer and the Commissioner are entitled to be heard on any petition presented to the Court under this section.

(4) Where a petition is presented under this section for an order in respect of any insurer, all actions and the execution of all writs, summonses and other processes against it shall, by virtue of this section, be stayed and shall not be proceeded with unless, the leave of the Court is first obtained or unless the Court otherwise directs.

Insolvency.

68. (1) An insurer shall be deemed insolvent -

- (a) in the case of an insurer carrying on

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long-term insurance business and no general insurance business, if the value of its assets does not exceed the amount of its liabilities, the value of the assets and liabilities being certified by an independent actuary;

- (b) in the case of an insurer carrying on general insurance business and no long term insurance business, if the value of its assets does not exceed the amount of its liabilities by-
 - (i) one million dollars or an equivalent sum in other currency; or
 - (ii) twenty-five percent of its premium income in respect of its general insurance business in its last preceding financial year,

whichever is, the greater amount;

- (c) in the case of an insurer carrying on both long-term insurance business and general insurance business, if the value of its total assets does not exceed its total liabilities by the greater of the amounts specified in subparagraphs (i) and (ii) of paragraph (b); or
- (d) until the contrary is proved, if the insurer fails to furnish to the Commissioner any of the information

required by section 30 within the specified time period.

(2) For the purposes of this section –

- (a) in computing the amount of the liabilities of an insurer, all contingent and prospective liabilities shall be taken into account, but not liabilities in respect of share capital; and
- (b) the premium income of an insurer in respect of its general insurance business in each financial year shall be taken to be the net amount (after deduction of any premiums paid by the insurer for re-insurance) of the premiums received by that insurer in that year in respect of all insurance business of a class specified in Schedule 1.

Schedule 1.

Appointment
of judicial
manager.

69. (1) Where an order for the judicial management of an insurer or of part of the insurance business of an insurer is made after the hearing of a petition under section 67, the provisions of this section and of sections 70 to 73, inclusive, shall apply.

(2). The Court shall appoint the Commissioner as judicial manager.

(3) The Court may direct how and by whom the remuneration, charges and expenses of the judicial manager shall be borne and may, if it thinks fit, charge that remuneration and those charges and expenses on the property of the insurer in such order of priority in relation to any existing charges on that property as it thinks fit.

(4) The management of the insurer, or of such part of the insurance business of the insurer as the order of the Court directs, shall, on a date specified in the order, vest in the judicial manager appointed by the Court to the exclusion of any person vested with any such management immediately before that date; but, except with the leave of the Court, the judicial manager shall not issue any new policy or renew any existing policy or enter into any new contract.

(5) The Court shall issue such directions to the judicial manager as to his powers and duties as it deems desirable in the circumstances of the case.

(6) The judicial manager shall act under the control of the Court and may apply to the Court at any time for directions as to the manner in which he shall conduct the judicial management or in relation to any matter arising in the course of the judicial management.

Cancellation of order.

70. Where at any time, on the application of the judicial manager or of any person appearing to the Court to have an interest in the matter, it appears to the Court that the purpose of the order for the judicial management of the insurer or of part of the insurance business of the insurer has been fulfilled, or that for any reason it is undesirable that the order should remain in force, the Court may cancel the order and thereupon the judicial manager shall be divested of the management which shall again vest in the board of directors or other governing body of the insurer.

Report to Court by judicial manager.

71. (1) The judicial manager shall conduct the management of the insurer with the greatest economy compatible with efficiency and shall, as soon as practicable, file with the Court a report stating which of the following courses is in the circumstances, in his opinion, most advantageous to the general interests of the policy-holders of the insurer –

-
- (a) the transfer of all or any part of the insurance business of the insurer to some other insurer in pursuance of a scheme prepared by the judicial manager and annexed to the report;
 - (b) the carrying on of its insurance business by the insurer either unconditionally or subject to such conditions as the judicial manager may suggest;
 - (c) the winding-up of the insurer; or
 - (d) such other course as he considers advisable.

(2) The report or a copy of the report shall be open for inspection by any person during official working hours, at the Registry of the Court in which the report is filed or at such place as the Commissioner determines.

Acceptance of
judicial
manager
report.

72. (1) The Court shall on an application made under section 67(a) after hearing the Commissioner, the judicial manager and any other person who in the opinion of the Court is entitled to be heard; and after considering the report of the judicial manager, make an order giving effect to the course whether similar or not to any of the courses mentioned in subsection (1) of section 71 which it considers in the circumstances to be most advantageous to the interests of the policy-holders of the insurer.

(2) The order of the Court is binding on all persons and has effect notwithstanding anything in the instruments constituting the insurer or in the articles of association or other rules of the insurer or in any contract.

Immunity.

73. The judicial manager shall not be subject to any action, claim or demand by, or liability to, any person in respect of anything done or omitted to be done in good faith in the discharge or in connection with the discharge, of the functions conferred on the judicial manager under this Part.

Assets of insurer.

74. In the case of an insurer which carries on both long-term and general insurance business -

- (a) the assets representing long-term insurance business funds shall be available only for meeting the liabilities of the insurer attributable to that insurance business; and
- (b) the other assets of the insurer shall be available only for meeting the liabilities of the insurer attributable to its other insurance business.

Assets exceed liabilities.

75. Where the value of the assets mentioned in paragraph (a) or (b) of section 74 exceeds the amount of liabilities mentioned in that paragraph the restriction imposed shall not apply to so much of those assets as represents the excess.

Subsidiary insurers.

76. (1) Where the insurance business or any part of the insurance business of an insurer has been transferred to another insurer under an arrangement in pursuance of which the first mentioned insurer, in this section called the subsidiary insurer, or the creditors thereof has or have claims against the insurer to which the transfer was made, in this section called principal insurer, then if the principal insurer is being wound up by or under the supervision of the Court, the Court shall, subject as thereafter mentioned, order the subsidiary insurer to be wound up in conjunction with the principal insurer, and may, by the same or a subsequent

order appoint the same person to be liquidator for the two companies, and make provision for such other matters as seem to the Court necessary with a view to the companies being wound up as if they are one insurer.

(2) The commencement of winding up of the principal insurer shall, save as otherwise ordered by the Court, be the commencement of the winding up of the subsidiary insurer.

(3) In adjusting the rights and liabilities of the members of the several companies between themselves, the Court shall have regard to the constitution of the companies, and to the arrangements entered into between the companies in the same manner as the Court has regard to the rights and liabilities of different classes of contributors in the case of winding up of a single insurer, or as near thereto as circumstances admit.

(4) Where an insurer alleged to be subsidiary is not in process of being wound up at the same time as the principal insurer to which it is subsidiary, the Court shall not direct the subsidiary insurer to be wound up or unless, after hearing all objections, if any, that are urged by or on behalf of the insurer against its being wound up, the Court is of the opinion that the insurer is subsidiary to the principal insurer, and that the winding up of the insurer in conjunction with the principal insurer is just and equitable.

(5) An application may be made in relation to the winding up of a subsidiary insurer in conjunction with a principal insurer by a creditor of, or person interested in, the principal or subsidiary insurer.

(6) Where an insurer stands in the relation of a principal insurer to one insurer, and in the relation of a subsidiary insurer to some other insurer, or where there are several companies standing in the relation of subsidiary

companies to the one principal insurer, the Court may deal with any number of such principal companies together or in separate groups as it thinks most expedient upon principles laid down in this section.

Valuation of policy.

77. (1) Where an insurer is being wound up by or subject to the supervision of the Court or voluntarily, the value of a policy of any class or of a liability under a policy required to be valued in the winding up shall be determined by an actuary; and the liquidator, in the case of all persons appearing by the books of the company or association to be entitled to or interested in policies granted by the company or association, shall give notice of that value to such persons and in such a manner as the Court directs.

(2) Any person to whom notice is given under subsection (1) is bound by the value ascertained in accordance with that subsection unless, within, fourteen days of receipt of the notice, he gives notice of his intention to dispute the value.

Reduce amount of contracts.

78. The Court, in the case of an insurer that has been proved to be unable to pay its debts, may, if it thinks fit, reduce the amount of the contracts of the insurer upon such terms and subject to such conditions as the Court thinks just, in place of making a winding up order.

PART XIII

CHANGES OF MANAGEMENT

Appointment of officers.

79. (1) No insurer shall appoint a person its chief executive officer, chief actuary or controller or in the case of an external insurer as a main representative unless –

- (a) the insurer or the external insurer as the case may be has advised the Commissioner in writing that it

proposes to appoint such a person;
and

(b) the Commissioner has before the expiration of three months beginning with the date of his receiving such written advice, notified the insurer in writing that there is no objection to that person being appointed or that period has elapsed without the Commissioner having served on the insurer a written notice of objection.

(2) The Commissioner may serve notice of objection if it appears to him that the chief executive officer, chief actuary, controller or main representative is not a fit and proper person to be appointed to the position in question.

(3) The Commissioner may take into account any written or oral representations made to him by the insurer and the chief executive officer, chief actuary, controller or main representative concerned in relation to a notice of objection served or to be served by him.

Notice to
Commissioner.

80. An insurer shall give written notice to the Commissioner of the fact that any person has ceased to be a chief executive officer, chief actuary, controller, or main representative within one month of the insurer first becoming aware of such cessation.

PART XIV **BROKERS**

Registration.

81. (1) Only corporations or partnerships registered with and authorized by the Commissioner may carry on insurance business as a broker in Guyana.

(2) An existing broker must register within three months of the commencement of this Act.

Application for registration.

82. (1) An application for registration shall be made to the Commissioner in the prescribed form and shall be accompanied by such documents as may be prescribed.

(2) Each application shall be accompanied by a filing fee of fifty thousand dollars payable to the Commissioner.

(3) On receipt of the application the Commissioner may request such additional information as he may consider necessary.

(4) The Commissioner shall not register an applicant as a broker unless he is satisfied that the applicant or any partner, controller or officer of the applicant, is sufficiently qualified.

Indemnity insurance.

83. (1) The Commissioner shall not register a broker and shall not renew the registration of a broker unless he is satisfied that the broker maintains a policy or policies of insurance which shall indemnify such broker against losses arising from claims in respect of civil liability of any description incurred by the broker or by employees or former employees of the broker, and in respect of any class of insurance with which the broker deals.

(2) The broker shall be required to have a minimum of ten million dollars in indemnity insurance.

(3) The Commissioner shall not require the broker to have more than two hundred and fifty million dollars in indemnity insurance.

Business name.

84. A firm applying for registration under this Part shall include the words "insurance broker" or "risk manager" or other terms approved by the Commissioner, in the insurance business name of the firm and shall include approved words on letterhead and promotional material in relation to the broking business.

Restrictions on application.

85. (1) No controller, officer or employee of an insurer may apply for registration as a broker.

(2) No firm may apply for registration as broker unless the insurance business contemplated is restricted to that of broking and activities directly ancillary thereto.

(3) It shall be an offence for any person or firm to use the words "insurance brokers" or "risk manager" in their business name, on letterhead or in promotional material unless the said person or firm is registered under this Part.

Certificate of registration.

86. (1) As from January 01 following the commencement of this Act, the Commissioner shall issue a Certificate of Registration to every person registered under this Part.

(2) The certificate shall be in the prescribed form, shall be valid for one year and shall be renewable annually on the anniversary date of its issue.

(3) An application for renewal shall be made to the Commissioner in the prescribed form and shall be accompanied by a renewal fee prescribed by the Commissioner.

(4) The certificate shall be prominently displayed at the principal place of business of the person to whom it is issued.

(5) A person who fails to display a valid

certificate shall be guilty of an offence, subject to a fine of ten thousand dollars.

Impartiality.

87. Any person who is registered as broker and who enters into an agreement relating to the preferential offer of insurance business which is likely to impair his impartiality or operate to the disadvantage or prejudice of his principal shall be guilty of an offence. Such an offence shall not affect the civil rights attaching to a principal disadvantaged or prejudiced as aforesaid.

Code of conduct.
Schedule 4.

88. The Commissioner shall issue a code of conduct for brokers registered under this Part which is substantially similar in content to that set out in Schedule 4.

Premiums.

89. Any broker, in negotiating, renewing or continuing a contract of insurance who receives a premium for such a contract from the insured and fails to pay the premium over to the insurer within such time after receipt by him as may be agreed between him and the insurer, less his brokerage and any other deductions to which, by written consent, he is entitled, is guilty of an offence.

Broker deemed agent of insurer.

90. A broker shall for the purpose of receiving any premium for a contract of insurance be deemed to be the agent of the insurer and notwithstanding any conditions or stipulations to the contrary, the insurer shall be deemed to have received any premium received by the broker.

PART XV
AGENTS AND OTHER INTERMEDIARIES

Agent.

91. In this Part, a person who is directly employed by an insurer on a basis which includes commission on business introduced or renewed by him is referred to as an agent.

Registration.

92. (1) No person may carry on insurance business as an agent unless he is registered to do so under this part.

(2) An existing agent must register within three months of the commencement of this Act.

Qualifications.

93. (1) An application shall be made annually to the Commissioner in the prescribed form and shall be accompanied by evidence of payment of the prescribed fee and such documents as may be prescribed.

(2) Each application or renewal shall be accompanied by a filing fee of two thousand dollars payable to the Commissioner.

(3) Upon receipt of the application, the Commissioner may request such additional information as he may consider necessary.

(4) The Commissioner shall not register an applicant as an agent unless he is satisfied that the applicant is suitably qualified to be an agent.

Delegation to
Insurance
Association of
Guyana.

94. In carrying out his duties under subsection (4) of section 93, the Commissioner may, at his discretion, delegate his responsibilities to the Insurance Association of Guyana, or its successors, provided that the Insurance Association of Guyana –

- (a) files its articles of organization and by-laws with the Commissioner;
- (b) is open to membership by all insurers registered in Guyana on a non-discriminatory basis; and
- (c) provides a course of continuing education for agents in a manner

satisfactory to the Commissioner.

Insurers.

95. Notwithstanding an agent's status as a registered agent in Guyana, it shall nevertheless be the responsibility of each insurer having a contract with an agent-

- (a) to consider whether or not the agent is a fit, proper and competent person to fulfil the post of agent;
- (b) in the case of an agent with whom a contract subsisted prior to the commencement of this Act to consider whether or not that agent has been carrying on his insurance business in an efficient manner;
- (c) to consider the suitability or continuing suitability of an agent who has failed or omitted to sit for any examination organized by or on behalf of the insurer; and
- (d) to have regard to any complaint received from a proposer or policy-holder in relation to an agent.

Restrictions.

96. (1) No person shall carry on insurance business as an agent if that person's insurance business falls within the definition of broker in this Act.

(2) Any insurer which transacts insurance business after the commencement of this Act with an agent in relation to whom that insurer is aware or ought to be aware that subsection (1) applies shall be guilty of an offence.

External
insurer agent.

97. An insurer incorporated in Guyana whose insurance business comprises acting as agent for an external insurer shall, for the purposes of this Act, be deemed to be a

branch of that insurer and shall comply with the requirements of this Act and shall appoint a main representative for the purpose of this Act.

Insurer to file names and addresses with Commissioner.

98. (1) Every insurer to whom this Act applies shall file with the Commissioner, along with the documents referred to in section 30, a list of names and addresses of agents with whom the insurer has a contract.

(2) It shall be the duty of an insurer to advise the Commissioner in writing of any-

- (a) change in the employment status of the agent; and
- (b) misconduct or material breach of the agency agreement between the insurer and any agent, including failure to pay over premiums.

(3) Where the Commissioner receives any advice under subsection (2)(b) he shall have the power to require that the insurer discontinue its association with that agent and that the agent be banned from serving as an agent in Guyana.

Premiums.

99. (1) Where any agent acts in negotiating or renewing or continuing a contract of insurance and receives a premium for such a contract from the insured and fails to pay the premium over to the insurer within such time after receipt by him as may be agreed between him and the insurer, less his commission and any other deductions to which, by written consent, he is entitled, the agent is guilty of an offence.

(2) Notwithstanding any conditions or stipulations to the contrary, an insurer shall be deemed to have received any premium received by an agent

appointed by that insurer.

Other
insurance
intermediaries.

100. No person may carry on or purport to carry on in Guyana the business of an insurance salesman, sub-agent, adjustor, loss assessor, insurance consultant, insurance surveyor, or any other similar function related to the business of insurance unless registered with the Commissioner pursuant to regulations to be promulgated by him at such time as he sees fit.

PART XVI **PENSION FUND PLANS**

Registration.

101. (1) No person may establish or operate a pension fund plan (hereinafter referred to as "a plan") in Guyana unless the plan is registered under this Part.

(2) A plan that exists at the time of the commencement of this Act shall be registered within three months of the enactment of this Act.

Purpose of
fund.

102. Subject to the provisions of this Part, where a plan establishes a fund under trusts which are subject to the Laws of Guyana, in connection with an undertaking or a combination of undertakings carried on wholly or partly in Guyana and the main purpose of that fund is –

- (a) the provision of superannuating allowances on retirement to persons employed in the undertaking or in the combination of undertakings in connection with which the fund is established;
- (b) the provision of pensions to the spouses of persons who are or have been employed and of periodical allowances to or in respect of the children of such persons; or

-
- (c) the assurance of capital sums on the death of persons who were so employed,

such a plan shall be qualified for registration under this Part if Part I of the rules of the plan comply with the requirements set out in Schedule 5.

Application for registration.

103. (1) An application for the registration of a plan under this Part shall be addressed to the Commissioner and shall—

- (a) be in the form prescribed;
- (b) be signed by the managers of the plan;
- (c) specify the address at which communications concerning the plan will be received (hereinafter referred to as "the address of the plan"); and
- (d) be accompanied by —
 - (i) two copies of the trust deed and the rules of the plan;
 - (ii) a copy of the actuarial report on which the plan is based;
 - (iii) a list of the names and addresses of the managers of the plan;
 - (iv) in the case of an insured plan, a copy of the policy of insurance related to benefits provided by the plan; and

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- (v) such other documents or further information as may be prescribed.

(2) Each application shall be accompanied by a filing fee of two hundred and fifty thousand dollars payable to the Commissioner, provided however, that a manager of more than one plan may consolidate his application and pay a single filing fee.

(3) Self-administered plans for fewer than twenty-five employees shall be exempt from the filing fee mentioned in subsection (2).

(4) Where an application is made in accordance with the provisions of this Part for the registration of a plan, the Commissioner shall register the plan and the rules thereof where he is satisfied that the plan has qualified for registration.

(5) The Commissioner shall on registering a plan under this Part enter in the register the address of the plan and the names and addresses of the managers.

(6) Where –

- (a) the trust deed or the rules, or both, of a plan registered under this Part (hereinafter referred to a "registered plan") are amended; or

- (b) there is any change in the address of the plan or in the names or addresses of the managers thereof,

the managers shall, within twenty-one days of the amendment or the change, apply for the registration of the

amendment or for the correction of the register in respect of the change.

(7) An application for an amendment or for the correction of the register in respect of a change shall be addressed to the Commissioner and shall –

- (a) be in the form prescribed;
- (b) be signed by one of the managers of the plan; and
- (c) shall be accompanied by -
 - (i) in the case of an amendment, two copies thereof signed by one of the managers; or
 - (ii) in the case of a change, such particulars as may be necessary for the correction of the register.

Amendment to
registered
plan.

104. (1) An amendment to a trust deed or rules, or both, of a registered plan shall not be valid unless the amendment is registered.

(2) Where an application for the registration of an amendment is made in accordance with subsection (7) of section 103, the Commissioner shall register the amendment where he is satisfied that the trust deed or the rules, or both, as amended would not have disqualified the plan from registration under this Part.

Certificate of
Registration.

105. (1) The Commissioner shall on registering a plan or any amendment to the trust deed or the rules, or both, of a registered plan under this Part, issue to the applicant a Certificate of Registration (hereinafter referred to as "a

Certificate").

(2) Any document purporting to be a Certificate issued under subsection (1) and purporting to be signed or sealed by the Commissioner shall be received in evidence and be deemed to be so issued, signed or sealed without further proof unless the contrary is shown, and shall be conclusive evidence of the fact certified.

(3) The managers of a registered plan shall be exempt from paying taxes with regards to that plan.

Winding-up of
a pension plan.

106. (1) The registration of a plan shall not be cancelled unless the plan has been wound up.

(2) The managers of a registered plan shall, within fourteen days of the completion of the winding up of the plan, notify the Commissioner in writing that the winding up has been completed.

(3) On receiving notice in writing that a registered plan has been wound up, the Commissioner shall cancel the registration of the plan where he is satisfied that -

- (a) the plan has been wound up; and
- (b) the assets of the plan have been applied in accordance with the rules of the plan.

Rules of plan.

107. (1) Where an application is made under this Part for the registration of a plan the rules of which were made before the commencement of this Act, and the Commissioner is satisfied that the rules of the plan contain provisions which were embodied only for the purpose of avoiding the application to the trusts of the plan of the rule of law relating to perpetuities he may, at the request of the managers who

made the application –

- (a) amend the rules by deleting those provisions; and
- (b) make any further amendments which are, in his opinion necessary as a result of the deletion.

(2) Where the rules of a plan are amended by the Commissioner pursuant to subsection (1), the rules shall, when registered, have effect subject to the amendments.

Information or explanation.

108. (1) The Commissioner may require any person who is employed as an insurer, a manager or an officer of a plan for which an application for registration has been made under this Part, or any registered plan, to furnish either by statutory declaration or otherwise, any information or explanation which may be necessary for the proper performance of the powers and duties of the Commissioner under this Part.

(2) Where the managers of a registered plan commit a breach of trust by making an unauthorised investment or by violating any rule of the plan, where the rule is necessary for registration under this Part, the Commissioner shall have the same remedies in all respect for the breach of trust as if he were a person beneficially interested in the plan.

(3) The Commissioner or any person authorized by him in writing may at any reasonable time examine any books, records or other documents relating to a registered plan or any plan in respect of which an application for registration is made under this Part, or any securities or obligations in which pension fund moneys of such plan are invested.

Default in
complying with
requirements.

109. (1) The managers and the secretary of a registered plan are guilty of an offence where in respect of that plan, there is default in complying with any of the requirements of this Part relating to –

- (a) accounts and reports;
- (b) the making of applications for the registration of any amendment to the trust deed or to the rules, or both, of the plan or, the correction of the register in respect of a change in the address of the plan or in the names and addresses of the managers thereof; or
- (c) the giving of notice to the Commissioner or the winding up of the plan.

(2) It is a defence to any proceedings instituted under subsection (1) against the managers and the secretary of a registered plan to prove that the default occurred without their consent or connivance and was not facilitated by any neglect on their part.

(3) Any person who, within fourteen days of receiving written notice, fails to provide any information or explanation requested by the Commissioner, which could be obtained with reasonable diligence, is guilty of an offence.

Annual
statements.

110. (1) The managers of each plan registered under this Part shall –

- (a) submit annually to the Commissioner a balance sheet and statement of accounts for each financial year

within six months of the expiration of that financial year; and

- (b) file with the Commissioner annually or at such periods and in such form as may be prescribed any information or return relating to such plan.

(2) The balance sheet and statement of accounts referred to in subsection (1) shall -

- (a) before they are submitted to the Commissioner be audited by an auditor approved by him; and
- (b) be prepared in accordance with Forms A and B, respectively in Part II of Schedule 5.

Part II of
Schedule 5.

Investigation
of financial
condition.

111. (1) The managers of each registered plan shall appoint an actuary to make an investigation into the financial condition of the plan and to report on his findings.

(2) An investigation under subsection (1) shall be made every three years or at such shorter intervals as the Commissioner may determine.

(3) A copy of the report signed by the actuary shall be furnished to the Commissioner.

(4) The provisions of subsections (1) and (3) shall not apply to a plan insured with an insurer, but the managers of such a plan shall obtain from the insurer a certificate to the effect that the plan has been valued by an actuary.

(5) The certificate required by subsection (4) shall be deposited by the managers with the Commissioner.

Investment of assets.

112. (1) No manager may invest the assets of a pension or provident fund in the equity, debentures or other evidence of indebtedness of the employer or any subsidiary or associate of the employer or of any company of which the employer is a subsidiary or an associate.

(2) Every plan shall invest in Guyana eighty percent of the plan's total assets, provided that for each percentage point of its assets invested in the common stock or long term debt of a company in Guyana, the eighty percent minimum may be reduced by one percentage point, up to a maximum of a ten percentage point reduction.

Perpetuities.

113. The rule of law relating to perpetuities shall not apply and shall be deemed never to have applied to the trusts of a registered plan.

PART XVII
ASSOCIATIONS OF UNDERWRITERS

Registration.

114. (1) No associations of underwriters may carry on insurance business in Guyana –

(a) unless it is registered under this Part;
and

(b) except in accordance with the provisions of this Part.

(2) An association of underwriters shall not carry on long-term insurance.

(3) An application for registration of an association shall be accompanied by –

(a) a copy of its deed of association;

- (b) a certificate stating in the case of an association established outside of Guyana -
 - (i) that the association has been established for at least five years;
 - (ii) that the law of the country in which it was established provides for the regulating of associations of underwriters; and
 - (iii) that the association is operating in accordance with the law;
- (c) a list of the names and addresses of persons appointed as its agents or brokers in Guyana; and
- (d) any further information the Commissioner may require.

(4) Each application shall be accompanied by a filing fee of two hundred and fifty thousand dollars payable to the Commissioner.

(5) An existing association of underwriters must register within three months of the commencement of this Act.

Qualifications.

115. (1) Where, the Commissioner, after appropriate inquiry or after the examination of documentary evidence, or both, is satisfied that –

- (a) the relevant requirements of this Part have been complied with;

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- (b) the association is likely to be able to comply with the provisions of this Act;
- (c) being an association of underwriters constituted outside Guyana –
 - (i) it has made or has caused to be made with the Commissioner the deposit required by subsection (1) of section 40; and
 - (ii) there are one or more persons resident in Guyana who are authorised to accept on behalf of the members of the association service of process in any legal proceedings;
- (d) the persons who manage the association are of good character and are otherwise fit and proper persons to manage the association; and
- (e) the applicant's employees are capable of carrying on that insurance business in an efficient manner,

the Commissioner shall, either unconditionally or subject to such conditions as he may specify, register the association of underwriters and notify the applicant accordingly.

(2) Where the Commissioner is not satisfied as to one or more of the conditions set out in subsection (1), he shall notify the association of underwriters in writing that he proposes to refuse to register it, giving his reasons for so

doing.

Deposits.

116. (1) Subject to subsection (2) of section 40, an association of underwriters may not be registered under this Part to carry on any class of insurance business unless it has deposited with the Commissioner an amount equal to five million dollars or twenty per cent of the premium income of its members with respect to Guyana insurance business during the financial year last preceding the date of the deposit, whichever amount is greater.

(2) Where an association of underwriters has made a deposit as required by subsection (1), it shall at the end of each financial year where necessary, deposit or be refunded an amount equal to the difference between the last preceding deposit and twenty per cent of the relevant premium income during such financial year, except that an association of underwriters shall not have as a deposit with the Commissioner an amount less than five million dollars.

(3) A deposit made pursuant to this section may be either in the form of cash or in the form of approved securities or both.

Rejection of application.

117. (1) An applicant who applies for registration as an association of underwriters shall be notified in writing by the Commissioner whether he proposes to register him or to reject his application.

(2) Where the Commissioner proposes to reject the application he shall state in writing his reasons for so doing.

Annual filings.

118. An association of underwriters registered under this Part, shall within six months of the end of each financial year furnish to the Commissioner, in the case of an association established in Guyana such documents and information as he may require, and in the case of an association established outside of Guyana –

- (a) a certified copy of such returns relating to the insurance business of its members during the preceding year as are required to be made to the Minister or other public Commissioner in the country in which the association is established;
- (b) a certificate, signed by the Chairman or other presiding officer of the association and by or on behalf of the responsible regulatory authority which states that the association has complied with the requirements of the law governing associations of underwriters in the country in which it is established;
- (c) a current list of the names of its members and the names of the members of its committee or other governing body; and
- (d) a statement of receipt and expenditure by its members in Guyana during the preceding year.

Prohibit new policies.

119. (1) The Commissioner may prohibit a registered association from writing new policies in any class of insurance business where he is satisfied that it is in the interest of policy-holders or prospective policy-holders so to do.

(2) Where the Commissioner exercises the power conferred on him by subsection (1), he shall notify the registered association in writing of his decision and shall state the reasons thereof.

Cancellation of registration.

120.(1) The Commissioner may cancel the registration of an association –

- (a) where he is not satisfied that the insurance business of its members is being conducted in accordance with sound insurance principles;
- (b) where the association fails to comply with any requirements imposed upon it under this Part;
- (c) where he is satisfied that the members of the association have not commenced insurance business within one year of registration or have ceased to carry on insurance business in Guyana; or
- (d) at the request of the association.

(2) Where the Commissioner cancels the registration of an association, he shall state in writing his reasons for so doing.

Continuation
of business.

121. An association of underwriters, the application for registration of which has been rejected or the registration of which has been cancelled, shall continue to carry on insurance business relating to policies issued by it before the date on which the business was notified of the rejection or cancellation unless the Commissioner is satisfied that it has made suitable arrangements for its obligations under such policies.

PART XVIII
CONDUCT OF INSURANCE BUSINESS

Misleading,
false or
deceptive
statements.

122. Any insurer, broker, agent, other insurance intermediary, member of the association of underwriters, or pension fund plan manager or employee who, by any

statement, promise or forecast which is wilfully misleading, false or deceptive or which includes dishonest concealment of material facts or is reckless (dishonest or otherwise), induces or attempts to induce another person to enter into or offer to enter into any contract of insurance with an insurer shall be guilty of an offence.

Advertise-
ments.

123. (1) Any insurer, broker, agent, other insurance intermediary, member of the association of underwriters, or pension fund plan manager or employee who wilfully issues or permits to be issued any advertisement, statement, circular, descriptive booklet or other document which contains material misleading or tending to mislead the public is guilty of an offence.

(2) Any advertisement offering insurance contracts or services shall, if it fails to mention either the name or address of the person placing the advertisement constitute an offence under this Act.

False claims.

124. Any person who claims to be or intimates that he is a broker or an agent for the purpose of misleading a consumer, if he has not complied with Part XIV or Part XV shall be guilty of an offence.

PART XIX

SUBSIDIARY COMPANIES

External
subsidiary.

125. Where an insurer whose head office is in Guyana acquires an insurer ("the subsidiary insurer) whose head office is in a country other than Guyana then the insurer first referred to shall advise the Commissioner as to -

(a) whether or not the subsidiary insurer is registered as an insurer with the regulatory Commissioner of the country in which its head office is situated;

-
- (b) the name of the person or persons acting as regulatory Commissioner in the country aforesaid and the address to which communications may be sent;
 - (c) whether or not the subsidiary insurer has complied with requirements of the regulatory Commissioner in the country aforesaid in relation to –
 - (i) statutory funds;
 - (ii) deposits;
 - (iii) statutory reserves; and
 - (iv) filing of accounts,
 - (d) whether or not any necessary approval of the regulatory Commissioner in the country aforesaid has been given and, if so on what terms and conditions (if any); and
 - (e) any other information that the Commissioner may require.

Compliance.

126. The Commissioner shall decide, in the light of the advice received, the extent to which he may require the subsidiary insurer to comply with this Act and may communicate with the regulatory Commissioner referred to in section 125 for this purpose.

PART XX
CONTRACTS FOR LONG-TERM INSURANCE BUSINESS

Contract for long-term insurance.

127. (1) Subject to subsection (3) of section 128, an insurer shall not enter into a contract for the purpose of carrying on long-term insurance business unless the insurer -

- (a) at the time the contract is entered into;
or
- (b) not later than seven days after the contract is entered into,

serves on the other party to the contract a notice containing the information specified in subsection (2).

(2) A notice mentioned in subsection (1) -

- (a) shall specify the nature and type of the policy, and
- (b) shall have annexed thereto a form of notice of cancellation for use by the other party to the contract.

(3) An insurer who contravenes this section is guilty of an offence but contravention does not invalidate the contract.

Notice of cancellation.

128. (1) A person who has entered into a contract for long-term insurance with an insurer may serve notice of cancellation on the insurer -

- (a) not later than ten days from the date on which he receives a notice mentioned in section 127; or

(b) not later than ten days from the expiration of the day on which he first became aware that the contract was entered into, whichever is the later.

(2) Subsection (1) does not apply where an insurer ought to have served a notice under subsection (1) of section 127 and failed to do so but does so before cancellation of the contract.

(3) A notice of cancellation need not be in the form attached to the notice required to be served under subsection (1) of section 127 and it is sufficient if the notice of cancellation indicates a desire to withdraw from the contract.

(4) Service of a notice of cancellation operates –

(a) as a rescission of a contract, if it is served after the contract has been entered into; and

(b) as a withdrawal of the offer in any other case.

(5) Where a contract has been rescinded or an offer has been withdrawn as a result of the service of a notice of cancellation, any moneys paid by way of premium or otherwise, to the insurer for the purpose of receiving the moneys, are recoverable from the insurer as a debt in civil proceedings.

Long-term
rates
Schedule 1.

129. An insurer carrying on long-term insurance business shall not issue any policy under Schedule 1 to this Act unless the rate of premium chargeable under the policy is a rate which has been approved by its actuary as being suitable for the class of policy to which the policy belongs.

Notice
regarding
proof of age.

130. Subject to section 131, where a company issues a life policy that provides that proof of age of the person whose life is insured is a condition precedent to the payment of the sum insured, the company shall, unless the age of the person whose life is insured has already been admitted by it, issue on or with the policy a printed notice stating that proof of age of the person whose life is insured may be required before the payment of the sum insured.

Procedure
where
company
declines to
accept proof.

131. (1) Where a company declines to accept the proof of age tendered in respect of a policy, whether issued before or after the commencement of this Act, the policy-holder may apply to a Judge in chambers, by summons for an order directing the company to accept the proof tendered.

(2) The Judge in chambers may upon an application made to him under subsection (1), make such order in relation to the application as he thinks just.

(3) Every order under this section shall be binding on the company and shall be complied with.

Misstatement
of age, and
non- avoidance
of policy.

132. (1) The following have effect in instances where the age of a person has been misstated in respect of a policy –

- (a) a policy is not avoided by reason only of a misstatement of the age of the person whose life is insured;
- (b) where the true age as shown by the proof is greater than that on which the policy is based, the company may vary the sum insured by, and the bonuses (if any) allotted to, the policy so that, as varied, they bear the same proportion to the sum insured by, and the bonuses (if any) allotted to, the

policy before variation as the amount of the premiums that have become payable under the policy as issued bears to the amount of the premiums that would have become payable if the policy had been based on the true age;

- (c) where the true age as shown by the proof is less than that on which the policy was based, the company shall -
- (i) vary the sum insured by, and the bonuses (if any) allotted to, the policy so that, as varied, they bear the same proportion to the sum insured by, and the bonuses (if any) allotted to, the policy before variation as the amount of the premiums that have become payable under the policy as issued bears to the amount of the premiums that would have become payable if the policy had been based on the true age; or
 - (ii) reduce, as from the date of issue of the policy, the premium payable to the amount that would have been payable if the policy had been based on the true age and repay the policy-holder the amount of overpayments of premium less any amount that has been paid as the cash value of bonuses in excess of the cash

value that would have been paid if the policy had been based on the true age.

(2) A policy issued after the commencement of this Act shall not be avoided by reason only if any incorrect statement (other than a statement as to the age of the person whose life is insured) made in any proposal or other document on the faith of which the policy was issued or reinstated by the company unless the statement –

- (a) was fraudulently untrue; or
- (b) being a statement material in relation to the risk of the company under the policy, was made within the period of three years immediately preceding the date on which the policy is sought to be avoided or the date of the death of the person whose life is insured, whichever is the earlier.

Minors.

133. (1) A minor who has attained the age of ten years but has not attained the age of sixteen years may, with the written consent of his parent or of a person standing *in loco parentis* to the minor –

- (a) effect a policy upon his own life or upon another's life in which he has an insurable interest; or
- (b) take an assignment of a policy.

(2) A minor who has attained the age of sixteen years may –

-
- (a) effect a policy upon his own life or upon another's life in which he has an insurable interest; or
 - (b) take an assignment of a policy;

and, subject to subsection (3), is as competent in all respects to have and exercise the powers and privileges of a policy-holder in relation to a policy of which he is the holder as he would be if he were of full age.

(3) A minor who has attained the age of sixteen years may assign or mortgage a policy with the prior consent in writing of his parent or of a person standing *in loco parentis* to the minor.

Designation of beneficiaries generally.

134. (1) The provisions of this section and sections 135 to 143, inclusive, subject to anything to the contrary contained in these sections, apply in respect of policies whether taken out before or after the commencement of this Act.

(2) A policy-holder may at the time the policy is taken out or at any time thereafter designate his personal representative or a named person to be the beneficiary under his policy and may, subject to section 136, alter or revoke the designation by declaration in writing.

(3) A designation in "favour of heirs", "next of kin", "estate" or similar designation shall be deemed to be a designation of the personal representative of the policy-holder.

Irrevocable designation of beneficiaries.

135. (1) Subject to subsections (4), (5) and (6) a policy-holder may, in writing, by declaration filed with the insurer at the time the policy is taken out designate irrevocably a named person to be beneficiary under the policy and, in such a case –

- (a) the policy-holder subject to section 145, may not during the life-time of the named beneficiary alter or revoke the designation without the consent of the beneficiary; and
- (b) the moneys payable under the policy are not subject to the control of the policy-holder or the creditors of the policyholder and do not form part of his estate.

(2) Notwithstanding paragraph (a) of subsection (1), consent of the beneficiary is not required where the beneficiary is a former spouse and the marriage ended in divorce or, as the case may be, the common law union has come to an end.

(3) Where the insured purports to designate a beneficiary irrevocably in a declaration that has not been filed with the insurer as required by subsection (1) or in a will, the designation has the same effect as if the insured had not purported to make the designation irrevocable.

(4) An irrevocable designation may only be made by a policy-holder in favour of a spouse, a common law spouse or to a child, including a child born out of wedlock.

(5) A designation shall not be regarded as irrevocable unless the words creating the irrevocable designation are clear and unequivocal and are prominently displayed on the proposal form and signed by the policy-holder and there is sufficient evidence that it was explained to the policy-holder that the designation was irrevocable.

Designation
of beneficiaries
in wills.

136. A designation by a will does not affect a designation made under a policy.

Trusts for
beneficiaries.

137. (1) A policy-holder may, in writing, by contract or by declaration appoint a trustee for a beneficiary and may alter or revoke the appointment by declaration in writing.

(2) A payment by an insurer to a trustee for a named beneficiary discharges the insurer from payments to the beneficiary to the extent of the payment.

Beneficiaries
predeceasing
policy-holder.

138. (1) Where under section 134, by a contract, or a declaration, filed with the insurer, a person has been named as beneficiary under a policy and the person so named as beneficiary under a policy predeceases the policy-holder and no provision is made in the contract or agreement or declaration for the disposition of moneys payable under the policy in the event of the beneficiary predeceasing the policy-holder then, without limiting or affecting the application of section 135, the moneys payable under the policy shall vest in the following persons in the following order –

- (a) in the surviving beneficiary, if any;
- (b) in the surviving beneficiaries in equal shares, if there is more than one surviving beneficiary;
- (c) in the policy-holder or his personal representatives, if there are no surviving beneficiaries.

(2) Where two or more beneficiaries are designated otherwise than alternatively, and no provision is made as to the quantum of their respective shares of the moneys payable under the policy, then, they are entitled to the moneys in equal shares.

Enforcement
by beneficiary
trustee.

139. A beneficiary may for his own benefit and a trustee appointed pursuant to section 137 may, in accordance with the terms of the contract or declaration, as the case may be, enforce payment of moneys payable under a policy even though there is no privity of contract, but the insurer may invoke against the beneficiary or trustee any defence against the policy-holder or his personal representative.

Status of
insurance
moneys where
there is a
designated
beneficiary.

140. (1) Where a beneficiary has been designated, the insurance money, from the time of the happening of the event upon which the insurance money becomes payable, does not form part of the estate of the insured and is not subject to the claims of the creditors of the insured.

(2) While a designation in favour of a spouse, a common law spouse or child of a policy holder or any of them, is in effect, the rights and interests of the policy-holder in the insurance money and in the contract are exempt from execution or seizure.

Assignment of
policy where
there is a
designated
beneficiary.

141. (1) Where a beneficiary is not designated irrevocably, the policy-holder may assign, exercise rights under or in respect of, surrender or otherwise deal with the contract as provided therein or in this Part or as may be agreed upon with the insurer.

(2) Where a beneficiary is designated irrevocably the policy-holder may not assign the policy, use the policy as a security, surrender it or otherwise deal with it without the consent in writing of the designated beneficiary.

Entitlement to
dividends and
bonuses.

142. (1) Notwithstanding the designation of an irrevocable beneficiary, the policy-holder is entitled, while living, to the dividends or bonuses declared on a contract, unless the contract otherwise provides.

(2) Unless the policy-holder otherwise directs, the insurer may apply the dividends or bonuses declared on the contract for the purpose of keeping the contract in force.

Effect of assignment of policies on beneficiaries.

143. (1) An assignee of a contract who gives notice in writing of the assignment to the head office of the insurer has priority of interest as against –

- (a) any assignee other than one who gave notice earlier in like manner; and
- (b) a beneficiary other than one designated irrevocably as provided in section 135 prior to the time the assignee gave notice to the insurer of the assignment in the manner prescribed in this subsection.

(2) Where a contract is assigned as security, the rights of a beneficiary under the contract are affected only to the extent necessary to give effect to the rights and interests of the assignee.

(3) Where a contract is assigned absolutely, the assignee has all the rights and interests given to the policy-holder by the contract and by this Part and shall be deemed to be the policy-holder.

(4) A provision in a contract to the effect that the rights or interests of the policy-holder, or, in the case of group insurance, the group life insured, are not assignable is valid.

Provisions relating to state of health of insured.

144. (1) Nothing in any term or condition of a life policy issued after the commencement of this Act or in the law relating to insurance shall operate to exempt an insurance company from liability under the policy or to reduce the liability of the company under the policy on the ground of any manner relating to the state of health of the person whose

life is insured, other than the ground of the proposer's having, when making the proposal or thereafter and before the making of the contract,

- (a) made an untrue statement of his knowledge and belief as regards the matter; or
- (b) failed to disclose to the company something known or believed by him as regards that matter.

(2) An insurer may petition the Commissioner for a waiver of subsection (1) in situations where subsection (1) may place too onerous a burden on the insurer.

PART XXI
PROTECTION OF POLICIES

Application to debts.

145. (1) The property and interest of any person in a policy effected (whether before or after the commencement of this Act) upon his own life is not liable to be applied or made available in payment of his debts by any judgment, order or process of any Court.

(2) In the event of a person who has effected a policy on his own life dying after the commencement of this Act, the moneys payable upon his death under or in respect of such policy shall not be applied or made available in payment of his debts by any judgment, order or process of any Court or by retainer by an executor or administrator or in any other manner whatsoever, except by virtue of a contract or charge made by the person whose life is insured or by virtue of an express direction contained in his will or other testamentary instrument executed by him that the moneys arising from the policy shall be so applied.

(3) A direction to pay debts, or a charge of debts upon the whole or any part of the testator's estate, or a trust for the payment of debts, shall not be deemed to be such an express direction.

Pro-rata
condition of
average.

146. (1) Where a contract of insurance contains a *pro rata* condition of average, the condition is of no effect unless, before the contract is entered into or before the policy-holder can cancel the policy without penalty, the insured in writing on a form approved by the Commissioner informs the policy-holder of the nature and effect of the condition.

(2) With respect to residential properties, the condition of average shall be effective only in cases where the insured value of the property is a certain percentage less than the fair value of the property. The Commissioner shall determine the minimum percentage level, the difference in percentage between the fair value and the insured value, in which the condition of average can apply.

(3) This section does not apply in respect of a contract of insurance entered into before the commencement of this Act.

PART XXII

PAID-UP POLICIES, SURRENDER VALUES AND NON-FORFEITURE

Paid-up policy.

147. (1) A policy-holder who desires to discontinue further premium payments on a policy on which not less than three years of premiums have been paid shall, if the policy has a cash surrender value, on application to the company be entitled to receive, instead of that policy, a paid-up policy.

(2) The paid-up policy shall be payable upon the happening of the contingency upon the happening of which the amount insured under the original policy would have been payable.

Surrender
value.

148. Notwithstanding the terms of a particular policy, the owner of a policy that has been in force for at least three years is, on application to the company, entitled to surrender the policy and to receive not less than the cash surrender value of the policy less the amount of any debt owing to the company under, or secured by, the policy.

Non-forfeiture.

149. The Commissioner may, on application by a company, if in his opinion the payment in cash of surrender values as required by section 148 would be prejudicial to the financial stability of the company or to the interests of the policy-holders of that company, suspend or vary, for such period and subject to such conditions as the Commissioner thinks fit, the obligation of the company to pay those surrender values.

PART XXIII
MISCELLANEOUS

Document
inspection.

150. (1) Every document required to be deposited under this Act, or certified copies of it, shall be kept by the Commissioner.

(2) The documents and copies are open to inspection and copies thereof may be procured by any person on payment of such fee as the Minister may direct.

Evidence.

151. (1) Every document deposited under this Act with the Commissioner, and certified by the Commissioner, to be a document so deposited, shall be deemed to be a document so deposited.

(2) Every document purporting to be certified by the Commissioner to be a copy of a document so deposited shall be deemed to be a copy of that document, and shall be received in evidence as if it were the original document unless some variation between it and the original document is

proved.

Forms.

152. The Commissioner may, on the application of an insurer, alter any or all of the prescribed forms, in respect of that insurer, for the purpose of adapting them to the circumstances of that insurer.

Notice to
policy-holder.

153. (1) Any notice or other document that is by this Act required to be sent to a policy-holder may be addressed and sent to the person to whom notices respecting the policy are usually sent, and a notice so addressed and sent shall be deemed and taken to be notice to the holder of the policy.

(2) Where a person claiming to be interested in a policy has given to the insurer notice in writing of his interest, a notice which is by this Act required to be sent to policy-holders shall also be sent to such person at the address specified by him in his notice.

Injury to visitor
or workmen.

154. (1) Notwithstanding anything contained in this Act, where premises are insured by an owner or occupier, or by an independent contractor, against risk of injury to visitors or to workmen, a visitor or a workman who sustains injury on those premises is entitled to claim directly, under a policy from the insurer without reference to the owner, occupier or independent contractor.

(2) A person who is entitled to a claim against an insurer under subsection (1), may demand that the owner, occupier or independent contractor produce the policy or a copy thereof for examination by him either before or at any stage of legal proceedings instituted for the enforcement of the claim.

(3) Where a policy or a copy of a policy is produced to a person claiming by virtue of a claim made under subsection (2), the owner, occupier or insurer is not entitled to rely on any matter expressed in any

supplementary document that was not produced to the person so claiming, but the person so claiming may rely on any such supplementary document at any time that it comes to his notice.

Non effect of certain provisions of Married Women's Property Act.
c. 45:04.

Administration of Act.

155. The Married Women's Property Act or any legislation in force relating to married women's property, in so far as it creates a statutory trust of a life policy, has no effect in relation to sections 134 to 143 of this Act.

156. (1) Notwithstanding anything in this Act, or in any other law, the Bank of Guyana shall be charged with the general administration of this Act and the Bank in the exercises of its functions under that Act shall conform with any general or special directions given to the Bank by the Minister.

(2) All functions of the Commissioner of Insurance under this Act and the functions assigned to the Commissioner by any other law and any Order of Court shall stand transferred to the Bank.

(3) The Bank shall discharge the functions through any person, including any officer of the Bank, or through another person duly authorised by the Bank in that behalf.

(4) The Bank may take any legal proceedings or continue any pending legal proceedings, including making an application to the Court for the appointment of any person nominated by the Bank as judicial manager.

Laws to be construed.
c. 85:03
c. 85:02

157. The Financial Institutions Act, the Bank of Guyana Act, this Act and any other law shall be read and construed with all modifications, qualifications and adaptations that may be necessary to facilitate the administration of this Act.

s. 2, 68(2), 129

SCHEDULE 1

CLASSES OF LONG-TERM INSURANCE BUSINESS

CLASS 1:

GENERAL LIFE

SUB-CLASS	NATURE OF INSURANCE BUSINESS
Life and Annuity	Effecting and carrying on contracts on human life or contracts to pay annuities on human life, but excluding (in each case) contracts within the linked long-term sub-class.
Linked Long-Term	Effecting and carrying on insurance on human life or contracts to pay annuities where the benefits are wholly or partly to be determined by reference to the value of, or income from, property of any description (whether or not specified in contracts) or by reference to fluctuations in, or in an index of, the value of property of any description (whether or not so specified).

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CLASS 2:

HEALTH

SUB-CLASS	NATURE OF INSURANCE BUSINESS
Permanent Health	<p>Effecting and carrying on contracts of insurance providing specified benefits against risks of persons becoming incapacitated in consequence of sustaining injury as a result of a specified class or sickness or infirmity being contracts that-</p> <p>(a) are express to be in effect for a period of not less than five years, or until the normal retirement age for the persons concerned, or without limit of time; and</p> <p>(b) either are not expressed to be terminable by the insurer, or are expressed to be so terminable only in special circumstances mentioned in the contract</p>

s. 2

CLASS 3:

ANNUITIES AND PENSIONS

SUB-CLASS	NATURE OF INSURANCE BUSINESS
Pension Fund Management	Effecting and carrying out – (a) contracts to manage the investment of pension funds; or (b) contracts of the kind mentioned in paragraph (a) above that are combined with contracts of insurance covering either conservation of capital or repayment of a minimum interest, other than contracts in relation to Government or local authority funds.
Capital Redemption	Effecting and carrying on capital redemption contracts.

s. 2.

SCHEDULE 2**CLASSES OF GENERAL INSURANCE BUSINESS**
CLASS 1:**ACCIDENT AND LIABILITY**

SUB-CLASS	NATURE OF INSURANCE BUSINESS
Accident	<p>Effecting and carrying on contracts of insurance providing fixed pecuniary benefits in the nature of indemnity (or a combination of both) against risks of the person insured –</p> <p>(a) sustaining injury as the result of an accident or an accident of a specified class; or</p> <p>(b) dying as the result of an accident or of an accident of a specified class; or</p> <p>(c) becoming incapacitated in consequence of disease or of disease of a specified class, inclusive of contracts relating to industrial injury and occupational disease but exclusive of contracts falling within the sickness subclass below or within class 2 in Schedule 1 (Health)</p>

SUB-CLASS	NATURE OF INSURANCE BUSINESS
Sickness	Effecting and carrying on contracts of insurance providing fixed pecuniary benefit or benefits in the nature of indemnity (or a combination of the two) against risks of loss to the persons insured attributable to sickness or infirmity, but exclusive of contracts falling within class 2 in Schedule 1 (Health)
Goods in transit	Effecting and carrying on contracts of insurance against loss or damage to merchandise, baggage and all other goods in transit, irrespective of the form of transport.
General Liability	Effecting and carrying on contracts of insurance against risk of persons insured incurring liabilities to third parties, risks in question not being risks to which the Motor Vehicle liability, the Aircraft liability or the Liability for ships sub-classes relate.
Credit	Effecting and carrying on contracts of insurance against risk of loss to the persons insured arising from the insolvency of debtors of theirs

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SUB-CLASS	NATURE OF INSURANCE BUSINESS
	or from the failure (otherwise than through insolvency) of debtors or theirs to pay their debts when due.
S suretyship	<p>Effecting and carrying on –</p> <p>(a) contracts of insurance against risk of loss to the persons insured arising from their having to perform contracts of guarantee entered into by them; or</p> <p>(b) contracts for fidelity bonds, performance bonds, or custom bonds or similar contracts of guarantee.</p>
Miscellaneous financial loss	<p>Effecting and carrying on contracts of insurance against any of the following risks, namely –</p> <p>(a) risk of loss to the person insured attributable to interruptions of the carrying on of insurance business carried on by them or to be carried on; or</p> <p>(b) risks of loss to the persons insured attributable to their incurring unforeseen expense.</p>

SUB-CLASS	NATURE OF INSURANCE BUSINESS
Legal Expenses	Effecting and carrying on contracts of insurance against risk of loss to the persons insured attributable to their incurring legal expenses (including costs of litigation).

**CLASS 2:
AUTO**

SUB-CLASS	NATURE OF INSURANCE BUSINESS
Land Vehicles	Effecting and carrying on contracts of insurance against loss of or damage to vehicles used on land, including motor vehicles.
Motor Vehicle Liability	Effecting and carrying on contracts of insurance against loss of or damage arising out of or in connection with the use of motor vehicles on land, including third-party risks and carriers liability.

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CLASS 3: MARINE & AVIATION

SUB-CLASS	NATURE OF INSURANCE BUSINESS
Aircraft	Effecting and carrying on contracts of insurance upon aircraft or upon the machinery, tackle, furniture or equipment of aircraft.
Ships	Effecting and carrying on contracts of insurance upon vessels used on the sea or inland water, or upon the machinery, tackle, furniture or equipment of such vessels.
Aircraft Liability	Effecting and carrying on contracts of insurance against damage arising out of or in connection with the use of aircraft, including third-party risks and carriers liability.
Liability for Ships	Effecting and carrying on contracts of insurance against damage arising out of or in connection with the use of vessels on the sea or on inland water, including third party risks and carrier's liability.

CLASS 4: FIRE

SUB-CLASS	NATURE OF INSURANCE BUSINESS
Fire and natural forces	Effecting and carrying on contracts of insurance against loss of or damage to property (other than property to which the Land Vehicles, Aircraft, Ships or Goods in transit sub-classes relate) due to fire, explosion, storm, natural forces other than storm, nuclear energy or land subsidence.
Damage to Property	Effecting and carrying on contracts of insurance against loss of or damage to property (other than property to which the Land Vehicles, Aircraft, Ships or Goods in transit sub-classes relate) other than those mentioned in the Fire and natural forces sub-class above.

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s. 55(5)

SCHEDULE 3

ASSETS IN WHICH THE STATUTORY FUNDS MAY BE INVESTED

An insurer may invest its statutory funds pursuant to the following guidelines –

1. An insurer may invest in –

- (a) the bonds, debentures, stocks, or other evidence of indebtedness of or guaranteed by the Government of -
 - (i) Guyana;
 - (ii) any Commonwealth country or dependency or the Republic of Ireland;
 - (iii) the country in which the head office of the company is situate, province or state thereof, or
 - (iv) any country approved by the Minister.
- (b) the bonds, debentures or other evidence of indebtedness of a corporation incorporated in Guyana which are fully secured by a statutory charge upon immovable property or upon the plan or equipment or other tangible assets of the corporation used in the transaction of its business;
- (c) the bonds, debentures or other evidence of indebtedness issued by an authority or other

body without share capital established and empowered pursuant to a statute of Guyana to administer, regulate the administration of, provide or operate port, harbour, airport, bridge, highway, tunnel, transportations communication, sanitation, water, electricity, or gas services or facilities and for any of these purposes to levy and impose taxes, rates, fees or other charges which may be used only in carrying on the object of the authority or other body and are sufficient to meet its operation, maintenance and debt service charges;

- (d) the bonds, debentures or other securities of, or those guaranteed by any international financial institution approved by the Minister;
- (e) guaranteed investment certificates issued by a trust company incorporated in any country listed in subparagraph (a) which at the date of vesting thereof in trust, complied with the requirements set out in subparagraph (f) in respect of the payment of dividends;
- (f) the fully paid ordinary shares, preferred shares, bonds debentures or other evidence of indebtedness of a company incorporated in any country listed in subparagraph (a) which during a period of five years ending less than one year before the date of purchase thereof has either paid a dividend in each such year upon its ordinary shares or had earnings in each such year available for the payment of a dividend upon such shares, of at least four per cent of

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the average value at which the shares were carried in the capital stock account of the company during the year in which the dividend was paid or in which the company had earnings available for the payment of dividends, as the case may be;

- (g) ordinary shares, preferred shares, bonds or debentures of a company incorporated in Guyana and approved by the Minister.

2. An insurer may invest in mortgages and other titles for repayment of loans secured by -

- (a) immovable property or leaseholds for a term of years or other estate or interest in immovable property in Guyana where the amount of the loan together with the amount of indebtedness under any mortgage or other charge on the immovable property or interest therein ranking equally with or superior to the loan does not exceed seventy-five per cent of the value of the immovable property or interest therein, subject to the exception that a company –

- (i) may upon the sale of immovable property in which its funds are invested, accept a mortgage or other title for repayment on such immovable property, as part payment and secured thereon for more than seventy-five per cent of the sale price of such immovable property; or

- (ii) may invest in a mortgage or other title for repayment on immovable property where the amount of indebtedness under any mortgage or other charge on such immovable property or interest therein, ranking equally with or superior to the loan does not exceed ninety per cent of the value of the immovable property as long as that portion of the indebtedness in excess of seventy-five per cent of the value of the immovable property is guaranteed by a company registered under this Act to carry on that class of insurance business.
- (b) immovable property or leaseholds in Guyana notwithstanding that the loan exceeded the amount which the company may otherwise invest in, if the excess is guaranteed or insured by the Government or through an agency of the Government of Guyana.
- (c) ground rents, mortgages or hypothecs on immovable property or leaseholds in Guyana or in the country in which the head office of the company is situated, where the amount of the mortgage or hypothec together with the amount of indebtedness under any mortgage or hypothec on the immovable property or leasehold ranking equally with or superior to the mortgage or hypothec which is invested in does not exceed three quarters of the value of the immovable property or leasehold covered

thereby.

3. An insurer may invest in –

- (a) immovable property or leaseholds in Guyana for the production of income either alone or jointly with any other company transacting insurance business in Guyana or with any other company incorporated in Guyana where –
 - (i) a lease of the immovable property or leasehold is made to or guaranteed by the Government of Guyana or an agency or the Government or a municipality in Guyana and the lease provides for a net revenue sufficient to yield a reasonable interest return during the period of the lease and to repay at least eighty-five per cent of the amount invested in the immovable property or leasehold within the period of the lease but not exceeding thirty years from the date of investment; or
 - (ii) the immovable property or leasehold has produced in each of the three years immediately preceding the date of investing therein net revenue in an amount which, if received in each year following the date of investment, would be sufficient to yield a reasonable interest return on the amount invested in the immovable property or leasehold and to repay at

least eighty-five percent of that amount within the portion of the economic lifetime of the improvements to the immovable property or leasehold which remain at the date of investment but not exceeding forty years from that date.

- (b) immovable property in Guyana required by the company for its actual use or occupation or reasonably required by it for the natural expansion of its business or acquired by it for the natural expansion of its business or acquire by foreclosure of a mortgage on immovable property where the mortgage is an investment under this Act, save that the total amount of investment in immovable property either for the production of income or for the use and natural expansion of the business of the company shall not exceed -
- (i) in the case of a company carrying on long-term insurance business, twenty per cent of the total value of assets required to satisfy the statutory fund requirement; or
- (ii) in the case of a company carrying on general insurance business, such amount as may be approved by the Supervisor not exceeding the amount referred to in subparagraph (i).

4. An insurer may invest in cash balances deposited with -

- (a) any bank in Guyana;

c. 85:03

- (b) any financial institution licensed under the Financial Institutions Act; or
- (c) any building society which may from time to time be approved by the Minister.

5. The total accepted value of the statutory fund assets of any company invested in ordinary shares shall not at any time exceed forty per cent of the accepted value of the total of such assets in Guyana of the company.

6. The total accepted value of the immovable property or leaseholds invested in accordance with this Schedule shall not exceed –

- (a) in respect of a company carrying on long-term insurance business twenty per cent of the total value or assets required to satisfy the statutory fund requirement for;
- (b) in respect of a company carrying on other than long-term insurance business such amount as may be approved by the Supervisor.

7. No single mortgage included as an asset in the statutory fund of a company may exceed ten per cent of the total assets of the company.

8. A company shall not invest in trust bonds, debentures or other evidence of indebtedness on which payment of principal or interest in default.

9. A company shall not purchase more than thirty per cent of the ordinary shares of any corporation.

10. A company registered to carry on life insurance business shall not, in respect of that business, purchase the shares of a company, incorporated in Guyana and carrying on such business.

s. 88

SCHEDULE 4

BROKER'S CODE OF CONDUCT

1. The provisions of this Code shall be construed as only illustrative of the conduct which is considered to be in the best interest of the public and the Insurance Brokers and other persons concerned with their conduct.

2. Brokers shall -

- (a) at all times conduct their business with utmost good faith and integrity;
- (b) do everything possible to satisfy the insurance requirements of their clients and shall place the interest of those clients before all other considerations; and
- (d) refrain from making any misleading representations in their advertising.

3. Without prejudice to the generality of the foregoing the following are specific examples of practices which must be observed, breach of which either singly or jointly may be regarded as constituting unprofessional conduct –

- (a) brokers shall not directly or indirectly, nor shall they allow any agent of theirs directly or indirectly to pay or allow, as other

inducement whatsoever not specified in the policy, nor will they make any misrepresentation or incomplete comparison for the purpose of inducing a client of any company to convert, lapse, forfeit or surrender their insurance therein;

- (b) in the conduct of their business brokers shall provide advice objectively and independently and shall use all due care and diligence when so doing;
- (c) brokers shall ensure that all work carried out in connection with their business shall be properly supervised, and they shall ensure that their employees are made aware of these regulations;
- (d) brokers shall on request from the client explain the differences in, and the relative cost of, the principal types of insurance which in the opinion of the broker might suit a client's needs;
- (e) although the choice of an insurer can only be a matter of judgment, brokers shall use their skill objectively in the best interest of their client;
- (f) brokers shall not withhold from the client any written evidence of documentation relating to the contract of insurance without adequate and justifiable reasons being disclosed in writing and without delay to the client. If a broker withholds a document from a client that broker shall provide the reason in the manner required above;

- (g) brokers shall inform a client of the name of all insurers with whom a contract of insurance is placed. This information shall be given at the inception of the contract and any changes thereafter shall be advised at the earliest opportunity to the client;
- (h) before any work, involving a charge, is undertaken or an agreement to carry on business is concluded, brokers shall disclose and identify any amount they propose to charge to the client which will be in addition to the premium payable to the insurer;
- (i) brokers shall have proper regard for the wishes of a client who seeks to terminate any agreement with them. Brokers shall make no attempt to induce any client to rescind an existing letter of appointment;
- (j) any information acquired by brokers from their clients shall be treated as strictly confidential except in the normal course of negotiating or renewing a contract of insurance, or unless the consent of the client has been obtained or the information is required by a Court of competent jurisdiction;
- (k) in the completion of the proposal form, or any other material document, brokers shall make it clear that all the answers or statements are the client's own responsibility. The client should always be asked to check the details and told that the inclusion of incorrect information may result

in a claim being repudiated;

- (1) the content of advertisement made by or on behalf of brokers shall be restricted to the policies of one insurer except where the reasons for such restriction are fully explained in the advertisement the insurer named therein, and the price approved of the insurer obtained; and
 - (m) when advertising their services directly or indirectly either in person or in writing brokers shall disclose their identity, occupation and purpose.
-

s. 102

SCHEDE 5

**PART I
REQUIREMENTS AS TO THE TRUST DEED AND RULES
OF PENSION PLANS**

1. The trust deed and rules of a plan qualified for registration under this Act shall make provision for the following matter -

- (a) the whole of the objects for which the plan is established;
- (b) the appointment and removal of trustees;
- (c) the vesting in the trustees of all property belonging to the plan;
- (d) the investment in the names of the trustees of all capital moneys belonging to the plan

and for, authorizing the investments, if any, in addition to those authorised by law, in which the trustees may invest such moneys; but the rules of a plan may provide for the deposit of such moneys with a bank;

- (e) the making of contributions to the plan by the employers of persons employed in the undertaking or combination of undertakings in connection with which the plan is established;
- (f) the contributions payable to and the rates of benefits payable from the fund or the method of calculating benefits so payable;
- (g) the conditions on which persons may become and may cease to be contributors to and entitled to benefits from the fund;
- (h) the protection of the vested rights of contributors to the plan;
- (i) the preparation of all statements of 'accounts, balance sheets and reports required by this Act to be prepared;
- (j) the supply (on demand) to every person having any rights in the plan, being a person who is or has been employed in the undertaking in connection with which the plan is established, of a copy of the rules of the plan and of all statements of accounts, balance sheet and requirements of this Act;
- (k) the circumstances in which the plan may be wound up and in the event of the winding-up the use of the plan to purchase

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immediate annuities for contingent pensioners; and

- (l) the method by which the rules may be amended.

s.110(2)(b)

PART II

FORMS

Form A

Account for the Period To

Pension Fund Plan

Revenue	\$	Expenditures	\$
1. Amount of the Fund at the beginning of the period*		1. Superannuation Benefits	
2. Contribution by employees.		(a) pension to retired employees	
3. Contribution by employers		(b) widow's pensions	
4. Any additional contributions by employer to meet deficiency or back service liabilities		(c) orphan's pensions	
5. Interest dividend and rents		(d) retirement gratuities	
6. Other income (to be specified)		2. Death grants	
		3. Return of contribution on withdrawal	
		4. Other expenditure (to be specified)	
		5. Amount Fund at the end of the period*	

* May be omitted for an insured pension fund plan.

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s. 110(2)(b)

Form B

(Not to be completed for an insured pension fund plan)

Balance Sheet as at 20..... forPension Fund

Liabilities	\$	Assets	\$
Amount of the Fund as at		Mortgage	
Pension due but not yet paid.		Stock Exchange Securities	
Other benefits (to be specified) due but not yet paid		Other assets (to be specified)	

DETAILS OF MORTGAGE

Name of Borrower	Name of security	Original amount of loan	Date	Method of repayment	Rate of Interest	Amount Outstanding on the valuation date	Date or Outstanding period of repayment

DETAILS OF STOCK EXCHANGE SECURITIES

Security	Date of Redemp - tion	Nominal amount	Rate of interest or dividend	Market value as at the valuation date	Book value	Value used in valuation

PART III

ACTUARIAL VALUATION

1. This part of the report shall contain statistics as at the valuation date in respect of the following –
- (a) Changes in the membership of the fund during the intervaluation period as well as the membership of the fund on the valuation date a follows-

Age Group	Number of members at beginning of period	Number of new entrants	NUMBER OF CESSATION OF MEMBERSHIP			
			Transfer on deferred pensions(or benefits)	Withdrawal	Death	Retirement

	Number of members at the end of the period		
Under 25.....			
25-30.....			
30-35.....			
35-40.....			
40-45.....			
45-50.....			
55-60.....			
60-65.....			
Total.....			
(b) changes in the number of pensioners of the fund during the interval period as follows -			

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Number Age Group	Number of members at the beginning of period	Number of pensioners on pension during	Number of pensioner died during	Number of persons ceasing to receive pension for other causes	Number of pensioners at end of period			
					Health	Age	Health	Age
Under 35....								
35-40.....								
45-55.....								
55-65.....								
75 and over.....								
Total								

2. The second part of the report shall contain the following information –

- (a) general observations regarding mortality, withdrawal and retirement from service and progression of salary during intervaluation period and general observations on any other factors entering into the valuation;
- (b) a description of the mortality and all other rates used (specimen rates to be shown in and appendix to the report);
- (c) average rates of interest realized by the assets of the fund whether invested or not during each year and the intervaluation period;
- (d) the rate of interest assumed in the calculations for purpose of the valuation, and
- (e) a statement indicating –
 - (i) whether and how it has been secured that the estimated net liability in respect of any employer is not negative,
 - (ii) the amount of and the reason for any special reserves which has been set up.

3. The final part of the report shall contain information about the results of the valuation, and analysis of the surplus or deficiency shown and a recommendation as to how much of the surplus can be

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regarded as disposable, or if a deficiency, the manner in which the deficiency can be liquidated.

4. The report shall close with any further observations the actuary may wish to offer on the valuation.

SUBSIDIARY LEGISLATION

Reg. 14/2007

**INSURANCE (COMPANY REGISTRATION)
REGULATIONS**

made under section 17

Citation.

- 1.** These Regulations may be cited as the Insurance (Company Registration) Regulations.

Interpretation.

- 2.** In these Regulations-

“Chief Executive Officer” means the person in accordance with whose direction or instructions the officers of a company are ordinarily required or accustomed to act;

“Principal Representative” means the appointed Chief Executive Officer or his equivalent.

Application for registration as an insurer other than as an external insurer.

- 3.** Every application for registration under Part VII of the Act by an insurer other than an external insurer shall be prepared and completed in accordance with the provisions in Part I of the Schedule to these Regulations.

Application for registration as an external insurer.

- 4.** Every application for registration under Part VII of the Act by an external insurer shall be prepared and completed in accordance with the provisions in Part II of the Schedule to these Regulations.

Forms to be completed by an insurer

- 5.** Every application for registration under Part VII of the Act by an insurer other than an external insurer shall be made in the forms set out as **Forms A1, B1, B2, C, D and E**

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other than an external insurer.

in Part III of the Schedule to these Regulations.

Forms to be completed by an external insurer.

6. Every application for registration under Part VII of the Act by an external insurer shall be made in the forms set out as Forms **A2, B1, B2, C, D** and **E** in Part III of the Schedule to these Regulations.

reg. 3

SCHEDULE

PART I

INSTRUCTIONS TO GUYANA INCORPORATED COMPANY APPLICANTS

General

1. The application shall specify or include the following:-

- (i) Where the information required cannot be supplied on the application form itself should be typed as an appendix on separate sheet(s) of paper using the same numbering and lettering and sub-lettering contained in the application with cross referencing.
- (ii) A copy of the minutes of the meeting of the board of directors of the company confirming the Principal Representative or a letter signed by the Company Secretary and a Director confirming the Principal Representative.
- (iii) A list of all items submitted with the application and explanations for omissions, if any.
- (iv) The address of the Head Office of the insurer.

- (v) The names of directors and auditors of the company.
- (vi) The name and address of the Principal Representative of the Company.
- (vii) The name of the actuary of the company.
- (viii) The countries, if any, outside Guyana in which the company carries on insurance business.
- (ix) The classes of insurance business undertaken by the company (This should be consistent with the classes defined in Schedule 1 to the Act).
- (x) A copy of the instruments constituting the company or any other duly certified proof of incorporation.
- (xi) A copy of the articles of association and other rules of the company.
- (xii) A copy of the latest actuarial valuation report upon the financial position of the company.

For companies that have no prior insurance liabilities the actuary should sign off the business projections and proposed long-term premium rates of the insurance business. A copy of the proposed rates for long-term insurance business should also be supplied.
- (xiii) The details of the proposed management structure of the company including names, designations and reporting lines of senior management, the underwriting department and the internal auditor. This should be accompanied by a corporate chart showing the composition of

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the group if the company is part of a group of companies and also include the details of any related parties and subsidiaries.

- (xiv) For companies with shareholders a statement showing nominal, subscribed and paid up capital of the company and details of all major shareholders of the company (20% or greater), including the exact size of their holding.
- (xv) For companies that are subsidiaries or branches, copies of items mentioned at serial numbers (ix), (x), and (xii) for the Head Office and a copy of the latest audited financial statements of the Head Office including the Revenue Account and balance sheet.
- (xvi) The specimens of various standard forms of proposals and policies to be issued in Guyana, certified by a director or the Principal Representative to be true and correct. If the company operates in territories other than Guyana, a list of all products being sold and a brief description of each product if different from those being proposed to be sold in Guyana.
- (xvii) A copy of any applicable reinsurance contract in effect and in the absence of these details of what reinsurance arrangements will be in place for the new company.
- (xviii) A list of agents and other distribution channels to be contracted and used by the company.
- (xix) A signed statement by a director of the company that the company has satisfied section 95 of the Act, and in particular that the company-

- (a) is satisfied that each agent listed at serial number (xviii) is a fit and proper and competent agent;
 - (b) has considered the suitability of an agent in light of his or her qualifications;
 - (c) has considered and taken into account any complaints received from a proposer or a policyholder in relation to the agents listed at serial number (xviii).
-
- (xx) Proof of payment of the filing fee (**\$250,000 per company**).
 - (xxi) Proof in the prescribed format that the company has made the required statutory deposits.
 - (xxii) Completed Fit and Proper declarations (as set out in **Forms B1** and **B2** in Part III of this Schedule) of all applicable persons, particularly the 'Fit and Proper' forms for the board of directors of the company and for the Managing Director or Chief Executive Officer. Fit and Proper forms may be required for other senior management officers and Controllers.
 - (xxiii) A business plan of three years shall be submitted in the form as set out in **Form C** of Part III of this Schedule.
 - (xxiv) A detailed breakdown of assets, specifying assets to be used for the statutory funds (and their market value). An explanation of how the market value has been derived should be provided.

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- (xxv) A list of all business, other than insurance business, carried out by the company and other members of the group if the company is part of a group, overseas and local;
- (xxvi) If a Controller of the applicant is a non-local company, information about the Controller is required. This will include its latest audited financial statements and a copy of its articles of incorporation and association or rules. If the Controller or any sister company conducts insurance or any other financial business that is regulated, a letter of good standing from the home regulator is required. Letters of good standing from host regulators may also be required.
- (xxvii) If a Controller of the applicant is a locally incorporated company, information about the Controller is required including its latest audited financial statements, copies of its articles of incorporation and association or rules. If the Controller conducts any financial business that is regulated a letter of good standing from the official regulator or its equivalent is also required.
- (xxviii) If a Controller of the applicant is an individual, he or she is required to complete a fit and proper declaration (*See Form B1* in Part III of this Schedule).

Fit and Proper declarations

2. If a person other than the Chief Executive Officer is appointed as the Principal Representative, that person shall be required to complete a Fit and Proper declaration and the company shall provide reasons for his or her appointment and also seek approval from the

Commissioner.

3. All Controllers shall submit to a fit and proper assessment.

4. The members of the board of directors of the company shall collectively complete and individually sign off the Declaration Form set out as **Form B1** of Part III of this Schedule.

5. A person who acts as a managing director or Chief Executive Officer of the company shall personally complete and sign off the Declaration Form set out as **Form B2** of Part III of this Schedule.

6. A shareholder shall not be required to complete a Fit and Proper declaration provided that the sum total of their shareholding does not amount to or is less than twenty-five per cent (25%) of any class of voting shares or is a company.

Statutory Deposit

7. In accordance with Part IX, of the Act, an insurer shall ensure that the appropriate deposit is made with the Commissioner.

8. A person is guilty of an offence if he fails to make the deposit referred to in paragraph 7 with the Commissioner.

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Insurance

[Subsidiary]

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PART II

INSTRUCTIONS TO EXTERNAL INSURANCE COMPANY APPLICANTS

General

1. The application shall specify or include the following:-

- (i) Where the information required cannot be supplied on the application form it should be typed as an appendix on separate sheets of paper using the same numbering and lettering or sub-lettering contained in the application.
- (ii) A list of all items submitted with the application and explanations for omissions, if any.
- (iii) The address of the Head Office of the insurer.
- (iv) The name of directors and auditors of the company.
- (v) The name and address of the main representative of the company.
- (vi) For the purpose of these Regulations the main representative shall be a person resident in Guyana who shall conduct insurance business at an established branch or agency formed in Guyana on behalf of the external insurer.

- (vii) The name of the actuary of the company.
- (viii) The countries in which the company carries on or proposes to carry out insurance business.
- (ix) A copy of the instruments constituting the company or other duly certified proof of incorporation.
- (x) A copy of the latest actuarial valuation report upon the financial position of the company.
- (xi) Proof that the company is lawfully constituted in accordance with the laws of the country in which it is incorporated.
- (xii) The details of the proposed management structure of the company including names, designation and reporting lines of senior management, the underwriting department and the internal auditor. This should be accompanied by a corporate chart showing the composition of the group if the company is part of a group of companies and include details of any related parties and subsidiaries.
- (xiii) A proof that the company has undertaken insurance business in the country in which it is incorporated for at least three (3) years before the date of application and operates as a regulated institution in the country of its incorporation.

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- (xiv) For companies with shareholders a statement showing the nominal, subscribed and paid up capital of the company and details of all major shareholders of the company (20% or greater), including the exact size of their holding.
- (xv) A letter stating that the company intends to appoint a person resident in Guyana as its main representative in Guyana and the name and address of that person.
- (xvi) A letter of good standing from the home regulator.
- (xvii) The classes of insurance business undertaken by the company (this should be consistent with the classes defined in Schedule 1 to the Act).
- (xviii) A copy of the latest actuarial valuation report upon the financial position of the company.
- (xix) The specimens of the various standard forms of proposals and policies to be issued in Guyana, certified by main representative to be true and correct. A list of all products being sold in other territories and a brief description of each product if different from these being proposed to be sold in Guyana.
- (xx) A copy of any applicable reinsurance contracts in effect and in the absence of these details of what reinsurance arrangements shall be in place for the company.
- (xxi) Completed reinsurance declarations as set

out in Form D in Part III of this Schedule.

- (xxii) A list of agents and other distributions channels to be contracted and used by the company.
- (xxiii) A signed statement by the main representative of the company that the company has satisfied section 95 of the Act, and in particular that the company-
 - (a) is satisfied that each agent listed in (xvii) is a fit and proper and competent agent.
 - (b) has considered the suitability of an agent in light of his/her qualifications.
 - (c) has considered and taken into account any complaints received from a proposer or policyholder in relation to the agents mentioned in the list furnished against serial number (xxiii).
- (xxiv) The proof of payment of the filing fee (\$250,000 per company).
- (xxv) Document in support of the fact that the company has made the required statutory deposits in the prescribed format.
- (xxvi) Completed Fit and Proper declarations (as set out in **Forms B1 and B2** in Part III of this Schedule) of all applicable persons, particularly the 'Fit and Proper' declaration forms for the Controllers of the company and for the main representative, where the main representative is a company, Fit

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and Proper forms as set out in **Form B1** shall be completed by the board of directors of that company.

- (xxvii) A three year business plan shall be submitted in the format as set out in **Form C** in Part III of this Schedule.
- (xxviii) A detailed breakdown of assets specifying the assets to be used for the statutory funds (and their market value). The applicant shall also furnish the particulars of investments and bankers as set out in **Form E** of Part III of this Schedule. An explanation on how the market value has been derived should also be provided.
- (xxix) A list of all business, other than insurance business, carried on by the company and other members of the group if the company is part of a group, overseas and local.
- (xxx) The information about the Controller of the company is required to be furnished. This shall include its latest audited financial statements, and copy of its articles of incorporation and association and other relevant rules. If the Controller or any sister company conducts insurance or any other financial business that is regulated, a letter of good standing from the home regulator is required. Letters of good standing from other host regulators are also required to be furnished.
- (xxxi) If a Controller of the applicants is a locally incorporated company, information about the Controller is required including its latest audited financial statements, copies of its articles of incorporation and association or rules. If the

Controller conducts any financial business that is regulated, a letter of good standing from the official regulator or its equivalent is required.

- (xxxii) If a Controller of the applicant is an individual, he or she is required to complete a fit and proper declaration as set out in **Form B2** of Part III of this Schedule.

Fit and Proper declarations

2. The main representative shall be required to personally complete and sign off a Fit and Proper declaration as set out in **Form B2** of Part III of this Schedule and the company shall provide reasons for his or her appointment and also seek approval from the Commissioner.

3. All Controllers shall submit to a fit and proper assessment.

4. The members of the board of directors of the company shall collectively complete and individually sign off the Declaration Form Set out as **Form B1** in Part III of this Schedule.

5. A shareholder shall not be required to complete a Fit and Proper declaration provided that the sum total of their shareholding does not amount to or is less than twenty-five percent (25%) of any class of voting shares or is a company.

Statutory Deposit

6. In accordance with Part IX of the Act, an insurer shall ensure that the appropriate deposit is made with the Commissioner.

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7. A person is guilty of an offence if he fails to make the deposit referred to in paragraph 6 with the Commissioner.

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PART III

FORMS

FORM A1

Office of the Commissioner of Insurance

No.

Date on which received.....

APPLICATION FOR REGISTRATION BY A COMPANY INCORPORATED IN GUYANA

(The Insurance Act, Cap. 91:02 , sections 23 and 24)

TO

**THE COMMISSIONER OF INSURANCE,
GEORGETOWN, GUYANA**

1. I hereby apply on behalf of the company named below for registration to carry on in Guyana the following class or classes of insurance business in accordance with the Insurance Act and the Regulations made thereunder:

[See Part I of the instructions to Applicants]

Signature

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.....

Office: Director/Principal
Representative
Date:.....

.....

2. Name of company:

.....

3. Address of the registered office of the company in
Guyana:

.....

.....

Telephone No:..... Fax No:

4. List of enclosures furnished as per the instructions.

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FORM A2

Office of the Commissioner of Insurance

No.

Date on which received.....

APPLICATION FOR REGISTRATION BY AN EXTERNAL INSURANCE COMPANY

(The Insurance Act Cap. 91:02, sections 23 and 24)

TO

**THE COMMISSIONER OF INSURANCE,
GEORGETOWN, GUYANA**

1. I hereby apply on behalf of the company named below for registration to carry on in Guyana the following class or classes of insurance business in accordance with the Insurance Act, Cap. 91:02, and the Regulations made thereunder:

[See Part II of the instructions to Applicants]

Signature

.....

Office: Director/Main
Representative

Date:.....

2. Name of company:

3. Address of the office of the company in Guyana:

.....

Telephone No:..... Fax No:

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.....

4. Address of the registered (home) office of the company overseas:

.....

.....
Telephone No.: Fax No.:

5. List of enclosures furnished as per the instructions.

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Form B1

**INSURANCE ACT, CAP. 91:02
DECLARATION BY COMPANY TO BE
FIT AND PROPER**

Note:

If the space provided is insufficient to record the details, please attach annexure(s). Any such annexure should be identified and must be signed by the signatories to this declaration.

INFORMATION ON THE COMPANY

1. (a) Name of applicant company:
- (b) Address of registered office:
- (c) Place and date of incorporation:
2. Details of board of the directors, including the name, residential address, and date of appointment

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Name	Residential Address	Executive/ Non-executive	Date of appointment
1.			
2.			
3.			
4.			
5.			
6.			
7.			
8.			

3. Set out name and address of each person, other than those shown as directors, who, directly or indirectly, exercises or has the power to exercise a controlling influence over the management and policies of the applicant: Please use annexure if these persons are more than four (4):

Name (1)	Position in Company/ Job Title (2)	Residential address (3)
1.		
2.		

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3.		
4.		

4. Is any director of the applicant a director of any other company?

Yes/No

Using an annexure, answer "Yes" or "No" for each person; if the answer is "Yes", give details of –

- (a) names of companies;
- (b) places of incorporation; and
- (c) dates of appointment.

[For questions 5 to 7, answer 'Yes' or "No" in the space provided. If the answer is "Yes", attach annexure giving all relevant particulars.]

5. Are there any established committees (e.g. Remuneration Committee, Audit Committee)?

Yes/No

Please specify details of threees committees and disclose the membership of those committees including any Non-Board members or independent members.

6. Has any director of the applicant within the past ten (10) years:

Answer

- (a) been granted any Loan(s) by the applicant? If answer is "YES" please provide in the annexure the status of repayment of the said loan(s)

.....

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(b) been licensed, registered or otherwise authorised by law to carry on any trade, business or profession in any place?
.....

(c) been refused the right or restricted in its, his or her right to carry on in any place any trade, business or profession for which a specific licence, registration or other authority is required by law?
.....

7. Has any director of the applicant within the past 10 years-

(a) been known by any name other than the name or names shown in this application?

(b) been convicted of any offence inclusive of a traffic offence in Guyana or elsewhere or are there any proceedings now pending which may lead to such a conviction?
.....

(c) had judgment including findings in relation to fraud, misrepresentation or dishonesty been given against him or her in any civil proceedings, in Guyana or elsewhere? (If "Yes", using an annexure, give full details, including whether judgment is unsatisfied.)
.....

(d) been declared bankrupt or compounded with or made an arrangement for the benefit of his or her creditors, in Guyana or elsewhere?
.....

(e) been engaged in the management of any company other than those referred to in answer to question 4?
.....

(f) been refused a fidelity or surety bond in Guyana or

elsewhere?

(g) been disqualified as a director, or been director of a company that has gone into receivership or liquidation, in Guyana or elsewhere?

.....

(h) has applied to any regulatory authority (in Guyana or elsewhere) for permission to carry on in any place, any trade, business or profession for which a specific licence, registration or other authority is required by law?

.....

8. In relation to each director of the company, set out on an annexure details of the director's employment and business activities during the previous five (5) years using the format given below:

Name of Director (1)	Name and address of employer (if self-employed so state) (2)	Nature of business (3)	Description of duties in relation to the employment or activity (4)	Period of employment or activity (give exact dates) (5)
1.				
2.				
3.				
4.				
5.				

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9. Set out any additional information (including any formal qualifications or training of the directors of the applicant and the name of the institution that conducted the course) considered relevant to this application:

1.	
2.	
3.	
4.	
5.	
6.	
7.	
8.	

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[Subsidiary]*Insurance (Company Registration) Regulations***10. Particulars of character referees:**

	Name of Character Referee (1)	Address of Character Referee (2)	Occupation of Character Referee (3)	Name of Director in respect of whom enquiries may be made (4)
1.				
2.				
3.				
4.				
5.				
6.				
7.				
8				
.				

The board of directors certifies that all the above

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information contained in and accompanying this form is complete and accurate to the best of its knowledge and belief.

The board of directors also undertakes to notify the Commissioner, within a period of fifteen (15) days, of any material change to any information given in this Declaration Form.

Dated this.....day of.....20..... at.....

.....
(Signature)

.....
(Position)

regs. 5, 6

SWORN BY COMMISSIONER OF OATHS

L.R.O. 1/2012

Form B2

PERSONAL DECLARATION FORM

1. Name and Capacity of the Applicant:

(a) Name:

(b) Position _____ or _____
Capacity: _____

2. Date and place of birth:

3. (a) Citizen of: _____ (b) Resident of: _____
(Country) (Country)

Since: _____ Since: _____
(Year) (Year)

4. Addresses:

(a) Present Business Address:

(Guyana, since) (Outside Guyana,
since....)

(b) Present Residential Address:

(Guyana, since) (Outside Guyana,
since....)

(c) Last two addresses in Guyana, if any, during the
past 10 years:

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(Since.....) (Since.....)

5. Professional Qualifications:

<u>Particulars</u>	<u>Year Obtained</u>
--------------------	----------------------

- (a) Highest Academic Degree and
Institution granting Degree:

- (b) Special Awards or Honours:

- (c) Training Courses or
Seminars and Training Institution(s):

- (d) Membership in Professional
Organisations:

6. Occupation or Employment (Present or most recent and
for the last 10 years):

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Inclusive Dates

Name and Business of Employer	Positions Held	From	To	(Mth and Yr)
_____	_____	_____	_____	_____

7. Details of all Loans from Employer (Present or most recent and for the last 5 years) and any outstanding loans:

Name and Business of Employer	Date Loan Taken	Status of Loan Repayment
_____	_____	_____

8. Other Business Affiliations (Direct and Indirect):

Nature of Affiliation i.e. Director, Officer, Officials,	Inclusive Dates (Mth and Yr)
_____	_____

Name of Business	Shareholder with % holdings specified etc.	From	To
_____	_____	_____	_____

9. Family Group:

Business Affiliations
(State Name of Business and
Nature of Affiliation i.e. Director,
Officer, Officials, Shareholder
with % holdings specified etc.)

Name

(a) Spouse or Reputed Spouse:

(b) Children:

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(c) Parents

(d) Others: (please specify)

10. Record of court cases, applications for licence or registration of any type of regulated financial business or any investigation by governmental, professional or any regulatory body (including pending cases or ongoing investigations):

<u>Name of Court or Investigative Body</u>	<u>Full Particulars</u>	<u>Status</u>
_____	_____	_____
_____	_____	_____

11. Documentary Requirements:

- (a) Police Clearance.
- (b) Certified statement of assets and liabilities including details of outstanding debts.
- (c) Latest tax compliance certificate from the Inland Revenue Department or certified true copy of income tax and property tax returns
- (d) Letters of two (2) character references from individuals other than relatives who have personally known the undersigned for at least ten (10) years.

12. Certification and Undertaking:

I, _____ hereby declare that there are no unauthorised borrowings including overdrafts on deposit account, past-due or delinquent accounts, or defaults on loans from financial institutions with whom I have had dealings for the last five (5) years.

I, _____ certify that all the above information contained in and accompanying this form is complete and accurate to the best of my knowledge and belief and that no material information has been concealed or suppressed.

I, _____ also undertake to notify the Commissioner, within a period of fifteen (15) days, of any material change to this Personal Declaration.

(Signature)

(Position)

(Date)

regs. 5, 6

Form C

BUSINESS PLAN

1. The business plan provides projections covering a three (3) year period. It shall include projections of the company's cash flow by class of business and the capital position of the company by class of business, including a breakdown of the projected statutory fund, assets and other liabilities. Details of expense assumptions, expected loss ratios and projected new business volumes by class of business shall be provided.

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2. The estimated amount of premium income during each of the next three years in respect of each class of insurance business which the company will carry on, in the following form:

	GROSS			NET OF REINSURANCE		
	Year 1	Year 2	Year 3	Year 1	Year 2	Year 3
	\$	\$	\$	\$	\$	\$
(i) Direct Insurance in Guyana						
(ii) Direct Insurance elsewhere						
(iii) Reinsurance accepted in Guyana						
(iv) Reinsurance accepted elsewhere						
Total of (i) to (iv)						

3. The plan shall clearly state all sources of capital available to the applicant and the amount (if any) by which it is intended to increase the paid-up capital of the company in cash in each of the next three years.
4. The sum expected to be spent in each of the next three years on new premises, office equipment, motor vehicles, etc.
5. The sum expected to be spent during each of the next

three years on advertising and other methods of promoting business.

6. For each class of insurance business to be carried on by the company in Guyana during the next three years state the following:
 7.
 - (a) The method or methods by which the policies will be marketed (e.g., by the company's own organisation, by brokers, salesmen, agents or by all methods).
 - (b) If more than one method is to be used, the expected proportions to be marketed by each.
 - (c) The rates of commission assumed in the projections by class of business.
 8. Indicate the operational functions that are expected to be outsourced (if any) during the first three years of operation.
 9. The names of the company's agents in Guyana, their addresses and the classes of insurance business for which they will be responsible.
 10. In respect of each class of business for which registration is being sought:
 - (a) state the proposed premium rates before deduction of commission. (The premium rate book must be submitted in the case of companies carrying on long-term insurance business).
 - (b) for general insurance business, state the percentage of premium (net of reinsurance) which claims are expected to form by class.
 - (c) for general insurance business, state the

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percentage of premium (net of reinsurance) which management expenses excluding commissions are expected to form by class.

- (d) for general insurance business, state the percentage of premiums (net of reinsurance) which commissions are expected to form.
- (e) for long-term insurance business provide a statement confirming that the Actuary has approved the proposed premium rates as provided for in section 129 of the Act.
- (f) attach specimens of the standard forms of proposals and policies to be used and issued in Guyana.

regs. 5, 6

Form D

Reinsurance Arrangements

1. State the nature and extent of the existing or proposed reinsurance arrangements in respect of each class of business indicating clearly the amount of the applicant company's retention in each case (Attach supporting statements, treaties, etc.)
2. Prepare a depiction of the reinsurance arrangements or intended reinsurance arrangements that shows by each type of risk –
 - (a) the percentage being retained by the insurer for quota share arrangements;
 - (b) the percentage of risk being retained by each reinsurer or underwriter for quota share arrangements;

- (c) the layer and level of risk in Guyana dollars being retained by the insurer for excess of loss arrangements;
 - (d) the level of risk in Guyana dollars for each layer being retained by each reinsurer or underwriter for excess of loss arrangements;
 - (e) the amount of catastrophic reinsurance if any; and
 - (f) the maximum limit of risk, if any, in Guyana dollars covered by the insurer's reinsurance arrangements.
3. Clearly indicate the proportion (if applicable) and amount of risk in Guyana dollars per class of insurance business that will be retained by the company.
 4. Clearly indicate the maximum amount (if any) per risk, per class and per policy type that will be underwritten in the first three years of operation as well as the respective maximum amounts (if any) to be reinsured.
 5. State the names and registered addresses of the reinsurance companies or associations of underwriters which will reinsure or is intended to reinsure the company's business and the amount which will be reinsured or is intended to be reinsured by each.
 6. Provide the most recent credit rating of each reinsurer or underwriter (specified at syndicate level of Lloyd's) or proposed reinsurer or proposed underwriter and the date at which this rating is effective.

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Form E

Capital, Investments and Bankers

1. State the capital available to the applicant for the purposes of writing insurance business in accordance with the provisions of the Act and provide details of the composition of the capital.
 2. List the investments (under the appropriate headings) held by the company that is intended to be used for the purposes of writing insurance business in accordance with the provisions of the Act, the value of each investment at the end of the financial year immediately preceding the date of this application and state the method of valuation.
 3. The place or places at which the documents of title in respect of the company's present investments are held, the place or places at which it is proposed to hold the documents of title in respect of the company's present and future investments and particulars of any of the documents which are or will be held outside Guyana.
 4. State the names and addresses of the banks in which the company has accounts at present or intends to have accounts.
 5. State the names and addresses of other institutions (excluding shareholders) that the applicant may have access to loans or capital in which the company has accounts at present or intends to have accounts.
-

Reg. 15/2007

**INSURANCE (COMPANY ACCOUNTS, FORMS
AND
DOCUMENTS) REGULATIONS**

made under section 17

Citation.

1. These Regulations may be cited as the Insurance (Company Accounts, Forms and Documents) Regulations.

Interpretation.

2. In these Regulations –

"claims outstanding" means the amount set aside by the insurance company at the end of a financial year for the purpose of meeting unsettled claims (including claims in respect of which the claims arising out of incidents which have not been notified to the company) under contracts of insurance in respect of incidents occurring before the end of that year and for the purpose of meeting expenses likely to be incurred in connection with the settlement of such claims;

Schedule 1.

"directions" means directions in Schedule 1 to these Regulations;

Schedule 2.

"form" means a form in Schedule 2 to these Regulations and includes the Cover Sheet shown in Schedule 2;

"gross premiums" means premiums after deduction of refunds and rebates of premiums but before reduction of premiums for reinsurance ceded and commission payable by the company;

c.85:03

"loans" includes loans, advances, financial guarantees or other extensions of credit or other liabilities" under section 14 of the Financial Institutions Act and encompasses all on-balance sheet credit facilities, such

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as loans, overdrafts, receivables, and other credit as well as off-balance sheet commitments, such as acceptances, guarantees and other contingent liabilities granted to or incurred on behalf of any person or borrower group and also includes loans, overdrafts, receivables, and other extensions of credit funded by trust and similar fiduciary accounts;

"non-admitted assets" means assets held by the insurer that are not assets of a statutory fund;

"reinsurance recoveries" includes recoveries in connection with reinsurance ceded;

"unearned premiums" means the amount set aside by an insurance company at the end of a financial year out of premiums in respect of risks to be borne by the company after the end of its financial year under the contracts of insurance entered before the end of that year;

"unexpired risks" means the amount set aside by an insurance company at the end of a financial year, in addition to unearned premiums, in respect of risks to be borne by the company after the end of a financial year under contracts of insurance entered into before the end of that year;

"well-secured loan" means that the collateral held is sufficient to protect the company from loss of principal and interest through its timely disposition under a forced liquidation programme.

Directions
Schedule 1.

3. Forms A1 to F3 shall be prepared and completed in accordance with the directions in Schedule 1 to these Regulations.

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Insurance (Company Accounts, Forms and Documents) Regulations

Cover Sheet
and Forms
Schedule 2.

4. The Cover Sheet and **Forms A1 to F3** shall be as shown in Schedule 2 to these Regulations.

Revenue
account.

5. An insurer other than an external insurer shall, in accordance with subsection (1) of section 27 of the Act, prepare and submit to the Commissioner a revenue account that shall show the items listed in the revenue account in the forms mentioned below-

(a) **Form A1** with respect to each class of long-term insurance business carried on by the company in the order and under the headings and sub-headings given in the relevant forms; and

(b) **Form B1** with respect to each class of general insurance business carried on by the company, in the order and under the headings and sub-headings in the relevant forms.

Submission
of additional
Forms by
insurers.

6. (1) An insurer conducting long-term insurance business shall prepare and submit to the Commissioner the particulars listed and as set out in **Forms A2 to A4**.

(2) An insurer conducting general insurance business shall prepare and submit to the Commissioner the particulars listed and as set out in **Forms B2 and B3**.

Business
outside
Guyana.

7. An insurer other than an external insurer shall prepare and submit to the Commissioner separate forms with respect to each class of insurance business carried on by the company in respect of business outside Guyana for each country of operation.

Profit and
loss account
or income

8. An insurer other than an external insurer shall prepare and submit to the Commissioner a profit and loss

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and expenditure account.

account (or income and expenditure account if the business is not operated for profit) in accordance with the form set out as **Form C1**.

Profit and loss for both long-Term and general insurance.

9. An insurer other than an external insurer shall in accordance with subsection (2) of section 27 of the Act prepare **and** submit to the Commissioner a profit and loss account in accordance with the form set out as **Form C1**.

Balance Sheet.

10. An insurer other than an external insurer shall prepare and submit to the Commissioner a balance sheet in accordance with the form set out as **Form D1**.

Balance Sheet for both long-Term and general insurance.

11. An insurer other than an external insurer shall in accordance with subsection (2) of section 27 of the Act prepare and submit to the Commissioner a balance sheet in accordance with the form set out as **Form D1**.

External insurer annual account.

12. An external insurer shall in accordance with subsection (2) of section 29 of the Act prepare and submit to the Commissioner a revenue account, profit and loss account and a balance sheet in accordance with the forms set out as **Forms A1, B1, C1 and D1** as applicable.

Submission of proof of approval, audit, etc.

13. (1) In accordance with subsection (1) of section 30 of the Act **Forms A1, B1, C1 and D1** shall be signed by the company secretary and a director of the company and approved by the board of directors of the company and shall indicate the date on which the accounts were so approved.

(2) In accordance with subsection (2) of section 30 of the Act the annual accounts of an external insurer shall be signed by the company secretary, a director of the company and the main representative of the insurer and approved by the board of directors of the company and shall indicate the date on which the accounts were so approved.

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(3) In accordance with subsection (3) of section 30 of the Act an independent auditor shall provide –

- (a) a covering note including its opinion on the financial information submitted in accordance with Regulations 5 to 11 inclusive; and
- (b) a copy of the management letter.

Statement of
Value of
Statutory
Fund and
Deposit
Assets.

14. An insurer shall in accordance with section 51(b) of the Act prepare and submit to the Commissioner a statement disclosing particulars of the assets comprising the fund for each class of business in accordance with the form set out as **Form D2**.

Declaration
of assets in
Guyana.

15. In accordance with subsection (1) of section 55 of the Act there shall be annexed to **Form D2** a declaration of the percentage of statutory fund assets invested in Guyana.

Statement of
value of Non-
Admitted
Assets.

16. An insurer shall prepare and submit to the Commissioner statements disclosing particulars of its non-admitted assets in accordance with the form set out as **Form D3**.

Statutory
Fund
Requirement.

17. An insurer shall in accordance with section 51(a) of the Act prepare and submit to the Commissioner a statement disclosing particulars of the liabilities of the insurer in respect to each Statutory Fund established in accordance with the form set out as **Form D4**.

Submission of
certain
miscellaneous
returns.

18. (1) An insurer shall prepare and submit to the Commissioner the particulars listed and as set out in **Form E1**.

(2) An insurer shall prepare and submit to the

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Commissioner the particulars listed and as set out in **Form F1**.

Corporate structure.

19. There shall be annexed to **Form F1** a diagram showing the corporate structure of the company and group if relevant. The annex shall include –

- (a) particulars of all shareholders with holdings over 20% including their names and registered addresses as well as the amount of shares held and the proportion of total shares;
- (b) particulars of all other controlling interests and controllers;
- (c) particulars of all associate companies including their names and registered addresses.

Personnel chart.

20. There shall be annexed to **Form F1** a diagram showing a senior personnel chart of the company and shall include the names of senior personnel, their designations, numbers of staff within each department and the reporting lines.

Submission of quarterly reports.
c. 85:03

21. In accordance with section 39 of the Act and subsection (5) of section 14 of the Financial Institutions Act an insurance company shall prepare and submit to the Commissioner within fifteen days from the end of each calendar quarter of a year-

- (a) a report on loans to top twenty borrowers as set out below in **Form F2**; and
- (b) a report on aggregate loans to shareholders, directors, officers and other related persons

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as set out in **Form F3.**

Attached notes.

22. All additional information, particulars and details required by **Forms A1 to F3** inclusive shall be prepared and submitted to the Commissioner in the form of attached notes.

Furnishing of comparable details of annual accounts.

23. (1) For all items shown in respect of the annual accounts of the insurer for the financial year to which the balance sheet or profit and loss account or revenue account relates, there shall, except in the case of the first submission of accounts by an insurer in accordance with these Regulations, be shown corresponding accounts for the immediate preceding financial year.

(2) Except in the case of accounts relating to the first submission in accordance with these Regulations, where the corresponding amount is not comparable with the amount shown for the item in question in respect of the financial statements of the insurer for the financial year to which the balance sheet or profit and loss account or revenue account relates, the former amount shall be adjusted and particulars of the adjustment and the reasons for it shall be given in a note to the accounts.

Statement of accounting policies.

24. The accounting policies adopted by the company in determining the amounts to be included in respect of items shown in the balance sheet and in determining the profit or loss of the company shall be stated (including such accounting policies with respect to the depreciation and diminution in value of assets) in notes to the balance sheet and the profit and loss account.

Accounts in Guyana dollars.

25. (1) An insurer shall show all amounts which are required to be shown in its annual accounts or in any note, certificate or report annexed thereto in accordance with the Act or these Regulations (excluding the annual accounts

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prepared in accordance with subsection (1) of section 29 of the Act) in Guyana dollars.

(2) Where any sums originally denominated in any foreign currency have been brought into account under any item shown in the forms, the basis on which those sums have been translated into Guyana dollars (or the currency in which the accounts are drawn up pursuant to subsection (1) of section 29 of the Act) shall be stated.

Electronic copies.

26. (1) An insurer shall prepare and submit to the Commissioner an electronic copy of the forms prepared in accordance with these Regulations in such manner as may be determined by the Commissioner.

(2) An insurer shall prepare and submit to the Commissioner an electronic copy of accounts prepared and submitted in accordance with section 28 of the Act in such manner as may be determined by the Commissioner.

Financial year.

27. For the purposes of these Regulations the financial year of an insurer shall end on the expiration of the thirty-first day of December in each year.

Lending policies.

c.85:03

28. In accordance with section 39 of the Act, an insurer shall have well-defined lending policies and monitoring and controlling procedures that shall enable it to comply at a consolidated level with the limits and reporting requirements on large loans and on loans to shareholders, directors, officers, and other related persons under section 14 of the Financial Institutions Act and a certificate to that effect shall be submitted to the Commissioner.

Capital base.
c. 85:03

29. In accordance with section 39 of the Act and section 14 of the Financial Institutions Act, the capital base of an insurance company for the purpose of these Regulations shall be –

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- (i) the total of –
 - (a) the paid-up share capital or assigned capital;
 - (b) the paid-up share premium;
 - (c) the retained earnings;
 - (d) the asset revaluation reserves arising from a formal revaluation of an immovable property but limited to one revaluation every five years; and
 - (e) the other capital accounts approved by the Commissioner;
- (ii) less the following deductions –
 - (a) the net amount due from Head Office and own branches abroad in the case of a registered insurer not incorporated in Guyana;
 - (b) the net amount due from parent company, subsidiary, and other affiliated companies;
 - (c) deficiencies in provisions for losses on loans and other assets as may be determined by the Commissioner;
 - (d) any asset revaluation reserves attributed to immovable property held within the statutory fund; and
 - (e) other deductions as may be

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determined by the Commissioner
which may impair capital.

Terms and
conditions of
loans
applicable to
share-
holders, etc.
C. 85:03

30. (1) Pursuant to section 39 of the Act the loans, advances, financial guarantees or other extensions of credit granted to or any other liability incurred on behalf of shareholders, directors, officers and other related persons mentioned in subsections (3) and (4) of section 14 of the Financial Institutions Act shall not be on terms and conditions more favourable than the general terms and conditions applicable to other borrowers.

(2) Paragraph (1) shall not apply loans granted or other liabilities incurred under a duly approved fringe benefit plan for the staff of the insurance company or under any formal internal policy which defines the general terms and conditions on the type of loans or other liabilities which may be given preferential treatment by the insurance company.

Description
of insurance
policies
Schedule 3.

31.(1) An insurer other than an external insurer shall prepare and submit to the Commissioner a brief description of all types of policies still on the books in accordance with the provisions of Schedule 3 to these Regulations.

(2) An external insurer shall prepare and submit to the Commissioner a brief description of all types of insurance policies relating to Guyana liabilities in accordance with the provision of Schedule 3 to these Regulations.

Actuarial
investigation
Schedule 4.

32. Where pursuant to subsection (1) of section 32 of the Act an insurance company causes an actuary to make an investigation into its financial condition, an abstract of the report required by subsection (2) of that section shall be prepared and submitted to the Commissioner in accordance with the provisions of Schedule 4 to these Regulations.

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Trustee
certificate of
statutory
fund value.
Schedule 5.

Re-insurance
arrangements
Schedule 6.

33. The Statement of Value of the Statutory Fund as shown in **Form D2** in Schedule 2 to these Regulations shall be certified by its Trustees in accordance with the provisions of Schedule 5 to these Regulations.

34. (1) An insurer other than an external insurer shall prepare and submit to the Commissioner an exhibit of its reinsurance arrangements in accordance with the provisions of Schedule 6 to these Regulations.

(2) An external insurer shall prepare and submit to the Commissioner an exhibit of its reinsurance arrangements for Guyana business only in accordance with the provisions of Schedule 6 to these Regulations.

regs. 2, 3

SCHEDULE I

DIRECTIONS

1. It is recommended that you make a copy of the blank forms before working on them. Electronic copies are available on www.insurance.gov.gy or from the Office of the Commissioner of Insurance. Please ensure you have the most up to date version of the forms. You may check with the Office of the Commissioner of Insurance if you are unsure what that is.
2. Write in the date, name of the company, class of business, names of director and company secretary, etc. on the parts of the form that require this information (e.g. the headings of the form).
3. For forms requiring details by sub-class or class, several photocopies of that form may be needed.
4. If more space is required, make copies of the relevant

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forms and continue on those using extra sheets after clearly indicating on those copies that they are attachments to the relevant forms.

5. Number the pages of all the forms and notes sequentially upon completion.
6. Fair value of assets shall be used. Notes to the accounts shall be provided if values are not readily verifiable and another method other than market value was used to value the assets.
7. Notes shall be provided where information entered is derived from other sources not already disclosed in the forms, or where further details are required.
8. In cases where reinsurance costs are notionally allocated, notes shall be provided on how the allocation was derived.
9. Any difference between the results disclosed in these forms and the company's annual financial statements required under the Companies Act or other published financial statements or the results that would have been obtained under International Financial Reporting Standards should be disclosed in an appendix to these forms. Explanations and if possible a reconciliation of the differences should also be provided as part of this appendix. A note produced covering this should also be attached or the appendix should be signed off by the auditor.
10. Forms A1, B1, C1, D1 and D2 shall be audited by an independent auditor and evidence of this must be provided. Each of these forms must be signed by at least one director and the company secretary. They must indicate the date on which the accounts were approved

c. 89:01

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Insurance (Company Accounts, Forms and Documents) Regulations

by the Board. Where the forms extend to more than one page, all other pages must be signed by the signatories.

11. Group business should be shown separately from individual business in all cases where reporting by class or sub-class is required.
12. Where relevant, the exchange rates used must be shown as accompanying notes to the forms and the dates to which those exchange rates relate should be indicated.
13. In cases where a notional split was necessary, notes accompanying the form shall indicate how the split was achieved, e.g. using mean fund values for investment income allocation or investment expense allocation.
14. The value of the fund and statutory deposit for each class of business should never be less than the value of the actuarial liabilities for that class of business as calculated in the most recent valuation.
15. Any value of revenue generated by a particular class of business shall be retained within the relevant fund until such time that the value of the assets in the fund is shown to exceed the value of the statutory fund requirement.
16. The results of any business that is not insurance business must be disclosed separately and on a consolidated basis in Form C1.
17. For contracts in which investment or other guarantees are given, details of the guarantees shall be provided in Schedule 3.
18. An explanation shall be provided on the treatment of products or policies that comprise more than one class

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or sub-class of insurance business, in particular how the component products or policies are allowed for in the forms. Schedule 3 shall include details of all products or policies that comprise more than one class or sub-class of insurance business.

regs. 2-6,
8-22, 33

SCHEDULE 2

COVER SHEET AND FORMS

COVER SHEET

OFFICE OF THE COMMISSIONER OF INSURANCE
(GUYANA)

FORMS UNDER THE
INSURANCE (COMPANY ACCOUNTS, FORMS AND
DOCUMENTS) REGULATIONS 2007

[enter name of company here]
For the year ended
[enter date here dd/mm/yyyy]

OFFICE OF THE COMMISSIONER OF INSURANCE
126 BARRACK STREET
KINGSTON
GEORGETOWN, GUYANA

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[Subsidiary] Insurance (Company Accounts, Forms and Documents) Regulations

Insurer Year	Form A1 Long Term Insurance Revenue Account by Line of Business with respect to Business in Guyana [Name of Country]						Previous Year Total
	Class 1 - Individual Insurance Annuities only excl annuities	Class 1 - Group Insurance Annuities only excl annuities	Class 2 - Individual Annuities only excl annuities	Class 2 - Group Individual Annuities only excl annuities	Class 3 - Individual Approved persons	Class 3 - Group Approved persons	
1. Insurance fund brought forward							
2. Net Premiums/Contributions							
(i) Single							
(ii) Other							
3. Commission Received							
4.(i) Interest and Dividends before tax							
4.(ii) Rent before tax							
4.(iii) Realised Capital Gains/Losses including any gain/(losses) on currency exchange							
4.(iv) Less Rates and Taxes thereon							
4.(v) Total net interest							
5. Fees and other charges							
6. Other Income (Particulars to be specified)							

Page

[Subsidiary] *Insurance (Company Accounts, Forms and Documents) Regulations*

Total Income

LESS-
8. Net Claims Paid

- (i) Insurance including annuities
- (ii) Annuities
- (iii) Net Surrenders
- (iv) Other claims

9 Commission Daid

10. General expenses excluding investment expense

12. Shareholders share of distributable surplus benefited before Profits and Loss Account (From C

13. Other expenditure (particulars to be following account investigation)

15. Net estimated increase in Fund

16 Insurance Fund carried forward

Darw (dd/mm/yyyy):

For Independent Auditors

[Name of independent Auditor]

Secretary Date of Board Approval

For Independent Auditors

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[Subsidiary]

Insurance (Company Accounts, Forms and Documents) Regulations

15. Summary of cashflow to net income							
16. Amount attributed to shareholder if known							
17. Amount attributed to shareholder if known							
18. Amount attributed to participating policyholders							
19. Amount not attributed							
20. Total net income from insurer							
Summary of Fund movement							
21. Insurance Fund brought forward							
22. Amount transferred from/to shareholders							
23. Amount transferred to participating policyholders							
24. Amount retained in Fund							
25. Insurance Fund carried forward							
Signed By -							
Director							
Secretary							
Date (dd/mm/yyyy)							
Date (dd/mm/yyyy)							

Summary of distribution of net income

- | | |
|-----|--|
| | Summary of fund movement |
| 17. | Amount attributed to shareholder if known |
| 18. | Amount attributed to participating policyholders |
| 19. | Amount not attributed |
| 20. | Total net income from insurer |

Signed By -

Date (MM/DD/YYYY):

Translational Audiology

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Date of Board Approval

Date of Board Approval

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[Subsidiary]

Insurance (Company Accounts, Forms and Documents) Regulations

INSTRUCTIONS and NOTES for Form A1

1. Each amount shown against item 6, 7 and 13 above is to be analysed in or in a note appended to this form
2. Any difference between the results disclosed in this form and the Insurance Fund shown in the company's annual financial statements required under the Companies Act 1991 or other published financial statements should be disclosed in an appendix to this form
3. The insurance fund carried forward (item 16) shall not be lower than the value of the actuarial liabilities declared in the latest actuarial valuation plus any undistributed surpluses
4. Investment income and changes in asset values are to be provided before any tax is deducted and tax disclosed separately Item 4(i) and (ii) are to exclude re-adjustments on investments and gains on the realization of investments which shall be shown in Item 4(iii) and 4(iv)
5. Where a company decides to allocate to the fund the whole or any part of investment income or net capital gains arising from assets not attributable to the fund or both, the amounts in question shall be shown as a transfer (line 6) and details shall be provided in supplementary notes.
6. Item 12 allows for increases in actuarial and other policyholders liabilities (see Forms D1 and D4).
7. The insurance fund carried forward includes an estimate of the insurance liability for the respective classes of business, provided it is not lower than the actuarial value of the liabilities following the most recent investigation. It also includes any undistributed surpluses (equity) to participating policyholders and shareholders.
8. The companies incorporated in Guyana must complete separate forms in respect of business outside of Guyana for each country of operation. For example if the company operates in country A and B it must produce three separate Forms A1, one for Guyana, one for country A and another for country B.
9. The companies incorporated outside of Guyana should complete forms in respect of business in Guyana only.

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[Subsidiary]

Insurance (Company Accounts, Forms and Documents) Regulations

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Insurance (Company Accounts, Forms and Documents) Regulations

2. ANALYSIS OF INSURANCE WITH GUYA COMPANIES

- (a) Premiums coded
- (b) Cayman Business
- (c) Overseas Business
- (d) Total premiums coded

(e) Premiums on sum assured coded (% if applicable)

- (f) Commissions received for
- (g) Cayman Business
- (h) Overseas Business
- (i) Total commissions
- (j) New business coded
- (k) Cayman Business
- (l) Overseas Business
- (m) Total reserves coded

3. ANALYSIS OF INSURANCE WITH DEXX COMPANIES

- (n) Non proportional reinsurance
- (o) Cayman Business
- (p) Overseas Business
- (q) Total reinsurance paid

(r) Open Share premium coded

- (s) Cayman Business
- (t) Overseas Business
- (u) Total premiums coded

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(iii) Proportion of sum assured ceded by subsidiary to be received for -	
(iv) Commission received for -	
(a) Guyana business	
(b) Overseas business	
(c) Total commission	
(v) Reserves ceded -	
(a) Guyana business	
(b) Overseas business	
(c) Total reserves ceded	
1. Net premiums	

Instructions

1 A note shall be appended to this form providing details of overseas information by country (see items 1(b), 2(a)(b), 2(iii)(b), 2(iv)(b), 3(a)(b), 3(iii)(b), 3(iv)(b), and 3(v)(b))

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Insurance

[Subsidiary]

Insurance (Company Accounts, Forms and Documents) Regulations

1

(1) Changes of Business in Force during the Financial Year

Form A3
Summary of Changes in Long-Term Business of (Name of Company) for the year
ended (Date) (in respect to Business Registered in Guyana)

	Class 1 excludamuties			Deferred Annuities			Annuities in Payments			Class 2			Class 3		
	Number of Policies	Sum Assured		Number of Policies	Amounts of Annuity per annum		Number of Policies	Amounts of Annuity per annum		Number of Policies	Sum Assured		Number of Policies	Value of Funds	
		Individual	Group		Individual	Group		Individual	Group		Individual	Group		Individual	Group
In force at the beginning of the year															
Adjustment to previous year's balance*															
Adjusted in force at beginning of the year															
New Business															
New transfers or other alterations "on"															
Bonus allotted															
Total "on"															

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[Subsidiary]

Insurance (Company Accounts, Forms and Documents) Regulations

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Volume 3

Conversions to paid up policies	Lapses (i.e Policies with no surrenders values)
---------------------------------	---

Net transfers, expellees and
other alterations "off"

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Insurance (Company Accounts, Forms and Documents) Regulations

OVERSEAS BUSINESS									
GUYANA BUSINESS									
Type of Policy	Origin	Class 1 cedl annuities	Class 2	Class 3	Class 1 cedl annuities	Class 2	Class 3	Indivi-	Indivi-
		Indivi-	Deferred	Indivi-	Indivi-	Deferred	Indivi-	dual	dual
		dual	Group	dual	Group	Group	Group	Group	Group
1. ANALYSIS OF PREMIUMS / CONTRIBUTIONS									
Gross premiums or contributions in respect of									
(a) Guyana business									
(b) Overseas business									
(c) Total									
2. ANALYSIS OF REINSURANCE CEDED									
Reinsurance premiums in respect of-									
(i) Guyana business									
(b) Overseas business									
(c) Total									
(ii) Reinsurance recoveries									
(iii) Commission [included in (i) on reinsurance business ceded]									

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[Subsidiary]

Insurance (Company Accounts, Forms and Documents) Regulations

Origin	OVERSEAS BUSINESS									
	GUYANA BUSINESS									
	Class 1 excl annuities		Class 2	Class 3		Class 1 excl annuities		Class 2		Class 3
Type of Policy	Individ- ual	Group	Deferred Annuities	Individ- ual	Group	Individ- ual	Group	Individ- ual	Group	Individ- ual
3 Net New Business Premiums										
4 ANALYSIS OF NEW BUSINESS EXPENSES										
(i) Commissions & acquisition related expenses										
(ii) Management expenses related to new business										
5 ANALYSIS OF SUMS ASSURED										
(i) Sums Assured										
(ii) Amounts of annuity per annum										
(iii) Net fund value										
6 Number of new business policies										

2 New Business taken on during the financial year

3 Net New Business Premiums
4 ANALYSIS OF NEW BUSINESS EXPENSES
(i) Commissions & acquisition related expenses
(ii) Management expenses related to new business

5 ANALYSIS OF SUMS ASSURED
(i) Sums Assured
(ii) Amounts of annuity per annum
(iii) Net fund value

6 Number of new business policies

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Insurance (Company Accounts, Forms and Documents) Regulations

Instructions-

- 1 The amounts shown for group business are to include increments under existing schemes
- 2 The amounts shown for individual business are to include top-ups of existing plans
- 3 The section "Overseas business" need not be completed in respect of companies incorporated outside of Guyana
- 4 In the analysis of new business only commissions and expenses related to new business should be input. This includes commissions from top-ups.

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[Subsidiary]

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Form A4
Analysis of Long term Claims for the year ending (Date)

Claims incurred in the financial year	Gross Claims		Recoverable from Guyana based reinsurer Guyana Policies	Recoverable from overseas based reinsurer Overseas Policies	Total Net Claims	Total Net (previous year)
	Guyana Policies	Overseas Policies				
1 On death						
2 By way of lump sum on maturity						
3 By way of annuity payments						
4 By way of payments arising from other insured events						
5 On surrender or partial surrender						
6 Total life assurance and annuity claims						
Class 1 - Life assurance and annuity contracts						
7 By way of lump sums						
8 By way of periodical payments						
9 Total permanent health claims						
Class 2 - Permanent health contracts						

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Instructions-
1. Explanation on the amounts entered under provisions should be provided.

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Insurance (Company Accounts, Forms and Documents) Regulations

Form B1
General Business Insurance Revenue Account of (Name of Company) for the Year Ending (Date)
in respect of (class of business) written in [Guyana] / [Name of Country]

	I Enter name of sub-class	ii Enter name of sub-class	iii Enter name of sub-class	iv Enter name of sub-class	v Enter name of sub-class	vi Enter name of sub-class	vii Enter name of sub-class	viii Enter name of sub-class	ix Treaty reinsurance not dealt with in columns i to viii	x Total Business in previous year
INCOME	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
1 Unearned premiums brought forward										
2 Unexpired risk brought forward										
3 Claims brought forward										
4 Catastrophic reserve brought forward										
5 Other funds (e.g. claims, equalization, expense overrun) brought forward (to be specified)										
6 Total Insurance Funds brought forward										
7 Premiums (net of refunds, rebates and premiums for reinsurance ceded)										

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8 Commission e.g. from reinsurance arrangements			
9 (i) Interest & Dividends			
9 (ii) Rents			
9 (iii) Realised Capital Gains /losses) including any gains/losses) on currency exchange			
9 (iv) Unrealised Capital Gains/ (Losses)			
9 (v) less Rates and Taxes thereon			
10 Other Income (particulars to be specified)			
11 Transfer from Profit and Loss Account			
12 Total			

Signed by-

[Name of Director]

Date-

For Independent Auditors

[Name of Independent
Auditors]

Date-

[Name of Company
Secretary]

Date of Board
Approval

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[Subsidiary]

Insurance (Company Accounts, Forms and Documents) Regulations

Form BI continued
General Business Insurance Fund Revenue Account of (Name of Company) for the Year Ending (Date)
in respect of (class of business)

	I Enter name of sub class	II Enter name of sub class	III Enter name of sub class	IV Enter name of sub class	V Enter name of sub class	VI Enter name of sub class	VII Enter name of sub class	VIII Enter name of sub class	IX Treaty reinsurance not dealt with in columns I to VIII	XII Total Business in Business, previous year	XIII Total Business in Business, previous year
EXPENDITURE	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
1. Claims [including legal and medical expenses (net of salvage, reinsurance and other recoveries)]											
(a) Gross claims Paid											
(b) Loss recoveries from reinsurers											
(c) Net claims Paid											
10 Commissions											
15 Expenses of Management											
16 Other Expenditure (Particulars to be specified)											
17 Unearned premiums carried forward											
18 Unexpired risks carried forward											
19 Claims outstanding carried forward											
20 Catastrophe reserves carried forward											

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These forms reconcile with other published financial statements in particular those produced for compliance with the Companies Act 1991 (Act No 29 of 1991), and any results that would have been obtained under International Financial Reporting Standards. Any differences are explained in the attached appendices.

Signed by:

Date (dd/mm/yyyy)

Date of Board Approval

For Independent Auditors

Date _____

Name of Company Secretary

Name of Director

Name of Independent Auditors

L.R.O. 1/2012

Instructions

1. Companies incorporated in Guyana must complete separate Forms in respect of business outside of Guyana.
2. Companies incorporated outside of Guyana need not complete a separate Form in respect of business outside Guyana provided they deposit a certified copy of their returns deposited with the Supervising Authority in the country in which their Head Office is situated.
3. Facultative reinsurance business accepted is to be included in whichever is appropriate of columns i to viii.
4. If any amount shown in any column against items 1, 2, 3, 4 or 5 does not agree with the corresponding amount carried forward from the previous year's accounts, a statement is to be given of the reasons for the difference.
5. The basis on which the amounts shown against items 1 and 17 respectively have been calculated is to be stated in a note on or statement annexed to the account, and, if this be less accurate than the twenty fourths method, the reason for its adoption is to be stated.

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6. Any difference between the results disclosed in these Forms and the company's annual Financial Statements required under the Companies Act, Cap, 89:01 or other published financial statements or the results that would have been obtained under International Financial Reporting Standards should be disclosed in an appendix to these Forms. Explanations and if possible a reconciliation of the differences should also be provided in the appendix. A note produced by the auditor covering this should also be attached.

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Form B2 [Local Companies only] Premium Analysis General Business of the (Name of the Company) for the Year Ending (Date) for (Class of Business)									
	I Enter name of sub class	II Enter name of subclass	III Enter name of sub class	IV Enter name of sub class	V Enter name of sub class	VI Enter name of sub class	VII Enter name of sub class	VIII Enter name of sub class	IX Treaty reinsurance not dealt with in columns 1 to VIII
									X Total in previous year
ANALYSIS OF PREMIUMS RECEIVED									
(I) Gross premiums received									
(a) Local direct and facultative treaty business									
(b) Local reinsurance business									
(c) Local direct non treaty business									
(d) Overseas direct and facultative Business									
(e) Overseas reinsurance business									
(f) Overseas direct non treaty business									
(g) Treaty reinsurance business in which local and reinsurance business cannot be distinguished . Provide details.									
(h) Total									
(II) Number of policies									
(III) Net premiums received (net of refunds, rebates and premiums for reinsurance ceded).									
(a) In respect of Guyana direct business and facultative reinsurance business accepted by months in respect of contracts commencing in :									

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2. ANALYSIS OF REINS PREMIUMS CEDED	
(I) Overseas reinsurance premiums paid under treaty arrangements in respect of	
(a) Guyana business	
(b) Overseas business	
(c) Treaty Reinsurance in which local and overseas components cannot be distinguished	
(d) Total	
(II) Overseas Reinsurance premiums paid under non treaty arrangements in respect of	
(a) Guyana business	
(b) Overseas business	
(c) Treaty reinsurance in which local and overseas components cannot be distinguished	
(d) Total	
(III) Reinsurance premiums ceded to Guyana incorporated companies	
(a) Guyana business	
(b) Overseas business	
(c) Treaty reinsurance in which local and overseas components cannot be distinguished	
(d) Total	

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(IV) Other reinsurance premiums ceded (e.g. under a quota share treaty with an overseas insurer)	
(a) Guyana business	
(b) Overseas business	
(c) Treaty reinsurance in which local and overseas components cannot be distinguished.	
(d) Total	
	To fit premiums ceded
	(V) To fit premiums ceded
	(VI) Reinsurance Recoveries
	(a) Quota share Treaties
	(b) Other treaties
	(c) from non treaty arrangements
	(d) Total
	(VII) Total commission on Reinsurance business ceded

Instructions:

1. Amounts are to be shown in column IV only in respect of business accepted or ceded in the company under treaties of reinsurance covering more than one class of insurance business in respect of which it is not practicable to distinguish individual classes of business. Amounts in respect of all other reinsurance business accepted or ceded are to be included in whichever is appropriate of columns I to VIII.

Form B3
Statement of Estimated Liability in respect of
outstanding Claims

**Part I – Claims arising during the year of Accounting
ending (Year) per Class of Business**

(a) Claims arising and settled during the year of account ending (Year) per class of business

[Name of Class] Class of Claims	No. of Claims	Amount Paid \$
1. Property damage		
2. Third-party Death and Personal Injury claims		
3. Other claims (to be specified)		

(b) Claims arising during and outstanding at the end of the year of account per class of business

Part II – Outstanding claims which arose prior to year of account per Class of Business

(1) [Class of Business] Class of Claims	(2) Estimated Liability at beginning of year	(3) Claims paid during the year	(4) Estimated Liability re- claims still outstanding	(5) Totals of (3) & (4)
	No. Amt.	No. Amt.	No. Am.t	No. Amt.
1. Property damage 2. Third-party Death and Personal Injury 3. Other (to be specified)				

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[Subsidiary] *Insurance (Company Accounts, Forms and Documents) Regulations*

Part III – Summary of estimated liability in respect of outstanding claims as at end of year per class

Claims outstanding in respect of year of account for Class [enter number]	\$ _____
Claims outstanding in respect of prior years for Class [enter number]	\$ _____
Total	\$ _____
Total estimated Liability in respect of outstanding claims for Class [enter number]	\$ _____

Instructions-

Separate forms (for all parts of this form) must be completed by companies for each class of business sold.

For local companies separate forms must be completed for Guyana and overseas business. Foreign companies are required to complete for Guyana business only.

In respect of Auto Insurance business, and any other class the Commissioner may require, the information submitted must be split by property damage and liability for parts I to III and detailed as follows-

(a) For Auto, subclass 2, split into property damage in respect of each of the following categories:

(i) Private Cars (full comprehensive)

(ii) Private Cars (Third-Party)

(iii) Minibuses (Third-Party)

(iv) Hire Cars (Third-Party)

(v) Others (Split between full comprehensive and Third-

[Subsidiary] *Insurance (Company Accounts, Forms and Documents) Regulations*

Party)

Part IV – Run-off triangles for Guyana claims

Please complete for each subclass of general insurance business written in Guyana only.

Data entered should be amounts of claims paid according to timing of payment referenced by the year the accident/event occurred (not reported). No allowance for outstanding claims should be included – just claims PAID. Include more rows and columns if necessary.

Amounts shown should be gross of reinsurance recoveries and include associated paid claim expenses.

The following shows the areas that need to be completed for each table, including how to fill calendar years:

Year of Accident (Origin Year)	[Subclass]	Settlement Delay in years (Development Year)				
		0	1	2	3	4
[year]						
[year +1]						
[year +2]						
[year +3]						
[year +4]						
[year +5]						
[year +6]						
[year +7]						
[year +8]						
[year +9]						

Example

Year of Accident (Origin Year)	Class 4 – Fire and Natural Forces	Settlement Delay in years (Development Year)				
		0	1	2	3	
2000	c[00,0]	c[00,1]	c[00,2]	c[00,3]		
2001	c[01,0]	c[01,1]	c[01,2]			
2002	c[02,0]	c[02,1]				
2003	c[03,0]					

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[Subsidiary]

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c[00,0] is the claim amount and associated expenses in G\$ paid in 2000 for accidents occurring in 2000.

c[02,1] is the claim amount and associated expenses in G\$ paid in 2003 for accidents occurring in 2002.

c[00,0] + c[00,1] + c[00,2] + c[00,3] is the total claims (plus expenses) paid from accidents in 2000.

c[03,0] + c[02,1] +c[01,2] + c[00,3] is the total claims (plus expenses) payment made in 2003 (as per form A1 in 2003)

For the following sub-classes;

- (a) Subclass 2 – Auto
- (b) Subclass 4 – Fire

please complete separate Forms of Part IV for

- (i) property damage and loss
- (ii) liability (injury, etc)

[Subclass]		Settlement Delay in years (Development Year)				
		0	1	2	3	4
Year of Accident (Origin Year)	[year]					

[Subclass]		Settlement Delay in years (Development Year)				
		0	1	2	3	4
Year of Accident (Origin Year)	[year]					

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Insurance (Company Accounts, Forms and Documents) Regulations

[Subclass]		Settlement Delay in years (Development Year)				
		0	1	2	3	4
Year of Accident (Origin Year)	[year]					

[Subclass]		Settlement Delay in years (Development Year)				
		0	1	2	3	4
Year of Accident (Origin Year)	[year]					

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[Subsidiary] *Insurance (Company Accounts, Forms and Documents) Regulations*

Form C1

Profit and Loss Account of the (Name of Company) for Year ending (Date)

Particulars	Business in Guyana	Business outside of Guyana	Total	Total Previous Year
INCOME				
1. Balance as per Form D1 of last year's account b/f				
2. Interest and dividends not carried to other accounts (less rates, taxes thereon)				
3. Long term profit realised (A1 forms to be specified)				
4. General insurance profit realised (B1 forms to be specified)				
5. Net Income (Loss) from Subsidiaries*				
6. Net Income (Loss) from other businesses*				
7. Other receipts (Details to be specified)				
8. Total				
EXPENDITURE				
9. Taxation				
10. Dividends and bonuses to shareholders				
11. Expenses not charged to other accounts				
12. Long term insurance loss sustained				
13. General insurance loss sustained				
14. Other payments (Details to be specified)				
15. Balance as per Form D1 c/f				
16. Total				

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*Separate profit and loss accounts shall be provided for any non-insurance business and appended to this form. See Form F1

These Forms reconcile with other published financial statements, in particular those produced for compliance with the Companies Act, Cap. 89:01, and any results that would have been obtained under International Financial Reporting Standards. Any differences are explained in the attached appendices.

Signed by-			
	[Name of Director]		[Name of Company Secretary]
Date (dd/mm/yyyy)-			
Date of Board Approval-			
For Independent Auditors-			
	[Name of Independent Auditors]		
Date-			

Instructions-

1. There shall be shown where relevant-

- (a) in the case of a company which at any time in the financial year carried on general insurance business, the amounts respectively transferred to and transferred from the general insurance business revenue account of the company for the financial year;
- (b) in the case of the company which at any time in the financial year carried

on long term insurance business, the amounts respectively transferred to and transferred from the long term insurance business revenue account of the company for the financial year.

(c) the amount of interest on loans of the following kinds made to the company (whether secured or not), namely bank loans, overdrafts and loans which,

(i) are repayable otherwise than by instalments and fall due for repayment before the expiration of the period of five years beginning with the day following the expiration of the financial year; or

(ii) are repayable by instalments the last of which falls due for payment before the expiration of that period;

and the amount of the interest on loans of other kinds so made.

(d) the amounts respectively provided for redemption of share capital and for redemption of loans;

(e) the amount of expenses of management not shown in the revenue account;

- (f) the amount of taxation not shown in the revenue account;
- (g) the amount of other expenditure not shown in the revenue account classified under appropriate headings;
- (h) the aggregate amount of interest, dividends and rents (before tax deduction) not shown in the revenue account;
- (i) the amount of other income not shown in the revenue account classified under appropriate headings;
- (j) the aggregate amount (before tax deduction) of the dividends paid and proposed.

2. The amount of any charge arising in consequence of the occurrence of an event in the preceding financial year and of any credit so arising shall, if not included in a heading relating to similar matters, be stated under a separate heading,

3. The following shall be stated by way of note, if not otherwise shown-

Any material respects in which any items shown in the profit and loss account are affected-

- (a) by related party transactions; or
- (b) by transactions of a sort not usually

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undertaken by the company or otherwise by circumstances of an exceptional or non-recurrent nature; or

- (c) by any change in the basis of accounting.

4. Any difference between the results disclosed in these forms and the company's annual financial statements required under the Companies Act 1991 (Act No. 29 of 1991) or other published financial statements or the results that would have been obtained under International Financial Reporting Standards should be disclosed in an appendix to these forms. Explanations and if possible a reconciliation of the differences should also be provided as part of this Appendix.

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[Subsidiary]

Insurance (Company Accounts, Forms and Documents) Regulations

Form D1

Balance Sheet of (Name of Company) as at (DATE)

Liabilities				Total	Previous year's Total
				\$	\$
Share Capital & Equity- Authorised-[] shares of [\$] each					
Issued and fully paid- [] shares of \$ each					
Share Premium account					
Retained earnings					
Total Capital and Reserves					
Insurance liabilities	Class 1	Class 2	Class 3		Total
Long Term Insurance	\$	\$	\$	\$	\$
Total Long Term Actuarial Liabilities (D4)					
Undistributed Surplus and/or unrecognised actuarial liabilities in Fund (policyholder & shareholder equity)					
Other Insurance Policy & Contract Liabilities (to be specified)					
Claims admitted or intimated but not paid (to be specified)					
Premiums paid in advance					
Outstanding commissions					
Dividends and profits analysis					
Amount due to reinsurers					
Taxes payable					
Other Accounts payable					
Other liabilities (to be specified)					
Total Segregated Long term insurance liabilities (D4)					
	Class 1	Class 2	Class 3	Class 4	Total
General insurance liabilities					\$
General Insurance Funds-					\$
Outstanding Claims Reserves					
Incurred But Not Reported					
Claim Reserves					
Additional Unexpired Risk Reserves					
Contingency Reserves (to be specified)					
Undistributed Surplus					
Other funds (to be specified)					
General Insurance current Liabilities-					
Claims admitted or intimated but not paid (to be specified)					

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Premiums paid in advance					
Outstanding Commissions					
Amount due to reinsurers					
Other liabilities (to be specified)					
Total Segregated General insurance liabilities (to be specified) D4					
Total Insurance Liabilities					
Non specific liabilities				Total	Previous Year's Total
Trust and other deposits (to be specified)				\$	\$
Bank loans and overdrafts (to be specified)					
Taxes payable					
Other Account payable (to be specified)					
Other liabilities (to be specified)					
Total					
Total liabilities					

Assets	Class 1	Class 2	Class 3	Class 4		Previous year's Total
					Total	
Assets in Long Term Statutory Funds					\$	\$
1. Real Estate						
2. Mortgage loans						
3. Bonds and Debentures						
4. Preferred and Common Shares						
5. Cash						
6. Short term investments						
7. Accrued Investment Income						
8. Other loans (to be specified)						
9. Other Admitted Assets (to be specified)						
Total Statutory Segregated Assets (D2)						
Statutory Long Term Deposits (D2)						
Assets in General Insurance Statutory Funds					\$	\$
1. Real Estate						
2. Mortgage loans						
3. Bonds and Debentures						
4. Preferred and Common Shares						
5. Cash						
6. Short term investments						
7. Accrued Investment income						

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8. Other loans (to be specified) 9. Other Admitted Assets (to be specified) Total statutory Segregated Assets (D2)					
Statutory General Insurance Deposits (D2)					
Non-admitted assets (D3)					
Total Assets					

These Forms reconcile with other published financial statements, in particular those produced for compliance with the Companies Act, Cap. 89:01 and any results that would have been obtained under International Financial Reporting Standards. Any differences are explained in the attached appendices.

Signed by-		
	[Name of Director]	[Name of Company Secretary]
Date (dd/mm/yyyy)-		
Date of Board Approval-		
For Independent Auditors-	Dated	
	[Name of Independent Auditors]	

Instructions-

1. Related party assets or liabilities are to be shown in a separate note.

2. If not otherwise shown, notes shall be provided on any material asset or liability, the value of which is subjective, highly volatile or uncertain e.g. possible liabilities from on-going court hearings.

3. Please complete the relevant columns & classes of business and delete the other columns.

4. Any difference between the results disclosed in these Forms and the company's annual financial statements required under the Companies Act, Cap 89:01 or other published financial statements or the results that would have been obtained under the International Financial Reporting Standards should be disclosed in an appendix to these forms. Explanations and if possible a reconciliation of the differences should also be provided in the appendix. A note produced by the auditor covering this aspect should also be attached or the appendix should be signed off by the Auditor.

Additional instructions and provisions for Form D1

1. Where the amount of any liabilities shown in the balance sheet or in any statement or report annexed thereto includes an amount of indebtedness of the company (whether on account of a loan or otherwise) to any dependent company, in showing the amount of these liabilities such part of that amount as represents indebtedness to dependent companies shall be separately distinguished.

2. The aggregate amount (before deduction of tax) which is recommended for distribution by way of dividend shall be shown.

3. The matters referred to in the following subparagraph shall be stated by way of note, or in a statement or report annexed, if not otherwise shown.

- (a) Where practicable the aggregate amount or estimated amount, if it is material, of contracts for capital expenditure, so far not provided for and where practicable, the aggregate amount or estimated amount if it is material, of contracts for capital expenditure authorized by directors

which has not been contracted for.

4. For liabilities, there shall be shown under separate headings, if not already shown-

- (a) the amount payable to policyholders, brokers and agents including any amount payable in connection with reinsurance accepted by the company but excluding any amount payable in connection with claims under insurance contracts;
- (b) the amount payable to the company's reinsurers identifying any part of the amount of reinsurance premiums payable which has been retained by the company as security for future claims against the company's reinsurers;
- (c) the amount payable to persons carrying on insurance business (other than amounts payable in connection with reinsurance accepted and ceded);
- (d) the amount of bank loans and overdrafts;
- (e) the amount payable to other creditors classified under appropriate headings;
- (f) other amounts set aside classified under appropriate headings.

5. For assets, there shall be shown under separate

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headings, if not already shown-

- (a) the amount receivable from policyholders, brokers and agents including any amount receivable in connection with reinsurance accepted by the company, identifying any part of the amount receivable by way of reinsurance premiums which has been retained by persons reinsured as a security for future claims against the company;
- (b) the amount receivable from the company's reinsurers identifying reinsurance commission and reinsurance claim recoveries separately
- (c) the amount receivable from persons carrying on insurance business (other than amounts receivable in connection with reinsurance accepted and ceded);
- (d) the amount receivable from other debtors classified under appropriate headings;
- (e) cash on current account at bankers and in hand;
- (f) other amounts of assets not included classified under appropriate headings.

[Subsidiary] *Insurance (Company Accounts, Forms and Documents) Regulations*

6. The matters referred to in the following subparagraphs shall be stated by way of note, or in a statement or report annexed, if not otherwise shown.

- (a) Particulars of any charge on the assets of the company to secure the liabilities of any one person (other than liabilities arising under a contract of insurance), including the amount secured.
- (b) The general nature of any other contingent liabilities not provided for (other than one arising under a contract of insurance) and the aggregate amount or estimated amount of those liabilities, if it is material.

7. Any difference between the results disclosed in these forms and the company's annual financial statements required under the Companies Act, Cap. 89:01 or other published financial statements or the results that would have been obtained under the International Financial Reporting Standards should be disclosed in an appendix to these forms. Explanations and if possible a reconciliation of the differences should also be provided as part of this Appendix.

8. Notes for all off balance sheet items should be attached to this form.

9. For companies that are a part of a Group, a consolidated balance sheet of the Group shall also accompany this form.

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Form D2

Statement of Value of Statutory Fund and Deposit Assets at (Balance Sheet Date) for Long-term business/General Insurance business

(i) Statutory Fund Assets	Class 1	Class 2	Class 3	Class 4	Total	Previous year's Total
1. Fixed Assets in Guyana- 1.1 Immovable Assets such as land and buildings a) Guaranteed lease terms by GoG or Government Agency subject to conditions of s. 3 (a)(i) b) Established revenue subject to the conditions of s.3(a)(ii) c) Insurer's use subject to the conditions of s.3(b) 1.2 Leaseholds a) Guaranteed lease terms by GoG or Government agency subject to conditions of s.3(a)(i) b) Established revenue subject to the conditions of s.3(a)(ii)	\$	\$	\$	\$	\$	\$
2. Loans in Guyana- 2.1 Mortgages a) Secured by value of property or unleashed (limit of 75%) b) Secured by value of property or unleashed (other - specify) c) Secured by value of property or unleashed where any excess guaranteed by GoG or Government Agency (specify) d) Secured by rents, etc., subject to conditions s.2(c) 2.2 Other titles of repayment (specify) a) Secured by value of property or leasehold (limit of 75%) b) Secured by value of property or unleashed (other - specify) c) Secured by value of property or unleashed where any excess guaranteed by GoG or Government Agency (specify) d) Secured by rents, etc.,						

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subject to conditions s.2(c)						
3. Government Bonds and						
Debentures-						
(a) Guyana						
(i) Treasury Bills						
(ii) Other						
(b) Commonwealth /Rol (specify)						
(c) Country of Head Office (if applicable)						
(d) Approved other (specify)						
4. Ordinary shares of companies incorporated in						
(a) Guyana						
(b) Commonwealth /Rol (specify)						
(c) Country of Head Office (if applicable)						
(d) Approved other (specify)						
subject to conditions in s. 1(f) (specify)						
5. Preference shares of companies incorporated in						
(a) Guyana						
(b) Commonwealth /Rol (specify)						
(c) Country of Head Office (if applicable)						
(d) Approved other (specify)						
subject to conditions in s. 1(f) (specify)						
6. Securities guaranteed by approved international financial institutions (specify type and entity in each case)						

Signed by-			
	[Name of Director]		[Name of Company Secretary]

Date of Board of Approval-

(i) Statutory Funds asset continued	Class 1	Class 2	Class 3	Class 4	Total	Previous year's Total
7. Other securities (specify) guaranteed by Governments-	\$	\$	\$	\$	\$	\$
(a) Guyana						
(b) Commonwealth /Rol (specify)						
(c) Country of Head Office (if applicable)						
(d) Approved other (specify)						
8. Bonds and debentures of						

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companies incorporated in- (a) Guyana – fully secured (b) Guyana – subject to conditions. (c) Commonwealth/Rol (specify) (d) Country of Head Office (if applicable) (e) Approved other (specify) All above subject to conditions in s. 1(f) except (a) (specify)					
9. Securities in approved local companies (specify type of security and details of entry)					
10. Guaranteed investment trust certificates. Trusts in (b)) Commonwealth /Rol (specify) (c) Country of Head Office (if applicable) (d) Approved other (specify)					
11. Cash deposits (a) Guyana bank (specify) (b) Licensed Guyana financial institution under FIA (specify) (c) Approved building Society (specify)					
Total Admitted Statutory Funds Assets					
(ii) Statutory Deposit Assets 12. Cash and cash deposits 13. Approved securities (specify)					
Total Statutory Deposit					
Total Admitted Statutory Assets as per Form D5					

Delete as applicable. A separate Form must be completed each
for long-term and general insurance business.

Signed by-	[Name of Director]	[Name of Company Secretary]
Date of Board Approval-		
For Independent Auditors-	[Name of Independent Auditors]	
Date-		

Instructions-

Any difference between the results disclosed in these forms and the company's annual financial statements required under the Companies Act, Cap. 89:01 or other published financial statements or the results that would have been obtained under International Financial Reporting Standards should be disclosed in an appendix to these Forms. Explanations and if possible a reconciliation of the differences should also be provided in the appendix. A note produced by the auditor covering this should also be attached or the appendix should be signed off by the auditor.

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Form D3 Statement of value of Non-Admitted Assets at (Balance Sheet Date)

Assets not admitted as statutory assets	Insurance Business written overseas	Other Assets	Total	Previous year's Total
1. Fixed Assets- Real estate including buildings Office furniture and fittings Motor vehicles				
2. Loans- On mortgage On debentures or shares On policies of the Company Other (to be specified)				
3. Government Securities- (a) Guyana (b) Securities guaranteed by the Government of Guyana (specify) (c) Other "Caricom" Government (d) United Kingdom (e) Canada (f) Other (specify)				
4. Ordinary shares in Guyana companies (particulars to be specified)				
5. Ordinary shares in non-Guyana companies (distinguish between Caricom and other foreign countries)				
6. Preference shares in Guyana companies				
7. Preference shares in non-Guyana companies (distinguish between Caricom and other foreign countries)				
8. Bonds and debentures in Guyana companies				
9 Bonds and debentures in non-Guyana companies (distinguish between Caricom and other foreign countries)				
10. Investment in dependent companies which are insurance companies				
11. Investment in dependent companies which are not insurance companies				
12. Other investments (specify)				

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13. Fixed deposits with Bank				
14. Fixed deposits with other financial institutions (specify)				
15. Cash on current account and in hand				
16. Amounts due from agents and sub agents				
17. Amounts due from brokers				
18. Amount due from Policy holders				
19. Amounts due from other insurance companies				
20. Interest, dividends and rents accruing but not due				
21. Interest, dividends and rents outstanding				
22. Sundry debtors				
23. Other Assets (specify)				
24. Total non-admitted assets				

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Form D4 Statutory Fund Requirement (for business written in Guyana only)

(a) in respect of Long-Term insurance business as at (balance sheet date) per class of business

Long term Insurance Liabilities to Guyana Policyholders

Class of Long term business	Class 1	Class 1	Class 2	Class 3	Class 3	Total	Previous
All excl. annuit		Annuities		Approved Pensions	Other		Total
Add	Notes	\$	\$	\$	\$	\$	\$
Long-terms Funds as per Form A1- Actuarial Liabilities: Participating Individual policyholder liabilities Participating Group policyholder liabilities							
Subtotal (participating/with profit liabilities)							
Non-Participating Individual policyholder liabilities Non-Participating Group policyholder liabilities							
Subtotal (non-participating/without profit liabilities)							
Contingency Reserves (to be specified)							
Total Long Term Actuarial Liabilities							
Outstanding individual claims not included in actuarial reserves- Assurances (deaths, maturities) Annuities due and unpaid Other (to be specified)							
Total outstanding individual claims							
Deposits re policies							

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Premiums paid in advance Unpaid dividends						
Accrued interest on policies Undistributed/unrecognised equity & liability within Fund (AI)* Other (specify)						
total Segregated Long term insurance liabilities						
Less-						
Loans on policies of the company 1,2 & 3 Interest accrued on policy loans 1,2 & 3 Outstanding premiums 1 other (specify) 1						
Less- Market value of statutory deposit placed with Commissioner						
Statutory Fund requirement						

This refers to the changes in the value of the Fund following the previous Actuarial investigation.

Instructions-

1. These may only be deducted if not already allowed for in the calculation of actuarial liabilities. If the actuarial liabilities are already off-set by any of these items they shall not be included in this form. Actuarial reports must clearly show how these items are treated for the purposes of calculations of liabilities, otherwise no value may be entered for this item in this form.

2. Policy loans and interest may only be deducted if not already allowed for in actuarial liabilities. If the actuarial

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liabilities are already off-set by any of these amounts may not be included in this form. If amounts are entered in this Form, companies must ensure that the actuarial report submitted clearly shows that policy loans & interest are not already deducted.

3. The value of a policy and accrued interest on that loan for any policy shown in this Form shall not exceed the cash surrender value of that policy. If a value is entered for the purposes of assessing the statutory fund, an appendix shall be provided showing the cash surrender value, policy loan and accrued interest for all policies which have a policy loan.

Statutory Fund Requirement (for business written in Guyana only)

(b) in respect of general insurance business as at (balance sheet date) per class

Liabilities to Guyana Policyholders

Class of General insurance business	Class 1	Class 2	Class 3	Class 4	Total	Previous Total
Add-	\$	\$	\$	\$	\$	\$
Unearned premium reserves						
Estimated liability for outstanding claims						
Estimated liability for unexpected risks						
Additional reserve for premium deficiencies						
Other (specify)						
Premiums paid in advance						
Unpaid dividends						
Undistributed surplus						
Less-						
Outstanding Premiums						
Other (specify)						
Less						
Market value of securities placed on deposit with the Commissioner of Insurance in respect of General Insurance business						
Statutory						

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Form E1

General and Investment expenses

Details of expenses incurred by the Local Office or Representatives of Overseas Offices shown in profit and loss statements

Name of Company		Year of Statement		
		Investment during Year excluding investment expenses	Amount incurred charged as investment expenses	
	Total	In respect of Guyana Business	Total	In respect of Guyana Business
Rent Charged to Local Office				
Charged to Head Office (if different) Branches of Local Office rents				
Total rents				
Real estate expenses, excluding taxes				
Salaries, wages and allowances Local Office employees salaries and wages Head Office employees salaries and wages Branch Office employees, managers and agents salaries Expense allowances and advances to agents				

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Total salaries,				
wages and allowances				
Employees and Agents Welfare Contributions to pension and insurance plans for agents and employees Other welfare items				
Total Employees and Agents Welfare				
Professional and service fees & expense Legal fees and expenses Medical examination fees Inspection report fees Actuarial fees Auditors' fees Investigation and settlement of claims				
Miscellaneous Expenses Advertising Subscriptions e.g. Books, periodicals, Association dues Collection and bank charges Insurance, exception on real estate Office furniture and stationery incl. postage Commission on mortgages,				

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custodian & trustee fees				
Travelling expenses				
Sundry general expenses				
Total miscellaneous Expenses				
Total				
Total investment Expenses				
Total expenses				

Instructions-

1. The companies incorporated outside Guyana should complete this Form only in respect of its business done in Guyana.

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Form F1

General interrogatories

- 1.** Have any of the assets of the company been pledged as security or lodged as collateral? If yes, provide details on a separate page and list amounts. Indicate whether or not any of these assets are held in the statutory funds.

No/Yes. If Yes, total amount \$_____

If Yes, total amount held in statutory funds \$_____

- 2.** Has the company provided a letter(s) of credit against which funds can be drawn by the beneficiary?

If Yes, please provide details on a separate page including amount.

No/Yes. If Yes, total amount \$_____

- 3.** Does the company have any material contingent liabilities or contractual obligations or other off-balance sheet liabilities that have not otherwise been disclosed in this submission? If yes provide details on a separate page.

No/Yes. If Yes, total amount \$_____

- 4.** Has the company guaranteed the liabilities or other transactions of any other corporations, including subsidiaries?

If yes, please provide details on a separate page including amount.

No/Yes. If Yes, total amount \$_____

- 5.** Please provide a description of the methods used in apportioning items of income and expenditure by fund and line of business.

[Subsidiary]

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- 6.** Please provide the exchange rates used for any conversions done to complete these forms.
-
-
-
-

- 7.** Does the company transact directly any non-insurance business? If yes, please provide a description of the nature of the service provided. Audited financial statements submitted should clearly disclose revenues generated from the non-insurance business.

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Form F 3

Quarterly report on aggregate loans

.....

Name of Insurance Company

REPORT ON AGGREGATED LOANS TO SHAREHOLDERS,
DIRECTORS, OFFICERS AND OTHER RELATED PERSONS
For the Quarter Ended

[Amounts (\$) to the nearest thousand]
end

Due Date: 15 days from quarter-

Aggregate Loans	No. of Borrowers	OUTSTANDING AMOUNTS					Unsecured Amounts	
		Loans	Overdraft	Bonds /Debentures/ Securities		Total		
				Domestic	Foreign			
1. Shareholders								
2. Directors								
3. Officers								
4. Officials & Employees								
(a) Housing								
(b) Others								
5. Other Related Persons								
TOTAL								
% OF CAPITAL BASE								
VALUE OF CAPITAL BASE = \$								

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Reg. 32

SCHEDULE 3

DESCRIPTION OF TYPES OF POLICIES

An insurer shall submit to the Commissioner the names and a description of all types of business written by the insurer and this shall include—

- (i) a brief description of each type of policy on the books;
- (ii) number of policies of each type on the books;
- (iii) the name of the countries in which the policy is sold;
- (iv) certified sample contracts if not previously supplied;
- (v) their classification in accordance with the Schedules 1 and 2 of the Act;
- (vi) the policy reference;
- (vii) whether it is open or closed to new business;
- (viii) the launch date of all types of policies'
- (ix) the date of the premium rate of all long-term policies was approved by the Actuary;
- (x) the dates of any re-price or changes to the terms and conditions of the policy;
- (xi) a list of all endorsements that are applicable to each type of policy;
- (xii) a list of all rider contracts that are offered for

each type policy

(xiii) any changes to premium rates submitted to the Commissioner; and

(xiv) the minimum and maximum terms of each type of long-term policy.

Reg. 32

SCHEDULE 4**ABSTRACT OF ACTUARIAL INVESTIGATION AND VALUATION**

1. The abstract of the actuarial investigation completed pursuant to section 32 of the Act shall include the information contained in Part 1 and 2 of this Schedule.

2. The first part of the abstract shall contain details of the results of the valuation and investigation.

(a) Pursuant to section 32 of the Act an investigation by
..... [name of actuary] was performed on
(day) (month) (year).

(b) The basis of the valuation and general methodology adopted by the actuary is

(c) The results of the investigation and valuation are as follows-

Total assets (1)	G\$.....
Statutory Funds & Statutory Deposits (2)	G\$.....
Total long-term insurance liabilities (3)	G\$.....
Total general insurance capabilities if applicable(4)	G\$.....
Other liabilities (5)	G\$.....
Actuarial surplus/deficit (6)	G\$.....

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[Subsidiary]

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(1) The basis for determining the value of the assets
is.....

(2) The value of the total statutory fund and
statutory deposit for long-term business held by the company
is G\$..... and the value of the total statutory
fund statutory deposit for general insurance business held by
the company is G\$.....

(3) Total long-term insurance liabilities for each
country of operation * comprises-

Class 1 Assurances G\$.....

 Annuities (in excess of 5 year term) G\$.....
 G\$.....

 Annuities (under 5 year term) G\$.....

 Other (specify) G\$.....

Class 2 Income replacement G\$.....

 Critic Illness G\$.....

 Other (specify) G\$.....

Class 3 Registered pension funds G\$.....

 Unregistered pensions funds G\$.....

 Other (specify) G\$.....

*To be completed for each country of operation for insurers
other than external insurers. To be completed only for Guyana
business for external insurers.

The information provided above shall show separately any
explicit margins or reserves or provisions for adverse deviations
by the actuary.

(4) Total general insurance liabilities (required only
for companies carrying on both long-term and general insurance

[Subsidiary] *Insurance (Company Accounts, Forms and Documents) Regulations*

business) comprises-

.....
.....
.....

(This section shall contains details of the unearned premium reserve, the outstanding claims reserve, the unexpired risk reserve and any other reserve held on behalf of each class of general insurance business)

(5) Other liabilities comprises-

.....
.....
.....

3. The second part of the abstract shall contain details of any reliance, limitation or materiality.

4. The third part of the abstract shall contain the following declaration-

I hereby certify that as at20.....

(i) the company's surplus/deficit is
G\$.....

(ii) the value of the insurance liabilities is
G\$.....

(iii) the allowance for future bonuses is consistent with current company practice;

(iv) I have reviewed all policy documents and the relevant embedded options and guarantees have been allowed for in my investigations; and

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- (v) I have reviewed the company's reinsurance arrangements and these have been allowed for in my investigation.

.....
Signature of Actuary

Date

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SCHEDULE 5

TRUSTEE CERTIFICATE OF STATUTORY FUND VALUE

We hereby certify that we have reviewed the information contained in and accompanying the Statement of Value of the Statutory Fund (Form D2) as at 31 December and are satisfied that it is true and correct. We further certify that no assets have been replaced or removed during the reporting period without the Commissioner.

(i)

Signature

(Name of Trustee)

(ii)

Signature

(Name of Trustee)

(iii)

Signature

(Name of Trustee)

.....

Date

Note: Where the trustee is a corporate trustee, the certificate shall be signed by two directors and the Chief Executive Officer (or his equivalent) of the company and the corporate seal affixed.

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SCHEDULE 6

REINSURANCE EXHIBIT

In addition to Forms A2 and B2, a reinsurance exhibit compromising a depiction and summary of the reinsurance arrangements and risk exposure of the company shall be prepared. For external insurers, this shall only apply to insurance business being conducted in Guyana.

The depiction shall show by each type of risk-

- (i) the percentage being retained by the insurer for quota share arrangements;
- (ii) the percentage of risk being retained by each reinsurer or underwriter for quota share arrangements;
- (iii) the layer and level of risk in Guyana dollars being retained by the insurer for excess of loss arrangements;
- (iv) the level of risk in Guyana dollars for each layer being retained by each reinsurer or underwriter for excess of loss arrangements;
- (v) the amount of catastrophic reinsurance if any; and
- (vi) the maximum limit of risk, if any, in Guyana

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dollars covered by the insurer's reinsurance arrangements.

The summary shall include-

- (i) a list of the names and registered addresses of all the reinsurers and underwriters participating in each risk;
- (ii) the most recent credit rating of each reinsurers and underwriters and the effective date of the credit rating;
- (iii) the names and numbers of the policies covered by the risks listed;
- (iv) for each risk excluding annuities the total sum assured for each type of policy; and
- (v) for each class of business being written (excluding annuities), the total sum assured retained by the company taking into account all reinsurance arrangements in place.

For insurers incorporated in Guyana that operate in other territories, if reinsurance arrangements differ by territory, the depiction and summary shall be further split by territory.
