

**TURKS AND CAICOS ISLANDS
INSURANCE (AMENDMENT) ORDINANCE 2020**

(Ordinance 28 of 2020)

ARRANGEMENT OF SECTIONS

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INSURANCE (AMENDMENT) ORDINANCE 2020

(Ordinance 28 of 2020)

Assent.....17th November 2020

Publication in Gazette.....20th November 2020

Commencement..... in accordance with section 1

AN **ORDINANCE** TO AMEND THE INSURANCE ORDINANCE.

ENACTED by the Legislature of the Turks and Caicos Islands.

Short title and commencement

1. This Ordinance may be cited as the Insurance (Amendment) Ordinance 2020 and shall come into operation on such day as the Governor may appoint by Notice published in the *Gazette*.

Interpretation

2. In this Ordinance “principal Ordinance” means the Insurance Ordinance.

Section 9 substituted

3. The principal Ordinance is amended by repealing section 9 and substituting the following—

“Producer affiliated reinsurance company

9. (1) For the purpose of this section “a producer affiliated reinsurance company” is a company—

- (a) which carries on the business of reinsurance of the risks specified in the Regulations;
- (b) whose affairs are under control of a direct writer; and

- (c) which is beneficially owned by one or more affiliates as specified in the Regulations.
- (2) A producer affiliated reinsurance company shall—
 - (a) submit annual financial statements to the Commission in such form as may be approved; and
 - (b) deposit with the Commission an undertaking satisfactory to the Commission that the company shall not engage in business other than the reinsurance of risks covered by an insurer approved by the Commission.
- (3) The insurer referred to in subsection (1)(b) shall—
 - (a) be licensed by the Commission; or
 - (b) be registered with the Commission, or
 - (c) have a financial strength rating of at least B+ or its equivalent from an approved rating agency; and
 - (d) meet such other requirements as may be reasonably required by the Commission.
- (4) An agreement between the producer affiliated reinsurance company and the insurer referred to in subsection (1)(b) shall have the prior approval of the Commission.
- (5) Section 8(3), (6), (7), (9) and (10)(a) and section 12 shall not apply to a producer affiliated reinsurance company.

Section 16 amended

4. Section 16 of the principal Ordinance is amended by inserting after paragraph (f) the following—

“(fa) empowering the Commission to issue guidelines on such matters as the Governor considers appropriate and any guidelines so issued by the Commission shall be given effect to.”.
