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THE DEVELOPMENTAL AND LEGAL ASPECTS OF GENERAL INSURANCE IN THE CARIBBEAN WITH SPECIAL REFERENCE TO THE OECS COUNTRIES

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THE DEVELOPMENTAL AND LEGAL ASPECTS OF GENERAL INSURANCE IN THE CARIBBEAN WITH SPECIAL REFERENCE TO THE OECS COUNTRIES

The purpose of this Paper is to examine and analyse the main legal issues relating to the development and operation of general insurance companies in the Caribbean with particular reference to the OECS countries. In this exercise attention will be focused on the following areas:-

(1) the development of insurance legislation
(2) the structure of existing markets
(3) the concept of the regional insurance company
(4) techniques of governmental supervision of general insurance companies
(5) the legal implications of the operation of insurance intermediaries
(6) the consequences of the insolvency of a general insurer
(7) the adequacy of compulsory insurance.

It should be pointed out that in undertaking the research for the Paper I have been confronted by the perennial problem experienced by Caribbean legal researchers who deal with the statute laws of this Region particularly the OECS countries. The problem is a lack of easily accessible information as to the most recent legislation in existence in any particular territory. Nonetheless, I have sought with the assistance of the library resources of the Academy of Insurance in Trinidad and Tobago to deal with the law in its present state.

The Development of Insurance Legislation in the Caribbean

Insurance legislation of any significance in the Caribbean is merely twenty years old. Beginning with Trinidad and Tobago in 1966 the countries of the Caribbean Community have in the decade following enacted legislation in the form of 'Insurance Acts' to regulate the carrying on of insurance business in their respective territories. One of the major reasons behind the move towards the enactment of modern insurance legislation in the Caribbean seems to have been the realization on the part of Caribbean Governments that the insurance industry was one of the major recipients of financial surveys in their national economies; and in order to mobilise those domestic savings it was necessary that the ownership and control of insurance business should be substantially in local hands. Hence there was the need to put in place

the legal framework under which indigenous insurance companies could come into existence and aspire to take over the agency businesses which were hitherto carried on by the local agents of English and North American insurers. 1/

The insurance legislation enacted in the Caribbean in the period between the mid-nineteen sixties and mid-seventies also established a regulatory framework centred around the office of a Supervisor or Registrar of Insurance who was charged with the responsibility, inter alia, of securing that general insurers complied with certain minimum financial requirements designed to ensure their financial viability and the protection of policyholders. I will return later to deal in greater depth with the salient characteristics of State supervision and control of general insurers as embodied in the insurance legislation of the Caribbean.

The road towards greater local ownership and control of the general insurance industry in the Caribbean having been embarked upon by the enactment of legislation to make provision for the operation of such entities, was further pursued by a combination of strategies on the part of Caribbean governments. It would appear that such measures involved the issuing of directives or enunciation of policies requiring foreign operators in the local market to set up local companies with prescribed local shareholding within a stipulated time; the use of moral suasion and the threat of the use of the tax weapon. As far as the Eastern Caribbean is concerned such measures have had their most telling impact in the Trinidad and Tobago market which has been transformed from one dominated in the nineteen sixties by agency businesses of mainly English and some North American insurers to one where at the end of 1986 the Report of the Supervisor of Insurance indicates that thirty-one out of the thirty-seven companies writing general insurance business are locally incorporated with their head offices in Port-of-Spain. What is more most of those thirty-one companies are either wholly locally owned or under majority local ownership.

The Barbados market has also witnessed a significant transformation in the decade of the nineteen seventies. As at 31st December 1974 a major share of the general insurance business in that market was handled by local agencies of overseas insurers. However, by the end of 1978 a transformation had taken place and 60 per cent of the market was then handled by local companies.2/ At present the Barbados market is dominated by local companies with branch offices of some Trinidad and Tobago companies and a few agents for English insurers.

The explosion in the growth of the indigenous general insurance industry which occurred in Trinidad and Tobago over the last decade has naturally not occurred in the much smaller markets of the OECS countries. Of course the explanation for the difference is not only related to the oil boom which descended upon Trinidad and Tobago in the period 1974-1984 but also to the much larger market in that country. The general insurance market in the OECS countries is however quite different; it is largely an agency market.

Structure of General Insurance Market in OECS Countries

An examination of the only research material available on the structure of the general insurance markets in the OECS countries (the Insurance Directory prepared by the Insurance Association of the Caribbean) indicates that those markets are largely dominated by agency business. This means that there are local entities acting on behalf of external insurance companies which are primarily from Trinidad and Tobago and the United Kingdom. There are also a few locally incorporated companies with their head offices in either St. Lucia, Antigua or St. Vincent as the case may be as well as State insurance departments or companies in Antigua and St. Kitts. It is the writer's understanding that the State organisations in Antigua and St. Kitts do write a substantial amount of the business in those territories. However, there would not appear to be any readily available statistics as to the volume of general insurance business written by locally owned and controlled companies in the OECS countries.

But despite the unavailability of statistics there is the strong suggestion emanating from the number of Trinidadian and English insurers operating through local agents in the general insurance markets of the OECS countries that the markets in those countries are dominated by agency operations.

It is significant to note that the general insurance companies from the larger Caribbean countries (Trinidad and Tobago, Guyana and Barbados) which operate in the OECS states through local agents have not been accorded any special recognition on the grounds of being legal entities incorporated in the same economic grouping, viz., the Caribbean Community. This brings me to the question of the regional insurance company.

The Concept of the Regional Insurance Company

The insurance legislation emanating from the Caricom countries including the OECS States does not make provision for a regional insurance company i.e., no special recognition is accorded to an insurance company incorporated in one CARICOM State which seeks to operate in another State. Quite to the contrary, the legislation of all the OECS States (except Antigua) makes a clear distinction between a "local" insurer on the one hand as opposed to a "foreign" or "external" insurer on the other hand. This is a distinction between a company incorporated in and with its head office in a particular country as against a company formed outside of that particular country. The obvious result of each State having its own legislation defining a foreign company as one not incorporated locally is that an insurance company incorporated in one CARICOM country but carrying on business in other CARICOM countries becomes subject not only to the deposit requirements of each country but also to the administrative or bureaucratic controls of the Supervisor or Registrar of Insurance in each country. Whether these controls are capable of effective implementation in small States such as the OECS countries without bountiful expertise in this area must be the subject of considerable doubt. It is in this context that it is eminently sensible that some OECS countries do provide in their Insurance legislation that a foreign company can be exempted from complying with the statutory requirement to make returns as to its operations if it produces a certificate from the supervisory authority of the country of its incorporation stating that it has complied with all the insurance supervisory requirements of that country.

Be that as it may a system which requires an insurance company to satisfy the requirements for registration of a similar nature every time it wishes to expand its operations to another territory in the same economic group is an undesirable example of wasteful duplication. It is not unreasonable to aspire to a system within the Caribbean Community, more particularly within the OECS states, which permits an insurance company, having complied with the requirements for registration in its country of incorporation, to register with an Insurance Registrar created as an organ of the Caribbean Community or OECS Secretariat, and by that registration to acquire the status of a national company in each member state. Such a system would mean the recognition of the concept of a regional insurance company which though incorporated under the laws of one member State would nevertheless be entitled to operate in other member States without having to comply with the requriements for registration

in those other member States. Such a system would provide the opportunity to establish the administrative supervision of insurance business on a regional basis and not only eliminate the wasteful duplication which now exists but also upgrade the quality of expertise in this area.

It should be pointed out that the desirability of moving towards the regionalisation of the insurance industry was appreciated by the CARICOM States over a decade ago. It seems that at the 1975 meeting of CARICOM Finance Ministers the principle of treating CARICOM Insurance Companies as local companies for the purposes of national legislation was accepted and a Working Party established to investigate the whole question of regionalisation. The general idea at the time was to devise an arrangement which would permit all companies regarded as "local" in their respective territories, to be treated as "local" in any country of the Caribbean Common Market. 4/ However, it would appear that no agreement capable of implementation ever emerged from that Working Party and the matter was forgotten.

It would not be unduly cynical to say that it is more than likely in the context of Caribbean affairs that one of the reasons why the aforesaid approach to regionalisation of insurance business was never implemented related to the fact that it would have meant each territory ceding a part of its sovereignty in the form of its right to require deposits from each company seeking to operate within its jurisdiction.

Deposit Requirements

The OECS States all require general insurance companies, whether local or foreign, to make deposits as one of the statutory requirements for registration or as a condition precedent to being lawfully entitled to carry on insurance business in each particular territory. The purpose of such deposits in the field of insurance is to provide some security in the hands of a national government if an insurance company fails to meet its obligations. However, the multiplicity of deposits which a CARICOM general insurance company desirous of operating in other territories is required to make in each particular territory has the potential for undermining the viability of such a company. The fact of the matter is that the cumulative effect of the exaction of deposits by one State after another could mean the reduction of a company's readily available assets and its ability to meet the demands presented by heavy claims. This may be particularly so in the case of small general insurance companies which are thinly capitalised such as we have in the Caribbean.

It is therefore important that given the fact that Caribbean States are apparently entrenched in their positions as to making of deposits by insurance companies desirous of carrying on business in each territory, that the quantum of deposits should not be progressively increased. Any move towards the progressive increase of the size of deposits would only serve to emphasise the fact that they are regarded by Caribbean governments as "loans" instead of guarantee funds to satisfy the claims of policyholders of an insolvent general insurer.

It would be illusory to suggest in the special context of the operation of insurance business in the OECS States that the deposits exacted from general insurance companies operating therein through local agents constitute a form of security for the local policyholders in the event that such companies are unable to meet their claims. This is because the monies deposited in one OECS country form part of the assets of the company and will come into the hands of the liquidator of an insolvent insurer to satisfy the claims of policyholders in all territories in which such a company operates. Hence when viewed in proper perspective deposits made by a general insurer in an OECS country are not really for the purpose of protecting policyholders in that particular country. Instead the legislation in some of the OECS countries suggests that deposits made by general insurers may really be loans made to the particular country involved.

Such a conclusion would seem to be the only basis on which one can explain the following:

(a) that under the Insurance Act of Antigua (No.10 of 1967) the amount of deposit required for registration of a general insurer was originally $50,000 (Act No.15 of 1968). That figure was raised to $100,000 by Act No.9 of 1977 and subsequently doubled to $200,000 in 1981. It is instructive to note that the stated objects and reasons of the last piece of legislation were "more adequately to protect the interest of insured persons by requiring registered insurers to deposit with the Accountant General the sum of $200,000 instead of $100,000 as at present".

(b) In St. Kitts the Minister has the power under 5.15 of the Insurance Act 1968 (as amended by Acts No.16 of 1972 and No.31 of 1976) to direct any registered insurance company at any time to deposit with the Accountant General up to sixty per cent of average premium income derived from business in the State.[5/]

The foregoing are but two examples which strongly suggest that the Governments of the OECS countries may tend to regard deposits required to be made by insurance companies more as long term loans rather than as creating guarantee funds to protect policyholders. It is important that any temptation to increase deposits from time to time as the economic situation requires should be resolved. This is because such a trend has the potential for eroding the financial viability of s small general insurance company incorporated in another CARICOM State. For it could very well mean that the making of deposits in a number of different OECS countries would result in a situation where the financial resources of the general insurer are unhealthily dispersed and unavailable in a liquid form to meet the claims of the very policyholders whom the deposit system is supposed to protect.

Apart from the requirement to make deposits there are a number of techniques whereby Governments seek to supervise and control insurance companies in the interests of policyholders.

Techniques of Governmental Supervision and Control

The normal techniques of State supervision and control of general insurance business which are present in the OECS countries are as follows:-

(1) the rendering of adequate returns and accounts to the supervisory authorities in the form of audited financial statements on an annual basis.

(2) the rendering of information or explanations to supervisory authorities on an aspect of the operations of an insurance company or the provision of any document required in order to enable the supervisory authorities to perform their role.

(3) the maintenance of a compulsory margin of solvency which is normally a formula which states that a general insurance company shall be deemed insolvent unless its total assets exceed its total liabilities by the greater than a specified figure or a percentage of the general premium income of the company at the end of the last financial year.

(4) the power to investigate the affairs of a company if there is reason to suppose that it is in difficulties.

However, in view of the fact a substantial amount of general insurance business in the OECS countries is written by local agents operating on behalf of external insurers, it is unlikely that the supervisory authorities have a very significant

role to perform in terms of monitoring and investigating the operations of general insurance companies in the interests of policyholders. Indeed the legislation of the majority of the OECS countries appears to recognise (and rightly in my view) that it may be a wasteful duplication for a small State with limited human resources to seek to supervise an insurance company which is already subject to supervision and control by a supervisory authority at its place of incorporation. This is the reason for the power granted to the relevant Minister in the majority of the OECS countries to exempt external insurers from complying with the requirement to file annual returns etc. if they produce a certificate issued by the supervisory authority of the country of their incorporation to the effect that they are complying with all the insurance supervisory requirements of that country.[6/]

This implied recognition on the part of OECS countries that they may need to rely on the supervisory authorities in other countries to undertake the proper monitoring and regulation of insurance business carried on within their borders merely serves to point to the lack of real control which OECS countries have over the affairs of external insurers. This powerlessness to determine the destiny of general insurers is best exemplified in the area of insolvency.

Insolvent General Insurance Companies

Corporate insolvency occurs when a company is unable to pay its debts as they arise. In the field of general insurance a company is normally insolvent not merely when it is unable to satisfy the solvency margin stipulated for by statute but also when it is consistently unable to pay its claims timeously. In such circumstances the result is the intervention of the regulatory authority in the form of the Supervisor of Insurance and the appointment of a Judicial Manager to take over the management of the ailing company's affairs.[7/]

Insurance Insolvency in the Eastern Caribbean is a real problem and it has obvious implications for policyholders in the OECS countries. Already in 1986 two general insurance companies have been closed in Trinidad and Tobago on account of insolvency and in 1987 there are likely to be more such closures. Where such companies carry on business in the OECS countries through local agents then such closures will clearly have an adverse effect on some members of the insuring public in those countries. One should therefore examine the extent of the protection which will be available to policyholders in the event of the insolvency of a general insurance company.

One of the most salient features of the recent cases of general insurance insolvency in Trinidad and Tobago is the fact that the mechanisms set out in the Insurance Act 1980 for the protection of policyholders have proven inadequate for that purpose.

The Insurance Act 1980 seeks to deal with the question of policyholders protection by requiring general insurance companies to create reserves. The general idea is that funds should be put aside in order to satisfy the liabilities of the company to policyholders in the event of the demise of a general insurance company. The reserves created for the protection of policyholders derives from three main sources. First such a company is required by law to make a statutory deposit of $250,000 or forty per cent of its premium income net of reinsurance premiums whichever amount is greater in respect of its motor vehicle insurance business. Secondly a general insurance company is required by law to create a statutory fund in relation to its motor vehicle business by placing in trust assets equal to its liability and reserves less the amount of its statutory deposits as established by its revenue account at the end of its last financial year. Thirdly a general insurance company is required by law to create reserves to cover its liability in respect of outstanding unexpired policies by appropriating twenty-five per cent of its profits annually until the fund equates with its liability in this regard. Fourthly a general insurance company is also required to set aside reserves to meet outstanding claims .

Notwithstanding what may appear to be a substantial amalgam of funds which general insurance companies are required to set aside in order to protect the interests of their policyholders, recent experience would suggest that such reserves can prove to be inadequate for the purpose in the event of the collapse of a general insurance company. The simple fact of the matter is that a general insurance company can get into serious difficulty to the extent where its liabilities considerably exceed its assets. Such a situation can come about because of the underestimation of outstanding claims in an environment where the escalating effect of inflation on settlements and awards of damages has not been fully catered for. Secondly it would seem that a general insurance company can also court financial disaster by quoting premium rates which are too competitive and paying commission rates to its agents which are too generous simply because it operates in a market where there are too many companies.

As a consequence of such practices, inter alia, insolvency is not only a reality but a continuing threat to the general insurance market in Trinidad and Tobago. When a general insurance company ceases operations because of its involvency such an event can have a devastating effect on policyholders.

In the case of an insolvent general insurance company the policyholder who stands to lose most is the one who has an outstanding claim. Such a person would have paid his premium in the belief that in the event of a catastrophe such as the destruction of his house by fire or the total loss of his motor vehicle, he would be indemnified for his loss. However if his insurance policies are with a general insurance which is on the threshold of insolvent liquidation then it is unlikely that he will recover more than a small fraction of his loss and even so any monies which become payable will probably not be paid for a period of two to three years from the time the company goes into liquidation. The insolvent general insurance company not only adversely affects the policyholder with an outstanding claim for the loss of his property; it can also mean financial ruin for a policyholder and deny compensation to a member of the public to whom such policyholder is liable in negligence. This latter situation to which I refer will most likely occur in relation to a motor claim although it is not limited to such a claim. An example of what I am referring to will occur in a case where a policyholder of an insolvent insurer negligently injures a third party in a vehicular accident. Such a third party depending on the extent of his injuries can recover a substantial award of damages from the Courts. Such an award would normally constitute a claim which the policyholder's insurer will be required by law to satisfy. However in the case of an insolvent insurance company the award of damages recovered by the injured third party will remain unsatisfied. The only other recourse available to the injured third party is to seek to recover his award of damages out of the personal assets of the policyholder. If the award of damages is substantial, then it is not difficult to see that because of the insolvency of the insurer, the policyholder can be ruined financially or the injured third party left uncompensated.

Implications for OECS Countries

The insolvency of a general insurance company in Trinidad and Tobago will obviously only affect policyholders in the OECS countries if that company carries on business in a particular territory. When this is the case the insolvent liquidation of a general insurance company will have the same effect on policyholders in the OECS

countries as it does on policyholders in Trinidad and Tobago. This is because the deposits made by such a company in the various OECS countries are classified by legislation and the general law to be assets of the particular company to be paid to the liquidator in the event of insolvent liquidation.[8/] In other words the deposits exacted in the OECS countries from an external insurer with a Head Office in Trinidad and Tobago do not form a separate fund for the sole protection of policyholders in the particular territory in the event of the insolvent liquidation of such an insurer.

It is quite clear from the foregoing that a system of making deposits with Governments does not provide adequate protection for policyholders in the event of the insolvency of a general insurance company. The only real guarantee of protection for policyholders against the risk of their claims remaining unsatisfied by an insolvent insurer lies in the enactment of policyholder protection legislation. That type of legislation has as one of its principal characteristics the setting up of a corporate body whose primary function is to compensate private individuals (whether policyholders or affected members of the public) who have unsatisfied claims against insolvent insurance companies. The funding for such a scheme must obviously come from contributions to be levied on insurance companies.

It is instructive to note that in the U.K. legislation for the protection of policyholders has only been in place since 1975 in the form of the Policyholders Protection Act 1975. That legislation was only enacted after the collapse of two major insurance companies in the early nineteen seventies with considerable loss to policyholders. In Trinidad and Tobago it is widely expected that policyholder protection legislation will be enacted in 1987 in order to compensate policyholders with unsatisfied claims against insolvent insurers. When such legislation comes into force policyholders in OECS countries with policies issued by general insurance companies incorporated in Trinidad and Tobago will no longer be exposed to the risk of having their claims remain unsatisfied in the event of the insolvent liquidation of any such company.

Compulsory Insurance

Apart from Workmen's Compensation the only area in which Caribbean States have required compulsory insurance is in relation to the use of motor vehicles on a public road. Legislation in the form of the Motor Vehicles Insurance (Third

Party Risks) Act is in place in all the territories and this type of legislation makes it compulsory for the user of a motor vehicle on a public road to insure against liability for death or bodily injury to a third party arising out of the use of such a vehicle. In most territories the legislation normally requries that a minimum amount of insurance should be obtained by the user of a motor vehicle in order to cover the potential liability to the third party (in Barbados the amount of cover required is unlimited). In many OECS countries the minimum amount of insurance which the law requires should be effected in order to cover the liability for personal injury or death to a third party does not normally exceed EC$10,000.

In such circumstances it is perfectly lawful for a general insurance company issuing a motor policy in an OECS country with the aforesaid statutory minimum of $10,000 to limit its liability under the policy to indemnify the policyholder to that very figure. However a problem will occur when the policyholder is adjudged to be liable to the third party in an amount in excess of $10,000. Since his policy only insures him up to the limit of $10,000 the policyholder will have to find the balance of his liability in excess of that figure out of his own resources.

The foregoing is an undesirable state of affairs which was clearly highlighted by the Privy Council in the case of Harker v. Caledonian Insurance (1980) ILLR 556 which originated in Belize. In that case the judgment for personal injuries arising out of a motor accident was $175,000 whereas the British Honduras Motor Vehicles Insurance (Third Party Risks) Ordinance only required compulsory insurance up to $4,000. The motor policy in accordance with the legislation limited the liability of the insurance company to $4,000. Consequently the insurance company was only liable to compensate the action to the extent of $4,000 and was not liable to pay the balance of $171,000.

The foregoing decision should serve as a clear indication to OECS countries as to what can happen if the minimum mandatory cover in respect of personal injury liability arising from motor accidents is not revised upwards to cater for inflation and the rise in the awards of damages by the Courts. The figures which were originally inserted in Motor Vehicles Insurance legislation going back to the nineteen fifties should not be allowed to remain outdated. If such a situation is allowed to persist then the very protection which such legislation was designed to provide to the victims of road accidents can be substantially negated.

Insurance Intermediaries

The insurance legislation of the OECS countries requires the registration of insurance brokers and agents before such persons are lawfully entitled to act in such capacities. It is instructive to note that the requirements for registration as an insurance broker or agent place great emphasis on the honesty and probity of the applicant. For example an applicant will not be registered if he is of unsound mind or an undischarged bankrupt and is unlikely to be registered if he has been convicted of an offence involving fraud or dishonesty or has been persistently in breach of the provisions of the legislation.

However the insurance legislation of the OECS States does not place any real emphasis on the technical skill and competence of an applicant in the field of insurance as conditions precedent to registration as an insurance agent or broker. For instance under S.91 (f) and (g) of the Insurance Act 1980 of Trinidad and Tobago an applicant for registration as an insurance agent or broker has not only to pass stipulated examinations conducted by the Academy of Insurance but also in case of an organisation the Supervisor must be satisfied that its staff is technically capable of carrying on the business as agent or broker in an efficient manner.

While it is appreciated that in the case of the OECS countries there are constraints on the level of technical expertise and educational facilities in the field of insurance, nonetheless it would seem appropriate that there should be more exacting standards in the area of technical competence before a person is registered as an insurance broker or agent. This should be especially the case because of the fact that a substantial part of general insurance business transacted in the OECS countries is done through locally appointed agents of external insurance companies based either in Trinidad and Tobago, Barbados, the U.K. and North America. If such agents are not possessed of the necessary expertise and knowledge in the field of insurance then it is possible that they may commit their principals to providing insurance cover which a prudent insurer may have declined.

The importance of having locally appointed agents in the OECS possessed of technical knowledge can be underlined by the following example:

An agent appointed in one of the OECS countries by an overseas insurance company with Head Office in Trinidad and Tobago has accepted a risk and issued a policy pursuant to his power of attorney. Such a risk would have been declined

if the proposal had been made to the company's Head Office. The risk was only accepted because the agent in the particular OECS country lacked underwriting expertise. The policyholder in the particular OECS country suffered a loss and a claim was made which was denied by the Head Office. The policyholder takes legal proceedings in the particular OECS country and recovers a judgment against the external insurance company. However the policyholder cannot enforce that judgment because there are no assets owned by the external insurer to be located within the particular OECS country. Unless the policyholder were in St. Lucia where he may apply to the Court to release the deposits made by the external insurer in satisfaction of his judgment (S.62(4) Insurance Act), he would have to take further legal proceedings to register his judgment in Trinidad and Tobago and seek to enforce it there.

The foregoing example is but one illustration of the way in which a policyholder may be adversely affected by the fact that a locally appointed agent in an OECS country may not be possessed of the technical skills in insurance underwriting. There is therefore a lot to be said for statutory recognition in the OECS countries of the importance of insurance intermediaries being equipped with some element of technical expertise before being registered to function.

CONCLUSION

From the foregoing analysis it is quite clear that the general insurance markets of the OECS countries are dominated by external influences and "foreign" insurers. That state of affairs is unlikely to change whilst each territory retains its "splendid isolation" by distinguishing between entities incorporated inside and outside its particular jurisdiction. The incidence of external dominance of the general insurance markets of the OECS countries is only likely to be reduced by the statutory recognition of a "regional insurance company" at least of the level of the OECS and the centralisation of the regulation of insurance business.

Footnotes

1/ See the Address delivered by the late J.M.G.M. Adams, Prime Minister and Minister of Finance and Planning of Barbados, at the 3rd Conference of the Insurance Association of the Caribbean on 11th September 1978.

2/ ibid.

3/ Antigua - Act No.10 of 1967; Grenada - Act No.21 of 1973; Dominica - Act No.17 of 1974; St. Kitts - Act No. 14 of 1968; St. Lucia - Act No.3 of 1968; St. Vincent - Act No.10 of 1970.

4/ See address at footnote 1 above.

5/ See S.61 of the St.Lucia legislation, and S.64 of the St. Vincent legislation.

6/ See S.45 of the Dominica Act; S.51 of the St. Vincent Act; S.48 of the St. Lucia Act.

7/ It is instructive to note that, apart from Grenada, there is no provision in the legislation of the OECS countries for intervention of the regulatory authority in the affairs of an insolvent insurer through the appointment of a judicial manager.

8/ See SS. 60-61 of the Dominica Act; S.64(4) of the St. Vincent Act; S.61(4) of the St. Lucia Act; S.24 and the First Schedule of the Grenada Act.

9/ See Part III of the St. Vincent Act; Part III of the St. Lucia Act; Part III of the Dominica Act; S.29 of the Antigua Act; Part VI of the St. Kitts Act.