

NOTICE TO AUTHORIZED DEALERS

EXCHANGE CONTROL REGULATIONS, 1956

This Notice is one in an administrative series issued by The Central Bank of The Bahamas to draw attention to the Regulations made under the Exchange Control Regulations Act, 1952 and the Exchange Control Regulations 1956, and to give certain exemptions, permissions, authorities and directions, and imposes certain obligations upon those concerned. This Notice also takes account of the fact that the Scheduled Territories include The Commonwealth of The Bahamas only.

INSURANCE

This issue comes into effect 1st March, 1976 and supersedes those which were previously issued.

INTRODUCTION

This Notice deals with the types of policies which Authorized Dealers may approve.

Export, Transfer or Assignment of Annuity, Life and Endowment Assurance Policies

1. Permission is required for the export from The Bahamas of any annuity, life and endowment assurance policies.
2. Permission is hereby given for the export by Authorized Dealers in their own mail of:
 - (a) Bahamian dollar annuities, life and endowment assurance policies owned by non-residents;
 - (b) Foreign currency annuities, life or endowment assurance policies owned:
 - (i) by residents of The Bahamas for collection at maturity (such collection to be supervised by the forwarding bank concerned) or for endorsement and return to The Bahamas;
 - (ii) by non-residents.
3. Permission is required for the transfer and/or assignment by a resident of The Bahamas to a resident of a country outside The Bahamas of any right to the sums assured under any annuity, life or endowment policy.
4. All applications to export, transfer or assign policies as described, if not covered by the terms of paragraph 2 above, must be submitted to The Central Bank of The Bahamas in writing.

Insurance Payments

5. Authorized Dealers may authorize applications by residents of The Bahamas made on Form E for permission to make to non-residents the payments set out in the Appendix to this Notice within the limits and subject to the requirements stated in the Appendix.
6. Applications for the making of insurance payments to non-residents falling outside the authority given under paragraph 5 above should be referred to The Central Bank of The Bahamas.
7. All executed Forms E authorized under the terms of this Notice should be forwarded to The Central Bank of The Bahamas as soon as possible after execution.

A P P E N D I X

General Requirements

E. C. Notice No. 11

In all cases a Form E should be completed and the nature of the evidence sighted by the Authorized Dealer should be noted on the Form. The evidence should be marked to show that a payment has been authorized. This evidence may then be returned to the applicant but The Central Bank of The Bahamas reserves the right to call for submission to it of the relative documents within a reasonable time after the executed Form is lodged. (See paragraph 7 of the Notice).

<u>Nature of Payment</u>	<u>Maximum amount for which application may be authorized:</u>	<u>Requirement</u>
1. Claims, maturity proceeds, surrender values, part surrenders and surrender of bonus due by Bahamian insurers to the insured under Life or Endowment Assurance Policies.	B\$7,000	Authorized Dealers must be satisfied from documentary evidence produced that the payment is due.
2. Payments to annuitants under an annuity contract with a Bahamian insurance company.	B\$3,000	Authorized Dealers must be satisfied from documentary evidence produced that the payment is due.
3. Agents' expenses, fees, claims (other than as in 1. above) due by Bahamian insurers under policies of direct insurance.	B\$3,000	Authorized Dealers must be satisfied from documentary evidence produced to them that the payment is due.
4. Premiums due by residents of The Bahamas on all insurance policies (other than Life and Endowment Assurance Policies).	B\$3,000	Authorized Dealers must be satisfied from documentary evidence produced to them that the payment is due.
5. Refunds of premiums due by Bahamian insurers.	B\$3,000	Authorized Dealers must be satisfied from documentary evidence produced to them that the payment is due.