

**Insurance**

Cap. 310.

**INSURANCE (CATASTROPHE RESERVE FUND)  
REGULATIONS, 1998**

1998/74.  
2003/88.  
2006/47.

**Authority:** These Regulations were made on the 9th June, 1998 by the Minister under section 155 of the *Insurance Act*.

**Commencement:** 22nd June, 1998.

**1.** These Regulations may be cited as the *Insurance (Catastrophe Reserve Fund) Regulations, 1998*.

**2.** In these Regulations,

“CARICOM” means the Caribbean Community established by the Treaty of Chaguaramas signed on the 4th July, 1973 and to which Barbados is a party;

“catastrophe” means

- (a) earthquake shock, fire following an earthquake, or flood caused by an earthquake;
- (b) hurricane, cyclone, tornado, windstorm or flood; or
- (c) an overflow of the sea onto Barbados, accompanying or caused by the elements listed in paragraph (a) or (b);

“company” means a body corporate that carries on or proposes to carry on insurance business in Barbados;

“Fund” means the Catastrophe Reserve Fund.

**3.** There is established a Catastrophe Reserve Fund for the purpose of settling claims made by policy holders as a result of a catastrophe.

**4.** The Fund shall be created by deed of trust and the trustees shall be such persons as the Supervisor of Insurance shall approve.

2003/88.  
2006/47. **5.** With effect from income year 2003, a company shall deduct 25 per cent of the net premium income, up to a limit of 100 per cent of its total shareholders' equity, from its property insurance business each year, and this amount shall be placed in the Fund.

2006/47. **6.** Of the monies deposited in the Fund not more than 40 per cent may be invested outside of CARICOM, and this amount shall be in the form of securities payable in the currency of the United States of America.