

No. 44]      *International Insurance (Amendment) Act*      [2006.

I ASSENT

[L.S.]

PEARLETTE LOUISY,  
*Governor-General.*

*16th November, 2006.*

## **SAINT LUCIA**

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**No. 44 of 2006**

**AN ACT** to amend the International Insurance Act, Cap. 12.15.

[ 27th November, 2006 ]

BE IT ENACTED by the Queen's Most Excellent Majesty, by and with the advice and consent of the House of Assembly and the Senate of Saint Lucia, and by the authority of the same as follows:

**Short title**

1. This Act may be cited as the International Insurance (Amendment) Act 2006.

**Interpretation**

2. In this Act “principal Act” means the International Insurance Act, Cap.12.15.

**Amendment to section 2**

3. Section 2 of the principal Act is amended by inserting the following definitions in the correct alphabetical sequence:

“”incorporated cell” means an international business company linked to an incorporated cell company;

“incorporated cell company” means an international business company created for the purpose of doing business using incorporated cells;

“linked” means the contractual relationship by which an incorporated cell does business through an incorporated cell company;”.

**Amendment of section 7**

4. Section 3 of the principal Act is deleted and substituted by the following:

**“Requirement for licence**

3. A person shall not carry on international insurance business from Saint Lucia unless, subject to section 4A, that person is granted and holds a valid licence to do so pursuant to section 4.”.

**Insertion of sections 4A and 4B**

5. The principal Act is amended by inserting the following sections between section 4 and section 5 as section 4A and section 4B respectively:

**“REGISTRATION OF INCORPORATED CELL COMPANY AND INCORPORATED CELL**

4A.(1) An incorporated cell shall not carry on international insurance business as an incorporated cell of an incorporated

cell company unless the incorporated cell is registered pursuant to this section and the incorporated cell company holds a valid licence issued pursuant to this Act.

(2) An application for registration pursuant to subsection (1) shall be made to the Director in the prescribed form and shall be accompanied by the prescribed application fee.

(3) On application made pursuant to this section, the Director may register an incorporated cell and issue a certificate of registration to the incorporated cell if satisfied that the carrying on of international insurance business by the incorporated cell through the incorporated cell company shall not be contrary to the public interest.

(4) A certificate of registration issued pursuant to subsection (3) shall —

- (a) be in the prescribed form;
- (b) specify the name of the incorporated cell company through which the incorporated cell is to carry on international insurance business;
- (c) be issued on payment of the prescribed fee;
- (d) be issued subject to the conditions set out in subsections (5) and (6) and to such other conditions as may be prescribed or as the Minister may determine; and
- (e) be valid for a period of one year unless registration is cancelled for breach of a condition of registration or other just cause by the Director.

(5) An incorporated cell registered pursuant to this section shall be subject to the provisions of any Regulations relating to incorporated cells made pursuant to this Act.

(6) An incorporated cell registered pursuant to this section shall not transfer its registration to another incorporated cell company unless with the approval of the Director.

#### **TRANSFER OF REGISTRATION ON WINDING UP OR DISSOLUTION**

**4B.** Where an incorporated cell company goes into liquidation, is wound-up or is dissolved, or where its licence is revoked or surrendered, a registered agent, on behalf of an

incorporated cell linked to that incorporated cell company, may apply to the Director —

- (a) to transfer the registration of the incorporated cell to another incorporated cell company; or
- (b) for a licence pursuant to section 4 upon amendment of its memorandum and articles.”.

**Insertion of section 10A**

6. The principal Act is amended by inserting the following new section as section 10A:

**“CANCELLATION OF REGISTRATION ON APPLICATION**

**10A.**(1) An incorporated cell company may apply to the Director to cancel the registration of an incorporated cell that has ceased to carry on international insurance business and shall produce evidence that the incorporated cell has paid all amounts owing by it in a manner satisfactory to the Director.

(2) An incorporated cell company may apply to the Director to cancel the registration of an incorporated cell that is being wound-up voluntarily and shall produce evidence that the incorporated cell is solvent and able forthwith to repay all amounts owing by it and that the incorporated cell has provided for amounts that may be owing by it in the future in a manner satisfactory to the Director.

(3) Where the Director cancels the registration of an incorporated cell pursuant to an application made under subsection (1), the Director shall direct that the incorporated cell be wound-up and the provisions of the International Business Companies Act, Cap. 12.14 relating to the winding-up of a company shall apply.

(4) Where an application is made pursuant to subsection (2), the Minister may apply to the Court for the incorporated cell to be wound-up either by that court or subject to its supervision, and on the making of such an order, the provisions of the provisions of the International Business Companies Act, Cap.12.14 relating to the winding-up of a company, by the Court or subject to the supervision of the Court, shall apply with the necessary changes.”.

**Amendment of section 17**

7. Section 17 of the principal Act is amended by inserting the following as subsection (4):

“(4) The majority of directors in an incorporated cell shall be directors of the incorporated cell company to which it is linked.”.

**Insertion of section 21A**

8. The principal Act is amended by inserting the following new section as section 21A:

**“CANCELLATION OF REGISTRATION**

**21A.(1)** Where the Director is of the opinion that an incorporated cell is or appears likely to become unable to meet its obligations as they fall due, or is carrying on business in a manner detrimental to the public interest, the interest of its policyholders or other creditors, or has contravened this Act, or has failed to comply with a condition of its registration, or that a condition exists that would have caused the Director to refuse the registration of the incorporated cell upon application for registration, the Director may forthwith —

- (a) cancel the registration of the incorporated cell;
- (b) impose conditions, or further conditions upon the incorporated cell and may amend or revoke any such condition;
- (c) require such action to be taken by the incorporated cell as the Director considers necessary.

(2) An incorporated cell may, within seven days of a decision pursuant to subsection (1) (a), apply to the Minister for a reconsideration of the Director’s decision to cancel the registration.

(3) Notwithstanding any provisions of this Act, the Director may cancel the registration of an incorporated cell if the incorporated cell —

- (a) has ceased to carry on international insurance business; or
- (b) goes into liquidation or is wound-up or otherwise dissolved.

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(4) Where the Director cancels the registration of an incorporated cell he shall —

- (a) cause notice of the cancellation to be published in the *Gazette*, and may cause such notice to be published, whether within Saint Lucia or elsewhere, in such newspaper or other publication as may be considered necessary in the circumstances; and
- (b) apply to the Court for the incorporated cell to be wound-up either by that Court or subject to its supervision, and on the making of such an order, the provisions of the International Business Companies Act, Cap. 12.14, relating to the winding-up of a company by or subject to the supervision of that Court shall apply with the necessary changes.”.

Passed in the House of Assembly this 10th day of October, 2006.

J. BADEN ALLAIN,  
*Speaker of the House of Assembly.*

Passed in the Senate this 9th day of November, 2006.

HILFORD DETERVILLE,  
*President of the Senate.*