



Government of the Republic of Trinidad and Tobago  
**MINISTRY OF FINANCE**

CORPORATE COMMUNICATIONS UNIT

August 22<sup>nd</sup>, 2018

For Immediate Release

**MEDIA RELEASE**

**NIF BONDS ARE COMPLETELY LEGAL AND ABOVE BOARD**

The Hon. ColmImbert, Minister of Finance, has taken note of allegations made by the Leader of the Opposition regarding the legality of the NIF bond offer. The Leader of the Opposition has claimed that the Government has encouraged Insurance Companies to break the law by exceeding an alleged statutory limit of 25% of capital in any single investment.

However, these allegations are false and mischievous and without any truth whatsoever.

At present, there is no such limit on investments by insurance companies in bonds or other similar financial instruments. Further, when the new Insurance Act is proclaimed at the end of this year, insurance companies will have a transition period of 3 years to adjust their investment portfolios, i.e. up to the end of 2021.

Additionally, because the NIF bond offer has been oversubscribed by 82%, insurance companies, among other investors in the 20 year bonds, will get between 30% and 40% of their applications, depending on the final distribution.

Accordingly, no insurance company will exceed its investment limit in NIF Bonds, and further, no breach of the Insurance Act or other law will occur. It is noteworthy that even if an insurance company had qualified for more than 25% of its capital in NIF Bonds, it could easily address that issue within the 3-year transition period.

The allegations made by the Opposition Leader are therefore baseless and unfounded and clearly designed to mislead and to undermine the tremendous success of the NIF Bond Offer. It is a pattern of misinformation and attempted sabotage from the Opposition that is becoming more and more prevalent.

- END-



(868) 612-9700  
ext.2804-2809



(868) 612-9700  
ext.2810



comm.finance@gov.tt



www.finance.gov.tt