



THE INSURANCE COMMISSION
OF THE BAHAMAS

Administrative Fines Schedule - Insurance Act

Section (Insurance Act)	Offences Insurance Intermediaries	Penalty		Classification (Minor, Serious, Very Serious)	Fines	
		Specific Penalty	General Penalty		(By Individual)	(By Company)
119(2)	Carrying on or purporting to carry on business or acting as: - An insurance intermediary without being registered, or - Responsible Officer without being registered	119(4)				
122(2)	A Non-Resident Insurance Intermediary who: (a) solicits business in The Bahamas except through a registered insurance intermediary of the same classification (b) fails to maintain an agreement with a registered insurance intermediary. (c) operates or establishes a presence of or to the exclusion of the registered insurance intermediary with whom he has executed the agreement.	122(3)				
126(2)(a)	Procuring registration as a result of: - misleading or false representation, or - in consequence of incorrect informative, whether the representation was made or supplied willfully or otherwise	125 126(1)				
126(2)(b)	An insurance intermediary that: - failure to maintain the conditions for registration as outlined in section 123;	125 126(1)				
126(2)(b)	An insurance intermediary that: - is carrying on business contrary to sound insurance principles and practice;	125 126(1)				
126(2)(b)	An insurance intermediary that: - is guilty of reasonable delay in the payment or settlement of any claim arising under any policy issued by or through him or it;	125 126(1)				
126(2)(b)	An insurance intermediary that: - has not furnished information duly and satisfactorily demanded by the Commission within a period of one month from the date requested;	125 126(1)				
126(2)(b)	An insurance intermediary that: - is guilty of a fraudulent or dishonest practice;	125 126(1)				
126(2)(b)	An insurance intermediary that: - in the case of an individual, has demonstrated to be an unfit and improper;	125 126(1)				
126(2)(b)	An insurance intermediary that: - in the case of a body corporate, not all the partners and or owners are fit and proper persons;	125 126(1)				
126(2)(b)	An insurance intermediary that: - has demonstrated that he or it is not sufficiently competent and knowledgeable to carry on business in the class or classes of insurance in respect of which he or it was registered;	125 126(1)				

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126(2)(b)	An insurance intermediary that has contravened: - any of the provisions of this Act or; - any condition, direction or requirement imposed under this Act by the Commission or; - has been an accessory to the contravention by any other person	125 126(1)				
129(1)	Failure to immediately give notice in writing to the Commission that an agency or sub-agency agreement in respect of which a person has been registered as an agent or, as a sub-agent is terminated both by the insurance intermediary and by the person for whom he was appointed as an agent or sub-agent.		236, 237 238	Minor		Minor: \$1 - \$3,000
129(2)	Failure to immediately give notice in writing to the Commission that: - a responsible officer, technical representative, or salesperson has been terminated, by both the responsible, technical representative, or salesperson and his employer in that employment. - a responsible officer, technical representative or salesperson has entered new employment by both the responsible officer, technical representative or salesperson has entered new employment by both the responsible officer, technical representative or salesperson and his new employer.		236,237, 238	Serious		Serious: \$3,001 - 7,500
129(3)	Failure of any registered person under this part or from his employer or principal to provide information relating to any matter in connection with that insurance intermediary after being demanded.		236,237, 238	Serious	Serious: \$1,001 - 3,000	
130(1)	Failure of an insurance intermediary to, if requested to do so by the Commission or by any authorized person with whom the mentioned person is dealing with in the course of his business as an insurance intermediary, to produce his certificate of registration for inspection.		236,237, 238	Minor		Minor: \$1 - \$3,000
132(1)	An agent, a sub-agent, a broker or salesperson who knowingly procures by fraudulent representations, payment or the obligation for payment of any premium on an insurance policy.		236,237, 238	Very Serious	Minor: \$1 - \$1,000	
132(2)	An agent, sub-agent, a broker or salesperson who causes an insured to discontinue any policy of insurance without being satisfied on reasonable grounds that the discontinuance is to be for the benefit of the insured.		236,237, 238	Very Serious	Very Serious: \$3,001 - \$5,000	
133(2)	Failure of any agent, sub-agent, or broker to obtain permission from the Commission to enter into an insurance contract with a non-registered company.		133(3) 237	Serious		Serious: \$3,001 - 7,500
134	An agent, sub-agent, broker or salesperson or other person who: - orally makes any statement or issue, or - permit to be issued, any advertisement, statement, circular, descriptive booklet or other document , or - makes or permit to be made a statement by means of any broadcasting or other medium which misleads or tends to mislead the public		236,237, 238	Serious	Serious: \$1,001 - 3,000	
135(2)	Failure of an agent, sub-agent, broker or salesperson to pay the premium he receives pursuant to subsection (1) over to the insurer in accordance with the terms agreed with the insurer.		236,237, 238		Very Serious: \$3,001 - \$5,000	

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136	An insurer, or an insurance intermediary who knowingly pays or allows, or agrees to pay or allow: - compensation or anything of value to any person for placing or negotiating insurance on lives, property or interests in The Bahamas, - or negotiating the continuance or removal thereof, of for attempting so to do, who, at the date thereof, is not a registered insurer or insurance intermediary.		236,237, 238	Serious		Serious: \$3,001 - 7,500
137(1)	An insurer (officer or employee) or agent, or broker or salesperson who: - directly or indirectly makes or attempt to make an agreement as to the premium to be paid for a policy other than as set forth in the policy, or pay, allow or give, or offer or agree to pay, allow or give, a rebate of the whole part of the premium stipulated by the policy, - or any other consideration or thing of value intended to be in the nature of a rebate of premium, to any person insured or applying for insurance in respect of life, person or property in The Bahamas.		236,237, 238	Serious	Serious: \$1,001 - 3,000	Serious: \$3,001 - 7,500
139(1)(a)	Failure of an insurer to make a return to the Commission at such time as the Commission requires showing: - all persons, partnerships and companies duly authorized as its agents or salesperson in The Bahamas		236,237, 238	Minor		Minor: \$1 - \$3,000
139(1)(b)	Failure of an insurer to make a return to the Commission at such time as the Commission requires showing: - of persons, partnerships or companies to whom it has paid or allowed or agreed to pay or allow, directly or indirectly, compensation for placing or negotiating insurance on lives, property or interests in The Bahamas or negotiating the continuance or renewal thereof, or attempting to do so.		236,237, 238	Minor		Minor: \$1 - \$3,000
139(2)	Failure of any person who is registered under this Act as an insurance intermediary to make an annual return to the Commission in such form as may be prescribed, where applicable.		236,237, 238	Minor	Minor: \$1 - \$1,000	
140(1)(a)	Failure of a registered insurer that authorizes one or more agents to act on its behalf to establish and maintain a system that: - is reasonably designed to ensure that each agent complies with with the requirements of this Act and any regulations made thereunder.		236,237, 238	Serious		Serious: \$3,001 - 7,500
140(1)(b)	Failure of a registered insurer that authorizes one or more agents to act on its behalf to establish and maintain a system that: - provides for the screening of each agent for the suitability to carry on business as an agent.		236,237, 238	Serious		Serious: \$3,001 - 7,500
140(2)	Failure of an insurer to report to the Commission if it has reasonable grounds to believe that an agent who acts on its behalf is not suitable to carry on business as an agent .		236,237, 238	Very Serious		Very Serious: \$7,501 - \$10,000

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141(1)(a)	Failure of an agent or broker registered in accordance with this part to keep within The Bahamas and to make available to the Commission on request: <ul style="list-style-type: none"> - a record of all local policies issued by him on behalf of each registered insurer or registered association, - a record of the aggregate amount of premiums received on the policies, - a copy of the financial statements, - an analysis of outstanding premiums payable to insurers, and - such other books, vouchers receipts, and documents as are necessary for the purpose of verifying information provided to the Commission pursuant to the Act 		236,237, 238	Very Serious		Very Serious: \$7,501 - \$10,000
186	Any person: <ul style="list-style-type: none"> - willfully makes, or orders or allows to be made any entry or erasure in, or - omits any entry, or orders or allows any entry to be omitted from a collecting book or premium receipt book, with intent to falsify the book, or to evade any of the provisions of this Act, is guilty of an offence. 		237	Very Serious	Very Serious: \$3,001 - \$5,000	
210	Failure of a registered insurer of a registered insurance intermediary to prepare and maintain a required record in the prescribed form.		236,237, 238	Minor		Minor: \$1 - \$3,000
230	A person who: <ul style="list-style-type: none"> (a) carries on any class of insurance business specified in subsection (1) of section 3 using, or continuing to use, the "Insurance" or "Assurance" or any derivative thereof, in the name under which that person is carrying on business, without being registered or exempted from registration under this Act; (b) carries on any class of insurance business specified in subsection (1) of section 3 using, or continuing to use, in the name under which that person is carrying in business any words indicating that the person is an insurer without being registered or exempted from registration under Part III; (c) is registered under Part III, who has and uses as part of the business name the words "Insurance" or "Assurance" or a derivative, is carrying on insurance business without the written consent of the Commission; (d) is registered under Part V as a broker, who has and uses as part of the business name the word "Insurance Broker" or "Assurance Broker", is carrying on in insurance business without the written consent of the Commission; (e) is registered under Part V as an agent or sub-agent and not also registered under Part III, who has and uses as part of the business name the word "Insurance Agent" or "Assurance 		236,237, 238	Minor		

