

## ABSTRACT

### A CRITICAL EXAMINATION OF THE LAW RELATING TO NON - BANKING FINANCIAL INSTITUTIONS IN TRINIDAD AND TOBAGO

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This study has been inspired out of profound concern for the plight of finance house depositors in Trinidad and Tobago and elsewhere. Over the past five years due to the collapse of numerous non-banking institutions thousands of people have been faced with indebtedness and in some cases bankruptcy. The legislation governing these institutions must in the future therefore provide effective protection for the depositor. Without such protection there is very little prospect of a vibrant future for these deposit taking institutions.

This study is consequently aimed at examining the law relating to finance houses and towards seeking innovative reform. The first chapter is merely a brief summary of the progress of finance houses in Trinidad and Tobago. Chapter 2 examines the Financial Institutions (Non-Banking) Act with a view to highlighting its deficiencies. Chapter 3 focuses on the legal responsibility of various persons or bodies who may have contributed to the demise of finance houses. It examines the roles played by the director, the auditor, the Central Bank and the State. Chapter 4 considers the Central Bank and Financial Institutions (Non-Banking) Amendment Act and looks in particular at its provisions relating to deposit insurance and the emergency powers of the Central Bank. Chapter 5 reviews the deposit insurance legislation in Canada, the United States and the United Kingdom. Finally Chapter 6 identifies certain areas in need of reform and presents possible solutions to the issue of depositor protection.