

Form 14
Application for Approval of Scheme of Transfer or Amalgamation
(*regulation 41*)

SECTION A

1. Details of transacting entities:

i. Name: _____

ii. Type of insurance business: General insurance

Long term insurance

Reinsurance

iii. Date of first NBFIRA licence issue: _____

iv. Company registration number: _____

(Note: SECTION A is to be completed in respect of each entity concerned in the transfer or amalgamation)

SECTION B

1. Type of approval of scheme required:

Transfer of business

Amalgamation

2. Please attach the following:

i. APPENDIX A: Reliance on other parties

ii. Scheme of Transfer or Amalgamation.

The scheme of transfer or amalgamation must include as much information as possible motivating and outlining the reasons for the amalgamation. The following information/documents should be included:

- a. Definition of terms
- b. Clearly stated Appointment Date and Effective Date of the Scheme
- c. Shareholders' agreement/Board resolution of the transacting parties approving the steps to undertake transactions which would result in change of structure of the respective transacting parties.

- d. Creditors' agreement to the intended transfer or amalgamation
- e. A report on the manner in which the interests of the policyholders will be protected
- f. Composition of the Board of Directors of the resultant entity following the transfer or amalgamation, along with the roles of senior management.
- g. Statement on the effect on the product offering of the transacting entities post transfer or amalgamation.
- h. Assessment of impact on distribution channels/intermediaries and branch network.
- i. Details of reinsurance strategies and protection and maintenance of reinsurance assets.
- j. Implication of the scheme on the key contracts.
- k. Issues pertaining to systems and information technology.
- l. Audited financial statements and financial condition reports in respect of all transferor and transferee entities concerned as at the Appointment Date
- m. Transfer of undertaking – indicate how assets (both movable and immovable) liabilities (including all creditors and how they will be paid upon approval of the scheme) duties and obligations of every kind, nature, description, will be transferred or deemed to be transferred.
- n. A report on the compliance with the applicable laws, including but not limited to, the Companies Act, Competition Act and the Employment Act
- o. Legal proceedings – the scheme should state how all suits, actions and proceedings by or against the transferor company as on the appointed date and up to the effective date shall be transferred to the transferee company
- p. The scheme shall be operative from the Effective Date with effect from the Appointed Date
- q. Transfer of company staff and employees
- r. Conduct of business by the Transferor Company till Effective Date
- s. Accounting treatment
- t. Tax matters
- u. Brands and trademarks
- v. Envisaged timelines of scheme milestones.
- w. Such other information that the Regulatory Authority may require from time to time until the grant of the final approval of the scheme
- x. In respect of long term insurance business an actuarial report for both insurers on the terms of the scheme and likely effects of the scheme on policyholders of the insurers concerned as a result of the proposed scheme of Transfer or Amalgamation, prepared by an actuary who has not been professionally connected with any of the insurers at any time during the five years immediately preceding the application and prepared as at the appointment date of the proposed Transfer or Amalgamation, as the case may be.

Note: The aforementioned information/documents shall be kept open for the inspection of the members and policyholders at the principal and branch offices of the concerned entities respectively.

SECTION C

Declaration

I hereby declare all the information, statements and documents submitted herewith are true and accurate to the best of my knowledge and belief. Any alterations in particulars stated here in or in the said documents will be promptly communicated to the Regulatory Authority within a period not later than thirty days from the date of the alteration.

Name.....

Designation.....

Signed on this **day of**

APPENDIX A: Reliance on Other Parties

Provide the contact details of parties assisting with the application.

(To be completed in respect of every party assisting with the application)

Name:

Role:

Qualification:

Postal Address: _____

Telephone: _____

Fax: _____

Email: _____