

INSURANCE INDUSTRY ACT
(Cap. 46:01)

INSURANCE INDUSTRY REGULATIONS, 2019
(*Published on 17th May, 2019*)

ARRANGEMENT OF REGULATIONS

REGULATION

PART I — *Preliminary*

1. Citation
2. Interpretation

PART II — *Capital Requirements*

3. Minimum capital target for long term insurers and reinsurers
4. Minimum capital target for general insurers
5. Minimum capital requirements for insurance brokers and agents
6. Minimum solvency ratio for insurers

PART III — *Provisions Concerning Assets*

7. Assets to be held by general insurers
8. Assets to be held by long term insurers
9. Derivatives

PART IV — *Licensing of Insurers*

10. Application for licence
11. Application for renewal of licence
12. Restriction on business
13. Advertisement

PART V — *Insurance Brokers and Insurance Agents*

14. Application for licence to provide services as insurance broker or insurance agent
15. Renewal of licence

PART VI — *Returns for Insurers*

16. Annual returns for insurers
17. Quarterly returns for insurers
18. Annual returns for insurance brokers and insurance agents
19. Quarterly returns for insurance brokers and insurance agents
20. Submissions for transferee or amalgamated insurer

PART VII — *Manner of Carrying on Insurance Business*

21. Notifications to Regulatory Authority
22. Preservation of records
23. Restriction on controllers and principal officers
24. Professional indemnity and insurance requirements
25. Security guarantee or deposit
26. Setting up of trust account
27. Remittance of premiums by insurance broker

PART VIII — *Intermediary Services*

28. Agreements with persons rendering services as intermediaries

PART IX — *Underwriting Associations*

29. Licensing of underwriting association
30. Minimum capital target for association of underwriters
31. Minimum solvency ratio for association of underwriters
32. Classes of business to be transacted
33. Appointment of principal officer of underwriting association
34. Trust account held by principal officer of underwriting association
35. Annual returns for trust accounts of underwriting associations
36. Duties of principal officer of underwriting association
37. Claims by or against underwriting association
38. Payment of certain claims
39. Changes in financial year

PART X — *Miscellaneous Provisions*

40. Overall assets
41. Approval required for transfer or amalgamation
42. Requirements for transfer or amalgamation
43. Failure to pay premiums for general insurance policy
44. Failure to pay premiums for long term policy
45. Insurance to be held with Botswana insurers
46. Approval of valuator or approved person
47. Limitation on control
48. Annual investigation
49. Exemptions
50. Copies of annual returns
51. Revocation of SI. No. 124 of 1992

SCHEDULES

IN EXERCISE of the powers conferred on the Minister of Finance and Economic Development by section 112 of the Insurance Industry Act, the following Regulations are hereby made —

PART I — *Preliminary*

1. These Regulations may be cited as the Insurance Industry Regulations, 2019. Citation

2. (1) In these Regulations, unless the context otherwise requires — Interpretation

“accounts” in relation to an insurer, insurance broker or insurance agent, means audited financial statements and statutory returns prepared in accordance with the requirements of these Regulations;

“advertisement” includes every form of advertising, whether in a publication, by the display of notices, by means of circulars or other documents, by an exhibition of photographs, cinematograph films, by way of sound broadcasting, television or any other electronic media;

“advice” means any recommendation, guidance or proposal of a financial nature furnished, by any means or medium, to any client or group of clients on the procedure for entering into or renewing an insurance policy or on the variation of any term or condition applying to an insurance product, on the replacement of any such product, or on the termination of any purchase of any such product, but does not include factual advice given —

(a) on the procedure for entering into a transaction in respect of any insurance product;

(b) in relation to the description of an insurance product;

(c) in answer to routine administrative queries;

(d) in the form of objective information about a particular insurer; or

(e) by the display or distribution of promotional material;

“financial year” means each period of 12 months at the end of which the annual financial statements are prepared and includes any lesser or greater periods as the Regulatory Authority may approve;

“intermediary” means a person who facilitates the conduct of insurance business between a client and an insurer;

“principal officer of underwriting association” means a person appointed in terms of regulation 33 and includes a principal officer while acting as the underwriting association liaison in terms of that regulation; and

“underwriting association” or “association of underwriters” means the association comprised of underwriters which exist to provide specialised high risk insurance to the general public.

PART II — *Capital Requirements of Insurers*

3. A long term insurer and reinsurer shall maintain a minimum capital target which shall be the higher of — Minimum capital target for long term insurers and reinsurers

(a) P10 million; or

(b) an amount representing 25 per cent of operating expenses as defined and reported in the annual return, estimated for the following year.

4. A general insurer shall maintain a minimum capital target which shall be the higher of — Minimum capital target for general insurers

(a) P5 million; or

(b) an amount representing 25 per cent of operating expenses as defined and reported in the annual return, estimated for the following year.

5. (1) An insurance broker shall maintain a minimum capital which shall be the higher of — Minimum capital requirements for insurance brokers and agents

(a) P100 000;

- (b) 4 per cent of an amount representing the annual income from rendering services as an intermediary; or
 - (c) 25 per cent of an amount representing expenses reported in the income statement of the annual return or part thereof if projections are for a shorter period.
- (2) An insurance agent shall maintain a minimum capital which shall be the higher of —
- (a) P30 000;
 - (b) 4 per cent of an amount representing the annual income from rendering services as an intermediary; or
 - (c) 25 per cent of an amount representing expenses reported in the income statement of the annual return or part thereof if projections are for a shorter period.
- (3) Where the minimum required capital is defined as the excess of allowed assets over liabilities as per the audited annual financial statements, allowed assets shall exclude —
- (a) investments in own shares;
 - (b) intangible assets;
 - (c) debts outstanding for more than 90 days; and
 - (d) prepaid expenses.
6. An insurer shall maintain a minimum solvency ratio as prescribed in the Administrative Rules.

Minimum
solvency ratio
for insurers

PART III — *Provisions Concerning Assets*

Assets to be held
by general
insurers

7. A general insurer may hold assets as set out in Schedule 1 to the extent defined therein.

Assets to be held
by long term
insurers

8. A long term insurer may hold assets as set out in Schedule 2 to the extent defined therein.

Derivatives

9. An insurer shall not invest in derivative instruments except under the following conditions —

- (a) derivatives designated as an asset in respect of a linked policy in respect of long term insurance business;
- (b) derivatives acquired out of or in respect of assets that are in excess of the assets required to meet the insurer's liabilities under insurance policies and capital adequacy requirement in terms of section 28 (1) of the Act and for the purpose of efficient portfolio management; or
- (c) for the purpose of reducing investment risk:

Provided that —

- (i) in respect of paragraphs (a), (b) and (c), the insurer will, or reasonably expects to have the asset at the settlement date of the derivative instrument which matches the obligations under the instrument and from which it can discharge those obligations, or
- (ii) for a long term insurer the valuator has in writing agreed thereto.

PART IV — *Licensing of Insurers*

10. (1) An application for a licence to carry on business of insurance in terms of section 7 of the Act shall be made to the Regulatory Authority in Form 1 set out in Schedule 3. Application for licence

(2) Where the application meets all the requirements, the Regulatory Authority shall on payment of a fee set out in Schedule 4, issue the applicant with an insurance licence in Form 2 set out in Schedule 3.

11. (1) An application for renewal of an insurer licence shall be made to the Regulatory Authority in Form 3 set out in Schedule 3 and shall be accompanied by a renewal fee set out in Schedule 4. Application for renewal of licence

(2) Where the application meets the requirements, the Regulatory Authority shall renew the licence.

12. (1) An insurer shall provide the Regulatory Authority with particulars of a new insurance product together with the product brochure or other sales literature and specimen policy relating to that product and any other supporting information as the Regulatory Authority may specify. Restriction on business

(2) The Regulatory Authority may require the insurer to submit additional documentation on a new product for its consideration, including —

(a) a report from a valuator of a long term insurer on the suitability of the policy terms and premium rates for the time being chargeable by the insurer for the long term insurance policy;

(b) a report from the insurer or suitable expert on the suitability of the policy terms and premium rates for the time being chargeable by the insurer for a general insurance policy; or

(c) any other documentation as the Regulatory Authority considers necessary.

(3) The Regulatory Authority may, where it appears that an insurance product is not appropriate for any reason —

(a) prohibit the insurer from offering the product to the public; or

(b) require the insurer to make such changes to the product as the Regulatory Authority may specify.

(4) No action shall lie against the Regulatory Authority or any member of the Regulatory Authority for any damage or loss suffered as a result of compliance with this regulation.

13. Where any advertisement, brochure or similar document which relates to the business of a licensee or to an insurance policy and which is being, or is to be published by a person is misleading or contrary to public interest or contains an incorrect statement of fact, the Regulatory Authority may by notice, direct that person not to publish it or to effect the changes that the Regulatory Authority considers fit. Advertisement

PART V — *Insurance Brokers and Insurance Agents*

14. (1) A person who wishes to render services as an insurance broker or insurance agent shall make an application to the Regulatory Authority in Form 4 set out in Schedule 3. Application for licence to provide services as insurance broker or insurance agent

(2) Where the Regulatory Authority is satisfied that the applicant meets all the requirements, the Regulatory Authority shall, on payment of a fee set out in Schedule 4, where —

(a) the application is in relation to an insurance broker, issue the applicant with a licence to render services as an insurance broker in Form 5 set out in Schedule 3; or

(b) the application is in relation to an insurance agent, issue the applicant with a licence to render services as an insurance agent in Form 6 set out in Schedule 3.

(3) A licence issued to an insurance broker or insurance agent shall be valid for a period of 12 months.

Renewal of
licence

15. (1) An application to renew an insurance broker's or insurance agents' licence shall be made to the Regulatory Authority in Form 7 set out in Schedule 3.

(2) Where the application meets the requirements, the Regulatory Authority shall, on payment of a fee set out in Schedule 4, renew the licence to render services as an insurance broker or insurance agent.

PART VI — *Returns for insurers*

Annual returns
for insurers

16. (1) An insurer shall, within four months after the end of its financial year, furnish the following returns to the Regulatory Authority —

(a) audited financial statements prepared by the company according to recognised international standards;

(b) financial condition report; and

(c) complaints report in Form 8 set out in Schedule 3.

(2) A long term insurer shall in addition to the reports required under sub-regulation (1), furnish to the Regulatory Authority —

(a) annual statutory returns in the form prescribed in the Administrative Rules; and

(b) a valuator's report.

(3) A general insurer shall in addition to the reports required under subregulation (1), furnish to the Regulatory Authority —

(a) annual statutory returns in the form prescribed in the Administrative Rules; and

(b) approved person's report, where applicable.

Quarterly returns
for insurers

17. An insurer shall, within 30 days after the end of the quarter furnish to the Regulatory Authority, the following returns —

(a) quarterly statutory returns for general insurance in the form prescribed in the Administrative Rules;

(b) quarterly statutory returns for long term insurance in the form prescribed in the Administrative Rules;

(c) complaints report in Form 8 set out in Schedule 3; and

(d) register of representatives in Form 9 set out in Schedule 3.

Annual returns
for insurance
brokers and
insurance
agents

18. An insurance broker or insurance agent shall, within four months after the end of its financial year furnish to the Regulatory Authority —

(a) audited financial statements;

(b) annual statutory returns for the insurance broker or insurance agent in the form prescribed in the Administrative Rules.;

(c) compliance report in Form 10 set out in Schedule 3; and

(d) complaints report in Form 8 set out in Schedule 3.

Quarterly returns
for insurance
brokers and
insurance
agents

19. An insurance broker or insurance agent shall, within 30 days after the end of each quarter furnish to the Regulatory Authority —

(a) quarterly statutory returns of an insurance broker or insurance agent in the form prescribed in the Administrative Rules;

(b) complaints report in Form 8 set out in Schedule 3; and

(c) register of representatives in Form 9 set out in Schedule 3.

20. The transferee or amalgamated insurer shall within 90 days of the publication of a notice of approval of the transfer or amalgamation, as the case maybe, lodge with the Regulatory Authority —

Submissions for transferee or amalgamated insurer

- (a) financial statements prepared in accordance with the international financial reporting standards;
- (b) a declaration under the hand of each person who was, immediately prior to the date of publication of notice of approval of the transfer or amalgamation, a chairperson of the insurer that was a party to the transfer or amalgamation, stating that —
 - (i) to the best of his or her belief, every payment made or to be made to any person on account of the transfer or amalgamation is fully specified in the declaration and that no other payments have been or are made either in cash, policies, bonds valuable securities or other property, by or with the knowledge of the parties to the transfer or amalgamation, and
 - (ii) the requirements of the Act and these Regulations have been complied with; and
- (c) any other report or document as the Regulatory Authority may require.

PART VII — *Manner of carrying on insurance business*

21. (1) An insurer, insurance broker or insurance agent shall notify the Regulatory Authority in writing of every appointment, termination or resignation of a —

Notifications to Regulatory Authority

- (a) shareholder;
- (b) controller;
- (c) manager;
- (d) director; or
- (i) managing executive,

within 14 days after such appointment, termination or resignation together with the reasons for any such termination or resignation.

(2) An insurer shall notify the Regulatory Authority of any breach of financial services law by an insurance broker and insurance agents consistent with the insurance business undertaken as a consequence of agency agreements as entered into with that insurer.

(3) An insurer, insurance broker or insurance agent shall notify the Regulatory Authority in writing of any changes in the address of its principal office at least 14 days prior to the change.

(4) An insurer, insurance broker or insurance agent shall notify the Regulatory Authority in writing of any proposed changes of its financial year prior to effecting such change.

22. An insurer, insurance broker or insurance agent shall keep records in hard copy and electronic form for a minimum period of seven years either after maturity, cancellation or realisation of an insurance policy or after the date of loss under such policy as the case may be.

Preservation of records

23. An insurer, insurance broker or insurance agent shall not employ as its controller or principal officer any person who —

Restriction on controllers and principal officers

- (a) has been adjudged an undischarged bankrupt in any country;
- (b) has made an assignment or arrangement or composition with creditors which has not been rescinded or set aside;

- (c) has been convicted by any court in any country of an offence involving dishonesty or of an offence in terms of this Act, for which the applicant was imprisoned without an option of a fine; or
- (d) is in the opinion of the Regulatory Authority, an unfit person to hold the office.

Professional indemnity insurance requirements

24. (1) An insurance broker or insurance agent shall have and maintain a professional indemnity insurance policy, where limit of indemnity for a single claim is set at an appropriate level given the level of the sum insured for policies where services are rendered, subject to a minimum limit of P1 000 000 for insurance brokers and P500 000 for insurance agents.

(2) An insurance broker or insurance agent shall submit, to the Regulatory Authority, the professional indemnity insurance cover note and any other supporting information as the Regulatory Authority may specify.

(3) Where it appears to the Regulatory Authority that the level of professional indemnity cover is not appropriate for any reason, the Regulatory Authority may require the insurance broker or insurance agent to make such changes to the terms and conditions and level of cover as the Regulatory Authority may specify.

Security guarantee or deposit

25. (1) An insurance broker who is authorised to receive, hold or in any other way, deal with premiums on behalf of an insurer shall hold minimum security of P100 000 by means of —

- (a) a guarantee policy issued by a general insurer for the purposes of providing such security; or
- (b) a contract, which, but for the fact that the undertaking concerned is given by a bank, would be a guarantee policy and under which policy benefits are to be provided in the event of failure of that person to meet those obligations.

(2) The security referred to in subregulation (1) shall be the greater of P100 000 or an amount equal to 30 per cent of the total premiums actually received, held or in any other manner dealt with by that person in the previous financial year.

(3) The application and use of the security deposit shall be as prescribed in the Administrative Rules by the Regulatory Authority.

Setting up of trust account

26. An insurance broker shall ensure that a trust account required to be kept in accordance with section 83 of the Act —

- (a) is not to be changed in any way without prior approval of the Regulatory Authority;
- (b) has more than one signatory; and
- (c) is used exclusively for the purpose of collection of premiums and remittance of the premiums to the insurer.

Remittance of premiums by insurance broker

27. An insurance broker who is authorised to receive premiums on behalf of an insurer shall remit the premiums —

- (a) if the policy is incepted, renewed or endorsed on or before the 15th day of the calendar month, on the last day of the same calendar month; or
- (b) if the policy is incepted, renewed or endorsed after the 15th day of the calendar month, on the last day of the next calendar month.

PART VIII — *Intermediary services*

28. (1) A principal in an intermediary agreement shall, furnish the person rendering services as an intermediary in relation to policies underwritten by the insurer with a written agreement setting out the terms and conditions of the services offered by the intermediary.

Agreements with
persons rendering
services as
intermediaries

(2) A person shall not render services as an intermediary otherwise than under the terms of the agreement referred to in subregulation (1).

(3) The agreement referred to in subregulation (1) shall contain in addition to any other terms and conditions, a term setting out —

- (a) the kinds of policies which may be entered into;
- (b) the premiums or the basis for the calculation of premiums to be charged in terms of those policies;
- (c) the wording of the policies;
- (d) the maximum value of the policy benefits which may be undertaken to be provided under each kind of policy, where relevant;
- (e) if the intermediary is empowered to settle or pay claims under any such policies, setting out the scope of the intermediary's powers to settle or pay claims and the circumstances under which it may be done;
- (f) if the intermediary is by virtue of the agreement entitled to any remuneration other than by commission only and setting out the basis on which the intermediary is remunerated for services rendered in terms of such agreement; and
- (g) requiring that such intermediary shall, prior to entering into an insurance policy on behalf of the insurer concerned, disclose to the prospective policyholder the name of the insurer or underwriting association and the fact that the intermediary is acting in terms of the agreement.

(4) An insurance policy shall not be void merely because of failure of the person rendering services as an intermediary to act in accordance with the agreement referred to in subregulation (1).

(5) The insurer shall notify the Regulatory Authority of the appointment or termination of the appointment of the person rendering services as an intermediary within 30 days of the date of appointment or termination.

(6) For purposes of this regulation, "intermediary" includes an insurance broker, insurance agent, a representative and any other person providing intermediary services.

PART IX — *Underwriting Associations*

29. (1) A person shall not perform any act as an underwriting association in Botswana without a licence issued under these Regulations.

Licensing of
underwriting
association

(2) An application for licensing as an underwriting association shall be made to the Regulatory Authority in Form 11 set out in Schedule 3 and shall be accompanied by —

- (a) proof in writing that the applicant has been permitted by or on behalf of the underwriting association to act in Botswana as an underwriting association;
- (b) a document signed by the underwriting association concerned containing the terms and conditions in terms of which the principal officer is authorised to act on behalf of the underwriting association;

- (c) a letter of comfort from the underwriting association that it shall meet claims against members of the underwriting association at all times should they fail to meet their obligations;
- (d) a letter of good standing from the underwriting association's host country supervisor;
- (e) an application fee set out in Schedule 4; and
- (f) such other documents and information as the Regulatory Authority may require in the particular case.

Cap. 42:01

(3) The underwriting association shall register a local entity in accordance with the Companies Act.

(4) Where the application meets the requirements of this regulation, the Regulatory Authority shall on such conditions as it shall determine, issue the applicant with a licence to operate as an underwriting association in Form 12 set out in Schedule 3.

(5) An application to renew a licence to operate as an underwriting association shall be made to the Regulatory Authority in Form 13 set out in Schedule 3 and shall be accompanied by a renewal fee set out in Schedule 4.

(6) An underwriting association shall notify the Regulatory Authority in writing of both the physical and postal addresses of its office in Botswana, telephone numbers, email address, facsimile number and of any change in such particulars.

(7) Where a process in any legal proceedings against an underwriting association is required to be served on the underwriting association, such process may be served by delivering a copy thereof at the address referred to in subregulation (6).

Minimum capital target for association of underwriters

30. An association of underwriters shall maintain a minimum capital target which is the higher of —

- (a) P20 million; or
- (b) an amount representing 25 per cent of operating expenses as defined and reported in the annual return, estimated for the following year.

Minimum solvency ratio for association of underwriters

31. An association of underwriters shall maintain a minimum solvency ratio as prescribed in the Administrative Rules.

Classes of business to be transacted

32. An underwriting association shall transact insurance business in terms of Schedule 1 or 2 of the Act or in terms of both Schedule 1 and Schedule 2 where the underwriting association undertakes general insurance business and long term insurance business and may transact any other insurance business as may be approved by the Regulatory Authority.

Appointment of principal officer of underwriting association

33. (1) The underwriting association shall appoint, as principal officer, a natural person resident in Botswana who has authority to act in Botswana as the liaison of the underwriting association.

(2) The underwriting association shall appoint another person to act in Botswana as a liaison of the underwriting association in the event of the principal officer of the underwriting association not being able to act as liaison and the person so appointed shall have the authority to act as principal officer of the underwriting association.

(3) The underwriting association shall be bound by the decisions of the liaison officer appointed under subregulation (1) and (2).

(4) The appointment of the principal officer of the underwriting association shall not take effect unless the underwriting association has, subject to such conditions as may be determined by the Regulatory Authority, deposited with Bank of Botswana or a commercial bank registered in Botswana, an amount set out in Schedule 4 as security.

(5) The underwriting association shall submit details of the principal officer that will manage the day to day operations of the underwriting association as well as the other person appointed to act where principal officer is unable to.

(6) A person shall not be appointed as a principal officer of the underwriting association unless he or she satisfies the fit and proper requirements as prescribed in the Administrative Rules.

(7) The principal officer of the underwriting association shall notify the Regulatory Authority in writing within 14 days of —

(a) commencement of duty as principal officer, of his or her full names and address and the address of the underwriting association's office in Botswana; and

(b) any change in such particulars.

34.(1) The principal officer of an underwriting association shall open a trust account in the name of the underwriting association at a bank otherwise than provisionally in terms of the Banking Act.

(2) The principal officer of an underwriting association shall, not later than the last working day of each month, deposit in the trust account an amount equal to 70 per cent or such percentage as may from time to time be determined by the Minister by notice in the *Gazette*, of the premiums received by the underwriting association excluding —

(a) premiums refunded during the month in which such premiums were received; and

(b) commissions paid or payable in respect of such premiums.

(3) The principal officer of an underwriting association shall transfer a sum not less than 25 per cent to the reserve account and shall not transfer any amount from the reserve account without the approval of the Regulatory Authority.

(4) Any moneys standing to the credit of the trust account that are not required for immediate use may be invested in any asset specified in the Administrative Rules.

(5) Any document issued in respect of an investment made under subregulation (4) shall be held by the principal officer of the underwriting association who may realise any such asset.

(6) The principal officer of the underwriting association shall deposit moneys acquired by virtue of any investment or realisation in the trust account within 15 days from the date of receipt.

(7) The principal officer of the underwriting association may on the last working day of each month, withdraw from the trust account an amount equal to the amount deposited in the trust account during the same month of the preceding year, together with interest thereon.

35.(1) The principal officer of an underwriting association shall prepare and submit to the Regulatory Authority, annually, within four months after the end of its financial year, an audited return in respect of the trust account as at the end of the last day of the last preceding year, in the form prescribed in the Administrative Rules.

Trust account
held by principal
officer of
underwriting
association
Cap. 46:04

Annual returns
for trust accounts
of underwriting
associations

(2) The principal officer of the underwriting association shall submit a certified copy of the return submitted to the Regulatory Authority in the home jurisdiction of the underwriting association, together with —

- (a) financial condition report; and
- (b) complaints report in Form 8 set out in Schedule 3.

(3) Notwithstanding subregulation (2), the principal officer of the underwriting association, shall if requested in writing by the Regulatory Authority, submit a return in respect of the trust account as at any other day as may be specified by the Regulatory Authority.

(4) The underwriting association shall submit to the Regulatory Authority any other document in relation to the trust account as maybe requested by the Regulatory Authority.

Duties of principal officer of underwriting association

36. The principal officer of an underwriting association shall —

- (a) keep books and records in respect of all acts performed by the underwriting association;
- (b) on a quarterly basis —
 - (i) submit to the Regulatory Authority a record of the premiums written and claims paid by class of business,
 - (ii) furnish the Regulatory Authority with a record of the market conduct of the players under the underwriter's market including but not limited to cover holders and underwriting management agents, and
 - (iii) furnish the Regulatory Authority with a report of policyholders' complaints handled; and
- (c) on an annual basis, within four months after the end of its financial year, prepare and submit to the Regulatory Authority, a return, audited by an auditor, in respect of all acts performed by the underwriting association during the last preceding calendar year, including acts performed by the principal officer.

Claims by or against underwriting association

37. (1) Any claim by or against an underwriting association arising from a policy entered into by virtue of an act performed by an or its principal officer shall be cognizable by any competent court in Botswana.

(2) In any action or other proceedings instituted in terms of subregulation (1), the principal officer of the underwriting association may be cited as the defendant or respondent as the case may be.

Payment of certain claims

38. Any claim against an underwriting association arising from a policy entered into by virtue of an act performed by the principal officer of the underwriting association may be paid out of the moneys standing to the credit of the trust account or from any assets referred to in regulation 34 or from any amount due to the underwriting association in respect of any act performed by the principal officer of the underwriting association.

Changes in financial year

39. An association of underwriters shall notify the Regulatory Authority in writing of any proposed changes of its financial year prior to effecting such change.

PART X — *Miscellaneous provisions*

Overall assets

40. For purposes of sections 29 and 31 (3) (b) of the Act, an insurer shall determine the value of its assets, net liabilities and prescribed capital target on a daily basis as prescribed in the Administrative Rules.

<p>41. An insurer who seeks approval of a scheme for the transfer or amalgamation in terms of section 41 (2) of the Act shall make an application of its intention to transfer or amalgamate with another insurer at least 60 days before the proposed transfer or amalgamation date to the Regulatory Authority in Form 14 set out in Schedule 3.</p>	<p>Approval required for transfer or amalgamation</p>
<p>42. An insurer who seeks approval for transfer or amalgamation shall after approval of scheme for the transfer or amalgamation, make an application to the Regulatory Authority in Form 15 set out in Schedule 3.</p>	<p>Requirements for transfer or amalgamation</p>
<p>43. For the purposes of section 57 (3) of the Act, the insurer shall notify the general insurance policyholder in writing by electronic mail or registered mail to the last known postal or electronic mail address so as to reach the policyholder at least 15 days prior to the lapse of the policy and the insurer shall confirm delivery.</p>	<p>Failure to pay premiums for general insurance policy</p>
<p>44. (1) For the purposes of section 58 (3) of the Act, the insurer shall the long term insurance policyholder in policy writing by electronic mail or registered mail to the last known electronic mail address or postal address so as to reach the policyholder at least 15 days prior to the lapse of the policy and the insurer shall confirm delivery.</p>	<p>Failure to pay premiums for long term insurance notify</p>
<p>(2) For the purposes of section 58 (4) of the Act, the rate shall be the prevailing prime rate pro-rated monthly.</p>	
<p>(3) For the purposes of section 58 (6) of the Act, the insurer shall notify the long term policyholder in writing by electronic mail or registered mail to the last known electronic mail address or postal address so as to reach the policyholder at least 15 days prior to the lapse of the policy and the insurer shall confirm delivery.</p>	
<p>45. For the purposes of section 101 (3) of the Act, an insurance broker shall make an application to the Regulatory Authority in Form 16 set out in Schedule 3 and shall be accompanied by the documents referred to in the said Form prior to commencement of the policy cover.</p>	<p>Insurance to be held with Botswana insurers</p>
<p>46. For purposes of section 19 of the Act, an insurer shall apply to the Regulatory Authority for approval of valuator or approved person in Form 17 set out in Schedule 3.</p>	<p>Approval of valuator or approved person</p>
<p>47. (1) For the purposes of section 27 (6) (b) of the Act, a controller of an insurer, insurance broker or insurance agent shall not vary the percentage of shareholding by more than 5 per cent without the prior approval of the Regulatory Authority.</p>	<p>Limitation on control</p>
<p>(2) Notwithstanding subregulation (1), where the variation in the percentage of shareholding is less than 5 per cent but such variation would result in the controller becoming a majority shareholder, the controller shall not vary the shareholding without the prior approval of the Regulatory Authority.</p>	
<p>48. For purposes of section 37 of the Act, the insurer shall be deemed to have conducted an annual investigation as to their financial soundness if they complete and submit to the Regulatory Authority —</p> <p>(a) the financial condition report; and</p> <p>(b) annual returns and audited financial statement.</p>	<p>Annual investigation</p>
<p>49. (1) The Act shall not apply to any insurance fund created by the Government of Botswana as a special fund under the Public Finance Management Act or the Government of Botswana in respect of the collection and payment of insurance premiums governed by Part VIII of the Act.</p>	<p>Exemptions Cap. 54:01</p>

C.282

(2) Sections 85, 86, 87 and 89 of the Act shall apply to representatives not giving advice.

Copies of annual returns

50. Any person shall be entitled on payment of a fee set out in Schedule 4, to have a copy of an insurer or insurance broker or agent's annual returns kept in terms of these Regulations.

Revocation of S.I. No. 124 of 1992

51. The Insurance Industry Regulations are hereby revoked.

SCHEDULE 1
Assets of General Insurers
(regulation 7)

Kind of Asset	Description of Asset	Maximum Admissible Percentage of Net Liabilities and prescribed capital target
8.1 Cash	Cash on hand in a currency which is legal tender in Botswana	No limit
8.2 Credit Balances	Credit balance in a current or savings account with, or a deposit (including a negotiable deposit) accepted by, a banking institution or a building society or money market instruments in terms of which such banking institution or building society is liable, including the paid up shares of a building society or deposits in the Post Office Savings Bank	
	(a) Per banking institution	25%
	(b) Per building society	20%
	(c) Other permitted deposit taking institutions as defined under the Banking Act	20%
8.3 Government Bonds	Bills, bonds or securities to, guaranteed by or issued by the Government of Botswana or any statutory body or local authority in Botswana that is approved by the Regulatory Authority;	
	(a) Government of Botswana	No limit
	(b) Per local authority or regional council authorised by law to levy rates upon immovable property	20%
	(c) Government infrastructure bonds	20%
	(d) Development bank bonds	20%
	(e) Other bonds issued by a body corporate established by a law of Botswana and approved by the Regulatory Authority	20%

8.4 Corporate Bonds	Listed and unlisted bills, bonds or securities issued by a body corporate registered in Botswana (in aggregate) Provided that the investment in an individual institution shall be limited to	20% 5%
8.5 Foreign Bonds	Bills, bonds or securities issued by the government of or by a local authority in countries approved by the Regulatory Authority (in aggregate) Bonds or securities issued by institutions, in countries approved by the Regulatory Authority, other than the government or local authorities (in aggregate) Provided that the investment in an individual institution shall be limited to	20% 20% 5%
8.6 Property	Immovable property, units in unit trust schemes in property shares, and shares in, loans to and debentures, both convertible and non-convertible, or property companies Provided that the investment in a single property or property development project shall be limited to	10% 5%
8.7 Shares	Ordinary shares in companies and related parties (but excluding shares in property companies and investment subsidiaries), convertible debentures, whether voluntarily or compulsorily convertible (but excluding such debentures of property companies), and units in collective investment schemes (but excluding units in collective investment schemes in property shares) held in respect of a general insurance business Provided that (a) Shares and convertible debentures in a single company or related party listed on the Botswana Stock Exchange, or listed on an exchange approved by the Regulatory Authority:	30% 2.5%

	<p>(i) with a market capitalisation of P700 million or less shall be limited to</p> <p>(ii) with a market capitalisation of more than P700 million shall be limited to</p> <p>(b) Unlisted shares in Botswana companies shall be limited to; in aggregate</p> <p>Preference shares in companies and related parties (but excluding shares in property companies and investment subsidiaries) held in respect of a general insurance business shall be limited to Investment in preference shares issued by a single company</p> <p>Investment in preference shares issued by a single company</p>	<p>5%</p> <p>2.5%</p> <p>20%</p> <p>2.5%</p>
8.8 Related Parties	Loans to and non-convertible debentures of related parties	5%
8.9 Claims	<p>Claims secured by mortgage bonds on immovable property, debentures (listed and unlisted but excluding convertible debentures) or any other secured claims against natural persons. But excluding the following:</p> <p>(a) Loans or advances on the sole security of domestic policies under which an insurer is liable</p> <p>(b) Outstanding premiums (including premiums debited to insurance agents, insurance brokers or reinsurance brokers) in respect of domestic policies under which an insurer is liable</p> <p>(c) Loans to investment subsidiaries, related parties and loans to and debentures of property companies.</p> <p>Provided that</p> <p>(i) Claims against any one natural person shall be limited to</p> <p>(ii) Claims against any single company shall be limited to</p>	<p>25%</p> <p>0.25%</p> <p>5%</p>

8.10 Equipment	<p>Computer equipment, furniture and other office machinery and motor vehicles used by an insurer in the course of its business in Botswana, shall be limited to</p> <ul style="list-style-type: none"> (a) Computer equipment (b) Other equipment and motor vehicles 	<p>5%</p> <p>2.5%</p>
8.11. Other Assets	<p>Any other assets from the following list may be held, but in total shall be limited to</p> <ul style="list-style-type: none"> (a) Loans or advances on the sole security of domestic policies under which an insurer is liable (b) Outstanding premiums (including premiums debited to insurance agents, insurance brokers or reinsurance brokers) in respect of domestic policies under which an insurer is liable and which have been outstanding for less than 60 days since the date on which they became due and payable. (c) Any other secured claims against companies or other associations incorporated in Botswana or natural persons resident in Botswana (d) Other assets approved by the Regulatory Authority, subject to conditions determined by the Regulatory Authority. 	2.5%

SCHEDULE 2
Assets of Long Term Insurers
(regulation 8)

Kind of Asset	Description of Asset	Maximum Admissible Percentage of Net Liabilities and prescribed capital target
9.1 Cash	Cash on hand in a currency which is legal tender in Botswana	No limit
9.2 Credit Balances	<p>Credit balance in a current or savings account with, or a deposit (including a negotiable deposit) accepted by, a banking institution or a building society or money market instruments in terms of which such banking institution or building society is liable, including the paid up shares of a building society or deposits in the Post Office Savings Bank</p> <p>(a) Per banking institution</p> <p>(b) Per building society</p> <p>(c) Other permitted deposit taking institutions as defined under the Banking Act</p>	<p>No limit</p> <p>20%</p> <p>20%</p> <p>20%</p>
9.3 Government Bonds	<p>Bills, bonds or securities to, guaranteed by or issued by the Government of Botswana or any statutory body or local authority in Botswana that is approved by the Regulatory Authority;</p> <p>(a) Government securities</p> <p>(b) Local authorities or regional councils authorised by law to levy rates upon immovable property</p> <p>(c) Government infrastructure bonds</p> <p>(d) Development bank bonds</p> <p>(e) Other bonds issued by a body corporate established by a law of Botswana and approved by the Regulatory Authority</p>	<p>No limit</p> <p>20%</p> <p>20%</p> <p>20%</p> <p>20%</p>

9.4 Corporate Bonds	<p>Listed and unlisted bills, bonds or securities issued by a body corporate registered in Botswana (in aggregate)</p> <p style="text-align: center;">Provided that the investment in an individual institution shall be limited to</p>	<p>20%</p> <p>5%</p>
9.5 Foreign Bonds	<p>Bills, bonds or securities issued by the government of or by a local authority in countries approved by the Regulatory Authority (in aggregate)</p> <p>Bonds or securities issued by institutions, in countries approved by the Regulatory Authority, other than the government or local authorities (in aggregate)</p> <p style="text-align: center;">Provided that the investment in an individual institution shall be limited to</p>	<p>20%</p> <p>20%</p> <p>5%</p>
9.6 Property	<p>Immovable property, units in unit trust schemes in property shares, and shares in, loans to and debentures, both convertible and non-convertible, or property companies</p> <p style="text-align: center;">Provided that the investment in a single property or property development project shall be limited to</p>	<p>25%</p> <p>5%</p>
9.7 Shares	<p>Preference and ordinary shares in companies and related parties (but excluding shares in property companies and investment subsidiaries), convertible debentures, whether voluntarily or compulsorily convertible (but excluding such debentures of property companies), and units in collective investment schemes (but excluding units in collective investment schemes in property shares) held in respect of a general insurance business</p> <p style="text-align: center;">Provided that</p> <p>(a) Shares and convertible debentures in a single company or related party listed on the Botswana Stock Exchange, or listed on an exchange approved by the Regulatory Authority:</p>	<p>60%</p>

	<p>(i) with a market capitalisation of P700 million or less shall be limited to 10%</p> <p>(ii) with a market capitalisation of more than P700 million shall be limited to 15%</p> <p>(b) Unlisted shares in Botswana companies shall be limited to; in aggregate 5%</p>	
9.8 Related Parties	Loans to and non-convertible debentures of related parties	2.5%
9.9 Claims	<p>Claims secured by mortgage bonds on immovable property, debentures (listed and unlisted but excluding convertible debentures) or any other secured claims against natural persons. But excluding the following:</p> <p>(a) Loans or advances on the sole security of domestic policies under which an insurer is liable</p> <p>(b) Outstanding premiums (including premiums debited to insurance agents, insurance brokers or reinsurance brokers) in respect of domestic policies under which an insurer is liable</p> <p>(c) Loans to investment subsidiaries, related parties and loans to and debentures of property companies.</p> <p>Provided that</p> <p>(i) Claims against any one natural person shall be limited to 0.25%</p> <p>(ii) Claims against any single company shall be limited to 5%</p>	
9.10 Equipment	Computer equipment, furniture and other office machinery and motor vehicles used by an insurer in the course of its business in Botswana, shall be limited to	

C.290

	(a) Computer equipment	5%
	(b) Other equipment and motor vehicles	2.5%
9.11. Other Assets	<p>Any other assets from the following list may be held, but in total shall be limited to</p> <ul style="list-style-type: none"> (a) Loans or advances on the sole security of domestic policies under which an insurer is liable (b) Outstanding premiums (including premiums debited to insurance agents, insurance brokers or reinsurance brokers) in respect of domestic policies under which an insurer is liable and which have been outstanding for less than 60 days since the date on which they became due and payable. (c) Any other secured claims against companies or other associations incorporated in Botswana or natural persons resident in Botswana (d) Other assets approved by the Regulatory Authority, subject to conditions determined by the Regulatory Authority. 	2.5%

SCHEDULE 3
Form 1
Application for Licence to Operate as an Insurer
(regulation 10(1))

1. General Information

Business Name

1.1. State the full name of the public company, incorporated in Botswana, that is applying for a licence to operate as an insurer:

.....
.....

Previous Name(s):

.....

1.2. Date of registration under the Companies Act:

.....

1.3. Furnish the company registration number:

.....

1.4. State the proposed name of the applicant insurer, if the name is different from the name in 1.1 above:

.....
.....

Head Office

1.5. Provide details of the Head Office location:

Building.....

Road.....

Town.....

Country.....

Postal Address.....

.....
.....

Telephone.....

Fax.....

Email.....

Principal Place of Business

1.6.If different from Head Office, provide details of the insurer's principal place of business:

Building.....
Road.....
Town.....
Country.....
Postal Address.....
.....
Telephone.....
Fax.....
Email.....

Reliance on Other Parties

1.7.Provide the name of the persons who assisted in compiling this application (if applicable).

1.7.1 Consultant:
1.7.2 Auditor:.....
1.7.3 Actuary:.....
1.7.4 Insurance Manager:

[Please provide the contact details of these persons in Appendix A]

Contact Details

1.8. State the full forename(s) and surname of the person that is authorised to apply for licensing:

.....
.....

1.9. Provide details of the contact person(s) for further enquiries regarding this application:

Name.....
Qualification/ role.....
Postal Address

.....

Telephone.....
Fax.....
Email.....

2. Governance

Company Structure, Legal Form and Head Office

2.1. What type of insurer will the company be?

<input type="checkbox"/>	Long-term Insurer
<input type="checkbox"/>	General Insurer
<input type="checkbox"/>	Reinsurer

2.2. State the legal form of the applicant insurer:

.....

Controllers/ Key Persons

2.3. Have the directors, executive officers and principal officer been appointed?

Yes No

[If YES, complete Appendix B and Appendix C for each director, executive officers and principal officer and attach to this application]

2.4. Submit audited and complete personal balance sheets/financial statements for all directors, executive officers and principal officer as well as any other controller for the past 3 years. If the person is an individual, submit audited net worth statements reflecting the position on a date not later than three months prior to the date of this application.

2.5. Have the following officers been appointed:

Auditor	<input type="checkbox"/>	Yes	<input type="checkbox"/>	No
Valuator/Approved Person	<input type="checkbox"/>	Yes	<input type="checkbox"/>	No
Insurance Manager	<input type="checkbox"/>	Yes	<input type="checkbox"/>	No
Other (please specify)	<input type="checkbox"/>	Yes	<input type="checkbox"/>	No

[If YES, complete Appendix E for each service provider and attach to this application]

2.6. State the names(s) of the auditor(s) and the responsible partner(s) at the auditing firm appointed by the applicant insurer.
.....
.....
.....
.....

2.7. State the names(s) of the Valuator (long-term) or Approved Person (general) appointed by the applicant insurer:
.....
.....
.....
.....

[Submit the Application for Approved Person or Valuator (Form 17) with this application]

Foreign Regulation

This section on Foreign Regulation applies only to foreign owned insurers wishing to establish a subsidiary in Botswana.

2.8 State the name of the company's home supervisory authority:

.....
.....
.....

2.9. Indicate if any previous application by the applicant insurance company has been:

<input type="checkbox"/>
<input type="checkbox"/>
<input type="checkbox"/>

Refused

Revoked

Any requirements imposed as a condition to continue to carry on insurance business by any other supervisory or regulatory authority.

If so, please give particulars:

.....
.....
.....
.....
.....

2.9.1 Please submit a Statement of Agreement regarding the above from your domestic Supervisor.

2.10. Submit a reference letter from your domestic Supervisor.

2.11. Submit audited annual financial statements for the last 5 years.

3. Ownership and Control

Group Structure

3.1. State in regard to the ultimate parent/controller:

a. The date and place of incorporation:

.....
.....

b. Listing(s) on stock exchange(s):

.....
.....

c. Authorisation/registration/licences granted by other authorities:

.....
.....

- 3.2. Submit a structural chart of the group of companies to which the applicant insurer belongs. Include the respective percentages of shareholdings.

Control

- 3.3. Indicate who, directly or indirectly, will control the applicant insurer (including the ultimate beneficial owner)

.....
.....
.....

[Submit audited and complete financial statements and complete personal balance sheets of the owner for the past 3 years]

- 3.4. Indicate the source of funds used by the owner to purchase shares

<input type="checkbox"/>	Borrowing
<input type="checkbox"/>	Capital
<input type="checkbox"/>	Other

If other, please specify:

.....
.....

- 3.5. Complete Appendix D for each shareholder with more than 20% paid up shares and attach to this application.

4. Financial Soundness and Capital Requirements

- 4.1. Provide a business plan as required in Appendix G

- 4.2. Provide relevant details on sources of capital as required in Appendix H

5. Size and Type of Business

5.1. Which type of insurance does the company intend to sell (Schedule 1)?

a. Classes of General Insurance Business (Schedule 1 of the Act):

<input type="checkbox"/>	Accident Business
<input type="checkbox"/>	Engineering Business
<input type="checkbox"/>	Health Business
<input type="checkbox"/>	Property Business
<input type="checkbox"/>	Guarantee Business
<input type="checkbox"/>	Liability Business
<input type="checkbox"/>	Miscellaneous Business
<input type="checkbox"/>	Motor Business
<input type="checkbox"/>	Transportation Business

b. Classes of Long Term Insurance Business (Schedule 2 of the Act):

<input type="checkbox"/>	Disability Business
<input type="checkbox"/>	Health Business
<input type="checkbox"/>	Fund Business
<input type="checkbox"/>	Life Business
<input type="checkbox"/>	Sinking Fund Business

6. Administration Systems and Processes

6.1. Attach a brief overview of the administrative system to be used to secure the proper functioning of the applicant insurer.

6.2. Will the applicant insurer outsource administration?

Yes No

[Where administration is being outsourced applicants must complete Appendix E and Appendix F. Applicants must also submit a copy of the outsourcing agreement]

a. If, YES, is administration outsourced to an:

- | | |
|--------------------------|---|
| <input type="checkbox"/> | Independent service provider on <i>commercial terms</i> |
| <input type="checkbox"/> | Affiliate on the basis of <i>commercial terms</i> |
| <input type="checkbox"/> | Affiliate on the basis of <i>internal agreement</i> |

b. If, NO, Please indicate the party who developed your administration system

- | | |
|--------------------------|---|
| <input type="checkbox"/> | Developed in-house |
| <input type="checkbox"/> | Developed by third party customised to own specifications |
| <input type="checkbox"/> | Purchased an off- the-shelf system from a third party (other than a software vendor ¹) |
| <input type="checkbox"/> | Purchased an off-the-shelf system from a software vendor specialising software for the administration of insurers |
| <input type="checkbox"/> | Other, please specify
..... |

¹ A software vendor in this context is an organisation whose primary business is the development and supply of systems applications.

6.3. Attach disaster recovery system plan

6.4. Attach business continuity plan

6.5. Are your auditors satisfied as to your systems and controls?

Yes No

[Attach declaration from the auditors on systems and controls]

If, NO, please detail the issues identified by the auditors:

.....
.....
.....
.....

6.6. Please indicate the actions taken by management to address these issues:

.....
.....
.....
.....

7. Other

7.1. Is there any other information or documents relevant to this application? If yes, then kindly specify the information or documents.

8. Certification

I hereby enclose –

	Form	Completed (yes) or (no)	Number of forms completed
a.	Appendix A: Reliance on Other Parties		
b.	Appendix B: Particulars of Controllers/Key Persons		
c.	Appendix C: Questionnaire for Controllers/Key Persons		
d.	Appendix D: Particulars of the Shareholders		
e.	Appendix E: Particulars of Service Providers		
f.	Appendix F: Risk Management Strategy		
g.	Appendix G: Business Plan		
h.	Appendix H: Sources of Capital		
i.	Appendix I: AML/CFT Policy		
j.	Appendix J: General Insurer Financial Projections		
k.	Appendix K: Long term Insurer Financial Projections		
l.	Copy of the Certificate of Incorporation under the Companies Act		
m.	Audited Personal Balance Sheets/Statements for All Directors, Executive Officers and Principal Officer		
n.	Structural Chart of the Company Group		
o.	Letter Of Good Standing From Domestic Supervisor		
p.	Audited Annual Financial Statements For Established Foreign Insures Establishing Subsidiaries		
q.	Product Sign-Off Documents and Policy Documents (Not Applicable to International Insurers)		
r.	Overview of Administration System, Controls and Reporting Capabilities of the Administrator		
s.	Disaster Recovery Plan		
t.	Business Continuity Plan		
u.	Declaration from the Auditors that the Systems and Controls Have Been Investigated and Have Been Found to be Appropriate for an Administrator (or a Qualified Declaration that Identifies the Issues that the Administrator Must Address).		

I hereby declare that the Insurance Industry Act (Cap 46:01) and Non-Bank Financial Institutions Regulatory Authority Act (Cap 46:08) have been complied with and the statements contained herein and the 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 30 days from the date of the alteration.

Signed on this day of20.....

Signature of Applicant

Full Name:

Designation:

Signature of Proposed Principal Officer

Full Name:

I hereby submit proof of payment in respect of application for the licensing of an insurer.

Amount paid :

Cheque No.:

Date Paid:

Paid By: (Full Names)

Signature:

Designation :

OFFICIAL DATE STAMP

APPENDIX A: Reliance on Other Parties

A.1 Provide the contact details of parties assisting with the application.
[to be completed by every party assisting with the application]

Name:

.....

Role:

.....

Qualification:

.....

Postal Address:

.....

.....

Telephone:.....

Fax:

Email:

APPENDIX B: Particulars of Controllers/Key Persons

Name of Insurer:

Full Name	Nationality	Role	Occupation	Date of Appointment	Permanent Address	% Shareholding (where applicable)

Note: "manager" means as defined in the Insurance Industry Act
 "senior executive officer" includes but not limited to Chief Executive Officer, Chief Operating Officer and Chief Information Officer

[Please note that evidence of professional and academic qualifications must be enclosed with this questionnaire and attached to this application]

C4. Prior experience in this or a similar role:

Period	Name of company	Nature of experience gained that you believe is relevant to your appointment as a controller

[Please note that a detailed curriculum vitae should be enclosed with the questionnaire and attached to this application]

C5. Has any previous appointment as a director, senior executive officer, manager or principal officer of an insurance company been terminated for a reason other than resignation or retrenchment?

Yes No

If YES, please provide the following details about the employer:

Name:

Address:
.....
.....
.....

Email address:

Telephone number:

Position from which you were discharged:
.....
.....
.....

Date of action:

Reason for termination:.....
.....
.....

C6. Have you ever been convicted of fraud or dishonesty where the sentence has required a period of imprisonment or payment of a fine as an alternative to such imprisonment?

Yes No

If YES, please give details:

.....
.....
.....

C7. Have you ever been declared bankrupt?

Yes No

If YES, please give details:

.....
.....
.....

C8. Have you ever previously been a director, senior executive officer, manager or principal officer in the financial sector, where the institution has had to be deregistered/liquidated as a result of any failure on the part of the management, or where the regulator/supervisor has appointed a curator/statutory manager?

Yes No

If so, please give details:

.....
.....
.....

C9. Are you disqualified from holding office as director, senior executive officer, manager or principal officer by any law?

Yes No

If YES, please give details:

.....
.....
.....

C10. Do you own shares in the insurer or have any actual or perceived business relationship with the insurer, other than your appointment as director, senior executive officer, manager or principal officer?

Yes

No

If YES, please give details:

.....
.....
.....

I certify that the above information is, to the best of my knowledge, correct and complete and that I am not physically or mentally incapable of performing the duties expected of me.

Signed:

.....
Name in block letters

APPENDIX E: Particulars of Service Providers

Name of Insurer:

	Name of entity	Income Tax T.I.N Number	Contact details	Professional body to which Partner/ Company are members	Date of appointment
Auditor			Address: Tel: Email:		
Valuator/ Approved Person			Address: Tel: Email:		
Insurance Manager			Address: Tel: Email:		
Other			Address: Tel: Email:		

APPENDIX F: Risk Management Strategy

Provide a Risk Management Strategy including at least the following information:

- F.1** An outline of the major risks faced by the insurer, the likelihood and the potential consequences of these risks.
- F.2** A description of the use of internal reporting and audit mechanisms to manage the risks of the insurer.
- F.3** An indication of how each of the following will be implemented in the insurer and include a description of how they will be used to control the risks of the insurer.
 - a.** Organisational charts
 - b.** Risk management policies
 - c.** Procedure manuals
 - d.** Audit reports
- F.4** A description of the underwriting policy of the applicant insurer.
- F.5** A description of the basis and methodology to be used in determining the premium rates for each kind of policy to be issued.
- F.6** An outline of the insurer's approach to asset and liability management. Include details of the following:
 - a.** Investment objectives and how these will be met
 - b.** How liquidity needs will be met
 - c.** Benchmarks and performance measurement, including the frequency of measurement
- F.7** A list of the insurer's main types of credit risk. Explain how each of these risks will be dealt with.
- F.8** Define the operational risks that the insurer will face.
- F.9** Explain how will the insurer manage and monitor its operational risk.
- F.10** A brief summary of the reinsurance arrangements in respect of each kind of insurance policy to be issued. Include the following details of reinsurance:
 - a.** The insurer's maximum retention per risk or event after all reinsurance ceded
 - b.** The limit of reinsurance
 - c.** The name(s) of the principal reinsurer(s)
 - d.** The respective percentages underwritten by each re-insurer under each treaty
 - e.** Attach a letter(s) by the reinsurer(s) confirming the reinsurance programme(s) or intentions to reinsure

APPENDIX G: Business Plan

- G.1 The Business plan should outline the objectives of the proposed operations. Also, provide reasons why the applicant insurer is of the opinion that the license application, if approved, will be in the public interest.
- G.2 The Plan should be able to demonstrate that the insurer will maintain reasonable capital to back their operation.
- G.3 The business plan should contain the following sections:
- a. Financial projections
 - b. Minimum solvency margin calculation projections
 - c. Product type and classes of business
 - d. Reinsurance programme
 - e. Investment policy
 - f. Dividend policy
 - g. Distribution
 - h. Marketing plan
 - i. Fees/Commissions
 - j. Banking arrangements
- G.4 **Financial Projections:** *The Business Plan* should show the initial set up costs (if a new operation) and then for each of the next 5 years (Please complete Appendix J or K whichever is applicable)
- a. Initial capital (at least 6 months' gross fee income)
 - b. Assumptions used
 - c. Projected business acquired (or business already acquired) in terms of numbers of policies sold
 - d. Projected premium income, benefits paid and expenses
 - e. Projected revenue accounts and profit and loss accounts
 - f. Projected assets, technical provisions, surplus assets and required solvency margin
 - g. Projected balance sheets

C.312

G.5 The Business Plan should contain a forecast of financial results for the first five years of the insurance company's operations. Projections should take the form of income statement projections and balance sheet projects. A description of the main assumptions used is required and must address:

- a. Assumptions around all liabilities
- b. Technical provisioning
- c. Valuation of investments
- d. Number of policies per year
- e. Average premium of policies per year
- f. Average claims costs for claims paid
- g. Commission rates paid
- h. Average return on investment
- i. Total expenses
- j. Reinsurance

Give a description of the applicant insurer's claims reserving policy, including arrangements for setting up reserves, frequency of reviews, and measures and methodologies used to ensure their adequacy.

Include scenario and sensitivity tests that indicate the position under adverse conditions.

Give a description of the applicant insurer's dividend policy.

G.6 **Prescribed Capital Target calculation projections:** A realistic calculation of the applicant insurer's prescribed capital target for each of the first five years.

G.7 **Investment Policy:** Submit the investment policy.

G.8 **Product type and classes of business:** Give a detailed description of each of the kinds of policies/products for each of the classes of insurance business to be underwritten.

G.9 **Product sign-off (if applicable):** Submit the product sign-off by the actuary and the supporting documentation in used by the actuary in assessing the product and underwriting processes.

G.10 **Reinsurance Programme:** A discussion of the proposed insurance company's reinsurance programme addressing such issues as:

- a. The net retention levels proposed
- b. Details about the reinsurance company partner
- c. Type of reinsurance programme proposed (e.g. excess loss, pro-rata)

- G.11 Distribution (if applicable):** Proposed method of distribution for each of the kinds of policies/products for each of the classes of insurance business to be underwritten.
- G.12 Marketing plan (if applicable):** Submit any market feasibility study. Describe the market(s) segment in which the policies/products will be marketed paying attention to income levels, gender, age, occupation etc. Describe the sources of business and marketing strategy (e.g. direct from public, through insurance intermediaries or in-house from group of companies) and indicate the approximate percentage from each source.
- G.13 Fees/Commission (if applicable):** Provide information with respect to fees/commissions that the insurance company is planning to pay to insurance intermediaries. The applicant insurer should also discuss the issue of consumer protection and explain how it would ensure intermediaries deal fairly with clients.

APPENDIX H: Sources of Capital

H.1 Provide the following information relating to share capital:

Source of Capital¹	Local/ foreign	Number of shares (if applicable)	Nominal value BWP(Million)	Share premium BWP(Million)	Amount obtained through issue BWP(Million)
Total					

¹ Include whether share capital is paid up

Form 2
Licence to Operate as an Insurer
(regulation 10(2))



Licence No: XXXX Billing No: XXXX/IN

REPUBLIC OF BOTSWANA

INSURANCE INDUSTRY ACT
(Cap 46:01)

LICENCE TO OPERATE AS AN INSURER/REINSURER

I hereby certify that has been duly licensed by Non-Bank Financial Institutions Regulatory Authority to carry out General Insurance/Long Term Insurance/Reinsurance in the Republic of Botswana.

This licence is not transferable and remains the property of the Non-Bank Financial Institutions Regulatory Authority.

VALID UP TO:20.....

Dated..... 20.....in Gaborone.

CHIEF EXECUTIVE OFFICER

3rd Floor exponential Building Plot 54351, CBD

Form 3



Application for Renewal of Insurer Licence
(Regulation 11(1))

Date:

The Chief Executive Officer
Non-Bank Financial Institutions Regulatory Authority
Private Bag 00314
Gaborone
Botswana

Dear Sir/Madam

INSURANCE INDUSTRY ACT
(Cap 46:01)

- 1. I/We apply for renewal of licence of
.....
(Full name of Insurer)
- 2. The physical address of the licensed office of the company is
.....
.....
- 3. The addresses of the head office of the company are:-
 - (a) Physical address
.....
 - (b) Mailing address
.....
- 4. The Principal Officer's name and title are:
.....
.....(1)
- 5. The amount of paid-up capital (excluding debentures, preference shares, non-voting shares
and paid-up capital subscribed directly or indirectly in itself) of the company is
..... (2)

Documents to be attached to this application

1. Chart showing the organisational structure of the company, with names accompanying all senior management positions.
2. Certification from the company's auditors to substantiate the amount of paid-up capital.
3. Statement showing all reinsurance arrangements currently in place detailing;
 - a. Names of reinsurers and their credit ratings;
 - b. Reinsurance treaty limits which the insurer can underwrite under each of the classes of insurance business transacted;
 - c. Validity period of such arrangements.
4. List of all persons with whom agency agreements were active during the year (ending with the expiry date of licence being renewed), including any cancellations/suspensions and the reasons for such cancellations/suspensions.
5. Proof of payment/settlement of all outstanding supervisory levies.
6. Copy of previous licence.

I/We enclose proof of payment of the licence renewal fee.

Yours faithfully,

COMPANY SEAL

.....
Authorised Name & Signature

Form 4
Application for Licence to operate as an Insurance Broker/Insurance Agent
(regulation 14(1))

SECTION 1: Business information of insurance Broker/Agent

Name of Insurance Broker/Agent

Company no.

Instructions:

All intermediaries must complete SECTION 1 which relates to the business information of the applicant.

All fields must be completed unless the form explicitly states "*if applicable*".

Explanatory notes: (the number next to the note refers to the relevant field that must be completed.)

- 1.1 – 1.2 Provide the full name of the natural person or company (legal person), and where applicable, the trading name of the business must be provided. If the trading name is the same as the natural person or legal person's name, provide the natural person or legal person's name in 1.2.
- 1.3 The relevant licence status sought must be indicated and the required information provided. If the applicant is a joint stock company or limited liability company SECTION 3 must be completed in respect of every director, principal shareholder, senior manager, administrator of the insurance intermediary. The term *key individual* is used to refer to a controller as defined in the Act.
- 1.4 The following must be considered when selecting intermediary services and products:
- a. The applicant in the case of a natural person must demonstrate that he/ she possesses the appropriate knowledge / ability, meets the professional standards set by the Regulatory Authority and has the required qualifications applicable to the insurance intermediary services and products in respect of which licensing is sought.
 - b. The applicant in the case of a legal person must have at least three (3) key individuals that meet the same experience, professional standards and qualifications as would apply to a sole proprietor (natural person) in respect of any one or more intermediary services and products in respect of which licensing is sought.
- 1.5 All contact details of the insurance business intermediary must be provided. These details will be used in all correspondence with the applicant both during the licensing and registration process and after the licence has been granted. Applicants are

required to update their details should they change after the application has been lodged.

- 1.6 Details of the person responsible for liaising with the Regulatory Authority must be provided. All correspondence from the Regulatory Authority will be sent to this person.
- 1.7 The financial year end of the insurance business intermediary must be provided.
- 1.8 The business bank details used for the activities of the insurance business intermediary must be provided. Should the applicant receive or hold money or premiums on behalf of a client in the course of rendering insurance services, the applicant is required to complete the declaration concerning the establishment of a segregated client account (**APPENDIX B**).
- 1.9 Details of the person responsible for the payment of fees and levies on behalf of the insurance intermediary must be provided, even if the person is the same as the contact person.
- 1.10 Details of the person responsible for ensuring that the insurance intermediary complies with all the operational regulations governing it, even if the person is the same as the contact person.
- 1.11 Foreign regulation – if the entity is subject to regulation imposed by a regulator other than the Regulatory Authority, please provide the regulator's details.
- 1.12 Ability to manage and oversee representatives rendering intermediary services
- 1.13 Please provide the name and contact details of the persons who assisted you in compiling this application.
- 1.14 A full business plan must accompany this application. Please use the template in Section 6, Part B and attach the supporting documents required.
- 1.15 Please attach the documentation set out in 1.15.

C.320

1.1 Name

.....
.....

1.2 Trading name

.....
.....

1.3. Licence status sought by the applicant:

Agent
Broker

1.4 Intermediary services and products applying for:

Product	A. Agent	B. Broker
Life insurance		
Participating/ with-profit business		
Investments		
General personal lines		
General commercial lines		
Health		
Fund business		

1.5 Contact details

Physical address:
.....
.....

[Please attach the lease agreement with the property owner which verifies the address where the applicant will conduct its business.]

Postal address:
.....
.....

Telephone number:

Fax number:

Website address:
(if applicable)

1.6 Contact person

Title:

Initials:
Surname:
Mobile number:
Telephone number:
E-mail address:

1.7 Financial year end:

1.8 Bank account details (business)

Bank:
Branch Name & code:
Account no.:

1.8.1 Does the applicant receive or hold money or premiums on behalf of a client in the course of rendering insurance intermediary services?

<input type="checkbox"/>	Yes	<input type="checkbox"/>	No
--------------------------	-----	--------------------------	----

If yes, please complete the *Declaration concerning the establishment of a segregated client (trust) account (APPENDIX B)* and submit this together with your application.

1.9 Person responsible for payment of fees

Title:
Initials:
Surname:
Mobile number:
Telephone number:
E-mail address:

1.10 AML/CFT Compliance officer

Title:

Initials:

Surname:

Mobile number:

Telephone number:

E-mail address:

1.11 Are you subject to regulation in a foreign country as an insurance intermediary?

<input type="checkbox"/>	Yes	<input type="checkbox"/>	No
--------------------------	-----	--------------------------	----

If yes, which jurisdiction(s)?

.....
.....

Name the foreign regulator(s)

.....

1.12 Operational ability

Are you able to maintain the operational ability to manage and oversee your representatives (where applicable) rendering insurance intermediary services on behalf of the licensee?

<input type="checkbox"/>	Yes	<input type="checkbox"/>	No
--------------------------	-----	--------------------------	----

1.13 Reliance on other parties

Please provide the name and contact details of the person(s) who assisted you in compiling this application, *if applicable*.

Consultant

Title:

Initials:

Surname:

Mobile number:

Telephone number:

E-mail address:

Auditor

Title:

Initials:

Surname:

Audit Firm:

Mobile number:

Telephone number:

E-mail address:

1.14 Business plan and supporting documents

Please be advised that the Regulatory Authority shall grant a licence to an insurance Broker/Agent only if it is satisfied that the business plan of the insurance Broker/Agent is based on sound analysis under reasonable assumptions.

Please provide a business plan for the next 3 years by using the format prescribed in Section 6, Part B.

1.15 Supporting documents to be attached

The following documentation must be attached:

- Certificate of Incorporation
 - Notice of issue of shares
 - Consent and Certificate of Director (s)
 - Share certificates
-

SECTION 2: Shareholders

Name of Insurance Broker/Agent

Company no.

Instructions:

SECTION 2 must be completed by the shareholders.

Explanatory notes:

PLEASE NOTE:
A SEPARATE SECTION 2 MUST BE COMPLETED IN RESPECT OF EACH PERSON

- A. Indicate the shareholding of the person relating to the intermediary concerned.
- B. Indicate in the space provided with a [✓] whether the person referred to in A is a natural person or legal person.
- C. If the person is a **natural person** complete **Part C**.
- D. If the person is a **legal person** complete **Part D**. The contact person of the legal person is the natural person that the Regulatory Authority can contact if required.
- E. Both **natural** and **legal** persons must complete **Part E**.

PART A. Please provide the relevant information of the person completing the form as applicable:

Percentage of shareholding:

Date on which this level of shareholding was obtained: DD-MM-YY

PART B. Type of person:

Natural person
Legal person

PART C. Information required from a natural person

Title:

Initials:

First name:

Surname:

Previous surnames:

Date of birth:

Identity number: (Citizens).....

Or

Passport number: (Non-Citizens)

PART D. Information required from a legal person

Name:

Registration no.:

Country of registration:

Contact person:

Contact person's telephone number:

PART E. Information required from both natural and legal persons

Physical address:
.....
.....

Postal address:
.....
.....

Telephone number:

Fax number:

Mobile number:

E-mail address:

SECTION 3: Key Individuals

Name of Insurance Broker/Agent

Company no.

Instructions:

This form is to be completed by any key individual of an applicant (Directors, Senior Managers², Middle Managers and Principal Officers) of insurance broker/agent.

Key individuals are responsible for managing or overseeing the activities of the insurance Broker/Agent and comply with NBFIRA fit and proper requirements.

Explanatory notes:

**PLEASE NOTE:
THE INFORMATION BELOW MUST BE COMPLETED IN RESPECT OF
EACH PERSON**

- A. Provide the natural person and key individual's details.
- B. Provide the relevant contact details of the natural person and the key individuals.
- C. Select the description that best describes the person's role.
- D. Questions 1-11 must all be answered. Please provide supporting documentation where required.
- E. Key individuals must comply with the fit and proper requirements set forth by the Regulatory Authority. Certified copies of academic qualifications must be submitted with this application form together with certified copies of membership certificates of professional bodies.
- F. Provide details of the employment history of the individual. A detailed curriculum vitae of the key individual must be attached. The curriculum vitae must include sufficient details to enable the Regulatory Authority to ascertain that the person complies with the required experience requirements.
- G. Provide evidence of the experience obtained by the individual in the management or oversight of the activities of a business and provide three professional references.

Note: "Senior manager" includes but not limited to the Chief Executive Officer, Chief Operating Officer and Chief Information Officer

- H.** It is a mandatory requirement for insurance Broker/Agent to hold professional indemnity insurance covering or some other comparable guarantee against liability arising from professional negligence. Complete H1 or H2 as applicable and attach documentary proof.
- I.** If the key individual will be rendering insurance intermediary services as a representative, SECTION 4 need not be completed.
- J.** This indemnity statement must be completed and signed by all key individuals.

PART A. Details of Key Individual/ natural person

Title:

Initials:

First Name:

Surname:

Date of Birth:

Identity number: (Citizen).....

Or

Passport number: (Non-Citizen)

Date of appointment to current position:



PART B. Contact details

Physical address:

Postal address:

Telephone number:

Fax number:

Mobile number:.....

E-mail address:

PART C. Role of Key Individual in the organisation

<input type="checkbox"/>	Director
<input type="checkbox"/>	Non-executive director
<input type="checkbox"/>	Chief Executive Officer
<input type="checkbox"/>	Chief Operating Officer
<input type="checkbox"/>	Chief Information Officer
<input type="checkbox"/>	Senior Manager
<input type="checkbox"/>	Middle Manager
<input type="checkbox"/>	Member of the audit committee
<input type="checkbox"/>	Principal Officer
<input type="checkbox"/>	Other (if other, please specify).....

PART D. Fit and Proper requirements – honesty and integrity questions

Note: if the answer to any of the questions is YES, provide full details and substantiate with supporting documentation.

1. Has any previous appointment as a director, senior manager or middle manager of any business or enterprise been terminated for a reason other than resignation or retrenchment?

Yes No

If YES, please give details:

.....
.....

2. Have you ever been sentenced for fraud or dishonesty where the sentence has required a period of imprisonment or payment of a fine as an alternative to such imprisonment?

Yes No

If YES, please give details:

.....
.....

[Please attach current extract from criminal/police records and a written declaration of any pending criminal and administrative proceedings.]

3. Have you ever been declared insolvent by any authoritative court in Botswana or elsewhere?

Yes No

If YES, please give details:

.....
.....
.....

[Please attach an official written declaration on freedom from execution proceedings and bankruptcy]

4. If your answer to 3 above is YES, have you been rehabilitated under the Insolvency Act of Botswana or any other applicable law outside Botswana?

Yes No

[If YES, please give details and attach your statement/certificate of rehabilitation.]

.....
.....

5. Are you disqualified from holding office as a director, senior manager or middle manager by any law?

Yes No

If YES, please give details:

.....
.....

6. Have you been refused the right to carry on or been restricted from carrying on a trade, business or profession for which a specific licence, registration or other authority is required by law in any country?

Yes No

If YES, please give details:

.....
.....

7. Have you been issued with a prohibition order under any regulation or rule administered by the Regulatory Authority or been prohibited by any other regulatory bodies from operating in the financial services industry?

Yes No

If YES, please give details:

.....
.....
.....

8. Have you been involved with an entity which has been censured, disciplined and/or suspended by any regulatory authority?

Yes No

If YES, please give details:

.....
.....
.....

9. Have you knowingly or negligently aided or abetted other persons in the breaching of any laws, regulations and or codes of conduct?

Yes No

If YES, please give details:

.....
.....
.....

10. Have you ever been a controlling shareholder and/or director of a company at the time it was placed under statutory management/ curatorship or in provisional or final liquidation?

Yes No

If YES, please give details:

.....
.....

11. Do you have any additional information, which should be brought to the attention of the Regulatory Authority, which may have an impact on the evaluation by the Regulatory Authority of your good character and integrity?

Yes No

If YES, please give details:

.....

PART E. Qualifications

E1. Academic and professional qualifications:

Qualification	Granting Institution	Date granted

[Please note that certified copies of academic qualifications must be submitted with this application form.]

E2. Membership of professional bodies:

Membership of a professional body	Name of institution/ professional body	Date granted

[Please note that certified copies of membership certificates must be submitted with this application form.]

PART F. Employment history

Period (DD-MM-YY)	Employer	Position held	Details of responsibilities

[Please provide a detailed curriculum vitae of the experience of key individual. The curriculum vitae must include sufficient details to enable the Regulatory Authority to ascertain that the person complies with the required experience requirements]

PART G. Evidence of experience obtained in the management or oversight of the activities of a business

G1. Indicate the type and months of experience obtained.

Management/ Oversight	Length of experience

G2. References

Names of persons providing references	Company employed

[Please submit three professional references. These references must specifically refer to the key individual's employment history and the experience that he/ she has obtained with specific reference to the management and oversight of a business or part thereof.]

PART H. Professional indemnity insurance

Please note that it is a mandatory requirement to hold professional indemnity insurance cover or some other comparable guarantee against liability arising from professional negligence, unless such insurance or comparable guarantee is already provided by the insurance undertaking on whose behalf the insurance intermediary is acting or for which the insurance intermediary is empowered to act or such undertaking has taken on full responsibility for intermediary's actions.

Please complete either H1 or H2 below as appropriate.

H1. Applicant holds professional indemnity insurance

Indicate what professional indemnity insurance you maintain.

Insert Excess amount	Per Claim Cover	Aggregate Cover p.a.

Effective date of professional indemnity insurance:

Expiry Date of professional indemnity insurance:

Name of insurance company:

Number of the Policy that includes your professional indemnity insurance:
.....

[Please provide written evidence/certificate from the relevant Insurance, Undertaking certifying your professional indemnity cover]

OR

H2. Applicant does not hold professional indemnity insurance

Please provide full details of how you meet the requirements of holding professional indemnity insurance.

PART I. Will the key individual be rendering insurance intermediary services as a representative?

Yes No

If YES, 11 and Section 4 must also be completed.

11. Subcategories appointed to render insurance, pension fund or health business mediation
[In Column D below, indicate whether the representative renders intermediary services under supervision]

Product	A. Representative	B. Services under Supervision
Life insurance		
Participating/ with-profit business		
Investments		
General personal lines		
General commercial lines		
Health		
Fund business		

I, _____ (name of key individual) declare that the information provided in this form is correct.

Signature

Date

PART J. Indemnity from

I, _____ (insert full name of key individual), with the passport or identity document number _____ hereby authorise the Non-Bank Financial Institutions Regulatory Authority of Botswana (NBFIRA) to request or confirm any personal details that I have provided in support of my application to any personal data holders including but not limited to the the industry bodies and associations, employers, educational and training institutions, credit bureau, police services, security agencies and applicable fraud prevention units for the purpose of verifying my personal credentials and records.

I authorise the personal data holders to furnish information regarding my credentials, whether claimed or not, to the Regulatory Authority. I indemnify the Regulatory Authority and the personal data holders against any liability that may result from furnishing information in this regard.

Signature

Date

SECTION 4: Representatives

Name of Insurance Broker/Agent

Company no.

Instructions:

SECTION 4 must be completed in respect of all representatives (if they have not filled in SECTION 3):

Explanatory note:

Any persons or employees (including persons appointed as key individuals) who render insurance intermediary services must be appointed as representatives of the insurance Broker/Agent

PART A. Details of representative

Title:

Initials:

First Name:

Surname:

Previous surnames:

Date of Birth:

Previous surnames:

Date of appointment:

Physical address:

.....

.....

Postal address:

.....

.....

Date of appointment:



PART B. Subcategories appointed to render insurance intermediary services

[In Column B below, indicate whether the representative renders insurance intermediary services under supervision]

Product	A. Representative	B. Services under Supervision
Life insurance		
Participating/ with-profit business		
Investments		
General personal lines		
General commercial lines		
Health		
Fund business		

PART C. Relevant Qualifications

Qualification	Granting Institution	Date granted

[Please note that certified copies of academic qualifications must be submitted with this application form.]

PART D. Membership of professional bodies

Membership of a professional body	Name of institution/ professional body	Date granted

[Please note that certified copies membership certificates must be submitted with this application form.]

PART E. Employment history

Period (DD-MM-YY)	Employer	Position held	Details of responsibilities

[Please provide a detailed curriculum vitae of the experience of the key individual. The curriculum vitae must include sufficient details to enable the Regulatory Authority to ascertain that the person complies with the required experience requirements]

PART F. Have you ever been insolvent or involved in fraud?

Yes

No

PART G. Have you ever been prohibited from being representative in Botswana?

Yes

No

If YES, please give details:

.....
.....

PART H. Have you ever, knowingly or negligently, aided or abetted other persons in the breaching of any laws, regulations and or codes of conduct?

Yes

No

If YES, please give details:

.....
.....

SECTION 5: Operational ability

Name of Insurance Broker/Agent

Company No.

Instructions:

All insurance intermediaries must complete questions 1 – 9.

1. Do you have adequate access to communications facilities including at least a full time telephone or mobile phone service?

Yes No

2. Do you have adequate storage and filing systems for the safekeeping of records, correspondence and business communications?

Yes No

3. Do you have a business account with a registered bank including, where required, a segregated bank (trust) account for depositing clients' money?

Yes No

4. Do you document processes to ensure that records are kept of training programmes attended by your key individuals and or representatives?

Yes No

5. Do you have a documented process for the supervision and monitoring of your representatives to ensure that they comply with the Non-Bank Financial Institutions Regulatory Authority Act, Insurance Industry Act, Financial Intelligence Act, Insurance Industry Regulations and NBFIRA Administrative Rules?

Yes No

6. Do you use a documented process to ensure that all your representatives are well trained, competent and will provide insurance intermediary services on your behalf efficiently, honestly and fairly?

7. Will any substantial activities of the intermediary be outsourced?

Yes No

[If yes, answer question 8 below]

8. Outsourcing

8.1 Do you have written service level agreements in place that comply with the fit and proper requirements applicable to financial service providers?

Yes No

8.2 Do you have a process in place to ensure that the providers selected for any outsourced functions are suitable?

Yes No

If YES, please give details:

.....
.....
.....

8.3 What functions will be outsourced?

.....
.....

8.4 What is the name of the natural or legal person to whom you intend outsourcing?

.....

9. Do you have internal control structures, procedures and controls in place which include the following:

9.1 Segregation of duties and roles and responsibilities where such segregation is appropriate from an operational risk perspective?

C.340

Yes No

9.2 Application of logical access security?

Yes No

9.3 Access rights and data security on electronic data, where applicable?

Yes No

9.4 Physical security of the providers assets and records, where applicable?

Yes No

9.5 Documentation relating to business processes, policies and controls, and technical requirements?

Yes No

9.6 System application testing, where applicable?

Yes No

9.7 Disaster recovery and back-up procedures on electronic data, where applicable?

Yes No

[Attach disaster recovery plan]

9.8 Training of all employees regarding the requirements of the Non-Bank Financial Institutions Regulatory Authority Act, Insurance Industry Act, Financial Intelligence Act, Insurance Industry Regulations, NBFIRA Administrative Rules?

Yes No

9.9 Training of all key individuals and representatives on the rendering of intermediary services?

Yes No

9.10 A business continuity plan?

Yes

No

[Attach business continuity plan]

9.11 Are your auditors satisfied as to your systems and controls?

Yes

No

[Attach declaration from the auditors on systems and controls]

If, NO, please detail the issues identified by the auditors:

.....

.....

.....

9.12 Please indicate the actions taken by management to address these issues:

.....

.....

.....

SECTION 6: Financial soundness and capital requirements

Name of Insurance Broker/Agent

Company No.

Explanatory notes:

A.	Please provide a detailed breakdown of your assets and liabilities. You are required to attach your latest financial statements. In the case of entities which have been involved in any business for less than a year, where the entity has not traded, projected financial statements for a three year are required. Confirmation from an auditor or accountant, whichever is applicable, is required.
----	--

PART A. Financial information

Is this your first year in business?

Yes

No

Date of latest available financial statements (DD-MM-YY)	
Assets and liabilities	P
Fixed assets	
Current assets	
Intangible assets and goodwill	
Long-term liabilities	
Short-term liabilities	
Sub-ordinated loan agreements	
<i>Assets excluding intangible assets and goodwill less liabilities excluding subordinate loan agreements</i>	

PART B. Business plan (to be completed by all applicants)

- B1. Outline the objectives of the proposed operations. Also, give reasons why the applicant is of the opinion that the licensing, if approved, will be in the public's best interest.
- B2. Three year financial projections:
- a. Initial capital
 - b. Initial set up costs (if a new operation)

- c. Assumptions used
- d. Projected business acquired (or business already acquired)
- e. Projected commission income
- f. Projected revenue accounts
- g. Projected profit and loss accounts
- h. Projected cashflow statements
- i. Projected balance sheets

SECTION 7: External auditor

Name of Insurance Broker/Agent

Company no.

Explanatory notes:

- A. The external auditor firm's details must be provided. If the audit firm has more than one area of operation, please indicate the office that will be responsible for the intermediary's audit. If the intermediary changes auditors, it must notify the Regulatory Authority of this change.
- B. Provide details of the partner responsible for the intermediary's audit.
- C. Provide date of appointment of the audit firm.
- D. Confirmation letter from the audit partner.

PART A. Audit firm detail

Firm's name:

Practice number:

Physical address:
.....

Postal address:
.....

Telephone number:

Fax number:

Responsible office:

PART B. Responsible partner detail

Title:

Initials:

Surname:

Mobile number:

Telephone number:

E-mail address:

Branch or office:

PART C. Date of appointment of external audit firm

PART D. The Auditor must provide confirmation in a separate letter signed by the audit partner that he/she has accepted the appointment and must confirm that:

1. The auditing firm and responsible audit partner are organisationally independent from the intermediary and therefore able to maintain an objective frame of mind throughout the undertaking of his/ her duties;
2. The auditing firm confirms that the auditing approach used is in line with internationally accepted practice;
3. The auditing partner is qualified to act as an auditor as defined by regulation and;
4. The auditing partner has sufficient knowledge of the insurance, pension fund or health business industry.

[Please attach the letter signed by the audit partner and a written agreement between the applicant and the audit firm.]

SECTION 8: Completion & attachment checklist

Name of Insurance Broker/Agent

Company no.

PART A. Attached forms and appendices

Please confirm that the following forms and appendices have been completed and the number of forms completed.

Section number	Complete [yes] or [no]	Number of forms completed
SECTION 1		
SECTION 2		
SECTION 3		
SECTION 4		
SECTION 5		
SECTION 6		
SECTION 7		
SECTION 8		
Appendix A		
Appendix B		
Appendix C		
Appendix D		

PART B. Supporting documents

Clearly number and indicate any supporting documents which have been included with your application in the table below.

Please ensure, at a minimum, that the documents listed in Appendix A have been attached.

Document No.	Required supporting document	YES	NO
Document 1			
Document 2			
Document 3			
Document 4			
Document 5			
Document 6			
Document 7			
Document 8			
Document 9			
Document 10			
Document 11			
Document 12			
Document 13			
Document 14			
Document 15			
Document 16			
Document 17			
Document 18			
Document 19			
Document 20			
Document 21			
Document 22			

Declaration by insurance, pension fund or health business intermediary

[The Managing Director or Chief Executive Officer of the limited liability company must sign this declaration.]

I,(full name of the Managing Director or Chief Executive Officer) confirm that the information presented in this application form and all attachments are accurate and true in all material respects.

I hereby acknowledge that I am familiar with the provisions of the Non-Bank Financial Institutions Regulatory Authority Act, Insurance Industry Act, Financial Intelligence Act, Insurance Industry Regulations, and NBIFRA Administrative Rules.

[Please attach a resolution authorising the signatory to apply for a licence to provide insurance intermediary services.]

Name: Capacity:

Date: Signature:

APPENDIX A: Minimum content and certifications

The license application must contain the following minimum content and certifications:

Content/ Certifications
Complete licence application form for insurance Broker/Agent
Declaration concerning the establishment of a segregated client (trust) account (where applicable)
Business plan
Company documents from Companies and Intellectual Property Authority
Agency Agreement(s) (Agents) and a minimum of two letters of intent for Brokers from (re)insurers
Passport size photograph of all key persons to be attached to SECTION 3
Certified copy of official identity document (ID for citizens and passport for non-citizens) for all key persons
Current extract from criminal/police records and a written declaration of any pending criminal and/or civil proceedings (<i>if applicable</i>)
Current extract from the collections and attachment register and a written declaration on freedom from execution and bankruptcy (<i>if applicable</i>)
Statement/certificate of rehabilitation should the person have been previously declared as insolvent but subsequently rehabilitated under the Insolvency Act (<i>if applicable</i>)
Dated and signed curriculum vitae
Proof of academic qualification
Proof of membership of professional bodies
Three professional references for the natural person intermediary, or for each individual shareholder, (if applicable), directors (if applicable) and senior managers for proposed intermediary activities
Copy of professional indemnity insurance policy or proof of other comparable guarantee against liability arising from professional negligence, for at least P1,000,000 for an insurance broker and P500, 000 for an insurance agent per year for all claims.

APPENDIX B: Declaration concerning the establishment of a segregated client account

Declaration concerning insurance intermediaries

Customers' money is required to be transferred via strictly segregated client (trust) accounts and stipulating that these accounts are not to be used to reimburse other creditors in the event of the insurance Broker/ Agent's bankruptcy.

The undersigned Bank

Company stamp if available

Name:

Company number:

Physical Address:

Postal Address:



Declares that:

Intermediary name:

Company no.:

Physical Address:

Postal Address:

on DD-MM-YY

has opened a segregated customer account/s (client account) in the bank

Account no: Branch Code.:

Account no: Branch Code.:

Account no: Branch Code.:

Account no: Branch Code.:

Notwithstanding other possible outstanding accounts with the insurance Broker/Agent, the bank shall not have at its disposal, either by setting off or in any other way, an amount deposited in a client account which is required to cover the insurance intermediary undertaking's liability to third parties.

Date: DD-MM-YY

Bank signature

APPENDIX C: AML/CFT Policy

APPENDIX D: Licensing Fee

- D1. Proof of payment of the application for licensing fee.

Form 5
Licence to Operate as an Insurance Broker
(regulation 14(2)(a))

Certificate No: XXXXX

Billing No: XXXX/IN



REPUBLIC OF BOTSWANA

INSURANCE INDUSTRY ACT
(Cap 46:01)

LICENCE TO OPERATE AS AN INSURANCE BROKER

I hereby certify that has been duly licensed by Non-Bank Financial Institutions Regulatory Authority to carry out the business of Insurance Broker in the Republic of Botswana.

This licence is not transferable and remains the property of the Non-Bank Financial Institutions Regulatory Authority.

VALID UP TO: 20.....

Dated 20..... in Gaborone.

CHIEF EXECUTIVE OFFICER

3rd Floor exponential Building Plot 54351, CBD

Form 6
Licence to Operate as an Insurance Agent
(regulation 14(2)(b))

Certificate No: xxxx

Billing No: xxxx/IN



REPUBLIC OF BOTSWANA

INSURANCE INDUSTRY ACT
(Cap 46:01)

LICENCE TO OPERATE AS AN INSURANCE AGENT

I hereby certify that has been duly licensed by Non-Bank Financial Institutions Regulatory Authority to carry out the business of insurance Agent in the Republic of Botswana to represent.....

This licence is not transferable and remains the property of the Non-Bank Financial Institutions Regulatory Authority.

VALID UP TO: 20.....

Dated20..... in Gaborone.

CHIEF EXECUTIVE OFFICER

3rd Floor exponential Building Plot 54351, CBD

Form 7
Application for Renewal of Insurance Broker/Insurance Agent Licence
(regulation 15(1))



To:
The Chief Executive Officer
Non-Bank Financial Institutions Regulatory Authority
Private Bag 00314
Gaborone
Botswana

Dear Sir/Madam,

INSURANCE INDUSTRY ACT
(Cap 46:01)

1. I/We apply for renewal of licence of
2. Indicate whether the intermediary is an agent or broker.....
3. The physical address of the registered office of the company is
.....
4. The addresses of the head office of the company are:-
a.) Physical address
- b.) Mailing address.....
5. The Principal Officer's name and title are:.....(1)
6. The amount of paid up capital (excluding debentures, preference shares, non-voting shares and paid-up capital subscribed directly or indirectly in itself) of the company is:.....(2)
7. The deposits held under the direction of the Regulatory Authority [Regulation 25 (1)] are(3)
8. The company's Professional Indemnity Insurance is carried by.....
.....and is current (4)
9. The company **is/is not** covered by Fidelity Guarantee Insurance (delete as applicable). (5)

Documents to be attached to this application

1. Chart showing the organizational structure of the company, with names accompanying all management positions.
2. Certification from the company's auditors to substantiate the amount of paid-up capital.
3. Statement from the bank in confirmation of these deposits or cover note of a guarantee policy from an insurer as per no. 7. (*where applicable*)
4. Schedule or cover note from the insurer providing cover as per no. 8.
5. Schedule or cover note if Fidelity Guarantee Insurance is in place, as per no. 9.
6. List of all persons with whom the broker/agent had agency agreements, which were active during the year (ending with the expiry date of licence being renewed), including any cancellations/suspensions and the reasons for such cancellations/suspensions.
7. Confirmation of validity of agency agreement with insurer/broker (for corporate agencies)
8. Proof of payment/settlement of all outstanding supervisory levies.
9. Copy of previous licence.

I/We enclose proof of payment of the licence renewal fee.

Yours faithfully,

COMPANY SEAL

.....
Authorised Name & Signature

Form 8
Complaints Report
(regulations 16(1)(c), 17(c), 18(d), 19(b) and 35(2)(b))



	Name of Complainant	Omang/ Passport Details	Complainant Contact telephone and email	Complainant Contact Postal Address	Date Complaint filed with Regulated Entity	Reference / Contract Number (if applicable)	Nature/ Description of Complaint	Name of Employee handling the complaint	Highest level of staff member complaint escalated to	Current Status of Complaint	Reason for Rejection (where applicable)
1											
2											
3											
4											
5											
6											
7											
8											
9											
10											

NB: Attach documents as proof of correspondence with complainant.

Form 10
Compliance Report
(regulation 18(c))

Name of intermediary:
Licence Number:
Reporting Period:

Instructions

This form should be completed by the Principal Officer and submitted to the NBFIRA together with the annual intermediary Statutory returns

Questions	Column				
	1 Yes	2 No	3 Not applicable	4 Developmental area	5 Note No./Comment/annexure
1 Conditions and restrictions imposed, made, given or issued by NBFIRA					
1.1 Does the Principal officer verify in all instances that any other intermediary or representative that the intermediary gives an instruction to, or receives an instruction from, is authorised to render the specific intermediary services without any restrictions in its license in relation to the specific financial product?					
1.2 Financial Products in respect of which intermediary renders financial services					
1.2.1 Is the intermediary regulated in terms of any other legislation locally or abroad? (Please note that this does not include membership of professional bodies.) <i>If yes, provide details of the Regulators (Name of Regulator and registration and/or licensing number with Regulator, if applicable) in a separate annexure and indicate the annexure number in column 5.</i>					
1.2.2 Does the intermediary render a service on any financial product that is not specifically defined in the Act or regulated in terms of any other legislation? <i>If yes, provide details of the financial products concerned in a separate annexure and indicate the annexure number in column 5.</i>					
1.2.3 Does the intermediary have procedures in place to ensure that the rendering of services are done within the limitation on categories for					

	which the licence is issued?								
1.2.4	Did any non-compliance occur in respect of the limitation on categories during the reporting period? <i>If yes, provide details of non-compliance in a separate annexure and indicate the annexure number in column 5.</i>								
2	Group structure								
2.1	Does the intermediary form part of a group of companies and/or have service level agreements with other financial services providers within the group? Provide full details of the group (organogram or diagram as well as relation to one another) in a separate annexure and provide the annexure number in column 5.								
3.	Key individuals								
3.1	Are all people involved in the managing/overseeing function in relation to the rendering of financial services, appointed as key persons?								
3.2	In a separate annexure, provide a schedule of key individuals including their role in the organisation and where are they situated. Indicate the annexure number in column 5.								
3.3	Fit and proper requirements for key individuals								
3.3.1	Did any changes occur in the personal circumstances of any key individual during the reporting period that adversely affected the Fit and Proper Requirements of the person? <i>If yes, provide full details thereof in a separate annexure and indicate the annexure number in column 5.</i>								
4.	Representatives								
4.1	Does the intermediary have representatives? <i>If yes, provide the number of representatives in column 5.</i>								
4.2	Does the intermediary have an agreement with each representative?								
4.3	Have all representatives been issued with identification documents to provide clients with confirmation, as certified by the provider, of their status as representatives?								
4.4	Does the intermediary have procedures in place to ensure that representatives are competent and suitable in terms of honesty and integrity; as well as competence to render financial services to its clients?								
4.5	Provide the number of representatives in column 5 that, on the reporting date, are rendering services under supervision as contemplated in section 41 of (Insurance Intermediary Conduct Rules (IICR))								
4.6	Provide the number of representatives that acted as supervisors in respect of services under supervision on the reporting date in column 5.								
4.7	Are there procedures in place to ensure that the clients are made aware of the fact that a representative is rendering financial services under supervision?								

4.8	Does the intermediary have procedures in place to determine whether representatives adhered to the requirements stipulated in your Code of Conduct? If yes, in a separate annexure, describe the procedures that the intermediary has in place to determine whether the representatives adhered to the said requirements. Indicate the annexure number in column 5.						
4.9	Does the intermediary have procedures in place to debar a representative, if necessary?						
5	Insurance cover						
5.1	Does the intermediary have professional indemnity cover? If yes, provide the extent (numeric amount) of the cover in column 5.						
5.2	Does the intermediary have fidelity insurance cover? If yes, provide the extent (numeric amount) of the cover in column 5.						
5.3	Does the intermediary disclose to clients whether it holds professional indemnity or fidelity insurance cover?						
6.	Compliance function						
6.1	Is compliance with IICR and the Policyholder Protection Rules (PPR) established as part of the risk management framework of the business of the intermediary?						
6.2	Does the Principal officer provide written reports on the compliance monitoring and recommendations relating to the intermediary on a regular basis to senior management?						
6.3	Does the Principal officer have any issues that are not covered by this report that NBFIRA would want to be aware of? Attach a written copy of your comments as an annexure and indicate the annexure number in column 5.						
7.	Maintenance of records						
7.1	Does the intermediary have appropriate procedures and systems in place to record the information contemplated in section 53 of IICR?						
7.2	Does the intermediary have electronic back-ups for all electronic records?						
8.	General code of conduct						
8.1	General provisions						
8.1.1	Does the intermediary have internal policies with regard to conflict of interest? If no, provide details on the steps that will be taken to put a policy/policies in place as a separate annexure. Indicate the annexure number in column 5.						
8.2	Direct marketing						
8.2.1	Does the intermediary act as a direct marketer? If yes, please answer the rest of 8.2.1						
8.2.1.1	Does the intermediary have recording systems in place to record all						

	telephonic conversations with clients in the course of direct marketing?							
8.2.1.2	Does the intermediary have appropriate procedures and systems in place to store and retrieve recordings?							
8.3	Furnishing of advice and record of advice							
8.3.1	Are representatives regularly trained on furnishing advice?							
8.3.2	Did the intermediary render advice as a regular feature of its business during the reporting period? If yes, does the intermediary have procedures in place to ensure that an analysis of the client's financial situation and objectives are performed before advice is furnished? If these are not in place, provide details on how these procedures will be put in place in a separate annexure. Indicate the annexure number in column 5.							
8.4	Custody of financial products and funds							
8.4.1	Does the intermediary issue written confirmation of receipts to clients when funds and/or premiums are received from clients without the mediation of a bank?							
8.5	Risk management							
8.5.1	Does the intermediary have a documented Risk Management Plan?							
8.5.2	In a separate annexure, provide details as to how the Risk Management Plan is monitored. Do not include this if the monitoring of the Risk Management Plan has not changed since the previous reporting period or since registration for providing intermediary services. Indicate the annexure number in column 5.							
8.6	Complaints							
8.6.1	Does the intermediary have a complaints policy and resolution system in place?							
8.7	Termination of agreement or business							
8.7.1	Does the intermediary have a business continuity plan and procedures in place to ensure that the clients will be serviced if the business is terminated for any reason?							
9	Money laundering and Terrorist Financing control procedures							
9.1	Does the intermediary have procedures in place to ensure that their staff is able to identify suspicious transactions and report it accordingly?							
9.2	Does the intermediary have procedures in place to risk rate the clients in order to establish which clients pose a higher ML/TF risk to the entity?							
10.	Financial soundness							
10.1	Did the intermediary comply with the solvency requirements, as required in the Insurance Regulations, at all times during the reporting period?							
11	Monitoring							
11.1	Please indicate the area in which the Principal officer performed							

	active monitoring					
11.1.1	Products in which the intermediary renders service.					
11.1.2	Representatives under supervision.					
11.1.3	Disclosure documents to check compliance with IICR and PPR.					
11.1.4	Furnishing of advice and record of advice.					
11.1.5	Receipt of funds and/or collection of premiums.					
11.1.6	Waiver of rights.					
11.1.7	Money laundering & Terrorist Financing control procedures.					
11.1.8	Policies and procedures.					
11.1.9	Other. Please provide details of other type of monitoring in a separate annexure and indicate the annexure number in column 5.					
11.1.10	In a separate annexure, provide an explanation as to how you performed the monitoring (methodology). Please also include the extent of monitoring. Do not include this if the monitoring methodology has not changed since the previous reporting period or since registration for providing intermediary services. Indicate the annexure number in column 5.					

ATTACHMENTS		
Question	Comments	Additional information attached/Annexure reference no.

Please note that reports that have not been signed by the Principal Officer or one of the Key Individuals, will be regarded as "Not Submitted".

DECLARATION TO BE SIGNED BY PRINCIPAL OFFICER

I _____ (being the approved Principal Officer of the intermediary hereby report as follows as regards compliance by _____ (insert full names of intermediary registration number) and any representatives and/Key Individuals of the intermediary, for the period _____ (insert period).

Having completed the attached annual compliance report for the abovementioned intermediary, I hereby confirm without any reservations that, to the best of my/our knowledge and ability all the information contained in the attached annual compliance report is both true and correct in all respects/aspects.

I am aware that the information contained in the attached annual compliance report may be subject to verification by the Regulatory Authority at any time, and should such information be found to be false, incorrect, misleading or in any manner not to be to the satisfaction of the Regulatory Authority, this may impact on my compliance with NBFIRA fit and proper requirements with regards to personal character qualities of honesty and integrity.

Signed on this the _____ day of _____ (month) _____ (year).

Name of principal officer: _____

Signature: _____

Form 11
Application for Licensing as an Association of Underwriters
(regulation 29(2))

1. General Information

Business Name

1.1. State the full name of the company, incorporated in Botswana, under which the Association of Underwriters is applying for a licence:

.....
.....

Previous Name(s):

.....

1.2. Date of registration under the Companies Act:

.....

1.3. Furnish the business/company registration number:

.....

1.4. State the proposed name of the applicant Association of Underwriters, if the name is different from the name in 1.1 above:

.....
.....

Location (Principal Office)

1.5. Provide details of the head office location:

Building.....

Road.....

Town.....

Country.....

Postal Address.....

.....

.....

Telephone.....

Fax.....

Email.....

Principal Place of Business

1.6. If different to Principal Office, provide details of the association of underwriters' principal place of business:

Building.....
Road.....
Town.....
Country.....
Postal Address.....
.....
.....
Telephone.....
Fax.....
Email.....

Reliance on Other Parties

1.7. Provide the name of the persons who assisted in compiling this application (if applicable).

- 1.7.1 Consultant:
- 1.7.2 Auditor:
- 1.7.3 Actuary:
- 1.7.4 Insurance Manager:

[Please provide the contact details of these persons in Appendix A]

Contact Details

1.8. State the full forename(s) and surname of the person that is authorised to apply for licensing:

.....
.....

1.9. Provide details of the contact person(s) for further enquiries regarding this application:

Name.....

Qualification/ role.....

Postal Address

.....

.....

Telephone.....

Fax.....

Email.....

2. Governance

Company Structure, Legal Form and Head Office

2.1 What type of risks will the association of underwriters be underwriting?

<input type="checkbox"/>	Long term
<input type="checkbox"/>	General
<input type="checkbox"/>	Reinsurance

2.2 State the legal form of the applicant association of underwriters:

.....

2.3 Where is the head office of the association of underwriters to be located?

<input type="checkbox"/>	In the Republic of Botswana
<input type="checkbox"/>	Outside the Republic of Botswana

Controllers/Key Persons

2.4 Has the Managing Agent(s), Syndicate(s), Broker(s), Cover holder(s) Principal officer been appointed?

Yes No

[If YES, complete Appendix B and Appendix C for Managing Agent(s), Broker(s), Cover holder(s) Principal Officer and attach to this application]

2.5 Submit audited and complete balance sheets/statements Managing Agent(s), Syndicate(s) Broker(s), Coverholder(s) and/or Principal Officer for the past 3 years. If the person is an individual, submit audited net worth statements reflecting the position on a date not later than three months prior to the date of this application.

2.6 Have the following officers been appointed:

Auditor	<input type="checkbox"/>	Yes	<input type="checkbox"/>	No
Valuator/Approved Person	<input type="checkbox"/>	Yes	<input type="checkbox"/>	No
Insurance Manager	<input type="checkbox"/>	Yes	<input type="checkbox"/>	No
Other (please specify)				
.....	<input type="checkbox"/>	Yes	<input type="checkbox"/>	No

[If YES, complete Appendix D for each service provider and attach to this application]

2.7 State the names(s) of the auditor(s) and the responsible partner(s) at the auditing firm appointed by the applicant association of underwriters.

.....

2.8 State the names(s) of the Valuator (long-term) or Approved Person (general) appointed by the applicant association of underwriters:

.....

[Submit the Application for Approved Person or Valuator (Form 17) with this application]

Foreign Regulation

2.9 State the name of the association of underwriters' home supervisory authority:

.....
.....
.....

2.10 Indicate if any previous application by the applicant association of underwriters has been:

<input type="checkbox"/>
<input type="checkbox"/>
<input type="checkbox"/>

Refused

Revoked

Any requirements imposed as a condition to continue to carry on insurance business by any other supervisory or regulatory authority.

If so, please give particulars:

.....
.....
.....
.....
.....

2.11 Submit a reference letter from your domestic Supervisor.

2.12 Submit audited annual financial statements for the last 5 years.

3. Ownership and Control

Association of Underwriters' Structure

3.1. Submit a structural chart of the group of companies and or members to which the association of underwriters belongs. Include the respective percentages of shareholdings.

Control

3.2. Indicate who, directly or indirectly, will control the association of underwriters' operations in Botswana.

.....
.....
.....

3.3. Indicate the source of funds used by the association of underwriters to capitalise the association of underwriters operations in Botswana

<input type="checkbox"/>	Borrowing
<input type="checkbox"/>	Cash
<input type="checkbox"/>	Other

If other, please specify:

.....
.....
.....

4. Financial Soundness and Capital Requirements

4.1. Provide a business plan for the next 5 years.

[Provide relevant details as required in Appendix F]

4.2. Will the applicant association of underwriters comply with the minimum capital requirements as per applicable laws and Administrative Rules?

Yes No

(Provide relevant details on sources of capital as required in Appendix G)

4.3. Will the association of underwriters conduct any business other than insurance business?

Yes No

a. If, YES, please specify:

.....
.....
.....

5. Size and Type of Business

5.1. Which type of insurance does the association of underwriters intend to sell (First Schedule)?

a. **General Insurance (Schedule 1 of the Act):**

<input type="checkbox"/>	Accident Business
<input type="checkbox"/>	Engineering Business
<input type="checkbox"/>	Health Business
<input type="checkbox"/>	Property Business
<input type="checkbox"/>	Guarantee Business
<input type="checkbox"/>	Liability Business
<input type="checkbox"/>	Miscellaneous Business
<input type="checkbox"/>	Motor Business
<input type="checkbox"/>	Transportation Business

b. **Long Term (Schedule 2 of the Act):**

<input type="checkbox"/>	Disability Business
<input type="checkbox"/>	Health Business
<input type="checkbox"/>	Fund Business
<input type="checkbox"/>	Life Business
<input type="checkbox"/>	Sinking Fund Business

6. Administration Systems and Processes

6.1. Attach a brief overview of the administrative system to be used to secure the proper functioning of the applicant association of underwriters.

6.2. Will the applicant association of underwriters outsource administration?

Yes No

[Where administration is being outsourced applicants must complete Appendix D and Appendix E. Applicants must also submit a copy of the outsourcing agreement]

a. If, YES, is administration outsourced to an:

- Independent service provider on *commercial terms*
- Affiliate on the basis of *commercial terms*
- Affiliate on the basis of *internal agreement*

b. If, NO, please indicate the party who developed your administration system

- Developed in-house
- Developed by third party to customised to own specifications
- Purchased an off- the-shelf system from a third party (other than a software vendor)
- Purchased an off-the-shelf system from a software vendor specialising software for the administration of underwriting.
- Other ,please specify
.....

6.3. Do you have a disaster recovery system in place?

- Yes No

Attach disaster recovery plan]

6.4. Do you have a business continuity plan in place?

Yes

No

[Attach business continuity plan]

6.5. Are your auditors satisfied as to your systems and controls?

Yes

No

[Attach declaration from the auditors on systems and controls]

If, NO, please detail the issues identified by the auditors:

.....
.....
.....
.....

6.6. Please indicate the actions taken by management to address these issues:

.....
.....
.....
.....

7. Other

**7.1. Is there any other information or documents that are relevant to this application?
If yes, then kindly specify the information or documents.**

8. Certification

I hereby enclose –

	Form	Completed (yes) or (no)	Number of forms completed
a.	Appendix A: Reliance on Other Parties		
b.	Appendix B: Particulars of Controllers/Key Persons		
c.	Appendix C: Questionnaire for Controllers/Key Persons		
d.	Appendix D: Particulars of Service Providers		
e.	Appendix E: Risk Management Strategy		
f.	Appendix F: Business Plan		
g.	Appendix G: Sources of Capital		
h.	Appendix H: AML/CFT Policy		
i.	Appendix I: Association of Underwriters' Financial Projections		
j.	Copy of the Certificate of Incorporation under the Companies Act		
k.	Structural Chart of the Association of Underwriters		
l.	Letter of Good Standing from Domestic Supervisor		
m.	Audited Annual Financial Statements for Previous 5 Years		
n.	Product Sign-Off Documents and Policy Documents		
o.	Overview of Administration System, Controls and Reporting Capabilities of the Administrator		
p.	Disaster Recovery Plan		
q.	Business Continuity Plan		
r.	Declaration from the Auditors that the Systems and Controls Have Been Investigated and Have Been Found to be Appropriate for an Administrator (or a Qualified Declaration that Identifies the Issues that the Administrator Must Address).		

I hereby declare that the Insurance Industry Act (Cap 46:01) and Non-Bank Financial Institutions Regulatory Authority Act (Cap 46:08) have been complied with and the statements contained herein and the 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 Authority within a period not later than 30 days from the date of the alteration.

Signed on this day of20.....

Signature of Applicant.....

Full Name:

Designation:

Signature of Principal Officer

Full Name:

Designation:

I hereby submit payment in respect of application for the licensing of an association of underwriters.

Amount paid :

Cheque No.:

Date Paid:

Paid By: (Full Names)

Signature:

Designation :

OFFICIAL DATE STAMP

APPENDIX A: Reliance on Other Parties

A.1 Provide the contact details of parties assisting with the application.
[To be completed by every party assisting with the application]

Name:

.....

Role:

.....

Qualification:

.....

Postal Address:

.....

.....

Telephone:.....

Fax:

Email:

[Please note that evidence of professional and academic qualifications must be enclosed with this questionnaire and attached to this application]

C4. Prior experience in this or a similar role:

Period	Name of company	Nature of experience gained that you believe is relevant to your appointment as a controller

[Please note that a brief curriculum vitae should be enclosed with the questionnaire and attached to this application]

C5. Has any previous appointment as a director, senior executive officer, manager or principal officer of an insurance company been terminated for a reason other than resignation or retrenchment?

Yes
 No

If YES, please provide the following details about the employer:

Name:

Address:

Email address:

Telephone number:

Position from which you were discharged:

Date of action:

Reason for dismissal:.....

C6. Have you ever been convicted of fraud or dishonesty where the sentence has required a period of imprisonment of 6 months or more or payment of a fine as an alternative to such imprisonment?

Yes No

If YES, please give details:

.....
.....
.....

C7. Have you ever been declared bankrupt?

Yes No

If YES, please give details:

.....
.....
.....

C8. Have you ever previously been a director, senior executive officer, manager or principal officer of an insurer or association of underwriters, where the entity has had to be deregistered as a result of any failure on the part of the its management, or where the Regulatory Authority has appointed a curator?

Yes No

If so, please give details:

.....
.....
.....

C9. Are you disqualified from holding office as director, senior executive officer, manager or principal officer by any law?

Yes No

If YES, please give details:

.....
.....
.....

I certify that the above information is, to the best of my knowledge, correct and complete and that I am not physically or mentally incapable of performing the duties expected of me

Signed:

.....
Name in block letters

APPENDIX D: Particulars of Service Providers

Name of Insurer:

Name of entity	Income Tax T.I.N Number	Contact details	Professional body to which Partner/ Company are members	Date of appointment
Auditor		Address: _____ _____ Tel: _____ Email: _____		
Valuator/ Approved Person		Address: _____ _____ Tel: _____ Email: _____		
Insurance Manager		Address: _____ _____ Tel: _____ Email: _____		
Other		Address: _____ _____ Tel: _____ Email: _____		

APPENDIX E: Risk Management Strategy

Provide a Risk Management Strategy including at least the following information:

1. An outline of the major risks faced by the association of underwriters, the likelihood and the potential consequences of these risks.
2. A description of the use of internal reporting and audit mechanisms to manage the risks of the association of underwriters.
3. An indication of how each of the following will be implemented by the association of underwriters and include a description of how they will be used to control the risks of the association of underwriters.
 - a. Organisational charts
 - b. Risk management policies
 - c. Procedure manuals
 - d. Audit reports
4. A description of the underwriting policy of the applicant association of underwriters.
5. A description of the basis and methodology to be used in determining the premium rates for each kind of policy to be issued.
6. An outline of the association of underwriters' approach to asset and liability management. Include details of the following:
 - a. Investment objectives and how these will be met
 - b. How liquidity needs will be met
 - c. Benchmarks and performance measurement, including the frequency of measurement
7. A list of the association of underwriters' main types of credit risk. Explain how each of these risks will be dealt with.
8. Define the operational risks that the association of underwriters will face.
9. Explain how will the association of underwriters manage and monitor its operational risk.

APPENDIX F: Business Plan

1. The Business plan should outline the objectives of the proposed operations. Also, provide reasons why the applicant association of underwriters is of the opinion that the license application, if approved, will be in the public interest.
2. The Plan should be able to demonstrate that the association of underwriters will maintain reasonable capital to back their operation.
3. The business plan should contain the following sections:
 - a. Financial projections
 - b. Minimum solvency margin calculation projections
 - c. Product type and classes of business
 - d. Reinsurance programme
 - e. Investment policy
 - f. Dividend policy
 - g. Distribution
 - h. Marketing plan
 - i. Fees/Commissions
 - j. Banking arrangements
4. **Financial Projections:** The Business Plan should show the initial set up costs (if a new operation) and then for each of the next 5 years
 - a. Initial capital (at least 6 months' gross fee income)
 - b. Assumptions used
 - c. Projected business acquired (or business already acquired) in terms of numbers of policies sold
 - d. Projected premium income, benefits paid and expenses
 - e. Projected revenue accounts and profit and loss accounts
 - f. Projected assets, technical provisions surplus assets and required solvency margin
 - g. Projected balance sheets

5. The Business Plan should contain a forecast of financial results for the first five years of the insurance company's operations. Projections should take the form of income statement projections and balance sheet projects. A description of the main assumptions used is required and must address:
- a. Assumptions around all liabilities
 - b. Technical provisioning
 - c. Valuation of investments
 - d. Number of policies per year
 - e. Average premium of policies per year
 - f. Average claims costs for claims paid
 - g. Commission rates paid
 - h. Average return on investment
 - i. Total expenses
 - j. Reinsurance

Give a description of the applicant association of underwriters' claims reserving policy, including arrangements for setting up reserves, frequency of reviews, and measures and methodologies used to ensure their adequacy.

Include scenario and sensitivity tests that indicate the position under adverse conditions.

6. **Prescribed Capital Target calculation projections:** A realistic calculation of the applicant association of underwriters' prescribed capital target for each of the first five years.
7. **Investment Policy:** Submit the investment policy.
8. **Product type and classes of business:** Give a detailed description of each of the kinds of policies/products for each of the classes of insurance business to be underwritten.
9. **Product sign-off (if applicable):** Submit the product sign-off by the actuary and the supporting documentation in used by the actuary in assessing the product and underwriting processes.
10. **Reinsurance Programme:** A discussion of the proposed insurance company's reinsurance programme addressing such issues as:
- a. The net retention levels proposed
 - b. Details about the reinsurance company partner
 - c. Type of reinsurance programme proposed (e.g. excess loss, pro-rata)

11. **Distribution (if applicable):** Proposed method of distribution for each of the kinds of policies/products for each of the classes of insurance business to be underwritten.
12. **Marketing plan (if applicable):** Submit any market feasibility study. Describe the market(s) segment in which the policies/products will be marketed paying attention to income levels, gender, age, occupation etc. Describe the sources of business and marketing strategy (e.g. direct from public, through insurance intermediaries or in-house from group of companies) and indicate the approximate percentage from each source.
13. **Fees/Commission (if applicable):** Provide information with respect to fees/commissions that the insurance company is planning to pay to insurance intermediaries. The applicant association of underwriters should also discuss the issue of consumer protection and explain how it would ensure intermediaries deal fairly with clients.

APPENDIX G: Sources of Capital

G.1 Provide the following information relating to share capital:

Source of Capital¹	Local/ foreign	Number of shares (if applicable)	Nominal value <i>BWP</i> (<i>Million</i>)	Share premium <i>BWP (Million)</i>	Amount obtained through issue <i>BWP (Million)</i>
Total					

¹ *Include whether share capital is paid up*

Form 12
Licence to Operate as an Association of Underwriters
(regulation 29(4))

Licence No: XXXX

Billing No:



XXXX/IN

REPUBLIC OF BOTSWANA

INSURANCE INDUSTRY ACT
(Cap 46:01)

LICENCE TO OPERATE AS AN ASSOCIATION OF UNDERWRITERS

I hereby certify that has been duly licensed by Non-Bank Financial Institutions Regulatory Authority to carry out the business of Association of Underwriters in the Republic of Botswana.

This licence is not transferable and remains the property of the Non-Bank Financial Institutions Regulatory Authority.

VALID UP TO:.....20.....

Dated:..... 20..... in Gaborone.

CHIEF EXECUTIVE OFFICER

3rd Floor exponential Building Plot 54351, CBD

Form 13
Application for Renewal of Association of Underwriters Licence

(regulation 29(5))



Date:

The Chief Executive Officer
Non-Bank Financial Institutions Regulatory Authority
Private Bag 00314
Gaborone
Botswana

Dear Sir/Madam

**INSURANCE INDUSTRY ACT
(Cap 46:01)**

1. I/We apply for renewal of licence of
.....
(Full name of the association of underwriters)

2. The physical address of the licensed office of the company is
.....
.....

3. The addresses of the head office of the company are:-
(a) Physical address
.....
(b) Mailing address
.....

4. The Principal Officer's name and title are:
.....
.....(1)

5. The amount of capital of the association of underwriters is
..... (2)

Documents to be attached to this application

1. Chart showing the association of underwriters' structure, with names accompanying all senior management positions.
2. Certification from the association of underwriters' auditors to substantiate the amount of funds in the trust account.
3. List of all persons with whom agency agreements were active during the year (ending with the expiry date of licence being renewed), including any cancellations/suspensions and the reasons for such cancellations/suspensions.
4. Proof of payment/settlement of all outstanding supervisory levies.
5. Copy of previous licence.

I/We enclose proof of payment of the licence renewal fee.

Yours faithfully,

COMPANY SEAL

.....
Authorised Name & Signature

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 30 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:

Form 15
Application for Approval of Transfer or Amalgamation
(regulation 42)

SECTION A

1. Details of transacting entities:

a. Name: _____

b. Type of insurance business: General insurance

Long term insurance

Reinsurance

c. Date of first NBFIRA licence issue: _____

d. Company registration number: _____

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

SECTION B

1. Details of resultant entity (where applicable):

a. Name: _____

b. Company registration number: _____

c. Postal Address: _____

d. Physical Address: _____

Contact person:

Name: _____

Postal Address: _____

Physical Address: _____

Email: _____

- 2. Please attach the following:
 - a. Certificate of Incorporation
 - b. Notice of Issue of Shares
 - c. Shareholder certificate(s)
 - d. Consent and Certificate of Director(s) or secretaries

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 30 days from the date of the alteration.

Name..... Designation.....

Signed on this day of

Form 16
Application for Insurance Dispensation
(regulation 45)

Broker/Insurer/Reinsurer, do hereby apply for dispensation/exemption to place insurance outside Botswana in terms of sections 101 (3) of the Act.

STATUS OF THE APPLICATION

- a. New
- b. Renewal
- c. Premium Adjustment
Previous Insurance Exemption (Dispensation) reference No:.....

TYPE OF APPLICATION

- a. Direct Insurance
- b. Reinsurance

REQUIREMENTS

- a. Complete all the pages of the application form
- b. Attach the required documents in section E

NB: *No dispensation will be approved by the Regulatory Authority without meeting all the requirements as indicated in this application form.*

A. INFORMATION OF THE INSURED

- 1. Name of the Insured:.....
- 2. Company Registration Number:.....
- 3. Nature of Business.....
.....
- 4. Headquarters Physical Address:.....
- 5. Contact Person (Full Name).....
 - a. Nationality:.....
 - b. Telephone No:.....
 - c. Fax No.:.....
 - d. Email Address:.....

B. DETAILS OF BROKER

- 6. Name of the Company:.....
- 7. Company Registration Number:.....
- 8. Nature of the Business:
Broker Lloyd's Intermediary Insurer Reinsurer Other
- 9. NBFIRA License Number:.....
- 10. Physical Address:
- 11. Telephone No.:.....
- 12. Fax No:.....
- 13. Email:.....
- 14. Principal Officer/CEO/ Manager (Full Name).....
 - a. Nationality:.....
 - b. Email Address:.....
 - c. Postal Address:.....
 - d. Telephone:.....
 - e. Mobile Number:.....
 - f. Fax:.....

C. DETAILS OF THE INSURER OR REINSURER

DESCRIPTION	CURRENT (RE)INSURER	NEW (RE)INSURER
15. Name		
16. Company Registration No.		
17. Name of Regulatory Authority in Foreign Country		
18. Foreign License Number		
19. Foreign Market Name		
20. Physical Address		
21. Name of the Country		
22. Name of the City/Town		
23. Name of the Principal Officer/CEO/Manager		
a. Telephone no.		
b. Fax No.		
c. Email Address		

D. INFORMATION OF THE INSURANCE / REINSURANCE COVER

24. Policy number:(Where applicable):.....
25. Cover Period: Inception date..... Renewal/Ending Date.....
26. Name of the insured item (i.r.o aircraft, vessel, etc.).....
27. Frequency of Premium payment:.....
28. Limit of Liability:.....
29. Period of Validity:.....
30. Premium to be Paid:.....
31. Due date(s) for Premium payment:.....

E. DISPENSATION / EXEMPTION APPLICATION CONDITIONS:

The following documents are attached:

- a. Copy of Registration Certificate from the Regulator of the foreign (re) insurer
- b. A copy of a quotation by a foreign (re) insurer
- c. A copy of a policy schedule/slip with the terms & conditions by a foreign (re) insurer
- d. Negatives slips from local insurers/reinsurers
- e. Copies of quotations by local insurers/reinsurers

F. DECLARATION

I hereby warrant that in terms of the Insurance Industry Act that by signing this document I guarantee that all the above information is true and accurate and can be relied on and that I will disclose all necessary material information that may be required by the Regulatory Authority.

Signature:.....

Full Name:.....

Date:.....

Place:.....

APPENDIX A: INSURANCE CLASS AND SCOPE OF COVER: Please tick the Class & Subclass with (√) and complete the details of the cover

Insurance Class	Type of Insurance or Reinsurance	Premium to be paid	Details of policy	Limit of Indemnity	Name of External Insurers	Insurer/Agent Placing	Duration	Premium Leaving Botswana
Classes of General Insurance Business								
1. Accident								
2. Engineering								
3. Health								
4. Property								
5. Guarantee								
6. Liability								
7. Miscellaneous								
8. Motor								
9. Transportation								
Classes of Long-Term Insurance Business								
1. Disability								
2. Health								
3. Fund								
4. Life								
5. Sinking Fund								

OTHER, please specify:

Form 17
Application for Approval of Valuator/Approved person
(regulation 46)

1. General Information

Personal Details

1.1 Title and surname:

.....
.....

1.2 Full first name(s):

.....
.....

1.3 Any other name(s) or surname(s) by which you have been previously known:

Surname:

Name:

Contact Details

1.4 Primary residential address:

.....
.....
.....

1.5 Postal address:

.....
.....
.....

1.6 Current physical addresses (if different):

.....
.....
.....

1.7 Telephone number:.....

[Please note that certified copies of academic qualifications must be submitted with this application form.]

3. Membership

3.1 Are you a member of a professional body?

Yes No

3.2 If YES, indicate the following:

Membership of a professional body	Date granted	Name of institution/ professional body

[Please note that certified copies of membership certificates must be submitted with this application form.]

3.3 Are you a member in a good standing?

Yes No

3.4 If NO, please provide complete details of any complaints or disciplinary action taken against you:

.....

6. Conduct

6.1 Please list any previous or pending charge, arrest, indictment or conviction against you and include the following details of the offence*:

Date of conviction	Issuing court	Penalty imposed	Details

* The following offences should not be included:

- Any offence committed prior to the age of 18 years, unless this was in the last ten years
- All road traffic offences for which a fine was levied

Any political offence for which you have been granted political amnesty

6.2 Have you ever been subject to any of the following actions by a regulatory authority?

Received serious criticism	<input type="checkbox"/>	Yes	<input type="checkbox"/>	No
Received a warning relating to future conduct	<input type="checkbox"/>	Yes	<input type="checkbox"/>	No
Been made subject of a court order	<input type="checkbox"/>	Yes	<input type="checkbox"/>	No

If YES, please indicate each disciplinary proceeding or action to which you are, or have been subject to. Indicate the authority initiating the proceedings, the type of action being taken (e.g. censure), the current status of the action and the date of disposition, if any.

Period	Name of Regulatory Authority	Proceedings	Nature of action taken	Disposition

6.3 Has any professional body to which you have belonged in the past ever found that you have conducted yourself unprofessionally?

Yes No

If YES, please provide the particulars:

.....

If YES, summarise the complaints and findings of the disciplinary panel:

.....

6.4 Where relevant, indicate if you hold a valid practising certificate with a professional body. Have you ever held a practising certificate that was subject to any conditions? If so, please provide particulars.

.....

.....
.....
.....

6.5 Indicate if you have ever been subject to any of the following actions by your employer:

Dismissal from employment	<input type="checkbox"/>	Yes	<input type="checkbox"/>	No
The subject of disciplinary proceedings	<input type="checkbox"/>	Yes	<input type="checkbox"/>	No

If YES, please provide details of any such action:

.....
.....
.....
.....
.....

6.6 Have you ever been barred from entry into any profession or occupation?

<input type="checkbox"/>	Yes	<input type="checkbox"/>	No
--------------------------	-----	--------------------------	----

6.7 Have you ever been declared insolvent?

<input type="checkbox"/>	Yes	<input type="checkbox"/>	No
--------------------------	-----	--------------------------	----

If YES, please provide the particulars:

.....
.....
.....
.....
.....

6.8 Have you ever applied for approval as a valuator, approved person, or similar in Botswana or any other country and been declined.

<input type="checkbox"/>	Yes	<input type="checkbox"/>	No
--------------------------	-----	--------------------------	----

If yes, please give details:

.....
.....
.....
.....

.....
.....

6.9 Have you ever been:

Removed from office of trust as a result of misconduct	<input type="checkbox"/>	Yes	<input type="checkbox"/>	No
Convicted of any offence involving dishonesty (including fraud, theft, forgery, or perjury)	<input type="checkbox"/>	Yes	<input type="checkbox"/>	No
Convicted of an offence in connection with the formation or management of a joint stock company, limited liability company or company or corporation	<input type="checkbox"/>	Yes	<input type="checkbox"/>	No
Disqualified by the court to be a director of any company	<input type="checkbox"/>	Yes	<input type="checkbox"/>	No

[Only include convictions that resulted in a fine of P15,000 or more, or where you were imprisoned for at least six months without the option of a fine]

Please give a brief description of the matter, as well as any sentence imposed by the Courts.

.....
.....
.....
.....
.....
.....

6.10 Have you ever been a director or controlling shareholder of an institution when it was liquidated or placed under judicial management?

Yes No

7. Other Information

7.1 Include any other information or documents that are relevant to your application.

.....
.....
.....
.....

8. Certification

I certify, to the best of my knowledge, that the information given in the answers to the above questions are complete, accurate and true and not misleading in any respect.

C.412

Signed on thisday of

Full name.....

.....
Signature of Applicant

OFFICIAL DATE STAMP

SCHEDULE 4

Fees
(Regulations 10(2), 11(1), 14(2), 15(2), 29(2)(e), 29(5)) 33(4)

No.	Process	Fee
1.	Application for licence to operate as an insurer	Twenty-five thousand Pula (P 25 000)
2.	Application for renewal of insurer licence	Fifteen thousand Pula (P15 000)
3.	Application for licence to operate as an insurance broker	Five thousand five hundred Pula (P5 500)
4.	Application to operate as an insurance agent	One thousand two hundred Pula (P1 200)
5.	Application for renewal of insurance broker licence	Three thousand three hundred Pula (P3 300)
6.	Application for renewal of insurance agent licence	Seven hundred and fifty Pula (P750)
7.	Application for licence to operate as an association of underwriters	Fifty thousand Pula (P50 000)
8.	Application for renewal of association of underwriters licence	Thirty thousand Pula (P30 000)
9.	Security for appointment of principal officer of underwriting association	One Hundred Thousand Pula (P100 000)
10.	Copy of annual returns Uncertified copy Certified copy	Twenty-five Pula (P25) Fifty Pula (P50)

MADE this 4th day of April, 2019.

ONTEFETSE K. MATAMBO,
*Minister of Finance and Economic
Development.*

