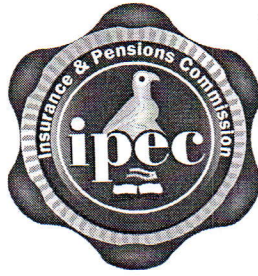


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Harare
Circular No. 3 of 2010

TO: INSURANCE COUNCIL OF ZIMBABWE (ICZ)

**ZIMBABWE ASSOCIATION OF REINSURANCE ORGANISATIONS
(ZARO)**

LIFE OFFICES ASSOCIATION (LOA)

ZIMBABWE INSURANCE BROKERS ASSOCIATION (ZIBA)

BANCASSURANCE – ADVERTISEMENTS BY BANKING INSTITUTIONS

1. The past two weeks have witnessed an increase in the number of banks advertising in the print media and hence holding themselves as holders of valid licences to conduct insurance business. As these institutions are not registered with the Insurance and Pensions Commission (IPEC), they are in breach of sections 7 and 86 of the Insurance Act [Chapter 24:07].
2. Some of the banks are registered as agents of insurance companies yet they seem to be acting as insurers without any acknowledgement or disclosure of their agency status.

3. In view of the above, insurers who collaborate with unregistered banks are requested to talk to them advising them to stop misrepresenting themselves as registered with IPEC in breach of the law. Should they wish to advertise when they have been issued an agency licence, they should disclose in the advertisement whose agent they are. In other words, they should disclose their principal so that the public is given full information.

4. Your co-operation is critical if our market is to operate and function in an orderly fashion.



M. S. Mpofu

COMMISSIONER OF INSURANCE, PENSION AND PROVIDENT FUNDS

February 8, 2010