



**LICENCING CHECKLIST FOR INSURERS, MICRO-INSURERS, MUTUAL SOCIETIES
AND INSURANCE BROKERS**

MINIMUM REQUIREMENTS CHECKLIST

After compiling the information pack for application for a licence tick against each item whether you have complied with the requirements. This will help minimise request for additional information and reduce the Insurance and Pension Commission's (IPEC) turnaround time on your application. Please note that if your answer to any of the questions is "No" then your application is not ready for submission to IPEC.

VERY IMPORTANT: Prior to submitting an application for registration, ensure that you have cleared the name which you intend to use with IPEC before proceeding to register your company under that name with the Registrar of Companies (if you intend to carry on business as a company).

Item	Requirement	Attended To	
		Yes	No
1.	Have you paid the application fee appropriate to your class of insurance business? As follows: <ul style="list-style-type: none"> ○ USD\$635 for reinsurers, ○ USD\$522 for life insurers, ○ USD\$600 for short term insurers, ○ USD\$600 for composite insurers, ○ USD\$552 for funeral insurers, ○ USD\$552 for mutual societies, ○ USD\$552 for insurance brokers, ○ USD\$230 for microinsurers, ○ USD\$322 for Multiple Agents and; or Risk Management ○ USD\$230 for Loss Adjusters/surveyors Consultants. 		
2.	Have you submitted an online application?		
	Institution Information		
3.	Have you submitted the following:		
	a) Certified copies of Certificate of Incorporation		
	b) Memorandum and Articles of Association, with one of the objects being to conduct insurance business		

<p>c) Any other documents (if any) constituting the applicant and regulating the conduct of the applicant's business or if the applicant seeks registration as a mutual society, the constitution and by-laws of the society, together with sworn statement that the society has complied with sections 17 and 18 of the Act.</p>		
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<p>d) A statement certified by the chairperson, a director and the auditors of the applicant showing the authorized and paid up capital of the applicant not earlier than thirty days before the date of the application? (This does not apply to those applicants seeking registration as mutual societies)</p>		
<p>e) A balance Sheet, profit and loss account and revenue accounts in respect of the last preceding financial year? (Applies to applicants who were carrying insurance business before the date of application)</p>		
<p>f) A statement by an Actuary on the actuarial soundness of the proposed business? (This applies to applicants who want to carry life insurance business.)</p>		
<p>g) A letter from an executive officer of a bank registered in terms of the Banking Act [Chapter 24:20] with which the applicant intends to operate an account confirming that the application is a customer or has been accepted as a customer of the bank. Details of the institution's cheque signatories should be sent as well.</p>		
<p>h) An abstract of the report of an actuary on the last investigation into the applicant's financial position in which a valuation of its liabilities was made. (This applies if the applicant is carrying on life insurance business)</p>		
<p>i) A certificate of Solvency in Form 5, 6 or 7 as may be appropriate. (Applies to applicants who were carrying insurance business before the date of application)</p>		
<p>j) Tax clearance certificate for your company / mutual society.</p>		
<p>k) Documentary Evidence of a Reinsurance Programme.</p>		

	l) Standard contract of employment.		
4.	Does your institution's shareholding structure comply with Insurance legislation? No shareholder and his or her close relatives shall own or control more than 40% of the voting shares of the applicant. Every Insurer or insurance broker must have at least three shareholders.		
5.	Have you submitted copy of lease agreement for head office and all branches?		
6.	Do you have capital that complies with the minimum stipulated for your class of insurance business? The following are the minimum capital requirements:		

	USD\$2 million for Life assurers, USD\$ 1,5 million for Short Term Insurers, USD\$100 000 for Micro-insurers, USD\$2 million for Reinsurers, USD\$500 000 for Funeral Assurers & USD\$100 000 for Insurance Brokers. Proof of capital must be submitted in the form of a recent bank statement and Form CR2 (although capital should not be concentrated in one asset class). If authorized share capital has been increased, have you submitted Forms CR5, CR11 and a revised Form CR2? If the company is already existing proof must be in form of audited accounts. All the relevant documentation supporting the existence of capital should be submitted (source of funds to be provided). Capital should not be in the form of borrowed funds.		
7.	Has the source of capital been declared? Each shareholder should clearly declare the contribution made towards the capital of the insurer commensurate with their shareholding in the business and source of such contribution (evidence to be attached)		
8.	Have you submitted a copy of the shareholders' resolution supporting the capital injected into the business? The resolution should be duly signed by every shareholder who attended the meeting.		
9.	Professional Indemnity of at least US \$ 200 000 in respect of Insurance Brokers		

10.	Does your company /mutual society have an appropriate number of directors the majority of whom are non-executive directors? At a minimum, the board should have individuals with qualifications and experience in insurance and risk management, investments, legal and accounting matters? (Please submit Form CR14 in the case of a company or other documentary proof in the case of a mutual society)		
11.	Has your company appointed Auditors and Actuaries?		
12.	Have you paid levy to IPEC? (Applies to applicants for renewals)		
Shareholders Directors and Senior Management Information			
13.	Has each individual shareholder who holds at least 10% shareholding, director and senior manager submitted the following documents:		
	a) A statement disclosing full details of any shareholding, directorship or managerial post held in any other entity including an insurer, mutual		

	society, insurance brokerage company or other applicant for registration as such.		
	b) Completed personal questionnaire form. (Applies to shareholders having at least 10% shareholding, directors and senior managers)		
	c) Curriculum vitae containing details of their qualifications or experience in the field of insurance and their employment history (applies to directors and senior managers).		
	d) Police Clearance Certificate issued within the past six months from the date of application by the Zimbabwe Republic Police and clearly marked, "no criminal record traced".		
	e) Tax Clearance Certificate issued by the Zimbabwe Revenue Authority.		
	f) Networth Statement authenticated and verified by public auditors		

	<p>m) A declaration that he or she is a fit and proper person to be a shareholder, director or manager of the applicant, that is to say he or she:</p> <ul style="list-style-type: none"> i. has not within the period of 10 years immediately preceding the date of the application, been convicted of any offence involving theft, fraud or dishonesty; ii. has not been prohibited, whether for a period or indefinitely from carrying on business as an insurer or as a bank, building society or pension fund manager, or from practicing as a stockbroker, public accountant, public auditor, legal practitioner or other profession for the practice of which provision is made under any enactment; iii. has not in any application return or other document required to be furnished to the Commissioner under the Act or to the relevant authority under any enactment governing banks, financial institutions, building societies, pension funds or the Zimbabwe Stock Exchange, furnished the Commissioner or the relevant authority with information that is materially false, inaccurate or misleading; iv. has not been associated with any other business practices or otherwise conducted themselves in such a manner as to cause doubt on their competence, integrity and soundness of judgment; and 		
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	<p>v. has not been a manager or director of a failed insurance institution or been responsible for the failure of such institution.</p>		
14.	<p>Business Plan Information</p>		
	<p>a) Have you submitted a business plan?</p>		
	<p>b) Does the business plan have:</p>		
	<p>i) Identifying information (Form CR6 can be enclosed);</p>		
	<p>ii) Organization structure with the names of senior managers inscribed therein;</p>		
	<p>iii) Market analysis;</p>		

	iv) Business strategy and objectives;		
	v) Projected balance sheet, projected profit and loss account and projected cash flow statement for the first 3 years; and		
	vi) Projected sources of funding indicating source and amount. If shareholders' loans are to be used, certified copies of the shareholders' loans agreements and documentary evidence of sources of funds should be submitted.		
	vii) Financial assumptions on economic growth, inflation, interest rate, insurance reserves and actuarial assumptions		
	viii) Individual product performance over the planning horizon		
	ix) Justification of all product pricing (premiums)		
	x) Comprehensive complaints handling procedure manual		
	xi) Set of policies and procedure manuals for the business operations. The policies and manual should include but not limited to underwriting, marketing, accounting and claim settling		
	xii) Sample of policy documents of all the products the insurer offers		
	xiii) Description of the developmental value of the insurance entity (in the case of a micro-insurer)		

15.	<p>Should the application for registration be successful, a registration fee of:</p> <ul style="list-style-type: none"> ○ USD\$1 472 will be payable in respect of Micro-insurers, ○ USD\$690 for Multiple Agents, ○ USD\$230 for Loss Adjusters/surveyors/Risk Management Consultants and, ○ USD\$6 349 for reinsurers, ○ USD\$5 522 for life insurers, ○ USD\$5 522 for short term insurers, ○ USD\$6 000 for composite insurers, ○ USD\$5 522 for funeral assurers, ○ USD\$5 522 for mutual societies, 		
	<ul style="list-style-type: none"> ○ USD\$5 522 for insurance brokers, 		