



## LICENSING CHECKLIST

FOR INSURERS,  
MICRO-INSURERS,  
MUTUAL SOCIETIES AND  
INSURANCE BROKERS

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## MINIMUM REQUIREMENTS CHECKLIST

After compiling the information pack for the application for a licence, tick against each item to confirm if you have complied with the requirements. This will help minimise requests for additional information and reduce the Insurance and Pension Commission's (IPEC) turnaround time for 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:** Applicants intending to carry on business as companies are required to obtain prior clearance of the proposed company name from IPEC before registering with the Registrar of Companies and Other Business Entities.

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"> <li>- US\$635 for reinsurers,</li> <li>- US\$522 for life insurers,</li> <li>- US\$600 for shortterm insurers,</li> <li>- US\$600 for composite insurers,</li> <li>- US\$552 for funeral insurers,</li> <li>- US\$552 for mutual societies,</li> <li>- US\$552 for insurance brokers,</li> <li>- US\$230 for microinsurers,</li> <li>- US\$322 for Multiple Agents and</li> <li>- US\$230 for Loss Adjusters/surveyors or Risk Management Consultants.</li> </ul>		
2.	Have you submitted an online application?		
<b>Institution Information</b>			
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		
	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 a sworn statement that the society has complied with sections 17 and 18 of the Insurance Act.		
	d) A statement certified by the chairperson, a director and the auditors of the applicant showing the authorised and paid-up capital of the applicant not earlier than thirty days before the date of the application? (This does not apply to mutual societies)		
	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)		

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		Yes	No
3.	f) A statement by an Actuary on the actuarial soundness of the proposed business? (This applies to applicants who intend to carry on life insurance business.)		
	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 applicant is a customer or has been accepted as a customer of the bank. Details of the institution's bank account signatories should be submitted as well.		
	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)		
	i) A Certificate of Solvency in Forms 5, 6 or 7 as may be appropriate. (Applies to applicants who were carrying insurance business before the date of application)		
	j) Tax clearance certificate for your company / mutual society.		
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 a copy of the lease agreement for the 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:  <ul style="list-style-type: none"> <li>- US\$2 million for Life assurers,</li> <li>- US\$ 1.5 million for Short Term Insurers,</li> <li>- US\$100,000 for Micro-insurers,</li> <li>- US\$2 million for Reinsurers,</li> <li>- US\$500,000 for Funeral Assurers, and</li> <li>- US\$100,000 for Insurance Brokers.</li> </ul> Proof of capital must be submitted, and Form CR2 (capital should not be concentrated in one asset class). If authorised share capital has been increased, have you submitted Forms CR5, CR11 and a revised Form CR2? If the company has been in operation, proof must be in the form of audited financial statements. All the relevant documentation supporting the existence of capital should be submitted (source of funds to be provided). <b>Capital should not be in the form of borrowed funds.</b>		
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		

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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 the levy to IPEC? (Applies to applicants for renewals)		
<b>Shareholders, Directors and Senior Management Information</b>			
13.	Has <b>each</b> 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 who have at least 10% shareholding, directors and senior managers)		
	c) Curriculum vitae containing details of their qualifications or experience in the field of insurance and employment history (applies to directors and senior managers).		
	d) Police Clearance Certificate issued by the Zimbabwe Republic Police within the past six months from the date of application and clearly marked, "no criminal record traced".		
	e) Tax Clearance Certificate issued by the Zimbabwe Revenue Authority.		
	f) Net Worth Statements authenticated and verified by public auditors.		
	g) 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:  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		
	v) has not been a manager or director of a failed insurance institution or been responsible for the failure of such institution.		

Item	Requirement	Attended To	
		Yes	No
<b>Business Plan Information</b>			
14.	a) Have you submitted a business plan?		
	b) Does the business plan have:		
	i) Identifying information (Form CR6 can be enclosed);		
	ii) Organisational structure with the names of senior managers inscribed therein;		
	iii) Market analysis;		
	iv) Business strategy and objectives;		
	v) Projected balance sheet, projected profit and loss account and projected cash flow statement for the first three (3) years;		
	vi) Projected sources of funding, indicating sources and amounts. If shareholders' loans are to be used, certified copies of the shareholders' loan 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; and		
	ix) Description of the developmental value of the insurance entity (in the case of a micro-insurer).		
15.	Should the application for registration be successful, a registration fee of: <ul style="list-style-type: none"> <li>- US\$6,349 for reinsurers;</li> <li>- US\$5,522 for life insurers;</li> <li>- US\$5,522 for short-term insurers;</li> <li>- US\$6,000 for composite insurers;</li> <li>- US\$5,522 for funeral assurers,</li> <li>- US\$5,522 for mutual societies,</li> <li>- US\$5,522 for insurance brokers,</li> <li>- US\$1,472 will be payable in respect of Micro-insurers,</li> <li>- US\$690 for Multiple Agents,</li> <li>- US\$230 for Loss Adjusters/surveyors/Risk Management Consultants,</li> <li>- US\$5,522 for mutual societies, and</li> <li>- USD\$5,522 for insurance brokers.</li> </ul>		

160 Rhodesville Avenue, Greendale, Harare | **Tel:** (242) 443358/443361/443322

**Cell:** 0772 154 281-4 | **WhatsApp:** 0772 154 281

**Email:** insurance@ipec.co.zw | **Website:** www.ipec.co.zw

**PROTECTING THE INTERESTS OF INSURANCE AND PENSION CONSUMERS**