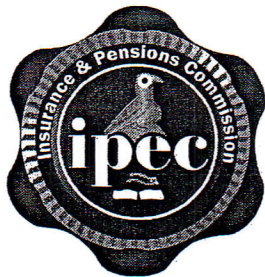


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Zimbabwe

Circular No. 6 of 2006

July 28, 2006

Zimbabwe Insurance Brokers Association (ZIBA)

Insurance Council

RE: BROKERS' PROFESSIONAL INDEMNITY COVER

Please be advised of the following legislative requirement which must be complied with at all times.

In terms of Section 36(2) of the Insurance [Chapter 24:07]:

"Every registered insurance broker shall effect and maintain a professional indemnity insurance with a limit of liability of not less than –

- (a) Five hundred thousand dollars, or
- (b) Fifty per centum of his net brokerage insurance in his last preceding year, whichever is the greater amount."

All insurance brokers and all institutions issuing brokers with professional indemnity insurance should ensure that cover conforms with the above legal requirement.

Please note that the minimum requirements in Statutory Instrument 59 of 2005, Section 5 (2) b(ii) applies to new applications where volume of business handled will not yet be known.

Your co-operation is appreciated.

Yours faithfully

M. S. Mpofo (Mrs)

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