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**INSURANCE & PENSIONS
COMMISSION**

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Circular No. 2/2006

**To: Insurance Council of Zimbabwe (ICZ)
Zimbabwe Insurance Brokers Association (ZIBA)
Zimbabwe Association of Reinsurance Offices (ZARO)
Multiple Agents
All other Intermediaries**

RE: REDUCTION OF CREDIT PERIOD

This Circular serves to advise all insurers, reinsurers, insurance brokers, multiple agents and all other intermediaries who transact short-term insurance business on the change of credit period with effect from 1st of February 2006.

1. A deposit of not less than 25% of the total premium due shall be payable within 30 days of inception of the policy.
2. The remaining 75% shall be payable within 45 days of the inception of the policy i.e a maximum of 15 days after payment of the deposit premium.
3. However, for January renewals, the current 60 days credit period will apply and premiums shall be payable by the 28th of February 2006.
4. This arrangement will be in place while other fundamentals are being looked into in order to come up with a lasting solution to this issue.


L. Mafurirano
ACTING COMMISSIONER OF INSURANCE, PENSION AND
PROVIDENT FUNDS

February 13, 2006