



RESERVE BANK OF MALAWI

APPLICATION FOR A LICENCE TO CONDUCT BUSINESS AS AN INSURANCE AGENT FOR BROKER

General Instructions

1. This form is for use by all applicants seeking registration as an agent for a broker. The applicant may be a partnership or corporation.
2. The applicant must have a designated individual who must be appointed as a principal officer. The principal officer of the insurance agency for broker must be a chartered insurer or an equivalent professional insurance qualification recognized by the Insurance Institute of Malawi and acceptable to the Registrar of Financial Institutions or must have at least 10 years satisfactory experience as head of either: claims administration, underwriting, or reinsurance function of an insurance company.
3. The applicant must provide evidence of having injected equity in the business of at least K10,000,000.00.
4. Each insurance agency for broker must identify a lead broker for every product introduced from which a tentative agency agreement/letter of appointment. In the case where an agent for broker identifies another broker, an additional fee K50,000.00 shall be paid, and every new product shall attract an additional fee of K50,000.00.
5. The applicant must ensure that borrowers or clients of banks are compelled to use bancassurance unless satisfied that the product meets their insurance requirements.
6. The applicant must ensure that borrowers or clients of banks have the right to retain their brokers or insurers or select their preferred insurer or broker to provide cover on their loan or asset financed by a bank unless the bank facility being sought is a specifically bancassurance packaged product.
7. All applicable questions must be answered fully and additional pages may be attached where response space is found to be inadequate to accommodate all details.
8. A non-refundable licence assessment fee of K150,000.00 must be included with

the application.

9. If the application is successful, the applicant will be required to pay a registration fee of K75,000.00.
10. A non-refundable fee of K75,000.00 will be required when renewing the business licence of the insurance agent for broker.
11. All inquiries concerning the preparation, filling, and status of this application should be made to: **The Director, Pension and Financial Institutions, Reserve Bank of Malawi, P. O Box 565, BLANTYRE.**
12. Upon completion, one original and a duplicate copy of the application and all other attachments must be submitted to: **The Registrar of Financial Institutions, Reserve Bank of Malawi, P O Box 565, BLANTYRE.**

APPLICATION FORM

1. Name of applicant:

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2. Mailing address:

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3. Telephone No:

Fax No:

E - Mail:

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4. Location of offices:

i. Head Office (give physical address)

ii. Other Offices (branches, agencies, etc)

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5. Principal Officer.

- i. Name of Individual designated as principal officer.
- ii. Provide details regarding his/her professional and education qualification.

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6. Indicate legal form of the applicant (partnership, corporation)

7. If the applicant is a partnership provide:

- i. Details of the partnership including certified true copies of the certificate of registration and partnership agreement.
- ii. A list of all the partners, their addresses, their nationality and their capital account contributions.

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8. If applicant is a corporation provide:

- i. Certified true copies of the certificate of incorporation, memorandum and articles of association including bye-laws and other relevant documents.
- ii. Details of the share structure of the corporation in terms of authorized share capital by each class of shares, number of shares issued, and outstanding, voting rights associated.
- iii. List of all shareholders who own 10% or more of the shares of the corporation.
- iv. An organizational chart showing inter-corporate shareholding and

linkages where the corporation is a member of a group of companies. If any member of the group is a registered broker, give its registration number.

9. Provide name, address and account number of the bank where trust funds or securities are deposited.

10. Provide names of individuals, together with details of their qualification and work experience, who will be in charge of the branches of the agency for broker undertakings. Indicate how the branch operations will be supervised and monitored.

11. Does the applicant or any of the promoters of the applicant carry on any business or have an interest in any business other than the insurance brokers business? If yes, give full details, including the name of the business, its address, and the nature of its business.

12. Other information:

i. Has the applicant, any affiliate or any promoter of the applicant ever been refused registration as a broker under the Insurance Act 2009 or under the laws of any other jurisdiction which required such registration, or has any such registration been suspended or cancelled?

ii. Has the applicant or any affiliate of the applicant ever been:

a. Charged or convicted under the laws of Malawi or any other country.

b. A defendant in any proceedings in any civil court or tribunal in any country where fraud, theft, misrepresentation, negligence or other

similar conduct was alleged.

- c. Declared bankrupt or made a voluntary assignment in bankruptcy, or been subject of proceedings relating to insolvency, dissolution or winding up of business.
 - d. Recipient of a judgment or garnishment in any civil court in any country.
 - e. Refused errors and omission insurance or a fidelity bond or ever had any of such insurance cancelled.
- iii. Is there any person or entity, whose is not disclosed in this application who has any direct or indirect beneficial interest in the applicant?
 - iv. Give the name of the auditor engaged to audit the accounts of the applicant.
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- 13. Indicate the name of the broker to be engaged in the business and please provide copies of the agency agreements including details of commission and technical support to be rendered by the broker.
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14. Insurance Markets:

- i. List of insurance markets to be served by product line and geographical area. List name of lead broker chosen and the nature of business arrangements with the lead broker and other brokers, (if any).
- ii. Provide a business/strategic plan for a minimum of three years, including sources and scale of business envisaged, balance sheet and profit and loss projections for each year and details of staffing and management. Assumptions used in preparing the plan and the financial projections should be realistic and based on actual comparative data for the markets to be served and the current

economic environment.

DECLARATION

With regard to

**APPLICATION FOR LICENCE TO CONDUCT BUSINESS AS AN
INSURANCE AGENT FOR A BROKER**

We, the undersigned, do hereby certify that:

- i) All the information given in response to and in support of the questions in this application is true and correct to the best of our knowledge and belief; and
- ii) This application is made in good faith with the purpose and intent that affairs and business of the proposed insurance agency for broker will at all times be honestly conducted in accordance with good and sound business principles and in full compliance with all applicable laws and regulations.

We further certify that to the best of our knowledge and belief there are no other facts or information relevant to this application of which the Registrar of Financial Institutions should be aware, and we pledge to promptly inform the Registrar of any material change to this application which may arise while it is being considered.

<u>Name</u>	<u>Signature</u>	<u>Title/Position</u>
_____	_____	_____
_____	_____	_____
_____	_____	_____

Date: _____

Note: One of the above signatories must be designated individual/principal officer.

