

FINANCIAL INSTITUTIONS AND MARKETS ACT, 2021**INSURANCE****APPLICATION BY REGISTERED INSURER OR REINSURER FOR VOLUNTARY CANCELLATION OF REGISTRATION GRANTED PURSUANT TO SECTION 11 OF THE ACT OR FOR VARIATION OF THE CLASSES OF BUSINESS BY CANCELLATION OF CLASS(ES) OF BUSINESS FOR WHICH IT WAS REGISTERED****Standard No. INS.S.2.14**

issued by NAMFISA under sections 410(3)9dd), read with 13(2), of the Financial Institutions and Markets Act, 2021

Definitions

1. (1) In this Standard –
 - (a) “Act” means the Financial Institutions and Markets Act, 2021 (Act No. 2 of 2021), and it must be read with the regulations prescribed under the Act and the standards and other subordinate measures issued by NAMFISA under the Act; and
 - (b) “NAMFISA ERS” means the Electronic Regulatory System which facilitates communication between NAMFISA and financial institutions.
- (2) Words and phrases defined in the Act have the same meaning in this Standard, unless the context indicates otherwise, including without limitation, the following:
 - (a) as defined in section 1 of the Act –
 - (i) auditor;
 - (ii) board;
 - (iii) document;
 - (iv) principal officer;
 - (v) NAMFISA; and
 - (vi) valuator;
 - (b) as defined in section 4 of the Act –
 - (i) class;
 - (ii) insurer;
 - (iii) policyholder;
 - (iv) reinsurer;
 - (v) registered insurer;

- (vi) registered reinsurer; and
- (vii) insurance business.

Applicability

2. This Standard applies to all registered insurers or reinsurers (hereinafter referred to as “applicants”) applying for cancellation of its registration granted pursuant to section 11 of the Act.

3. Applications for variation of registration by adding a class(es) of insurance or for variation to the conditions subject to which registration was granted must be dealt with in accordance with Standard No. INS.S.2.3 - Application for registration of insurers and reinsurers.

Where to apply

4. An application for cancellation of registration granted pursuant to section 11 of the Act or an application for variation of registration by cancellation of class(es) of insurance for which it was registered must be submitted to NAMFISA in accordance with clause 12.

Application for cancellation of registration or variation of registration by cancellation of a class(es) of business

5. Pursuant to section 13(2) of the Act, an applicant that intends to apply for voluntarily cancellation of its registration granted pursuant to section 11 or variation of registration by cancellation of a class(es) of business for which it was registered must –

- (a) apply to NAMFISA, in writing, in accordance with the form set out in Schedule 1, FORM A, titled Application letter;
- (b) file with NAMFISA, as proof, a copy of the notice published in terms of section 13(3) of the Act;
- (c) provide a copy of the resolution on the decision to cancel or vary its registration by cancelling a class(es) of business for which it was registered pursuant to section 11 of the Act;
- (d) provide proof of payment of the application fee (if any); and
- (e) provide any other information and documents that NAMFISA may, from time to time, reasonably require.

6. The applicant, its principal officer or a duly authorised person¹ may, if so required, be called to appear before NAMFISA for a personal representation in connection with an application.

Notice

7. The applicant must, 30 days before publishing the notice in the newspapers in terms of section 13(3) of the Act and clause 5(b), notify NAMFISA of the proposed intention to cancel registration or variation of registration by cancellation of a class(es) of business for which it was registered.

8. The applicant may after NAMFISA has considered all objections received due to the published notice referred to in section 13(3) of the Act and 5(b), lodge an application with NAMFISA within 30 days.

General requirements

9. An applicant must further specify the measures that the applicant shall take to discharge all its obligations under insurance policies, other contractual obligations including broker agreements and meet all of its liabilities.

Powers of NAMFISA

10. (1) No registered insurer or reinsurer shall voluntarily wind-up or cease insurance business operations without the prior written approval of NAMFISA.

(2) An application not complete in all respects and not conforming to the instructions specified in Schedule 2 and this Standard may be rejected on the basis of non-compliance with this Standard.

(3) In instances where the application is deemed incomplete, NAMFISA must give the applicant the opportunity to provide the required information to complete the application. The required information must be provided within the period of seven days, or such other period stipulated or agreed to by NAMFISA, failing which the application shall be rejected.

Application fee

11. If applicable, an application must be accompanied by the required non-refundable fee as stipulated in terms of Standard GEN.S.10.23 - Fees.

Submission

12. (1) An application for cancellation of registration or for variation of registration by cancellation of class(es) of insurance for which it was registered must be signed by the principal officer of the registered insurer or reinsurer or a duly authorised representative of the applicant and submitted electronically to NAMFISA, together with supporting documents, on the NAMFISA ERS.

(2) Where necessary and when so directed by NAMFISA, the applicant must submit specified information and documentation manually to NAMFISA.

Effect of cancellation of registration

13. On and from the date of cancellation of the registration, the insurer or reinsurer, shall cease to act as an insurer or a reinsurer or cease in offering a specific class(es) of insurance products by virtue of its varying of its classes of business.

SUPPORTING SCHEDULES

The following supporting schedules are attached to and form part of this Standard:

Schedule 1: FORM A – APPLICATION LETTER

Schedule 2: FORM B – APPLICATION FOR CANCELLATION OF REGISTRATION GRANTED PURSUANT TO SECTION 11 OF THE ACT OR FOR VARIATION OF REGISTRATION BY CANCELLATION OF A CLASS(ES) OF BUSINESS FOR WHICH IT WAS REGISTERED

¹Applicant to attach a copy of letter or document of authorisation.

SCHEDULE 1 (to Standard INS.S.2.14)**FORM A - APPLICATION LETTER****APPLICATION BY REGISTERED INSURER OR REINSURER FOR CANCELLATION OF REGISTRATION GRANTED PURSUANT TO SECTION 11 OF THE ACT OR CANCELLATION OF CLASS(ES) OF BUSINESS**

In terms of section 13(2) of the Financial Institutions and Markets Act No. 2 of 2021 (“the Act”) –

1. I, the undersigned, being the Principal Officer or duly authorised person of _____
_____ duly empowered thereto, hereby apply for the voluntary cancellation of registration or cancellation of a class(es) of business (delete whichever not applicable) of the said registered insurer or reinsurer, in terms of section 13(2) of the Act;
2. I submit with this application all the required documents as per this Standard; and
3. If applicable, the proof of payment of the requirement application fee in terms of Standard GEN.S.10.23 – Fees, is enclosed with the application.

PRINCIPAL OFFICER OR DULY AUTHORISED PERSON

Full names: _____

Signature: _____

Capacity: _____

Date: _____

SCHEDULE 2 (to Standard INS.S.2.14)

FORM B - APPLICATION FOR CANCELLATION OF REGISTRATION GRANTED PURSUANT TO SECTION 11 OF THE ACT OR FOR VARIATION OF REGISTRATION BY CANCELLATION OF A CLASS(ES) OF BUSINESS FOR WHICH IT WAS REGISTERED

Please tick appropriate box:

SHORT-TERM INSURER/REINSURER

LONG-TERM INSURER/REINSURER

1. INSURER/REINSURER

Full Name(s):

NAMFISA Registration Number:

Income Tax Number:

2. CONTACT DETAILS

Physical address:

Postal address:

Tel. Work:

Cell. No:

Fax No:

Email:

3. DETAILS OF PRINCIPAL OFFICER

First Names:

Surname:

ID/Passport No:

Nationality:

Physical address:

Postal Address:

Tel. Work:

Email address:

4. DETAIL OF SHAREHOLDER(S)

Name	Shareholding

5. DETAILS OF BOARD OF DIRECTORS

Name	Nationality	Executive/Non-Executive

Name of the Board Chairperson:

Name	Name of Chairperson(s) of committee(s)

6. DETAILS OF AUDITOR

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7. DETAILS OF VALUATOR

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8. BOARD RESOLUTION

8.1 Date when the special resolution was passed

8.2 Effective date of cancellation or variation

8.3 Furnish full reason(s) why the special resolution in question 8.1 was passed

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9. CANCELLATION SPECIFIC INFORMATION

9.1 Is the insurer or reinsurer cancelling all the classes of insurance registered for?

Yes	
No	

9.2 If not please indicate the classes being cancelled below.

Short-term insurance classes

Vehicle	
Aviation	
Fire	
Marine	
Guarantees	
Personal	
Miscellaneous	
Others, specify	

Long-term insurance classes

Disability	
Fund	
Funeral	
Health	
Life	
Sinking fund	
Others specify	

9.3 Does the insurer or reinsurer have any liabilities under long-term or short-term policies at the time of cancelling?

Yes	
No	

9.4 If the answer is yes, kindly furnish full details of the arrangements that the insurer or reinsurer has made to meet all the liabilities.

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9.5 Did the insurer or reinsurer inform its Auditor and Valuator of this notification?

Yes	
No	

9.6 If the answer is No, kindly explain.

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10. LIQUIDATOR’S DETAILS (IF APPLICABLE)

Full name(s) of Liquidator

Identity number of Liquidator

Appointed date of Liquidator

Completion date of Liquidator

Total assets at the date the Liquidator is appointed

Total liabilities at the date the Liquidator is appointed

Total assets on the final date of liquidation

Total liabilities on the final date of liquidation

11. ATTACHMENTS REQUIRED

- Letter requesting for cancellation or variation to NAMFISA
- Original certificate of registration (declaration under Oath where original lost) Proof of settlement or liabilities
- A certificate by the Auditor and Valuator stating that the insurer or reinsurer has no liability under long-term or short-term insurance policies (where there is liability furnish further details as would be directed by NAMFISA)
- Copy of Board resolution for voluntary cancellation decision or variation
- Bank letter confirming the closure of the bank account(s) three months after cancellation
- Resolution for change of objectives

SIGNATURE OF PRINCIPAL OFFICER OR DULY AUTHORISED PERSON

By signing the document, I confirm that all the information contained in this application is true and correct and can be relied upon and I have disclosed all necessary material information that may be required by NAMFISA.

Full Names(s):

Signature:

Capacity:

Date: