
**FINANCIAL INSTITUTIONS AND MARKETS ACT, 2021
INSURANCE**

**MANNER AND FORM OF APPLICATION FOR REGISTRATION OF INSURERS
AND REINSURERS AND THE MANNER IN WHICH NAMFISA MAY APPROVE
ADDITIONAL CLASSES OF LONG-TERM INSURANCE BUSINESS AND ADDITIONAL
CLASSES OF SHORT-TERM INSURANCE BUSINESS FOR THE PURPOSES OF
SECTION 8**

Standard No. INS.S.2.3

issued by NAMFISA under sections 9(2), 410(3)(bb) and 410(3)(dd) 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;
 - (b) “key person” means any person responsible for managing or overseeing, either alone or together with another responsible person, the activities of the insurer or reinsurer, and includes those individuals or other entities holding more than 20% of the insurer or reinsurer’s voting rights; and
 - (c) “NAMFISA ERS” means the Electronic Regulatory System which facilitates communication between NAMFISA and financial institutions or financial intermediaries.
- (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) actuary;
 - (ii) auditor;
 - (iii) document;
 - (iv) entity;
 - (v) financial institutions;
 - (vi) financial year;
 - (vii) NAMFISA; and
 - (viii) principal officer;

- (b) as defined in section 4 of the Act –
 - (i) capital adequacy requirement;
 - (ii) class;
 - (iii) insurer;
 - (iv) reinsurer;
 - (v) registered insurer; and
 - (vi) registered reinsurer.

Applicability

2. This Standard applies to all public companies applying for registration as insurers or reinsurers and the manner in which NAMFISA may approve additional classes of long-term insurance business and additional classes of short-term insurance business for the purposes of section 8 (hereinafter referred to as “applicants”).

Application to be made to NAMFISA

3. (1) An application for registration as an insurer or reinsurer or the manner in which NAMFISA may approve additional classes of long-term insurance business and additional classes of short-term insurance business for the purposes of section 8, must be made to NAMFISA in accordance with clause 4.

(2) Applications for variation of the classes of business by cancellation of class(es) of business must be done in accordance with Standard No. INS.S.2.14 – 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.

Particulars to be furnished upon application

4. For the purposes of sub-section 9(2) of the Act, an application by a public company for registration as an insurer or reinsurer, and for purposes of sub-section 410(3)(bb) of the Act, an application by a registered insurer or reinsurer, must –

- (a) be in writing as specified in Schedule 1, FORM A, titled Application letter;
- (b) set out particulars specified in Schedule 2, FORM B, titled Application form and Schedule 3 FORM C, titled Business plan and Actuarial template;
- (c) be accompanied by the information and documents specified in section 10 of the Act;
- (d) be signed by the principal officer or any other person duly authorised to represent the applicant;
- (e) be accompanied by a list of NAMFISA ERS user(s) nominees as set out under Schedule 4 FORM D, titled NAMFISA ERS Nomination form;
- (f) provide proof of public notice required in terms of section 9(3) of the Act;

- (g) be accompanied by the relevant completed parts and other information required pursuant to Standard No. GEN.S.10.2 – Fit and Proper Requirements; and
- (h) provide proof that the prescribed application fee has been paid.

5. Applicants must disclose information as required in the application forms supported by the necessary accompanying documents.

6. (1) An application not complete in all respects and not conforming to the instructions specified in the Schedules and this Standard may be rejected on the basis of being non-compliant with this Standard.

(2) 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.

7. Nothing shall prevent NAMFISA from seeking additional information and/or documents as may be reasonably necessary for processing of the application for registration.

8. The applicant or its duly authorised representative¹ may, if so required, be called to appear before NAMFISA for a personal representation in connection with an application.

Documents to accompany the application

9. (1) The applicant must submit the documents listed in Schedule 2, FORM B including the following:

- (a) company status report (shareholders, board of directors, auditors, secretary, etc.);
- (b) proof that the insurer or reinsurer has published the notice required in terms of section 9(3) of the Act; and
- (c) a business plan projecting, in respect of section 10(1)(f) of the Act -
 - (i) a three-year business plan containing the information as per Schedule 2; and
 - (ii) an actuarial report containing the information as per Schedule 2.

(2) Where the applicant is part of a group, the applicant must submit –

- (a) its corporate and group structure, indicating the whole group (inclusive of insurance legal entities, other entities and non-regulated entities); and
- (b) information on the type of related party transactions with relationships between all material entities within the group, ownership, board and management and corporate governance.

(3) The applicant must also provide information in the business plan to demonstrate the appropriateness of its systems of risk management and internal controls, including contracts with affiliates, outsourcing arrangements, information technology systems, policies and procedures.

(4) The applicant must provide proof that they meet the minimum capital requirements as set out in Standard No. INS.S.2.1 - Capital Adequacy Requirements for registered insurers and reinsurers.

Fit and Proper requirements

10. The applicant's appointed directors, principal officer and key persons must complete and submit the relevant parts of the fit and proper requirements contained in Standard No. GEN.S.10.2 - Fit and Proper Requirements.

Assessing criteria

11. (1) NAMFISA may rely on the following when assessing an application –

- (a) audits by external bodies;
- (b) actuarial reports; and
- (c) in the case of foreign subsidiaries, the opinion of other supervisors.

(2) Notwithstanding sub-clause (1), NAMFISA may consider any other source, person, report or opinion deemed expedient and apply its own judgment in making the final decision on the application.

(3) Before placing reliance on reports and opinions referred to in sub-clauses (1) and (2), NAMFISA must consider -

- (a) whether the external auditors, actuaries and persons have the necessary expertise and experience to perform the roles; and
- (b) their independence from the applicant and the consideration they give to the protection of policyholders' interests.

General requirements

12. The applicant must meet the minimum capital requirements as set out in Standard No. INS.S.2.1 - Capital Adequacy Requirements for registered insurer and reinsurers.

13. Where an applicant may need approval under other relevant legislation, it is the applicant's responsibility to ensure that all of the relevant approvals are obtained before application is made, where relevant, or prior to the commencement of insurance business operations.

Submission

14. (1) An application 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 on the NAMFISA ERS.

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

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 FORM
- Schedule 3: FORM C - BUSINESS PLAN AND ACTUARIAL TEMPLATE
- Schedule 4: FORM D - NAMFISA ERS NOMINATION FORM

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

SCHEDULE 1 (to Standard INS.S.2.3)**FORM A - APPLICATION LETTER****(To be completed in duplicate)****APPLICATION FOR REGISTRATION AS AN INSURER OR REINSURER/ APPLICATION FOR ADDITIONAL CLASS(ES) OF INSURANCE** *(Delete whichever not applicable)*

In terms of section 9 or 410(3)(bb) of the Financial Institutions And Markets Act of 2021 (Act No. 2 of 2021) ("the Act") -

1. I, the undersigned, being the Principal Officer or authorised person of _____
_____ duly empowered thereto as per the annexure hereto², hereby apply for the registration of the said public company as an insurer/reinsurer (delete the one not applicable) to carry out, in Namibia, the following class(es) of insurance business, as defined in terms of section 8 of the Act:

- (a) _____
- (b) _____
- (c) _____
- (d) _____
- (e) _____

2. I submit with this application all the required documents in terms of this Standard.

3. The proof of payment of prescribed fee, as determined in terms of Standard No. GEN.S.10.23 - Fees, is enclosed with the application.

SIGNATURE (PRINCIPAL OFFICER OR AUTHORISED PERSON)

Name: _____

Capacity: _____

Date: _____

SCHEDULE 2 (to Standard INS.S.2.3)**FORM B - APPLICATION FORM FOR REGISTRATION AS AN INSURER OR REINSURER**

I/We the undersigned, do hereby apply for registration to carry on short-term or long-term (*tick applicable box*) insurance business in Namibia as an insurer or reinsure (delete the one not applicable) in terms of section 9 or 410(3)(bb) of the Financial Institutions And Markets Act, 2021 (Act No.2 of 2021) ("the Act").

1. COMPANY INFORMATION

- (a) Name(s) of the Company: _____
- (b) Registration No: _____
- (c) Income Tax No: _____
- (d) VAT No: _____
- (e) Financial Year End: _____

2. COMPANY CONTACT DETAILS

- (a) Physical Address (Principal Office): _____
- (b) Postal Address: _____
- (c) Tel No: _____
- (d) Fax No: _____
- (e) Email Address: _____
- (f) Website (if any): _____

3. CLASS(ES) OF INSURANCE TO BE REGISTERED**A. SHORT-TERM INSURANCE OR REINSURANCE****(1) Fire**

- (a) Fire and natural forces
- (b) Miscellaneous financial loss

(2) Marine

- (a) Ships hull
- (b) Liability for ships

- (3) Aviation
- (a) Aircraft hull
 - (b) Liability for aircraft
- (4) Vehicles
- (a) Land vehicles
 - (b) Liability for motor vehicles
- (5) Guarantee
- (6) Miscellaneous
- (a) Personal accident
 - (b) Sickness as defined in the regulations
 - (c) General liability
 - (d) Damage to property
 - (e) Goods in transit
 - (f) Credit
 - (g) Railway rolling stock
 - (h) Legal expenses
 - (i) Expropriation and confiscation of property
- (7) Personal

B LONG-TERM INSURANCE OR REINSURANCE

- (1) Disability insurance business
- (2) Fund insurance business
- (3) Funeral insurance business
- (4) Health insurance business
- (5) Life insurance business
- (6) Sinking fund insurance business

3. PERSONAL DETAILS OF APPOINTED PRINCIPAL OFFICER

First Names: _____

Surname: _____

ID / Passport No.: _____

Nationality: _____

Physical Address: _____

Postal Address: _____

Tel. Work: _____

Fax No: _____

Email Address: _____

4. DETAILS OF THE COMPANY'S ACTUARY

Full Names: _____

Tel. No.: _____

Fax No.: _____

Email Address: _____

Name of the Actuary's Association: _____

Actuary's Association Tel: _____

Actuary's Association Email address: _____

Educational and Professional qualifications: _____

Membership No.: _____

5. DETAILS OF THE COMPANY'S AUDITORS

Full Names: _____

Tel. No.: _____

Fax No.: _____

Email Address: _____

Name of the Auditors or Auditors Association: _____

Membership No.: _____

Name of professional regulatory body: _____

Membership No.: _____

6. BOARD OF DIRECTORS

Initials and Surname	Date appointed	Position

7. ATTACHMENTS

- (1) Proof of registration fee paid in terms of Standard GEN.S.10.23 – Fees

Entity

- (2) Original Certified copies of the following latest and updated company documents: (every page of these documents to be certified)
- (a) Memorandum of Association (CM2), in duplicate and signed. (The objectives must clearly include and comply with those set out in terms of section 10(3) of the Act.)
 - (b) Application for reservation of name (CM5)
 - (c) Articles of Association (CM44)
 - (d) Certificate of Incorporation (CM1)
 - (e) Certificate to commence business (CM46)
 - (f) Certificate of change of name of company (CM9)
 - (g) Notice of registered office (CM22)
 - (h) Contents of Directors register (CM29)
 - (i) Special Resolutions with regard to above company documents (CM26)
 - (j) Notice of consent to appoint, change of name or resignation of auditor or removal of auditor (CM31)
- (3) List of Directors (and all requirements as listed below for key persons)
- (4) Detailed List of Shareholders and shareholding structure (Group Structure) up to the ultimate natural person/Trust in the group (with 20% shares or more)
- (5) Trusts within the shareholding structure (Group Structure where the Trust owns 20% shares or more, the applicant must provide original certified copies of)³:
- Trust deed indicating the names of the beneficiaries
 - Trust certificate from Master of the Court clearly indicating natural person trustees

- (6) Certified copy of Shareholders Agreements (between applicant and its direct shareholders)
- (7) Certified copies of Share Certificates (valid and cancelled) (direct shareholders of applicant)
- (8) Certified copy of Proof of Required Paid-up Share Capital (applicant's Bank statement clearly indicating capital funds received)
- (9) Certified copy of detailed information on sources of funds (original sources of how funds/ income is generated/obtained e.g. dividends pay out, Board Resolution, fund/investments statements, contract agreement validating income)
- (10) Certified copy of Treasury Deposits or alternative Securities approved by NAMFISA/Original bank guarantee
- (11) Reinsurance Treaty(ies)/ letters of intent from the reinsurer(s) (including credit rating of respective reinsurer(s))
- (12) Sample of Insurance Contract per product in business plan
- (13) Certified copy of Municipality Certificate of Registration or /of Fitness
- (14) Certified copy of Financial Intelligence Act, 2012 (Act No. 13 of 2012) (FIA) compliance policy of the applicant
- (15) Relevant completed parts and other information required pursuant to Standard No. GEN.S.10.2 - Fit and Proper Requirements

Principal Officer (PO)

- (16) Certified copy of Residence Permit or work permit, if not Namibian
- (17) Relevant completed parts and other information required pursuant to Standard No. GEN.S.10.2 - Fit and Proper Requirements

Key person(s) (including Director(s), Shareholder(s) or owner(s) that control the applicant and other Manager(s))

- (18) Copy of each key person's proof of residence or work permit (where applicant resides outside Namibia)
- (19) Relevant completed parts and other information required pursuant to Standard No. GEN.S.10.2 – Fit and Proper Requirements

9. SIGNATURE

By signing the document I confirm that:

³ Where minority shareholders have influence, documents may also be requested.

- (a) The insurance/reinsurance business undertaken will be conducted in Namibia in compliance with the Act and the regulations prescribed under the Act and the standards and other subordinate measures issued by NAMFISA under the Act;
- (b) I will adhere to the requirements and conditions stated in this application form; and
- (c) All the information contained in this application is true and accurate and can be relied upon and I have disclosed all necessary material information that may be required by NAMFISA. In the event that any information provided in this application is incorrect or not fully disclosed, I accept that the registration may be cancelled in accordance with the provisions of the Act.

Full Name: _____

Signature: _____

Capacity: _____

Date: _____

SCHEDULE 3 (to Standard INS.S.2.3)**FORM C - BUSINESS PLAN AND ACTUARIAL TEMPLATE****1. Business Plan Requirements**

Business Plan with 3 years financial projections with detailed explanations of assumptions applied including but not limited to the following:

- (1) Introduction -
 - (a) Background
 - (b) Limitations
 - (c) Financial risk analysis
- (2) Proposed product(s) -
 - (a) Cover
 - (b) Premiums
 - (c) Target market(s)
- (3) Business strategy for a minimum of 3 years
- (4) Areas of risk and uncertainty –
 - (a) Premium rates/estimates
 - (b) Claims assumptions (high or low)
 - (c) Risk of increasing claims frequency
 - (d) Risk of increasing claims severity
 - (e) Policy wording
 - (f) Sales volumes
 - (g) Investment(s)
- (5) Financial projections assumptions (stress testing) –
 - (a) Sales volumes
 - (b) Future sales growth
 - (c) Investment returns
 - (d) Claims experience
 - (e) Inflation
 - (f) Sales expenses
 - (g) Administration expenses

- (h) Tax rate
- (i) Reinsurance
- (j) Claims reserve
- (6) Information Technology (IT) – a description of the applicant’s proposed IT environment and a risk assessment of the IT operations
- (7) Analysis of competitors showing both challenges and opportunities, and plans to address them
- (8) The reasons why the applicant believes it will be successful, and the overall growth strategy for achieving this success, including a discussion of key assumptions
- (9) Projection results –
 - (a) base projections or assumptions
 - (b) sensitivity analysis or Stress testing with contingency plans addressing the worst case and other adverse scenarios
- (10) Where applicable reliance on out of country (group/other) services and reasons for such reliance
- (11) Human capital outline
- (12) Conclusion - signed by actuary

2. Actuarial Report Requirements



Certified and signed Actuarial Report and review of business plan including but not limited to the following information:

- (1) Scope
- (2) Background of the product(s)
- (3) Analysis -
 - (a) Sensitivity analysis
 - (b) Financial viability
 - (c) Critical assumptions and methods
- (4) Details of product(s) -
 - (a) Proposed product(s)
 - (b) Distribution channels
 - (c) Benefits of the product(s)
 - (d) Underwriting administration
 - (e) Expenses on product(s)
 - (f) Reinsurance

-
- (g) Premium rates
- (5) Actuarial projections -
 - (a) Claims experience analysis
 - (b) Mortality rates
 - (c) Premium rates / pricing philosophy
 - (d) Base projection/assumption
 - (e) Technical liabilities
 - (f) Capital requirements
- (6) Risk management policy statement (brief summary of policies, procedures, and risk management controls)
- (7) Reinsurance management strategy
- (8) Conclusion – signed by Actuary

SCHEDULE 4 (to Standard INS.S.2.3.)**FORM D - NAMFISA ERS NOMINATION FORM**

Registered name:			
List ERS user nominees			
Name of Nominee		Designation (i.e. Principal Officer, Director, Member or Owner/etc.)	E-mail Address
1			
2			
3			
4			
5			
6			
7			
8			
9			
10			
Authorised Signature (Chief Executive Officer/Managing Director/Owner/Principal Officer):			
Designation:			
Please print name and sign below:			
	Name (print)		
	Signature		
	Date		