

REQUIREMENTS FOR LICENSING OF A CORPORATE INSURANCE AGENT

A Corporate Insurance Agent seeking licensing shall satisfy the following requirements as prescribed by the Insurance Industry Act, its regulations and the NBFIRA Fit and Proper Rules:

Company Requirements

- a) A company is resident in Botswana,
- b) Certificate of Incorporation,
- c) Memorandum & Articles of Association and/or Constitution of Company (where applicable),
- d) Notice of Issue of Shares (Form 8),
- e) Shareholder certificate(s),
- f) Consent and Certificate of Director(s) or secretaries (Form 2B),
- g) Notice/Proof of physical and postal address (e.g. lease agreement, utility bills, etc.),
- h) Appointment of Auditors (offer letter from corporate insurance agent, acceptance letter and practicing certificate from auditors).

Capital Requirements

- a) Corporate Insurance Agents to maintain a minimum capital target which shall be the higher of P30,000 or 4% of annual income or 25% of operating expenses,
- b) Certification from company's auditors to substantiate the amount of capital.

Controller Requirements

- a) The controllers, manager, principal officer and directors who handle the day to day management of the company are all resident in Botswana,
- b) The controllers and managers are persons with sufficient business knowledge and experience,
- c) The Principal Officer should be a person with at least a Certificate of Proficiency (CoP) in the relevant insurance sector (short-term or long term insurance)
- d) All controllers to meet the fit and proper requirements as prescribed by the NBFIRA Fit and Proper Rules,
- e) Evidence of insurance qualifications and experience of the principal officer, as per the NBFIRA Fit and Proper requirements,
- f) Appointment of Anti-Money Laundering/ Combating the Financing of Terrorism Compliance Officer,
- g) Certified copies of identification documents (Oman for citizens; or work and residence permits, and passport for non-citizens), copies of educational certificates, Biographical Affidavit form, Security Vetting Authorisation (SV1) form, Police clearance certificate (from country of residence), CV, proof of residence (utility bill, letter from employer or affidavit), bank reference, and 2 passport-sized photographs in respect of all controllers.

Other Requirements

- a) Agency agreement with the principal insurer; insurance corporate agents are allowed to represent one general, one life Insurer or both,
- b) Anti-Money Laundering/ Combating the Financing of Terrorism policy,
- c) Professional Indemnity (PI) cover of a minimum limit P500,000 with any local insurer,

- d) Disaster recovery Plan,
- e) The business plan showing three years projections of income, expenditure and balance sheet.

Application fee and Submission

- a) The application is to be made using the **Form 4**, which requires specific information to be supplied. The form is accessible in the NBFIRA website (www.nbfira.org.bw).
- b) The application form and all other required documents should be submitted on the NBFIRA RBSS portal and hardcopies delivered to NBFIRA offices,
- c) The non-refundable licensing fee is **P1, 200** and should be deposited into NBFIRA bank Account No: **9060001296510** Stanbic Bank-Fairgrounds.

Renewal

- a) The licence is renewable annually using **Form 7**,
 - b) Application letter for renewal of licence with the following information;
 - a. List of active sub agents/consultants in the agency,
 - b. Confirmation of existing physical and postal addresses of agency (or any changes, if any)
 - c) Copy of previous/expired licence,
 - d) Confirmation of validity of agency agreement from the principal insurer,
 - e) Confirmation of P30,000 capital from Auditors,
 - f) Proof of payment of outstanding supervisory levies. The supervisory levy on corporate insurance agents as may be prescribed by the Statutory Instruments is charged on the gross commission as reported in their most recent audited financial statements,
 - g) Proof of payment of licence renewal fee of **P750**.
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