



REPUBLIC OF VANUATU

INSURANCE ACT NO.54 OF 2005

INSURANCE REGULATIONS ORDER NO.16 OF 2006

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REPUBLIC OF VANUATU

INSURANCE ACT NO. 54 OF 2005

Insurance Regulations Order No. 16 of 2006

In exercise of the powers conferred on me by section 104 of the Insurance Act No. 54 of 2005, I, the Honourable WILLIE JIMMY TAPANGARUARUA Minister of Finance and Economic Management make the following Regulation.

PART I - INTERPRETATION

1 Interpretation

In these Regulations, unless the context otherwise requires:

Act means the Insurance Act No.54 of 2005.

commencement date means the date the Act comes into operation.

licensed insurance broker means a licensed insurance intermediary who is entitled to act as an insurance broker.

licensed insurance loss adjuster means a licensed insurance intermediary who is entitled to act as a loss adjuster.

licensed insurer means an insurer licensed under the Act.

specified date means the later of:

- (a) the first 31 December after the commencement date; or
- (b) 90 days after the commencement date.

PART 2 - INSURANCE BUSINESS

2 Application for an insurance licence

An application for an insurance licence must have with it (as well as the matters set out in subsection 17(2) of the Act):

- (a) the latest audited financial statements (if any) of the applicant, the most recent audited accounts of the immediate parent (if any), and the latest consolidated group accounts (if any);
- (b) a completed Personal Questionnaire, in the form determined by the Commission, for:
 - (i) each director; and
 - (ii) each key executive; and
 - (iii) each shareholder or proposed shareholder of the applicant; and
- (c) the proposed auditor's consent to act as auditor; and
- (d) for an application for a life insurer's licence, the proposed actuary's consent to act as actuary (unless the insurer is exempted under subsection 46(1) of the Act); and
- (e) for an existing life insurer, the latest actuarial report (unless the insurer is exempted under subsection 46(1) of the Act); and
- (f) certified copies of all documents by which the applicant is constituted, including the applicant's Articles and Certificate of Incorporation if any ; and
- (g) a list of all existing or proposed branch offices, with addresses and telephone numbers, where appropriate; and
- (h) a certified true copy of each type of policy that the applicant currently issues or proposes to issue; and
- (i) the application fee and the licence fee.

3 Minimum capital

The minimum paid up capital applicable to a licensed insurer and a licensed insurance intermediary is set out in Schedule 1.

4 Solvency margin

- (1) The minimum solvency margin applicable to a licensed insurer must be worked out as set out in Schedule 2.
- (2) In working out the solvency margin of an insurer, only the assets listed in Schedule 3 may be taken into account.
- (3) If the total allowable assets of an insurer falls below the value required to maintain the insurer's minimum margin of solvency, the insurer must as soon as reasonably practicable rectify the deficiency and notify the Commission.

5 Allowable assets

For section 34 of the Act, the allowable assets are those set out in Schedule 3.

6 Reserves

The minimum reserves required to be maintained by a licensed insurer must be worked out as set out in Schedule 4.

7 Segregation and application of funds, life insurance business

- (1) A life insurer must keep separate accounts and funds for each class of business that it carries on.
- (2) The accounting and other records kept by a life insurer must identify:
 - (a) the assets representing each fund; and
 - (b) the liabilities attributable to each class of business.
- (3) The assets of each fund:
 - (a) must be applied only for the purposes of the class of business for which the fund was established and is being maintained; and
 - (b) must not be transferred to be available for other purposes of the life insurer unless the transfer constitutes reimbursement of expenditure borne

by other assets, in the same or the last financial year, in discharging liabilities wholly or partly attributable to life insurance business.

- (4) Where the value of assets in any fund is shown on an actuarial valuation to exceed the amount of the liabilities attributable to the class of business for which the fund was established and is being maintained, paragraph (3) (a) does not apply to those assets representing the excess.
- (5) Nothing in sub-regulation (3) prevents the insurer from exchanging, at a fair market value, assets representing a fund maintained by the insurer for its life insurance business for other assets of the insurer.
- (6) Subject to sub-regulation (4), money from a fund maintained by a life insurer for its life insurance business may not be used for the purposes of any other business of the insurer in spite of any arrangement for its subsequent repayment out of the receipts of that other business.
- (7) A life insurer must not make a distribution at any time when the market value of the assets representing the fund or funds maintained by the insurer for life insurance business is less than the amount of the liabilities attributable to that business.
- (8) A long term insurer that contravenes this regulation is guilty of an offence punishable, on conviction, by a fine of not exceeding VT50, 000.

8 Compliance officers

The principal responsibilities of the compliance officer of a licensee are:

- (a) to ensure the licensee complies with its duties and obligations under the Act, these Regulations and any Code of Practice and guidance notes that may be issued by the Commission; and
- (b) to ensure the licensee complies with its duties and obligations under any enactment concerning anti money laundering or combating the financing of terrorism; and
- (c) to prepare a manual setting out compliance procedures to be followed by the licensee; and
- (d) to act as the liaison point between the licensee and the Commission on all compliance issues.

9 Code of Practice

- (1) The Commission may issue a Code of Practice for the guidance of licensees.
- (2) The Code of Practice may provide for:

- (a) the standards of compliance expected of licensees; and
- (b) the individuals who may act as the compliance officer for a licensee and the qualifications and experience the individuals must have; and
- (c) the other factors the Commission may take into account in considering whether a person is suitable to be appointed as a compliance officer; and
- (d) the functions and responsibilities of a compliance officer, in addition to those set out in Regulation 8; and
- (e) the matters to be included in a manual of compliance procedures.

PART 3 - INSURANCE INTERMEDIARIES AND INSURANCE MANAGERS

10 Interpretation for Part 3

In this Part:

licence means an insurance intermediary's licence or an insurance manager's licence.

licensee means the holder of an insurance intermediary's licence or an insurance manager's licence.

11 Application for an insurance intermediary's licence

An application for a licence must have with it (as well as the matters set out in section 17 of the Act):

- (a) for an application by a company for a licence as an insurance manager, insurance broker, insurance loss adjuster, insurance agent or insurance consultant:
 - (i) the latest audited financial statements of the applicant, the most recent audited accounts of the immediate parent and the latest consolidated group accounts, where applicable; and
 - (ii) a completed Personal Questionnaire for each director, each key individual, each holder (or proposed holder) of a significant interest in the licensee (if an individual); and
 - (iii) certified copies of all documents by which the applicant is constituted including the applicant's Articles and Certificate of Incorporation if any; and
- (b) for an application by a partnership for a licence as an insurance manager, insurance broker, insurance loss adjuster, insurance agent or insurance consultant - a completed Personal Questionnaire for each partner in and key individual of the applicant; and
- (c) for an application by an individual for an agent's licence:
 - (i) a curriculum vitae with special reference to educational and insurance industry experience, and
 - (ii) two references, one of which is from a licensed insurer; and
- (d) the application fee.

12 Minimum capital

The minimum capital applicable to a licensee is set out in Schedule 1.

13 Qualifications of agents

A person must not be licensed as an agent unless:

- (a) he or she holds the Senior Secondary School Certificate with at least five passes, including the English or French language, or another certificate approved by the Commission; and
- (b) he or she has undergone at least three months full time relevant insurance training or on the job training in the classes of business to be transacted.

14 Principal insurers of agents

- (1) Subject to sub-regulation (2), a licensed agent must act only for the licensed insurer for whom he or she is authorised by the Commission to act (*the principal insurer*).
- (2) A licensed agent may apply to the Commission to change the principal insurer.
- (3) An application by an agent under sub-regulation (2) must be supported by the proposed new principal insurer.

15 Professional indemnity insurance

- (1) The level of professional indemnity insurance to be maintained by an insurance manager, insurance broker, insurance agent, insurance loss adjuster and insurance consultant:
 - (a) depends upon the nature and extent of its business; and
 - (b) must provide cover of at least USD 250,000.
- (2) An insurance agent who has been provided with a guarantee by the insurer for whom he or she acts as agent does not need professional indemnity insurance.
- (3) A licensed insurance manager, insurance broker, insurance agent, licensed insurance loss adjuster or insurance consultant who contravenes this regulation is guilty of an offence punishable, on conviction, by a fine not exceeding VT 50,000.

16 Insurance brokers

- (1) In deciding whether to grant an approval under section 78 of the Act, the Commission may have regard to the following, among other things:

- (a) the level of premiums quoted; and
 - (b) the amount of excess.
- (2) For the purposes of paragraph 78(2)(b) of the Act, the terms and conditions of insurance are taken to be unreasonable if the premium quoted by the licensed insurer is at least 20% higher than the premium quoted by the unlicensed insurer.

PART 4 - INSURERS AND INSURANCE INTERMEDIARIES

17 Recognized representative bodies

- (1) A licensed insurer and a licensed insurance intermediary must:
 - (a) be a member of a recognized representative body, if any, appropriate to the business it undertakes; and
 - (b) comply with the rules and any code of conduct issued by that body.
- (2) If, for any reason, a licensed insurer or a licensed insurance intermediary ceases to be a member of a recognized representative body appropriate to the business it undertakes, it must as soon as practicable tell the Commission in writing, giving the reasons why it is no longer a member.

18 Key officers or chief executives

- (1) An insurer other than a captive insurer must have at least one full-time executive or key officer who has:
 - (a) a university degree recognized by the Commission, the Australia New Zealand Insurance Institute Senior Associate Diploma, the Associate of Chartered Insurance Institute (ACII) Diploma or another professional insurance qualification approved by the Commission; or
 - (b) at least 8 years experience approved by the Commission in the insurance industry, at least 5 years of which were in a managerial or equivalent position.
- (2) An insurance broker and an insurance loss adjuster must have at least one full-time executive or key officer who has:
 - (a) the Australia New Zealand Insurance Institute Senior Associate Diploma or another professional insurance qualification approved by the Commission; or
 - (b) at least 5 years experience approved by the Commission in the insurance industry, at least 2 years of which were in a managerial or equivalent position.

19 Disqualified persons

A person must not be appointed as, or act as, a director or key officer of an insurer or an insurance intermediary, or be licensed as, or act as, an insurance agent if:

- (a) for a director or key officer of an insurer or insurance intermediary (other than an agent) – the person is 25 years of age or less; or
- (b) for a director or key officer of an insurance agent - the person is 21 years of age or less; or
- (c) the person has been convicted by a court of an offence involving dishonesty; or
- (d) the person has been adjudged bankrupt by a court, unless the person has been approved by the Commission.

20 Technical heads

Every technical department or division, or branch office or contact office, of an insurer (other than a captive insurer), an insurance broker or an insurance loss adjuster must have as its head a suitably qualified and experienced person.

21 Qualifications of chief finance officers or accountants for insurers

An insurer must have at least one finance officer or accountant who:

- (a) is a member of the Institute of Chartered Accountants in Australia or New Zealand or the Institute of Chartered Accountants in England and Wales, or is a Certified Public Accountant in the United States of America or has another accounting qualification approved by the Commission; and
- (b) has at least 5 years relevant post qualification experience.

22 Insurance claims may be referred to Commission

- (1) The Commission may mediate an insurance claim referred to it by a party to an insurance contract.
- (2) When the Commission mediates, it must take the steps necessary to facilitate the speedy and just settlement of claims.
- (3) This Regulation does not affect a person's right to pursue the claim in a court.

PART 5 - MISCELLANEOUS PROVISIONS

23 Fees and charges payable to the Commission

- (1) The fees and charges set out in Schedule 5 are payable to the Commission.
- (2) The application fee for a licence must be paid to the Commission when the application is made, and is not refundable if the licence is not granted.

24 Forms

The Forms set out in Schedule 6 are prescribed.

25 Offences by body corporate

If an offence under these Regulations is committed by a body corporate, each director of the body corporate who knowingly authorised, permitted or acquiesced in the commission of the offence also commits an offence and is liable on conviction to the same penalty as the body corporate.

26 Commencement

This Regulation comes into force on the date on which it is published in the Gazette.

Made this 12th day of May 2006.



Honourable WILHEM HESLO DE LANGARARUA
Minister of Finance and Economic Management

SCHEDULE 1

Regulations 3

MINIMUM CAPITAL

1. (1) Subject to Paragraph 2, the minimum paid up capital required to be maintained by an insurer under the Act is:
 - (a) for an international or domestic insurance company carrying on general insurance business – VT 30 million; and
 - (b) for any insurer carrying on life insurance business – VT 25million; and for a captive insurer carrying on general business – VT 10 million; and
 - (c) for a captive insurer - _____
 - (d) for a company limited by shares that is a pure reinsurer other than a captive insurer – VT100 million; and
 - (e) for a mutual company - a reserve fund equal to the value of its current liabilities plus 15% of its liabilities.
- (2) The Commission may allow an insurer a lesser amount after taking into account the scope and class of business and projected volume of premium to be written.
2. The minimum capital required to be maintained by a licensee that held a licence immediately before the specified date is:
 - (a) for a company limited by shares that is a life insurer:
 - (i) for the period from the commencement date to the specified date – the capital that the licensee would have been required to maintain under the old Act; and
 - (ii) after the specified date – as provided in paragraph 2; and
 - (b) for a company limited by shares that is a general insurer:
 - (i) for the period from the commencement date to the specified date – the capital that the licensee would have been required to maintain under the old Act, and
 - (ii) after the specified date – as provided in paragraph 2; and

- (c) for a company limited by shares that is a pure reinsurer:
 - (i) for the period from the commencement date to the specified date – the capital that the licensee would have been required to maintain under the old Act, and
 - (ii) after the specified date – as provided in paragraph 2.
- 3. The capital required to be maintained by a company holding an insurance intermediary's licence:
 - (a) to act as an insurance manager or insurance intermediary (other than an insurance agent) – is VT 1 million; and
 - (b) to act as an insurance agent – is VT 100,000.

SCHEDULE 2

Regulation 4

SOLVENCY MARGINS

1. The minimum margin of solvency for an insurer is the amount by which the total value of the insurer's assets must exceed the total amount of its liabilities.
2. The solvency margin for a general insurer under the Act in any year is an amount equal to the greater of:
 - (a) 20% of Net Premium Income; or
 - (b) 5% of the value of the Loss Reserves.
3. The solvency margin of a life insurer is based on the actuarial report and the minimum is the approved capital at the time of the licence approval.
4. In spite of paragraphs 1 and 2, the minimum solvency margin for a licensee that held a licence immediately before the commencement date is:
 - (a) for the period from the commencement date to the specified date - the solvency margin that the licensee would have been required to maintain under the old Act; and
 - (b) after the specified date - as provided in paragraphs 1 and 2.

SCHEDULE 3

Regulation 5

ALLOWABLE ASSETS

1. In calculating the value of assets of an insurer for the purpose of meeting the minimum margin of solvency the following assets are allowable:
 - (a) cash in hand or on deposit with a financial institution approved by the Commission;
 - (b) irrevocable letters of credit issued by financial institutions approved by the Commission;
 - (c) bonds and debentures guaranteed by a Government approved by the Commission;
 - (d) securities quoted on a stock exchange approved by the Commission, but not exceeding seventy percent of the quoted market value;
 - (e) premiums receivable;
 - (f) reinsurance balances receivable;
 - (g) accounts receivable net of provision for bad or doubtful debts.

2. The following assets are not allowable assets unless specifically approved by the Commission;
 - (a) investments in and advances to the insurer's parent company or any of the insurers or parent's subsidiary or associated companies;
 - (b) real property or mortgages on real property;
 - (c) securities that are not quoted on an approved stock exchange;
 - (d) assets that by contract may be used to satisfy liabilities.

3. The total value of an insurer's assets is to be determined;
 - (a) by their market value; or
 - (b) where their market value is not ascertainable, in accordance with international or generally accepted accounting practices that are

considered appropriate by the insurers auditor and acceptable to the Commission.

SCHEDULE 4

Regulation 6

RESERVES

1. In this Schedule:
net premiums, for a financial year, means net premiums arising during that financial year including adjustments for all previous financial years.

outstanding claims includes indirect claims settlement costs.
2. The Reserves for unexpired risks, outstanding claims and contingencies to be maintained by a general insurer:
 - (a) for unexpired risks - are to be calculated by the 365ths method, applied to the net premiums; and
 - (b) for outstanding claims – are the total estimated amount of all outstanding claims (including IBNER), plus 20% of the estimated amount of outstanding claims to cover claims incurred but not reported (IBNR) at the end of the last preceding year; and
 - (c) for contingency – are not less than 3% of the total premiums or 20% of the net profits, whichever is the greater.
3. The Reserves for unexpired risks, outstanding claims and contingencies to be maintained by a life insurer are:
 - (a) a general reserve fund, to be an amount equal to the net liabilities on policies in force at the time of the actuarial valuation; and
 - (b) contingency reserves, to be an amount equal to 1% of the premiums.
4. In spite of paragraphs 1, 2 and 3, the reserves required to be maintained by a licensee that held a licence immediately before the commencement date are:
 - (a) for the period from the commencement date to the specified date - the reserves that the licensee would have been required to maintain under the old Act; and
 - (b) after the specified date - as provided in paragraphs 1, 2 and 3.
5. The Commission may approve another actuarial method for calculating reserves and, if it does, that approved method may be used instead of the method set out in this Schedule

6. For a licensed life insurer the reserves at any time are the greater of:
- (a) the amount equal to the total amount at that time standing to the credit of the insurers linked liabilities and segregated funds; or
 - (b) the amount of those liabilities ascertained by and certified by the insurer's approved actuary.

SCHEDULE 5

Regulation 23

FEES AND CHARGES PAYABLE TO THE COMMISSION

<u>Licensee</u>	<u>Amount Payable</u>	
Local or External Insurer	Application fee	US\$ 500.00
	License fee	US\$ 3,000.00
	Renewal fee	US\$ 3,000.00
	Certified copy licence	US\$ 50.00
International Insurer or Reinsurer	Application fee	US\$ 500.00
	License fee	US\$ 5,000.00
	Renewal fee	US\$ 5,000.00
	Certified copy licence	US\$ 50.00
Captive insurer	Application fee	US\$ 500.00
	License fee	US\$ 5,000.00
	Renewal fee	US\$ 5,000.00
	Certified copy licence	US\$ 50.00
Intermediary (broker /Insurance manager)	Application fee	US\$ 500.00
	License fee	US\$ 1,000.00
	Renewal fee	US\$ 1,000.00
	Certified copy license	US\$ 50.00
Insurance intermediary (agent)	Application fee	US\$ 250.00
	License fee	US\$ 500.00
	Renewal fee	US\$ 500.00
Inspection of documents held by the Commission		US\$ 50.00

SCHEDULE 6

Regulation 24

FORMS

FORM 1

**APPLICATION FOR A LICENCE TO TRANSACT
INSURANCE IN VANUATU**

Please complete all sections as fully as possible, giving reasons for non compliance, if any, and attaching appendices where appropriate.

1. Name of applicant _____
2. Date and place of incorporation _____
3. Method of incorporation _____
(Limited by shares or a mutual company)
4. Date of commencement of business in / from Vanuatu. _____
5. Classes of business to be transacted and type of license applied for

6. Address of
 - (a) Principal Office _____
 - (b) Registered Office _____
 - (c) Head and Registered Office if incorporated outside Vanuatu

7. If the applicant is to depend upon an agent or service company for the provision of underwriting, management, financial or accounting services, please give details of such companies, including evidence of their agreement to provide those services.
8. Name of person resident in Vanuatu who is authorized to accept service of process in legal proceedings.
9.
 - (a) Applicants for a local branch operation must provide written confirmation that their Head office accepts full responsibility for all policies and contracts issued by the branch and for all acts, errors and omissions and liabilities of the branch.
 - (b) Where the applicant is a subsidiary company state whether the parent company will provide a guarantee in respect of all policies or contracts issued by the subsidiary company, and for the acts, errors and omissions and liabilities of the subsidiary company.
10. In respect of general domestic business state the applicant's policy regarding the availability of funds for prompt settlement of claims.

11. In respect of long term domestic business, state the applicant's policy regarding investment of consequent annual premium income in Vanuatu.

12. List all insurance agents and brokers, if any, who will have the applicant's underwriting authority to accept domestic business on its behalf.

13. If an existing company is relocating, or an international company is registered in Vanuatu please attach:
 - latest annual report and audited accounts, or
 - last statutory financial statement,
 - latest certificate of solvency, or
 - certificate of compliance with insurance legislation in country of registration.

14. Attach copies of all documents by which the applicant is constituted including the applicant's Articles and Certificate of Incorporation if any and, in the case of a foreign company, certified and authenticated under the laws of the country in which the company has been incorporated.
15. List all names, addresses and nationality of shareholders and specify those holding more than 10% of the issued shares.
Where shares are held by a corporate body the beneficial owner must be shown.
16. Attach *curricula vitae* of all directors, managers, and officers, detailing experience in the insurance profession.
17. Attach evidence satisfactory to the commission that none of those persons listed in paragraphs 15 and 16 has a criminal record (.i.e. police clearance)
18. Attach three references relating to the applicant, or, for a newly formed company, relating to the directors and managers. These references must include one from an insurer, or reinsurer, and one from a bank.
19. Name and address of auditors and actuary, if required, who will provide statutory certificates and confirmation that they have agreed to accept the appointment.

Auditor _____

Actuary _____

20. (a) State the amount of proposed issued and paid-up capital :
 - (i) Issued. _____
 - (ii) Paid up. _____
- (b) State whether the whole of the capital has been subscribed in cash, and if not provide full details.

If a mutual company state the amount of, and details of the proposed reserve fund

21. State the amount that the total assets exceed total liabilities at the time of application and at the time when the applicant expects to commence business
22. Have any of the persons named in this application previously applied, either individually or in conjunction with others, for authority to transact insurance business in any other jurisdiction. If so, please provide details.
23. Attach a detailed business plan and three year financial projections and if applying for a licence as a long term insurer, attach an actuarial report or, for a newly formed company an actuarial forecast , to confirm viability of the company.
24. Give detailed particulars and evidence of actual or proposed reinsurance program or treaties for each class of business stating:-
 - The name and address of each reinsurer;
 - The class or classes and cessions to be reinsured by each reinsurer;
 - The most recent international ratings of each reinsurer

Application is made for the licence specified above and it is certified that all the particulars contained in this application and in the documents accompanying it or otherwise in support are true and correct.

Dated this ____ day of _____200

Name of applicant:_____

Signed : _____

Designation _____

Signature of witness: _____

Occupation _____:

Address of witness: _____

Please return this application and the relevant fee to;

The Insurance Section

VANUATU FINANCIAL SERVICES COMMISSION

PORT VILA

VANUATU

FORM 2

**APPLICATION
FOR AN INSURANCE BROKERS LICENCE**

Please complete all sections, giving reasons for non-compliance, if any, and attach appendices if applicable.

1. Name of applicant and address of registered office

2. Date on which applicant proposes to commence business in or from within Vanuatu.

3. Address of principal office in Vanuatu.

Address of head office if an overseas incorporated company.

4. If incorporated;

(a) Attach evidence of incorporation and a copy of the Memorandum and Articles of Association (if any).

(b) Attach a list of names addresses and nationalities of all shareholders

- (c) Attach resume of all directors and officers.
5. If not incorporated, attach curriculum vitae of applicant detailing his/her insurance experience. Similar details should also be provided in respect of any partner and manager if one is to be employed
 6. Attach police report for persons listed in items 4(b) 4(c) and 5, unless the applicant is an established foreign company that has been operating in a regulated jurisdiction.
 7. Attach three references including one from a bank and one from an insurance company.
 8. Attach evidence of professional Indemnity insurance as required by the Insurance Act 2005
 9. Attach a list of insurance companies with whom the applicant intends to do business and copies of agreements from the relevant companies.
 10. Attach a business plan and financial projections.
 11. Are any of the parties named in this application currently involved with an insurance entity in any other jurisdiction or have they applied to any authority to transact insurance business in any jurisdiction ? If so please attach details.

Application is made for the licence specified above. It is certified that the particulars contained in this application and in the accompanying documents are correct.

Date :

Signed: _____

Principal/Director/Manager

This application should be returned with the appropriate licence fee to;

**Insurance supervisor
FINANCIAL SERVICES COMMISSION
PORT VILA
VANUATU**

FORM 3

APPLICATION

FOR AN INSURANCE MANAGER'S LICENCE

Please complete all sections as fully as possible, giving reasons for non-compliance if any, and attaching appendices where applicable.

1. Name of applicant

Address. _____

2. Date on which it is proposed to commence business in or from within Vanuatu _____

3. If incorporated;

(a) Attach evidence of incorporation and a copy of the Memorandum and Articles of Association.

(b) Attach a list of all names, addresses and nationality of all shareholders.

In those instances where shares are held by a corporate body, the beneficial owner should be shown

(c) Attach *curriculum vitae* of all directors, managers and officers.

4. If not incorporated, provide nationality and *curriculum vitae* of the applicant.

5. Attach three references including one from a bank, an insurance company and a lawyer/auditor.
6. Attach evidence that none of the persons listed in paragraphs 3(b) 3(c) and 4 has a criminal record.
7. Attach a list of all insurance companies that the applicant will be engaged to act as manager.
8. Attach a business plan and financial projection for the insurance companies that the applicant will be managing.
9. Are any of the parties named in this application involved in any insurance entity in any other jurisdiction or has applied to any other authority to transact insurance business. If yes please provide details.

Dated :

Signed: _____

Principal/Director/manager.

The application should be returned with the appropriate application fee to:

**The Insurance Supervisor
FINANCIAL SERVICES COMMISSION
PORT VILA
VANUATU**

FORM 4

**APPLICATION FOR INSURANCE AGENTS &
OTHER INTERMEDIARIES LICENCE**

Please complete all sections as fully as possible, giving reasons for non-compliance, if any and attach appendices where appropriate.

1. Name of applicant.

Date on which applicant proposes to commence to carry on business in or from within and with which company.

2. Address of office in Vanuatu

3. Business proposed

4. If incorporated;
 - a) Attach evidence of incorporation and appropriate documentation
List all names addresses and nationality of shareholders
 - b) Attach *curricula vitae* of all directors, managers and officers.
5. If not incorporated, state name, address, nationality and *curriculum vitae* of the applicant.
6. Attach satisfactory evidence to the Commission that none of those persons listed above has a criminal record.
7. If acting as an agent of a life insurance company a copy of the personal data form used in his application to that company.

8. Attach evidence of the existence of an agency agreement, professional indemnity insurance as required by the Insurance Regulations.
9. Have any of the parties connected with this application ever applied, either individually or in conjunction with others, for authority to transact insurance business in any other jurisdiction? If so please supply details.

Application is made for the specified licence and it is certified that all the particulars contained in this application and in the documents accompanying it are true and correct

Signed _____

Name _____

Position _____

Date _____

Signature of witness _____

Name :

Occupation :

Address :

In the case of Life Insurance Agents, the application should be witnessed by the principal officer of the Company or Main Agency in Vanuatu with whom the agent will be associated.

Please return with the Licence application fee to the:

Supervisor of Insurance
FINANCIAL SERVICES COMMISSION
PORT VILA
VANUATU

FORM 5

**QUESTIONNAIRE AND UNDERTAKING
TO BE COMPLETED BY EACH
SHAREHOLDER, DIRECTOR OR OFFICER**

1. Name of Applicant Company

2. _____
Name of: ultimate beneficial shareholder / director / officer

3. Previous names, if any

4. _____
Nationality and how acquired

5. If the shareholder is a corporate body;

• Date and place of incorporation; _____

• Ultimate beneficial owners; _____

If the shareholder is an individual;

• Date and place of birth. _____

• Number of shares held and whether fully paid; _____

• Type of voting rights attached to the shares. _____

6. Private address or registered address (if a corporate body)

Business address and telephone no.

7. Have you ever been a shareholder, director or officer of any company that has been wound up or made any compromise agreement with its creditors?

8. Have you previously been involved, actively or otherwise, in any company in the insurance industry?

9. Have you ever filed for bankruptcy or been bankrupt?

10. Have there been or are there any cease and desist orders, civil or criminal actions against you, or any company of which you have been a shareholder, director or officer, for fraud, negligence, misconduct or malpractice

11. Are you a director or officer of any other company?

12. Are you a shareholder of any other company (other than a company whose shares are listed on a recognized stock exchange)?

Additional information required from a proposed director or officer;

- Position held and area of responsibility. _____
- Resume including any insurance related experience.
- Have you had any disciplinary action taken against you by any professional body, or association?

I certify that the information given in this questionnaire is true and correct and that I am fully aware of the business plan submitted with the licence application and the proposed activities of the applicant.

I am aware of the Insurance Act 2005, the Regulations and guidance notes.

Dated: _____

Signature _____

Name in full _____

Signature of witness: _____

Name of witness: _____

Address _____

Occupation _____

FORM 6

**CERTIFICATE
Of
AUDIT**

I/We _____

Name

Of

Address

Do hereby certify that-

1. We are the duly appointed and approved independent auditors of

which is currently licensed under the Insurance Act to carry on general business or life business as a Captive/International/Domestic insurer in or from within the Republic of Vanuatu.

2. We have audited the insurer's financial statements in accordance with the generally accepted principle standards of

Name of country or jurisdiction.

3. In our opinion the accounts of the insurer have been properly prepared in accordance with international standards or those generally accepted accounting principles.
4. We have examined the books and records of the insurer and are satisfied that the company is not in breach of any condition attached to its licence or in contravention of any provision of the Insurance Act or Regulations 2005;
5. From our examination of those books and records, we are satisfied that the insurer has during the financial year maintained the minimum solvency margin prescribed by the Regulations.

6. From our examination of those books and records, we are satisfied that the insurer, if a life insurer, has at all times during the financial year maintained adequate segregated funds with separate and distinct assets for each fund that are sufficient to cover all its liabilities

7. Except for the following Exceptions or Qualifications:

Dated at _____ this ____ day of _____ 20__

Signed _____ for _____

FORM 7

**CERTIFICATE OF COMPLIANCE FOR
LIFE INSURANCE
ACTUARIAL VALUATION**

I, _____
Name of Company

certify that:

1. I am the duly appointed and approved Actuary for

Name of licensed insurer

which holds a current licence under the Insurance act 2005 to carry on life insurance business in or from the Republic of Vanuatu.

2. I have conducted a valuation of the insurer's assets and liabilities and examined the actuarial assumptions and actuarial methods used in determining future policy obligations and expenses, deferred acquisition costs and related actuarial items in the financial statements of the company as prepared to accord with internationally accepted standards / generally accepted accounting principles for the year ending ____.
3. My examination included the assets and liabilities of the segregated funds maintained by the insurer.
4. From my examination of those records, it appears that proper and accurate records are being kept by the insurer which enabled me to carry out a proper valuation of its long term liabilities.

5. From my examination of those records, it appears that the insurer, during the financial year has maintained a minimum margin of solvency as prescribed by the Insurance Act 2005 and the Insurance Regulations.

6. In my opinion, the amounts carried in the balance sheet on account of unamortised acquisition expenses and on account of other future policy obligations and expenses are based on actuarial assumptions which are appropriate to the financial statements of the company prepared in accordance with internationally accepted standards/generally accepted accounting principles and computed by sound actuarial methods consistently applied and are fairly stated.

7. Provisions have been made for all actuarial reserves and related items which ought to be prudently established.

Signed _____

Company _____

Position _____

Date _____
