



REQUIREMENTS FOR REGISTRATION AS AN  
**INSURANCE AGENT (corporate body)**  
UNDER THE INSURANCE ACT 2001

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The following are some of the conditions, which must be fulfilled before an application for registration as an agent under the Insurance Act 2001 can be considered:

- 1. The applicant must apply to the Financial Services Commission (FSC) under the new Insurance Act 2001 in two stages:**
  - a) Firstly, submit educational and experience qualifications of the directors, senior managers and sales representatives for assessment and**
  - b) secondly, apply for registration within sixty (60) days after receipt of notification that the requirements of (a) above have been satisfied**

**NOTE:** In respect of a) above the submission should include:

- Information as at item 11 below
- Copies of certificates certified by one of the following:
  - Justice of the Peace,
  - Minister of Religion,
  - Notary Public,
  - Attorney-at-law,
  - Superintendent of Police or any rank above.

**NB.** The certifier should (in addition to affixing his/her signature) stamp or state legibly his/her name, official capacity and business address or parish of commission.

- Two references, their names, addresses and work & home phone numbers.

2. The entity must be **incorporated** and **registered** under the Companies Act, 1965, to transact insurance business.
3. The Corporate name must include the words “... **Insurance Agent...**” or “...**Assurance Agent...**” unless the Commission permits otherwise.
4. The following must be submitted in the form prescribed in the **Fifteenth Schedule** of the Insurance Regulations 2001:
  - a). an application for the **corporate entity** and
  - b). Applications for the individual **sales representatives** who will be employed to the agency to solicit or negotiate insurance. Therefore, applicants should obtain copies of the requirement sheet for sales representatives also.
5. The corporate entity (i.e. agency) should submit certified copies of its **Articles and Memorandum of Association**. Certification to be done by the Registrar of Companies.
6. The agent, upon registration will be required to effect **Errors and Omission** and **Fidelity Guarantee** insurance coverage, at minimum levels of Thirty Million Jamaican Dollars (**J\$30,000,000**) in each case, within forty-five (45) days after being registered. However, evidence of an undertaking by an insurer to provide this cover (inclusive of evidence of the relevant deductible) upon registration must be submitted with the application.

Note that the policies referred to above must contain an endorsement that stipulates that the insurer must notify the Commission of any cancellation or non-renewal of any of the above policies. Such information to be received by the Commission at least thirty (30) days before its taking effect. Evidence that the insurer has agreed to provide this must be submitted with the application.

7. The Applicant Company must be **adequately capitalised**. This should be with a paid-up share capital and unencumbered surplus of not less than an amount equal to the **maximum deductible** of the applicant’s errors and omission and fidelity insurance policies or **\$5 Million** whichever is greater. This capital and surplus should consist of at least eighty percent (**80**) % in cash with the remaining twenty percent (**20%**) being other consideration, which could be fixed assets of the company.
8. The audited **opening balance sheet** or most recent **audited financial statement** of the applicant company and certificate of allocation of **shareholdings** in the company must be submitted. The former should reflect the capital required as stated above.
9. The application for registration should be accompanied by a **business plan** which should include, among other things, a **three-year projection** of Premium Generation, Commission Income on a class-by-class basis, and other income, all on a month-by-month basis, together with an itemized statement of Projected

Expenses on a month-by-month basis. These should be summarised on a three-year cash projection statement. Copies of the format of these projections which can be obtained from the Registrar at the Financial Services Commission or at [www.fscjamaica.org](http://www.fscjamaica.org)

10. Where the applicant has operated as an insurance agent in Jamaica or another jurisdiction prior to submitting this application, his application should be accompanied by a **letter** from the insurance companies, brokers or agents to which it provided services, indicating that they are satisfied with the competence and method of conduct of business of the applicant and the ethical standards maintained by it in the performance of its work as an insurance agent.
11. The agent must have on staff **qualified persons** at the senior level and registered sales representatives qualified to transact the classes of business for which the agent is registered.
12. The agent will require suitable **clerical, typing** and **accounting** staff on a full-time basis.
13. Each of the persons managing or controlling the body must satisfy the fit **and proper criteria** the initial stage of which is the completion of the questionnaire available at [www.fscjamaica.org](http://www.fscjamaica.org). These persons comprise all the directors, all the senior managers and shareholders owning ten percent (10%) or more of the shareholding of the brokerage. Where the shareholder owning 10% or more is a corporate entity then the same categories of persons listed above in respect of the corporate shareholder are to complete the questionnaire.  
  
Note also that, for these persons, the **original receipt** from the Ministry of National Security and Justice in the sum of One Thousand Dollars (\$1,000.00) which is to provide for a Police Clearance Report must also be submitted.
14. An **Organisational chart** indicating the names of the persons designated for each senior post is to be submitted.
15. A **Corporate Organisational chart** showing all related entities (parent company, ultimate holding company, fellow subsidiaries, subsidiaries and associated companies) must be submitted.
16. List also the shareholders and directors of the **parent company** or the **ultimate holding company** where the latter is different from the former.
17. The **fees** for the application for **registration** as an agent are set out below for the various classes of business and the application form. Fees are to be made payable to the Financial Services Commission and paid at its offices (see address below) and a copy of the receipt submitted with the application.

**REGISTRATION**

<b>CLASSES OF BUSINESS</b>	<b>FEES \$</b>
<b>Accident</b>	<b>3,600</b>
<b>Liability</b>	<b>3,600</b>
<b>Marine Aviation &amp; Transport</b>	<b>3,600</b>
<b>Motor Vehicle</b>	<b>3,600</b>
<b>Pecuniary Loss</b>	<b>3,600</b>
<b>Property</b>	<b>3,600</b>
<b>Ordinary long-term</b>	<b>3,600</b>
<b>Sickness and Health</b>	<b>3,600</b>
<b>Industrial</b>	<b>3,600</b>
<b>Application form</b>	<b>2,000</b>

18. The applicant will also be required to pay (for **renewal** purposes) a **quarterly fee** of **0.5%** of its earned commissions, not later than fourteen (14) days after the end of the quarter in respect of which the commissions were earned, subject to a minimum annual payment of **\$3,600** in respect of each class of insurance business. Fees are to be made payable to the Financial Services Commission and paid at its offices (see address below).
19. **It is expected that applicants will apprise themselves of all the other requirements of operation (e.g. monthly, quarterly, half-yearly and annual submissions, solvency requirements etc.) by reading the relevant laws and ensuring that they will be able to meet the required standards before applying.**
20. Copies of the Insurance Act 2001 and Insurance Regulations 2001 can be obtained at:
- Jamaica Printing Services Limited  
77 ½ Duke Street  
Kingston  
Telephone No. 967-2250-3  
Fax No. 967-2225
21. Further queries can be directed to:
- Financial Services Commission  
39-43 Barbados Avenue  
Kingston 5  
Telephone Nos. 906-3010-12 or  
906-7264-66  
906-2261  
906-4406  
754-9581  
Fax No. 906-3018  
Website [www.fscjamaica.org](http://www.fscjamaica.org)