



REQUIREMENTS FOR REGISTERING AN
ASSOCIATION OF UNDERWRITERS
UNDER THE INSURANCE ACT 2001

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

1. A locally **constituted** association must have a minimum of ten (10) members and a minimum of two (2) syndicates and be **registered** under The Registration of Business Names Act.
2. Where the applicant is constituted outside of Jamaica it must:
 - a) have been **lawfully constituted** in accordance with the laws of the country in which it is incorporated or otherwise established and has undertaken in that country insurance business of the same nature as that which it is seeking to be registered for in Jamaica. Such business should have been carried on for at least five (5) years prior to the seeking of registration in Jamaica
 - b) submit a **certificate** signed by the appropriate regulatory authority in the country in which it is constituted stating that the association has been established for at least five years, the legislation of that country provides for the regulation of associations of underwriters and it is operating in accordance with the legislation
 - c) submit a **certificate of good standing** from the regulator in the association's jurisdiction of incorporation including references to the applicant's compliance and solvency. The method of determination of solvency should be indicated.
 - d) appoint a person resident in Jamaica to be its **principal representative** and submit the curriculum vitae including details with respect to qualifications, experience in insurance business and references of the proposed principal representative

3. The association must seek registration under the Insurance Act 2001 and should note that it may not be registered under this Act to carry on both long-term and general insurance business unless such general business consists exclusively of accident insurance business.
4. The association must have minimum net assets of One Hundred and Fifty Million Jamaican Dollars **(J\$150,000,000)** if it intends to do life and/or sickness and health insurance business and Ninety Million Jamaican Dollars **(J\$90,000,000)** if it intends to do general insurance business.

A local association transacting life and/or sickness and health insurance business should satisfy the **Minimum Continuing Capital & Surplus Requirement (MCCSR)** and one transacting general insurance business should satisfy the **Minimum Asset Test (MAT)** as required for the industry at the time of application. At all times and in each case, however, the minimum percentage will never be less than one hundred percent **(100%)**.

A foreign association should satisfy the solvency requirement of the regulator in its domiciliary jurisdiction.

5. The association must **deposit** a minimum of Ninety Million Jamaican Dollars **(J\$90,000,000)** if it intends to do life and/or sickness and health insurance and Forty Five Million Jamaican Dollars **(J\$45,000,000)** if it intends to do general insurance business.
6. The association must submit a completed application form in the format of the **Fourteenth Schedule** of the Insurance Regulations 2001 and submit all information and documentation requested therein.

Information/documents to be submitted include, **inter alia**, the following:

- a) Certified copies of the **Memorandum and Articles of Association**, or **bye-laws** or **equivalent constitutive document**. (Registrar of Companies to certify).
- b) Copies of the latest **Audited Financial Statements** and those for the two (2) previous financial years of the association.
- c) Certified copies of the latest **Annual Report**
- d) Specimens of all categories of **insurance policies** issuable by the applicant in respect of all classes of insurance business to be undertaken in Jamaica

- e) Latest **Actuarial Report** of the association. where it proposes to undertake or has undertaken any class of long-term business in Jamaica.
 - f) In respect of a local underwriter, a certificate signed by the Chairman, Chief Financial Officer and Actuary of the association stating that the association has fulfilled the capital and solvency requirements indicated at **Regulations 26 or 27 (i.e. MAT or MCCR)**. In respect of a foreign underwriter, certification from the regulator in its domiciliary jurisdiction with regard to solvency.
 - g) A detailed memorandum indicating the organization of the association and/or its agency or agencies in Jamaica. The Memorandum should be signed by the Chairman of the Board of Directors, a Director and the Secretary of the association (or equivalent personnel) and should include therein statements pertaining to the experience and qualifications of existing staff or proposed staff in Jamaica whether of the applicant association, its agency or agencies. Note that any agent/agency must also be registered by the FSC.
 - h) The applicant should also submit:
 - i). the names and addresses of the members and
 - ii). the names or nomenclature of the syndicates
 - i) An **Organisational chart** showing the staff structure of the association and the names of all senior management personnel indicated thereon.
7. Each of the persons managing or controlling the body and every member must satisfy the **fit and proper criteria** by **either**:
- completing the fit and proper questionnaire - a copy of which can be obtained from the Registrar at the FSC or at www.fscjamaic.org. Relevant persons are all the directors, senior managers and members of the syndicates. For corporate members the form should be completed by all the directors, senior managers and the shareholders owning ten percent (10%) or more of the shareholding or interest of the entity. Where the shareholder owning 10% or more is a corporate entity then the fit & proper criteria is applicable to the same categories of persons listed above but in respect of the corporate shareholder
- or**
- requesting its regulatory authority in the country of domicile to certify to the Financial Services Commission whether or not the above persons are fit & proper. The response should be mailed directly to the Registrar at the address of the FSC set out below. The information should include the categories, names, addresses and positions of the persons referred to.

8. The association is required to pay a **registration fee** for the various classes of business and the application form as indicated below. Fees are to be made payable to the Financial Services Commission and paid at its offices (see address below) and the date of payment and receipt number submitted with the application.

REGISTRATION

CLASSES OF BUSINESS	FEES \$
Accident	7,500
Liability	7,500
Marine Aviation & Transport	7,500
Motor Vehicle	7,500
Pecuniary Loss	7,500
Property	7,500
Ordinary long-term	7,500
Sickness and Health	7,500
Industrial	7,500

9. After registration is , the association is required to pay, not later than 14 days after the end of the quarter in which the premiums were written, a **quarterly renewal fee** based on the **annual** renewal fee of **\$7,500 per class**.
10. **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.**
11. 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
12. Further queries can be directed to:
- Financial Services Commission
39-43 Barbados Avenue
Kingston 5
Telephone Nos. 906-3010-12 or Fax No. 906-3018
906-7264-66; 906-2261;
906-4406; 754-9581
E-mail: registrar@fscjamaica.org