

1. INTRODUCTION

The Insurance Act, 2008 (the Act) became fully operational on 1st April, 2008. The Act repealed and replaced the Insurance Act, 1994 which had until then been the statutory basis for regulating the insurance industry in Seychelles.

The Act vests the responsibility of regulating and supervising the insurance sector in the Central Bank of Seychelles.

The Act prescribes and defines the insurance related activities which are to be regulated, including that of Principal Insurance Representative.

1.1 Principal Insurance Representative Business

According to the Act a person acts as a Principal Insurance Representative if it does any of the following acts on behalf of an insurer;

- Maintains for an insurer carrying on non-domestic insurance business full and proper records of the insurance business.

2. LICENSING

A person cannot act as an Principal Insurance Representative in Seychelles unless that person holds a licence issued by the Central Bank of Seychelles to that effect. An application for a licence should be made on the form specified by the Central Bank. Application forms available from the CBS website: www.cbs.sc

2.1 Licensing Requirements

Before the Central Bank will consider an application for a licence the following conditions must be fulfilled:

1. An application form must be completed and submitted;
2. The applicant must substantiate that its director, substantial shareholder and principal officer are fit and proper (See **Fit and Proper Guidelines** and **Minimum Competency Requirements** – www.cbs.sc) by submitting;
 - (a) evidence of relevant industry experience and academic/professional qualifications;
 - (b) a completed Personal Questionnaire Form;

3. A copy of the proposed agreement between the applicant and the proposed Principal Insurance Representative must be submitted.
4. The applicant must pay \$1,000 as application fee.

2.2 False Representation or Statement

Applicants are advised to complete the application form conscientiously. A false representation or statement in the making of an application is an offence punishable by a fine of Rs100, 000 and imprisonment for a period not more than a year. The same punishment may be visited on a person who recklessly makes a statement which is false in a material particular.

3. CONTINUING OBLIGATIONS

Once licensed a Principal Insurance Representative is subject to the obligations stipulated in the Act and any Regulations or Rules made thereunder. It should be noted that the Central Bank may impose additional conditions on a licensee's scope of business. Licensees are therefore advised to take note of the conditions that may be attached to the reverse of their licence certificates.

3.1 Obligations of Principal Insurance Representative

- Keep full and proper records of the insurance business of a Non-Domestic Insurer;
- Furnish to the Authority such statements and returns relating to the insurance representative business.

4. ROLE OF THE CENTRAL BANK

The Central Bank's powers of supervision over insurance representatives include:

- the power to issue direction to a licensee to comply with the provisions of the Act in instances of non compliance;
- the power to issue general directions on sound insurance principles and practice;
- the power to request information and take extracts from or make copies of documents;
- the power to inspect the affairs of a licensee;
- the power to conduct investigations into the business of the licensee;
- the power to suspend or revoke a licence.

GUIDE TO LICENSING FOR PRINCIPAL INSURANCE REPRESENTATIVE

NOTE

These guidance notes are not intended to be comprehensive nor replace or override any legislative provisions. Applicants are expected to apprise themselves of the provisions of the Insurance Act and guidelines issued by the Central Bank.