

**INSURANCE REGULATORY AUTHORITY OF UGANDA  
PLOT 6 LUMUMBA AVENUE  
INSURANCE TOWER  
P.O. BOX 22855  
KAMPALA.**

**GUIDELINES FOR BEING LICENSED AS AN INSURER/REINSURER IN UGANDA**

**1.0 PRELIMINARIES**

- 1.1** Before a firm may file an application for licensing, it has to fill a registration form, available at the IRAU, and pay a registration fee of Ugx. 1,000, 000/=.
- 1.2** In the registration form, the following information will be required:
- (i). The name and address of the company/firm.
  - (ii). The legal status (e.g. limited company, Mutual Insurance Company, co-operative insurance society, an insurance corporation etc.). Also, you indicate whether the firm is local or foreign.
  - (iii). The physical location of the proposed Head Office showing the plot No., the street, town, telephone number, fax, postal address and email address.
  - (iv). The physical location of the proposed Branch offices showing the information as in (iii) above.
  - (v). Date and Number of incorporation/registration
    - Attach a copy of the Certificate of Incorporation/Registration and a copy of the Memorandum and Articles of Association.
    - In case of a Mutual company, also attach instruments of subscription for members.
    - In case of a Cooperative insurance society, attach bye-laws.
    - In case of a parastatal, attach law establishing it.
  - (vi). Nature of business (e.g. life insurance, non-life insurance or reinsurance).
  - (vii). Date of commencement of business.
  - (viii). Names, addresses, nationality, qualifications and occupation of Directors.
  - (ix). Names, nationality and address of shareholders.
  - (x). Names, qualifications and experience of Senior Executive and Management staff (attach organization chart).

## 2.0 LICENSING

2.1 After submitting the registration information/documents, the applicant, i.e. insurer/reinsurer fills in an application form **In Line with Regulation 9 (2) and Form 1** of Schedule 2 of the Insurance (Licensing and Governance) Regulations, 2020. The application should be in the form attached to these guidelines, and available at the IRAU or downloaded at <http://www.ira.go.ug/insurancecompaniesform.pdf>. For an operating licence the following information will be required:

- (i). The name of the applicant.
- (ii). Postal address of the Head Office.
- (iii). Telephone numbers, fax number, e-mail address.
- (iv). Physical address.
- (v). Name and address of auditors.
- (vi). Total number of employees (Management, Supervisory, others).
- (vii). Total number of agents who represent the insurer/re-insurer.
- (viii). Name and address of reinsurers/retrocessionaires.
- (ix). Share capital
  - (a). authorized share capital
  - (b). paid-up share capital (local or foreign) of not less than:
    - Ugx. 4,500,000,000/= (Four billion, five hundred million), in the case of **life** insurance business.
    - Ugx. 6,000,000,000/= ( Six billion), in the case of **non-life** insurance business.
    - Ugx. 9,000,000,000/= (Nine billion), in the case of **non life** reinsurance business
    - Ugx 6,000,000,000/= (Six billion) in case of reinsurance **Life** business.
- (x). Evidence of deposit made under Section 38 of the Insurance Act, 2017 and Regulation 16 and 17 of the Insurance (Capital Adequacy And Prudential Requirements) Regulations, 2020 i.e. establish and maintain a security deposit of at least 10% of the prescribed paid-up capital of the company, which shall be invested in Government Securities or any other investment as may be approved by the Authority and on which the Authority shall have a lien.
- (xi). State the insurance business intended to be transacted, i.e. life or non- life or both.
- (xii). Name and address of Actuary (in case of life business).
- (xiii). If any of the Directors/staff has been convicted of any offence in the past five (5) years, he/she should give full details.
- (xiv). If any of the Directors/staff has been adjudged to be bankrupt or compounded with creditors, he/she should give full details.

- (xv). If any member of staff has been involved in the Management of any insurance or institution or financial institution which has been wound-up in the last five years, he/she should give full details.
- (xvi). The nature of interest of any member of staff in any institution licensed under the Insurance Act should be indicated.

**2.2** In addition to the above, the following should be enclosed together with the application form:

- (i). Detailed and signed curriculum vitae of all directors and the Chief Executive Officer, Chief Finance Officer, Actuarial Officer, Risk Function, Compliance Function and Internal Audit function.
- (ii). Names, nationality, address and shareholding of shareholders.
- (iii). List of all branch offices, address and telephone numbers.
- (iv). Certified authentic copy of the applicants Memorandum and Articles of Association and the Certificate of Incorporation (or other documents by which the insurer is constituted).
- (v). Treaty Reinsurance arrangements proposed by the insurer and endorsed by reinsurers/reinsurance brokers which should comply with Section 67 of the Insurance Act, 2017 and the Insurance (Reinsurance) Regulations, 2020.

**2.3** In case of an application for first license, a feasibility study for the next three (3) year period of operation comprising the following information:

- (i). Comprehensive cash-flow analysis;
- (ii). Gross premium income and expenditure projection for each class of business.
- (iii). Assessment or evaluation analysis of the prospects and profits potential of the company for the next three (3) years which should be endorsed by the company's proposed auditors.
- (iv). List of all agents employed.
- (v). A certified authentic copy of each type of policy of assurance or insurance which the company proposes to issue.
- (vi). Evidence of membership to the Insurance Institute of Uganda.
- (vii). Detailed signed curriculum vitae of the senior management and technical staff (ensuring compliance with Section. 103 (1) of the Insurance Act, 2017).
- (viii). The proposed premium rates and rating scales for each class of business.
- (ix). List of principal partners of the actuaries and their qualifications

**2.4** If the form is satisfactorily filled and all the enclosures sent, the application is sent to the Technical Committee of the Authority (Board) for their consideration and thereafter to the full Authority (Board). The

IRAU may, however, in considering the application, require other documents or information in addition to the submissions listed herein above.

- 2.5** Once the application is approved, a license fee of Ugx. 4,000,000/= is payable by Insurance Companies and Ugx. 10,000,000/= by Re-Insurance Companies.
- 2.6** On being licensed, the company will be required to become a member of the Insurance Training College of Uganda.

**APPLICATION FOR LICENSED INSURER / REINSURER/HMO LICENCE<sup>1</sup>**

1.	Name of applicant: .....
2.	Postal address (Head Office): .....
3.	Telephone Nos.....
4.	E-Mail: ..... Website: .....
5.	Physical address: (Head Office).....
6.	No. of Branch/Agency Offices .....
7.	Date of Incorporation .....
8.	Proposed date for Commencement of business.....
9.	Bankers: Name Address Location, Postal Address, Email, etc.
10.	Note: Please give details of commitment with the bank.
11.	Total number of all classes of employees ..... Managerial..... Officers ..... Support Staff..... (give details)
12.	Insurance Agents..... (Total Number)
13.	Name and address of reinsures/retrocessionaires and their current ratings. .....
14.	Share Capital -

<sup>1</sup> Choose whichever is applicable

15.	(a) Authorised share capital: ..... (b) Paid up share capital: ..... (c) Net worth/Shareholders funds. .... (d) Composition of paid up capital and insurance funds.....
16.	Deposits made under section 38 of the Act: .....
17.	Insurance business intended to be transacted: state whether life or non-life or Health Membership Organisations.....

18		Please fill in the personal questionnaire form which is downloaded from our website on <a href="http://www.ira.go.ug">www.ira.go.ug</a> (for each of the Directors, Senior Officer and Principal Officer) and Significant Shareholders to be filled at least once every three (3) years.
19.	(a)	Has any member of Staff in the past five years been convicted of any offence involving fraud or dishonesty? .....
	(b)	If yes give full details on a separate paper.
20.	(a)	Has any member of staff been adjudged to be bankrupt or compounded with Creditors?.....
	(b)	If yes give full details on a separate paper.
21.	(a)	Has any member of staff been involved in the management of any insurance institution or financial institution which has been wound up in the last five years?.....
	(b)	If yes give full details on a separate paper.
22		<p>Indicate the nature of interest (if any) of any member of staff in any institution licensed under the Act.</p> <p>(i) Date of last valuation .....</p> <p>(ii) Date of submission of the valuation report .....</p> <p>Annual Accounts</p> <p>(i) Date of submission of accounts to IRA.....</p> <p>(ii) Date of last annual meeting of shareholders.....</p> <p>(iii) Date of submission of minutes of the above meeting to the IRA</p> <p>(iv) Date of when accounts were published (indicate the news-papers) .....</p>
23		List all brokers who you intend to place business with.....
24		List and attach information on contracts with affiliates (see Appendix )
25		List and attaché information on contracts with any outsourcing arrangements
26.		<p>I, the undersigned, (name) .....</p> <p>being the Chief Executive Officer confirm that I have carefully studied all the information hereinabove and hereby certify that the information contained herein and documents submitted are true and accurate to the best of my knowledge and belief.</p> <p>Name .....</p> <p>Signature .....</p> <p>Date .....</p>

## **ENCLOSURES TO THE APPLICATION FORM**

1. Certified copy of the applicant constitutes documents and certificate of incorporation, or other document by which the applicant is constituted.
2. If the applicant is associated with other companies or entities, an organogram showing the relationship with the associated companies and entities, together with any parallel companies; the position of each associated company and the relationship between the associated companies or entities; the shareholdings held by each of the associated companies or entities and a general description of the activities of each of the associated companies or entities.
3. Written consent to act for the person appointed, or proposed to be appointed, as the applicant's auditor; and if applicable, the person appointed, or proposed to be appointed, as the applicant's appointed actuary.
4. A business plan signed by the Chief Executive Officer and the Chair of the board that complies with the Schedule and any Guidance issued by the Authority.
5. The most recent audited financial statements of the applicant, the applicant's holding company and consolidated group financial statements, if any.
6. Details of the reinsurance arrangements proposed by the applicant or, in the case of a relicensed insurer, proposed retrocession arrangements (To be submitted annually for Non-life Companies); and
7. Evidence that the security deposit required by section 38 of the Act has been placed with a commercial bank.