

CONF/IRA/00/001/03

18TH JULY 2022

CIRCULAR NO BAI 04/2022

CIRCULAR TO BANCASSURANCE INTERMEDIARIES

APPLICATION FOR LICENSING OF BANCASSURANCE INTERMEDIARY FOR THE YEAR 2023

Pursuant to the provisions of Section 3A (1C) and 188 (2) of the Insurance Act, CAP 487, Bancassurance Intermediaries are required to apply for licensing to conduct insurance business for the year 2023, on or before **30th September, 2022**.

The following requirements are applicable for 2023 renewal of application of license by all bancassurance intermediaries;

- i. Pay application fees of KES 20,000.
- ii. Maintain a minimum paid up capital of KES 5,000,000 at all times.
- iii. Maintain at all times a Bank Guarantee or Government Bond under lien in favour of the Authority of KES 10,000,000. The maturity period for the Government Bond must not be less than two years.
Note that the bank guarantee should not be provided by the bank, microfinance institution or financial institution owning the applicant.

(iv) You are also required to submit the following returns:

- a. Statement of Business of Bancassurance Intermediary as at 31st December 2021 in the prescribed format as per Second Schedule of The Insurance (Bancassurance) Regulations, 2020.
- b. Audited annual financial statements and returns relating to Bancassurance business in line with the provisions of Section 155 of the Insurance Act. **Note that the deadline for submission of 2021 returns was 31st March 2022** Bancassurance intermediaries who fail to submit returns within the deadline will be required to pay a penalty of KES 10,000 and a further penalty of KES 1,000 for each day after the expiry of the prescribed period that the return is not submitted.

Your application for a license and any communication with the Authority should be undertaken through the Electronic Regulatory System (ERS) Portal. The user manual to guide on the application process can be downloaded from the documents tab in the ERS portal.

You should submit a duly completed application accompanied by the required documents together with proof of payment of the registration fee of KES. 20,000.

Where the application is submitted late or rejected on the basis of incompleteness or inconsistencies and is resubmitted after the deadline, a penalty of KES. 20,000 shall be paid in addition to the registration fee.

Payments shall be made through one of the following modes of payments:

(i) **Bank deposit or direct funds transfers through:-**

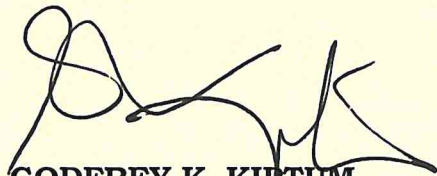
Bank	:	NCBA Bank
Account Name	:	Insurance Regulatory Authority
Account Number	:	8189570014
Branch	:	Upper Hill
Branch Code	:	001
Bank Code	:	07
Swift Code	:	CBAFKENX

(ii) **M-pesa Paybill**

Paybill No. 830300

Account number - the Bancassurance Intermediaries' registration number e.g. IRA/XXX/2023.

Please attach a scanned copy of the Mpesa transaction reference details at the application attachments section of the ERS Portal.



GODFREY K. KIPTUM
COMMISSIONER OF INSURANCE & CHIEF EXECUTIVE OFFICER