

**INSURANCE INDUSTRY  
REGULATIONS**

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## PRELIMINARY SECTION

### Definitions

**Agent:** A natural or a legal person authorised by the Maldives Monetary Authority (MMA) to sell, create, modify and terminate contracts of insurance on behalf of an insurance undertaking.

**Articles of Association:** As defined in the Companies Act of the Republic of the Maldives.

**Authorisation:** A licence issued by the MMA to undertake insurance business in accordance with the provisions of Articles 12 to 14 of these regulations.

**Authorised insurance undertaking:** As defined in Article 5 of these regulations.

**Authorised share capital:** An amount established in the Articles of Association of the company concerned.

**Broker:** A natural person or a legal who arranges and services insurance policies on behalf of the insured.

**Certified Actuary:** A person with particular skills in the assessment of insurance risks with appropriate educational and professional qualifications approved by the MMA.

**Claim:** Notification to an insurance undertaking that payment of an amount is due under the terms of a policy.

**Claims provision:** An amount set aside on the balance sheet of the insurance undertaking to meet the total estimated ultimate cost of settling all claims arising from events which have occurred up to the end of the financial year, whether reported or not, less amounts paid in respect of such claims.

**Commission:** The fee paid to agents or brokers for the sale of insurance policies.

**External Auditor:** A person with appropriate professional expertise in the audit function and approved as such by the MMA.

**Facultative reinsurance:** Reinsurance effected on a case-by-case basis and accepted or declined on the same basis by the reinsurance undertaking.

**Fit and proper person:** A person of good standing, without a criminal record with certain technical, professional qualifications and experience, as determined by the MMA to be appropriate to the position they are proposing to fill in an insurance undertaking or act as a market intermediary on behalf of an insurance undertaking.

**Gross underwriting account:** An account of income and expenditure arising from insurance business written by insurance undertakings before reinsurance. Classified in accordance with the types of business as defined in appendix 1 of these regulations.

**Insurance business:** As defined in Article 3 paragraph 5 of these regulations.

**Insurance policy:** The written contract of insurance that is issued to the policyholder insured by the insurance undertaking.

**Insured:** In life insurance the person on whose life an insurance policy is issued; in non-life the natural or a legal person on whose behalf the benefits are payable under the policy.

**Issued share capital:** An amount carried on the balance sheet of an insurance undertaking setting out the value of all shares outstanding at a particular point in time.

**Legal person:** Includes private or public companies, partnerships, proprietorships.

**Market intermediary:** A generic term to describe a broker or agent.

**Matching of assets:** Matching in this sense means that the assets backing the underwriting liabilities should be denominated in the currency of the underwriting liabilities and should in their nature and profile reasonably relate to the liabilities to be met

**Mathematical provisions:** An amount on the balance sheet of the insurance undertaking which comprises the actuarially estimated value of an undertaking's liabilities arising from future benefit payments to policyholders, including bonuses already declared and after deductions of the actuarial value of that component of future premiums attributable to meeting those liabilities.

**Memorandum of Association:** As defined in the Companies Act of the Republic of the Maldives.

**Minimum paid up share capital:** As defined in Article 8 of these regulations.

**MMA pool:** As defined in Article 7 of these regulations.

**Net underwriting account:** The Gross underwriting account after reinsurance ceded. Classified in accordance with the types of business as defined in appendix 1 of these regulations.

**Outsourcing agreement:** A contractual agreement between an insurance undertaking and a third party to subcontract aspects or part of its internal operations.

**Premium:** A periodical or once off payment a policyholder agrees to make as part of an insurance policy.

**Private limited company:** As defined in the Companies Act of the Republic of the Maldives.

**Public limited company:** As defined in the Companies Act of the Republic of the Maldives.

**Qualifying holding:** Is defined as a direct or indirect holding, holding of shares or other rights on the basis of which the holder acquires 10% or more of the voting rights or holding in the capital of another legal entity.

**Reinsurance:** Insurance placed by an insurance undertaking in another undertaking to reduce the risk assumed under the original insurance contract.

**Related party:** Is defined as independent entities related in terms of either management, capital or other aspects, so that they either (due to the said relationship) jointly formulate their business policy and perform concerted actions so as to attain joint business objectives. Or if one of the entities can:

- a) Direct the affairs of another entity;
- b) Exert significant influence over the decision-making process regarding the financial affairs or commercial activity of another entity.

Or if the operations of one entity or its business results, significantly influence the operations or business results of another entity.

The definition of related parties shall also in particular, be entities mutually related:

- a) As close relatives;
- b) By constituting a group of companies.

**Scheme of operations:** As defined in Article 11 of these regulations.

**Technical reserves:** An amount set aside on the balance sheet of an insurance undertaking to meet liabilities arising out of insurance contracts, including claims provisions (whether reported or not), provisions for unearned premiums, provisions for unexpired risks; in addition to mathematical provisions and other liabilities related to life insurance contracts.

**Solvency Margin:** The surplus of assets over liabilities.

**Solvency test:** The test showing compliance with the solvency requirements of the MMA at a certain point in time.

**Treaty reinsurance:** Reinsurance effected on the basis of a treaty by an insurance undertaking with a reinsurance undertaking.

## 1. The competent authority

1). In accordance with the provisions of the Presidential Decree no 2002/6 dated 16<sup>th</sup> January 2002, the Maldives Monetary Authority (MMA) as the designated competent authority has sole responsibility for the regulation and supervision of the insurance industry in the Republic of the Maldives. Consequently the purpose of these interim regulations is to enable the MMA to exercise its regulatory and supervisory function.

2). In this regard the MMA has the power to:

- a) Make further orders and regulations to give full effect to the provisions of these regulations;
- b) Amend or revoke any such orders and regulations;
- c) Impose sanctions, fines and penalties on authorised undertakings, insurance agents and insurance brokers. And where appropriate its directors and officers for contraventions or violations of the provisions of these regulations;
- d) Prescribe the level of fees that should be paid by an undertaking or intermediary to the MMA for the regulatory and supervisory services it provides;
- e) Prescribe who can write insurance business or act as market intermediaries (for those who write insurance business), in the State and the basis on which an authorisation to do so shall be granted;
- f) Attach conditions to the granting of an authorisation;
- g) Prescribe the returns and documents to be submitted by the holder's of an authorisation to write insurance, reinsurance or act as an intermediary and request any additional information as may be required;
- h) Require any return or document submitted by an undertaking, agent or broker to be attested by a person of professional standing specified by the MMA. And where appropriate by the directors and such officers of the insurance undertaking, agency or brokerage as the MMA may prescribe;
- i) Require that any such return or document shall be published in such a manner as the MMA sees fit;
- j) Gather, collect and disseminate in whichever way it deems appropriate, data, statistics and financial information on the insurance sector in the Maldives;
- k) Make orders and regulations concerning the books and records to be kept by authorised undertakings and intermediaries;
- l) Make further regulations concerning the manner in which the insurance undertaking is managed; and

- m) Authorise any of its officers or a suitably qualified external expert to undertake special and routine inspections or investigations of the affairs of an undertaking, an insurance agent or broker.

## **2. Insurance Supervisory powers of the MMA**

1). The MMA may make further regulations for the proper exercise of its supervisory function over insurance undertakings and market intermediaries under these regulations, in respect of the following:

- a) The calculation of technical or mathematical reserves representing underwriting reserves;
- b) The minimum level of capital to be maintained by an insurance undertaking;
- c) The valuation of assets of an insurance undertaking;
- d) The nature and spread of assets representing underwriting liabilities and the localisation and matching of such assets;
- e) The calculation of underwriting liabilities;
- f) The level, nature and extent of all reinsurance arrangements entered into by an authorised undertakings including information that undertakings must supply in respect of their reinsurance arrangements;
- g) The prohibition or limitation of investments of a specified class or description;
- h) On-site inspections;
- i) The percentage of distributed surplus to policyholders;
- j) The designation of certain classes of insurance as compulsory insurance and the prescription of any conditions and general provisions that should apply to such compulsory insurance;
- k) The establishment and imposition of maximum or minimum tariff rates and premiums for any class of insurance business;
- l) The imposition of penalty technical provisions;
- m) Policy conditions;
- n) The level of premiums;
- o) The payment of commissions; and

- p) The level of fees charged by insurance undertakings and intermediaries.

### **3. Application of these regulations**

- 1). These regulations shall apply to insurance and reinsurance undertakings, brokers and agents with their head office in the Republic of the Maldives in addition to the branches of foreign insurance undertakings for which transition arrangements have been made.
- 2). For the purposes of these regulations and unless stated otherwise, an insurance or reinsurance undertakings shall be known as an “insurance undertaking” or “undertaking”.
- 3). For the purposes of these regulations and unless stated otherwise, an insurance agent or broker shall be known as a “market intermediary” or “intermediary”.
- 4). These regulations shall also apply to persons, who in any way act as a market intermediary in the underwriting of policies covering risks in the Republic of the Maldives.
- 5). Insurance business shall be deemed to cover risks in the Republic of the Maldives:
  - a). In the event of non-life insurance:
    - i). When insuring risks relating to land and buildings and to their contents covered by the same insurance contract, if the said real property is situated in the territory of the Republic of the Maldives;
    - ii). When insuring motor or short-haul marine vehicles, if those vehicles are registered in the territory of the Republic of the Maldives;
    - iii). When insuring risks relating to travel, if the legal act resulting in the conclusion of the insurance contract was performed in the territory of the Republic of the Maldives; and
    - iv). When the policyholder is a natural person, if the property of the person to which the insurance relates is located in the territory of the Republic of the Maldives.
  - b). In the event of life insurance when the policyholder is a natural person, if the said person has residence in the territory of the Republic of the Maldives.

### **4. Transition Arrangements**

- 1). Not later than sixty days following the enactment of these interim regulations, all insurance undertakings or branches of foreign insurance undertakings and market intermediaries, irrespective of whether they are a natural person or limited company, currently providing insurance services or mediating in the provision of such services in accordance with the provisions of Article 3 paragraph 5, must register with the MMA. Failure to do so by the required time limit will mean that the company or individual concerned will be excluded from any transition arrangements put in place in support of these interim regulations.

2). Not later than ninety days following the enactment of these interim regulations all insurance undertakings or branches of foreign insurance undertakings deemed to be in compliance with the provisions of paragraph 1 hereunder, shall provide the MMA the following returns in the prescribed form, duly certified to be true and accurate by the directors and officers of the undertaking for a three year period (where applicable) prior to the current year:

- a) A gross and net underwriting account in respect of each class of business written, prepared on an annual basis for the period in question;
- b) A profit and loss account for each accounting year of the period in question;
- c) A detailed balance sheet as of the end of each accounting year for the period in question;
- d) A detailed analysis of claims settled on an annual basis;
- e) Employment statistics;
- f) An annual summary of facultative and treaty reinsurance business ceded;
- g) A detailed curriculum vitae in respect of all the officers, senior management and directors of the undertaking.

3). Not later than ninety days following the enactment of these interim regulations, all market intermediaries deemed to be in compliance with the provisions of paragraph 1 hereunder, shall provide the MMA the following returns in the prescribed form, duly certified to be true and accurate by the directors and officers of the undertaking (where applicable) for a three year period (where applicable) prior to the current year:

- a) An annual summary of business written;
- b) A detailed income and expenditure account for each accounting year of the period in question;
- c) A detailed analysis of all commission and fees charged;
- d) A detailed curriculum vitae.

4). All entities deemed to be in compliance with the provisions of paragraphs 2 and 3 hereunder shall be exempt from the provisions Article 5 paragraph 1 for a period of one year from the end of the current financial year.

## **5. The Authorised insurance undertaking**

1). Other than with the written permission of the MMA given in accordance with the transition arrangements in paragraph 4 of Article 4, an insurance undertaking shall be a public or private limited company with its head office in the Republic of the Maldives, incorporated in accordance with the Companies Act of the Republic of the Maldives, that has been granted an authorisation to perform insurance business by the MMA. Consequently the name 'insurance undertaking' or any derivatives thereof may not be entered in the companies' register if the legal entity has not been granted such an authorisation.

2). In accordance with the Foreign Investment Law any application for an authorisation to undertake insurance business by a company where any of the shareholders are non-nationals

of the Republic of the Maldives, prior approval must be sought and obtained from the Foreign Investment Services Bureau (FISB).

3). The entities referred to in the first paragraph hereunder shall only be permitted to carry out the said operations within those classes of insurance for which they have been granted an authorisation to do so by the MMA.

4). No entity, other than those referred to under the first paragraph hereunder shall be authorised to perform insurance business either directly or through market intermediaries in the Republic of the Maldives.

5). No person or entity may act as a market intermediary other than for those referred to under the first paragraph hereunder.

## **6. Types of insurance**

With regard to the main risks to be covered, insurance shall be classified in accordance with the business types set out in appendix 1.

## **7. The MMA Pool**

The MMA shall maintain an up to date public register of all insurers authorised to write insurance business in the Republic of the Maldives. This register shall be known as “The MMA Pool”. Other than with the written permission of the MMA, all insurance business written in the territory of the Republic of the Maldives must be placed with one or more of the members of the MMA Pool, irrespective of whether the business has been placed directly with the authorised undertaking or through an authorised market intermediary.

## **8. Minimum paid up share capital**

1). The MMA shall not grant an authorisation unless:

- a) In the case of an undertaking writing non-life insurance business, the paid up share capital of the applicant entity is not less than 250,000 Rf (Rufiyaa) ; and
- b) In the case of an undertaking writing life insurance business, the paid up share capital is not less than 350,000 Rf.

2). The MMA may make further regulations concerning the form in which share capital may be issued by the undertaking and may by regulation amend the requirements as to the required value of the paid up share capital.

## **9. Types of authorisation and changes to business**

- 1). An insurance undertaking shall be obliged, prior to commencing operations and being entered in the companies' register as an insurance undertaking, to obtain an authorisation to perform insurance business from the MMA.
- 2). Should an insurance undertaking merge with another insurance undertaking or legal entity, the acquiring insurance undertaking shall be obliged, prior to the entry in the companies' register of the acquiring company's resolution, on acquisition or merger, to obtain an authorisation from the MMA.
- 3). An insurance undertaking shall be obliged, prior to establishing a branch either abroad or in the territories of the Republic of the Maldives, to obtain an authorisation from the MMA.
- 4). An insurance undertaking shall be obliged, prior to transferring its insurance contracts to another insurance undertaking, to obtain an authorisation from the MMA.
- 5). Prior to entering into an agreement whereby a significant portion of its operations is transferred to another insurance undertaking or legal entity, an insurance undertaking shall be obliged to obtain an authorisation from the MMA.

## **10. Application for an authorisation to perform insurance business**

- 1). An application for an authorisation to perform insurance business shall be made in accordance with the form prescribed in regulations and must include the following:
  - a) A scheme of operations;
  - b) The Memorandum and Articles of Association of the insurance undertaking;
  - c) Where the shareholders in the entity are natural persons, a list of those shareholders, stating names, surnames and addresses or where the shareholders is a corporate entity, the company names and the addresses of their head offices;
  - d) The authorised and issued share capital of the applicant entity;
  - e) A full disclosure of all related or connected parties, qualifying holdings and the nature of same;
  - f) A copy from the companies' register or other relevant public register (where applicable);
  - g) Financial statements for the last two business years (where applicable);
  - h) The details of any outsourcing agreements, if the insurance undertaking intends to authorise other entities to perform individual operations on its behalf; and

- i) Details of the proposed management team to allow the MMA to form the view as to whether the candidates proposed are fit and proper persons to fill such roles.

## **11. The Scheme of operations**

The scheme of operations presented to the MMA when applying for an authorisation shall be completed in accordance with the form laid down in regulations and must contain:

- a) A clear statement of business policy;
- b) An indication of the individual classes of insurance within which the insurance undertaking intends to perform insurance business, sample policy documentation for such classes of business in addition to the general and special policy conditions and premium rates that will apply;
- c) The reinsurance policy and principles of the undertaking including the names and other relevant details of all proposed reinsurance arrangements;
- d) A calculation of the minimum capital amount referred in this regulation;
- e) The set-up costs, organisational costs and development expenses, and the sources of finance for those expenses. In addition to detailed financial projections prepared in accordance with international accounting standards for a period of three years;
- f) An assessment of the entity's liquidity and financial ability to meet its obligations;
- g) A report by an Actuary to be nominated and appointed by the MMA, on the scheme of operations with regard to the insurance activities of the entity in question for a period of at least three years. This report shall focus in particular on the planned premium income, indemnities or benefits, commission and other operating costs, as well as the technical provisions and the reserves to be set aside; and
- h) A detailed human resource and training plan clearly identifying the nationality and expertise of all staff and any specific provisions, to the satisfaction of the MMA, for the hiring and training of Maldives nationals.

## **12. Granting an authorisation**

- 1). The MMA shall grant an authorisation for each class of business that the undertaking may undertake.
- 2). The MMA shall grant an authorisation to perform insurance business within an individual class of insurance if it is established that the insurance undertaking meets the conditions for performing insurance business within the class of insurance in question.

## **13. The grounds on which an authorisation can be refused or revoked**

- 1). The MMA shall refuse to grant an authorisation to perform insurance business if:

- a) Any member of the board of directors of the applicant entity is not a fit or proper person to serve on the board of an insurance undertaking;
  - b) It is evident from the insurance undertaking's Memorandum and Articles of Association and other documentation that it is not organised in accordance with these regulations;
  - c) It is evident from the insurance undertaking's Memorandum and Articles of Association and other documentation that the conditions for the operation of the insurance undertaking as stipulated by these regulations or other regulations issued on the basis thereof was not established;
  - d) If it is evident from the documents and other information in the possession of the MMA, that the insurance undertaking does not have the technical expertise to write the insurance business envisaged in its scheme of operations;
  - e) If the provisions of the insurance undertaking's Memorandum and Articles of Association and other documentation are in contravention of the provisions of these regulations issued on the basis thereof; and
  - f) If in its opinion the calculated premiums and provisions are insufficient to cover the insurance undertakings obligations arising from insurance contracts.
- 2). An authorisation held by an undertaking or intermediary may be revoked by the MMA if the holder of the authorisation:
- a) Has not used the authorisation for the last twelve months, has expressly renounced the authorisation or has ceased to carry on business covered by the authorisation for more than six months;
  - b) No longer fulfils the conditions required in paragraph 1 hereunder;
  - c) Has been unable, within the time period allowed to take the measures contained in the restoration plan or finance scheme referred to in paragraph 4 hereunder;
  - d) If the MMA is not satisfied that adequate arrangements are in force or will be made for the reinsurance of risks;
  - e) If there exists grounds on which the MMA would be prohibited from issuing an authorisation to the undertaking or intermediary if it were applied for;
  - f) If it appears to the MMA that there has been a substantial departure from any proposal or forecast submitted and on the basis of which an authorisation was issued to the undertaking or intermediary; and
  - g) Fails seriously in its obligations under these regulations.
- 3). The MMA may revoke an authorisation in any class or part of a class of business if it is satisfied that no business has been carried on under the authorisation for the last six months, or if the holder of an authorisation has reduced the scale of its business in a class or part of a class of business so as to amount in effect to a cessation of the carrying on of business in that class or part of a class.
- 4). If the MMA has reason to believe-
- a) That an undertaking or intermediary is or may be unable to meet its liabilities, or

- b) That in the case of an undertaking, is or may be unable to provide the required solvency margin, the MMA may direct the undertaking or intermediary to take, by a specified date, such one or more of the following measures as deemed appropriate, either indefinitely or for a specified period:
- i). To refrain from taking on new business, or new business of a specified type or class;
  - ii). To limit its premium income to a specified amount;
  - iii). To refrain from making investments of a specified class or description;
  - iv). To realise, within a specified period, investments of specified class or description;
  - v). To maintain in the State assets of a value equal to the whole or a specified proportion of the amount of its liabilities in respect of business carried on in the State;
  - vi). To implement a restoration or rescue financial plan;
  - vii). To take such further measures as may be specified in the direction or as may be prescribed by the MMA.

## **14. Extension of business to other classes of insurance**

- 1). An insurance undertaking which has been granted an authorisation to perform insurance business with regard to certain classes of insurance shall be obliged, if it intends to commence operations within other classes of insurance, to obtain an authorisation from the MMA to extend its business to other classes of insurance.
- 2). The MMA shall refuse to grant an authorisation to extend business to other classes of insurance:
- a) If it is established that, by extending operations to the class of insurance to which the application refers, the liquidity or solvency of the undertaking could be threatened or undermined;
  - b) If the insurance undertaking fails to meet any other criteria for writing insurance business laid out in regulation within the class of insurance to which the application refer.

## **15. Reporting requirements**

- 1). All authorised undertakings are required to submit to the MMA on a quarterly basis or with whatever frequency the MMA deems to be appropriate, the following returns in the prescribed form, duly certified to be true and accurate by the directors and officers of the undertaking:
- a) A gross underwriting account in respect of each class of business written;
  - b) A net revenue underwriting account in respect of each class of business written;
  - c) A detailed analysis of the assets of the undertaking;
  - d) A profit and loss account for the period in question;

- e) A detailed balance sheet;
- f) A detailed analysis of claims settled;
- g) Employment statistics;
- h) A statement concerning the matching of assets;
- i) A solvency statement;
- j) A statement setting out the basis on which the unearned premium reserve and outstanding claims reserve has been calculated;
- k) A detailed analysis of the administrative and general expenses of the undertaking;
- l) An annual summary of facultative and treaty reinsurance business ceded; and
- m) Any other return the MMA deems to be appropriate.

2). All market intermediaries are required to submit to the MMA on a quarterly basis or with whatever frequency the MMA deems to be appropriate, the following returns in the prescribed form, duly certified to be true and accurate by the directors and officers of the undertaking or where appropriate the sole proprietor of the entity:

- a) A summary of business written;
- b) A detailed income and expenditure account for the period in question;
- c) A detailed analysis of all commission and fees charged during the period in question.

3). Not later than six months following the end of its financial year all insurance undertakings and market intermediaries incorporated in accordance with the Companies Act, are required to submit to the MMA financial statements and the returns referred to in paragraphs 1 and 2 hereunder calculated on an annual basis, properly certified and audited by an approved external auditor.

## **16. Changes to shareholdings and Management of the undertaking**

- 1) The authorised insurance undertaking must inform the MMA within seven days of any changes to the shareholding structure of the undertaking.
- 2) The authorised insurance undertaking must seek and obtain the approval of the MMA prior to making any changes to the directors and senior management of the undertaking.

## **17. Books of account and other records**

- 1) Insurance undertakings and market intermediaries shall be obliged to keep proper books of account, compile book-keeping documents, value book-keeping items and compile accounting reports in accordance with international accounting standards and principles.
- 2) Insurance undertakings and intermediaries shall be obliged to keep books of account, business documentation, and other administrative or business records in an orderly manner so as to facilitate the supervisory process.

## **18. Supervisory Fees**

1). The MMA shall charge fees in respect of the following supervisory services it provides:

- a) Authorisation applications;
- b) Granting and renewal of authorisations;
- c) Off-site inspections and solvency assessment of quarterly returns;
- d) On-site inspections; and
- e) Requests for prior approval of corporate changes; and
- f) Any special examination work it may undertake.

2). The MMA shall also recover the costs (from authorised undertakings or market intermediaries) incurred through the retention of expert assistance from third parties in the exercise of its supervisory function.

3). The MMA shall publish on an annual basis a schedule of fees charged for the provision of its supervisory services.

## A P P E N D I X 1

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### Classes of Non- Life Insurance

#### 1. Accidents

Fixed pecuniary benefits, benefits in the nature of indemnity, or a combination of both, against the risks leading to:

1. Bodily injury as a result of an accident or of an accident of a specified class.
2. Death as a result of an accident, or an accident of a specified class.
3. Incapacity as a result of an accident or of an accident of a specified class, inclusive of industrial injuries and occupational disease, but exclusive of Medical Insurance and the Permanent Health Insurance.

#### 2. Medical.

Fixed pecuniary benefits, benefits in the nature of indemnity, or a combination of both against loss attributable to sickness or infirmity, but exclusive of Permanent Health Insurance.

#### 3. Land vehicles.

- a. Loss and damage to land motor vehicles.
- b. Loss or damage to land vehicles other than land motor vehicles.

#### 4. Railway Locomotives and Wagons.

Loss and damage to railway locomotives and wagons.

#### 5. Aircrafts.

Loss and damage to aircrafts.

#### 6. Ships.

Loss and damage to ships, vessels and boats used on the seas, lakes, rivers or canals.

#### 7. Goods in Transit.

Loss and damage to goods or baggage in transit irrespective of the form of transport.

**8. Fire and Natural Forces.**

Loss and damage to property (exclusive of the property falling under paragraphs 3-7 of this regulation) due to fire explosion, storm, natural forces (other than storm) nuclear energy risk and land subsidence.

**9. Other Damage to Property.**

Loss and damage to property (exclusive of the property falling under paragraphs 3-7 of this regulation) due to hail or frost or any other event such as theft, other than those falling under paragraph (8) of this regulation.

**10. Land Motor Vehicles' Liability.**

Liability arising out of the use of motor vehicles on land, including carrier's liability.

**11. Aircraft Liability.**

Liability arising out of the use of aircraft, including the carrier's liability.

**12. Ship Liability.**

Liability arising out of the use of ships vessels, and both on the seas, lakes, rivers or canals, including carrier's liability.

**13. General Liability.**

All liabilities other than those covered under paragraphs (10) (11) and (12) of this regulation.

**14. Credit.**

Insolvency (in general), export credit, installment credit, mortgage, and agricultural credit.

**15. Suretyship.**

Direct and indirect suretyships.

**16. Miscellaneous Financial Loss.**

Loss due to any of the following risks:

1. Interruption of business carried on by the insured, or reduction of the scope of business so carried on.
2. Incurring unforeseen expense.
3. Financial loss of the insured involving neither of the above.

**17. Legal Expenses.**

Loss to the person insured attributable to legal expenses incurred, including litigation costs.

**18. Assistance.**

Providing either of the following.

1. In cash or in kind assistance to persons who get into difficulties while travelling, while away from home or while away from their permanent residence, or
2. In cash or in kind assistance to person who gets into difficulties in cases other than above.



**MALDIVES MONETARY AUTHORITY**

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Telephone: (960) 32 3677, 32 3783 Fax: (960) 32 3862 Email: mail@mma.gov.mv Website: www.mma.gov.mv

**APPLICATION FOR LICENCE OF GENERAL INSURANCE COMPANIES,  
AGENTS AND BROKERS**

Please provide the following information along with the stated documentation to this Authority.

1. Company Details:
  - 1.1 Name: .....
  - 1.2 Registered address.....  
.....
  - 1.3 Telephone: .....
  - 1.4 Fax: .....
  - 1.5 E-mail: .....
  - 1.6 Secretary or Contact Person: .....
  
2. Company's planned activities and the type of insurance business: .....  
.....  
.....
  
3. Copies of:
  - 3.1 Memorandum of Association
  - 3.2 Articles of Association
  - 3.3 Certificate of Incorporation
  - 3.4 Audited Financial Statements of the parent company/bank for the last five years of operation
  - 3.5 Financial statements for the last two business years (where applicable)
  - 3.6 Outsourcing agreements, if the insurance undertaking intends to authorize other entities to perform individual operations on its behalf
  - 3.7 Where the shareholders in the entity are natural persons, a list of those shareholders, stating names, surname, and addresses or where the shareholders is a corporate entity, the shareholders company names and the addresses of their head offices
  - 3.8 A list of all related or connected parties, qualifying holdings and the nature of same
  
4. Business Plan, which should, among other things, include the following information:
  - 4.1 Nature and scope of current and planned business activities and operations
  - 4.2 Marketing plan and strategy
  - 4.3 Summary of the planned implementation timeframe
  - 4.4 Group Structure: Holding Companies, Subsidiaries etc.
  - 4.5 Company Structure: Details of departments, Section etc.
  - 4.6 Management structure including:
    - 4.6.1 The Curriculum Vitae of all the Directors of the Company
    - 4.6.2 Names, address and profession of all shareholders who own 5 percent or more of the share capital of the holding company
    - 4.6.3 Curriculum Vitae of all senior managers of the holding company
  - 4.7 Expected benefits of the Maldivian economy from the planned operations
  - 4.8 Financial feasibility of the operations and financial projections for the first five years including
    - 4.8.1 Projected Cash flows
    - 4.8.2 Projected statement of Profit and Loss
    - 4.8.3 Projected Balance Sheet

***For Official Use only***

Received by

Signature:

Name:

Date:

*Applicant's Signature*.....

Name:.....

Designation.....