

Notes to the Second Schedule, Third Schedule and Fourth Schedule

When filling in the application form, if more space is needed to fill in any details or to supply any information required by the form, please add continuation sheets at the back of the form and mark each sheet with the section appropriate to the details given or information supplied. The person who signs the application form shall initial each page including any continuation sheet.

*Any reference in the application form and in the Notes to the Schedule to the **Personal Questionnaire** means a reference to the Personal Questionnaire as set out in Chapter 3 on the Criteria of Fitness and Properness of Intermediaries.*

Where the information required has already been submitted, such information may be omitted.

Notes

1. The passport number is to be submitted only in cases where individuals do not hold an identity card.
2.
 - (a) Where an applicant is a partnership *en commandite*, the capital of which is divided into shares, formed and registered or incorporated or constituted under the laws of the country of its head office, the applicant shall inform the competent authority of that fact and the competent authority shall provide the applicant with the necessary modifications to the application form.
 - (b) Where an applicant is a company in formation, details required by the application form which are not available at the time of submission are to be provided as soon as these are available.
 - (c) Where an applicant is a local company, the date of registration shall refer to the date on which the company was registered under the Companies Act (Cap. 386), and the registration number shall refer to the registration number under the said Act.

Where an applicant is a foreign company, the date of registration shall refer to the date on which the company was registered, incorporated or constituted under the laws of the country where its head office is situated. Similarly, the registration number shall refer to the registration, incorporation or constitution number under the laws of the country.

(d) The name of a cell company shall include the expression “Protected Cell Company” or “PCC”.

3. The money laundering reporting officer shall be appointed in the case of:

- (a) an insurance broker;
- (b) an insurance agent authorised to enter into contracts of long term business of insurance, in accordance with the agency agreement entered into between the authorised undertaking and the insurance agent;
- (c) an insurance manager, with an appointment from a company enrolled in the Brokers List ;
- (d) an insurance manager:-
 - i. with an appointment from a captive insurance undertaking, a captive reinsurance undertaking; or
 - ii. with competent authority to enter into contracts of long term business of insurance on behalf of the insurer; or
 - iii. with authority to exercise managerial functions in relation to long term contracts of insurance.

The compliance officer and the money laundering reporting officer are advised to ensure they are clear about the extent of their responsibilities. In this respect, reference is to be made to Appendices II and III of this Chapter.

- 3. In the case of an application for enrolment in the Agents List, where the applicant proposes to act on behalf of a member of Lloyd’s, it should include the name and syndicate number in lieu of name of undertaking.
- 4. Although cells cannot have directors, it is possible for persons to advise in some capacity on individual cells.
- 5. Where applicable, Section E4 of the Fourth Schedule requires the amount of own funds of the non-cellular section of the cell company which is to be used by the cell.

Documentation to be submitted with the application form

The documentation listed below is to be submitted with the application form. Where a photocopy of a document is produced, the competent authority may also require the applicant to produce the original document.

Documentation submitted shall have to be either in the Maltese language or the English language. Where the documentation required has already been submitted, such documentation may be omitted.

During the analysis of the application, the competent authority reserves the right to require submission of any other documentation which it deems necessary.

1. *Where the applicant is an individual, a Personal Questionnaire should be submitted by the individual.*
2. *In the case of a local company, a Personal Questionnaire for each director, controller, senior manager, compliance officer, money laundering reporting officer and cell adviser or in the case of a foreign company, a Personal Questionnaire for the compliance officer, money laundering reporting officer and for each person vested with the administration of the Malta branch.*
3. *In the case of a company, where qualifying shareholders are individuals, a Personal Questionnaire for each individual and where qualifying shareholders are body corporates, the latest audited financial statements of each body corporate qualifying shareholder.*
4. A diagram of the group family tree:-
 - where the applicant company has or will have one or more qualifying shareholders; or
 - *in the case of an application for the approval of a cell of a cell company, where the proposed cell has or will have one or more qualifying shareholders.*

In each case, the family tree should give details of the qualifying shareholders showing the percentage size of holdings in each entity forming part of the group up to the ultimate beneficial owner.

5. *In the case of a local company*, the memorandum and articles of association of the company, which shall have to be approved by the Authorisation Unit of the competent authority before registration or, *in the case of an application by an enrolled company for its conversion into a cell company*, a copy of the resolution amending the company's memorandum and articles of association.
6. *In the case of a foreign company:-*
 - (a) memorandum and articles of association of the company or any other instrument of registration, incorporation or constitution of the company;
 - (b) an attested copy of the original certificate of registration, incorporation or constitution of the company;
 - (c) a company profile;
 - (d) audited financial statements of the company for each of the last three financial years, or, if the company has not been in business for three financial years, for each of the financial years for which it has been in business; and
 - (e) documentation evidencing authorisation/permission to carry out insurance distribution activities and reinsurance distribution activities in the country of registration, incorporation or constitution of applicant.
7. *In the case of a local company*, organisation set-up including number of employees and their qualifications or *in the case of a foreign company*, branch set up including number of employees and their qualifications.
8. *In the case of an individual*, the arrangements, including the appointment of a substitute person, in the event of his indisposition to carry out insurance distribution activities and reinsurance distribution activities due to incapacity, sickness, holiday or any other absence.
9. A diagram illustrating the connection in respect of each connected person. *In the case of a foreign company*, this diagram should only include connections relevant to the applicant's proposed insurance distribution activities and reinsurance distribution activities in Malta.
10. A quotation of a policy of professional indemnity insurance which should conform with the requirements of the Professional Indemnity Insurance set out in Section 1.9 of Chapter 1.
11. Where the requirement to effect and hold a fidelity bond applies:-

- (a) a copy (*in draft form*) of the fidelity bond to be approved by the competent authority in accordance with the requirements of Chapter 9 on Fidelity Bond; and
- (b) where the approved person is an individual, a Personal Questionnaire completed by the individual.

[N.B. Where the approved person is not an individual, the person may be required to submit a copy of the last financial statements or any other documentation which the competent authority may deem necessary]

12. *In the case of an application for the approval of a cell of a cell company:*

- (a) the latest audited financial statements of the immediate parent of the proposed cell user, and if applicable, the consolidated accounts of the group;
- (b) copy (in draft form) of any agreement entered into with third parties.

13. *In the case of an application by an enrolled company for its conversion into a cell company* a notice to be published in at least two daily newspapers of which one is published in the Maltese language and the other in the English language. The text of the notice shall be in Maltese in the Maltese daily newspaper and in English in the English daily. Where the company applying for conversion is an insurance manager with an appointment from a company to carry on business from Malta or in or from a country outside Malta and the risk or commitment is a risk or commitment situated outside Malta or where the company applying for conversion is an insurance broker carrying on business of insurance broking restricted to contracts of insurance relating to risks situated outside Malta or commitments where Malta is not the country of commitment, the notice shall be published in two daily newspapers in the country where the risk or commitment is situated.

[N.B. The text of the aforesaid notice requires the approval of the competent authority prior to its publication]

14. *In the case of an application by an enrolled insurance manager for its conversion into a cell company,* a draft letter to be sent to any person from whom it holds appointment, with whom it transacts business of insurance and every other person who claims an interest in a policy.

[N.B. Before the competent authority authorises the said conversion, it requires details of any representations]

15. *Where the applicant applies for enrolment in the Agents List:*

- (a) a copy (*in draft form*) of the agency agreement which the applicant proposes to make or enter into indicating clearly whether the applicant will also be carrying on business of reinsurance and where the authorised undertaking is an undertaking whose head office is in a country outside Malta, an attested copy of the power of attorney conferred upon applicant by the authorised undertaking; or
- (b) copy (*in draft form*) of the binding authority agreement between the applicant and the member of Lloyd's on behalf of which the applicant proposes to act.

16. *Where the applicant applies for enrolment in the Managers List:*

- (a) a copy of the letter of appointment;
- (b) copy (*in draft form*) of the agreement which the applicant proposes to make or enter into with the enrolled insurance broker, restricted to contracts of insurance relating to risks situated outside Malta or commitments where Malta is not the country of commitment, and where the activities are of a kind that require a power of attorney, an attested copy of such power of attorney conferred upon applicant by the enrolled insurance broker;
- (c) a copy (*in draft form*) of the agreement which the applicant proposes to make or enter into with the insurer, indicating clearly:
 - (i) the kind of business of insurance to be carried on and the classes of business to be transacted and whether the applicant will also be carrying on business of reinsurance thereof; and
 - (ii) whether the activities governed by the appointment **include** or **exclude** authority to enter into contracts of insurance on behalf of insurer,

and where the insurer is third country insurance undertaking or a third country reinsurance undertaking or where activities are of a kind that require a power of attorney, an attested copy of the power of attorney issued to applicant by the undertaking.

17. *Where the applicant applies for enrolment in the Brokers List, copies (in draft form) of any underwriting agreements which the applicant proposes to make or enter into with any authorised undertaking or insurance agent pursuant to the requirements of Chapter 12 on the Issuing and Registration of Underwriting Agreements.*