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INSURANCE REGULATIONS 1986

In exercise of the powers conferred on the Treasury by sections, 3, 4, 7, 8, 12, 17, 20, 25(3), 27, 32 and 34 of, and Schedule 4 to, the Insurance Act 1986^(a), and of all other powers enabling it in that behalf, and having consulted the Insurance and Pensions Authority and such other organisations and persons as appear to it to be likely to be affected, the following Regulations are hereby made:–

Citation, commencement and application to Permit-holders

1. (1) These Regulations may be cited as the Insurance Regulations 1986 and, subject to section 32(3) of the Act, shall come into operation on the 1st October 1986.
- (2) Subject to paragraph (3), Regulations 1, 2, 3, 5, 7 to 13 and 21 of, and Schedules 2 to 7 to, these Regulations shall have effect, with the necessary modifications, in relation to persons who hold permits, as they have effect in relation to Authorised Insurers.
- (3) Paragraph (2) shall not have effect in relation to Insurers that are authorised to carry on an insurance business in the United Kingdom or in any other Member State of the European Economic Community.

Interpretation

2. (1) In these Regulations, “the Act” means the Insurance Act 1986.
- (2) In these Regulations, any reference to category or a numbered class of insurance business shall be construed by reference to the following table:–

TABLE OF CLASSES OF INSURANCE BUSINESS

Category	Class number	Description
Long-term business	1	Linked long-term.
	2	Long-term, but excluding contracts within classes 1 and 9.
General business	3	Marine, aviation and transport.
	4	Property, but excluding contracts within classes 3 or 5.
	5	Motor.
	6	Pecuniary loss.
	7	Liability, other than contracts within classes 3 or 5.
	8	Credit and suretyship.
Reinsurance	9	Personal miscellaneous, including accident, health and disability.
	10	Reinsurance of contracts within classes 1 and 2.
	11	Reinsurance of contracts within classes 3 to 9.
Restricted	12	Contracts which –
		(a) are within classes 1 to 11 and are with – (i) related companies; or (ii) members of a common industry or association; or (b) are within classes 10 or 11 and are with bodies corporate where the original insured is a body corporate which is a related company.

(a) c.24.

- (3) In paragraph (2), “linked long-term” means contracts of insurance on human life, capital redemption contracts or contracts to pay annuities on human life where the benefits are wholly or partly to be determined by reference to the value of, or the income from, property of any description (whether or not specified in the contracts) or by reference to fluctuations in, or in an index of, the value of property of any description (whether or not so specified).
- (4) In paragraph (2), insurance business which is within any of classes 1 to 9 shall include reinsurance of contracts within that class.
- (5) In this regulation, a related company is –
 - (a) a body corporate which is an associate of the insurer; or
 - (b) a body corporate in respect of which 15% or more of its ordinary share capital is in the same beneficial ownership (whether directly, or indirectly through a trust or body corporate) as 15% or more of the ordinary share capital of the insurer.

Definition of “long-term business”

3. (1) For the purposes of the Act and of these Regulations, “long-term business” means, subject to paragraphs (2) to (4), the effecting or carrying out of contracts of insurance of the following descriptions, namely life, annuity, marriage, birth, linked long-term, permanent health, tontines and capital redemption being contracts that are expressed to be in effect for a period of not less than 5 years or without limit of time, and either not expressed to be terminable by the insurer before the expiration of 5 years from the taking effect thereof or are expressed to be so terminable before the expiration of that period only in special circumstances therein mentioned.
- (2) Where the principal object of a contract of insurance is long-term business, but that contract contains related or subsidiary insurance provisions which are not long-term business, the effecting and carrying out of that contract shall be treated as long-term business.
- (3) All contracts of a description that would fall within the definition of long-term business but for the term being less than 5 years shall be treated as falling within that definition if the insurer concerned gives written notice to the Supervisor that it intends to treat all contracts within that description as long-term business.
- (4) Paragraph (3) shall not apply to any contract of insurance which was effected before the date on which notice was received by the Supervisor.

Applications for authorisation

4. An application under Section 4 of the Act shall be made in the form set out in Part I of Schedule 1 and shall be accompanied by the documents and information specified in Part II of that Schedule.

Directors, Controllers, Chief Executives and Insurance Managers

5. The notice required by Section 20 of the Act shall contain the particulars specified in the form set out in Schedule 2.

Modification of Companies Act 1982

6. In its application to an authorised insurer, Part I of Schedule 1 to the Companies Act 1982^(b) shall have effect subject to the following:–

(b) 1982 c.2.

- (a) an authorised insurer shall be exempt from the provisions of that Part to the extent that the insurer may, subject to paragraph (b), include reserves in general business insurance provisions and funds and in long-term business funds without the disclosure of the amount of such reserves;
- (b) where reserves are included in general business insurance provisions and funds or in long-term business funds under paragraph (a), any heading stating an amount arrived at after taking into account such reserves shall be so framed or marked as to indicate that fact;
- (c) the accounts of an authorised insurer shall not be deemed, by reason only of the fact that they do not comply with the requirements of Part I of Schedule 1 to the 1982 Act from which the insurer is exempt by virtue of paragraph (a), not to give the true and fair view required by that Act.

Revenue Accounts and Funds

7. (1) The Revenue Account prepared by an authorised insurer shall:-
- (a) in the case of an insurer carrying on general business, where the business is accounted for on an annual basis, be in the form set out in Part I of Schedule 3 and shall comply with the requirements of that Part;
 - (b) in the case of an insurer carrying on general business, where the business is accounted for on a fund basis, be in the form set out in Part II of that Schedule and shall comply with the requirements of that Part;
 - (c) in the case of an insurer carrying on long-term business, be in the form set out in Part III of that Schedule and shall comply with the requirements of that Part.
- (2) An authorised insurer which carries on long-term business and maintains more than one long-term business fund, shall prepare a separate account in the form set out in Part III of Schedule 3 in respect of each such fund.

Profit and Loss Account and Income and Expenditure Account

8. (1) The Profit and Loss Account prepared by an authorised insurer shall be in the form set out in Part I of Schedule 4 and shall comply with the requirements of that Part.
- (2) An authorised insurer shall prepare a statement of reserves in the form set out in Part II of Schedule 4 and shall annex such statement to the Profit and Loss Account.
- (3) The Income and Expenditure Account prepared by an authorised insurer not trading for profit shall be in the form set out in Part III of Schedule 4 and shall comply with the requirements of that Part.

Balance Sheet

9. (1) The Balance Sheet prepared by an authorised insurer shall be in the form set out in Part I of Schedule 5 or, in the case of an insurer not carrying on business for profit, in the form set out in Part II of that Schedule and shall comply with the requirements of those Parts.
- (2) In the case of an authorised insurer which carries on long-term business, in addition to the Balance Sheet referred to in paragraph (1), there shall be annexed thereto a Balance Sheet for the long-term business fund in the form set out in Part III of Schedule 5 which shall comply with the requirements of that Part.

Consolidated Accounts

10. (1) Regulations 7, 8 and 9 shall not apply to group accounts which deal with the state of affairs and profit or loss of an authorised insurer and its subsidiary companies or its holding company.
- (2) In this Regulation, “subsidiary companies” and “holding company” have the meaning given by Section 1 of the Companies Act 1974^(c).

Supplementary Information, certificates and reports

11. The following information, certificates and reports shall be produced under Section 12(4) of the Act:–
- (a) the information set out in Part I of Schedule 6 in respect of each financial year for which audited accounts are prepared; and
 - (b) a certificate in the form set out in Part II of Schedule 6 shall be attached to the information referred to in paragraph (a) and shall be signed by two directors, at least one of whom shall be resident in the Island; and
 - (c) a report signed by the Actuary to the insurer which contains:–
 - (i) an analysis of the value of liabilities of the long-term business fund (specifying the bases of the valuation and methods used), both net and gross of reinsurance, under contracts within each class of business categorised by reference to type of product;
 - (ii) an analysis of expenses attributable to the long-term business fund, including a comparison between initial and renewal expenses and the corresponding expense loading;
 - (iii) a statement of any other factors which the actuary considers are material to the present or future valuation of liabilities or any other factor which he considers should be brought to the attention of the Supervisor,and the report will be supported by a certificate in the form set out in Part III of Schedule 6; and
 - (d) an auditors’ report on the Supplementary Information and directors’ certificate shall be given by the insurer’s auditors in the form set out in Part IV of Schedule 6.

Statutory reserve

12. (1) [Revoked by the Insurance (Amendment) (No. 2) Regulations 1996 (which came into effect on 30th December 1996).]
- (2) An authorised insurer which has any reserve which was set aside under this regulation as it had effect immediately before 31 December 1996 (in this regulation referred to as a “statutory reserve”) shall not make the reserve available for distribution except as permitted by paragraph (4).
- (3) Where the amount of any claim arising against an authorised insurer exceeds (after taking into account any amount payable to the insurer in respect of that claim under a contract of reinsurance) 25 per cent of the adjusted net assets of the insurer for the financial year prior to the date on which the claim arises, the amount of the claim in excess of that percentage shall be charged to the statutory reserve in priority to revenue.
- (4) If the exposure ratio does not exceed 100%, the statutory reserve shall be available for distribution with the consent in writing of the Supervisor, but such distribution shall not be of such an amount as to cause the margin of solvency of the insurer to fall below that required under section 17 of the Act.

(c) 1974 c.30

- (5) This regulation shall not:–
- (a) apply to an authorised insurer which is a mutual association;
 - (b) affect the provisions of Section 15 of the Act (separation of funds);
 - (c) prevent an authorised insurer from setting aside in any year, underwriting reserves in addition to the statutory reserve for the purpose of being used to prevent exceptional fluctuations in the amounts subsequently charged to revenue in respect of claims arising due to the occurrence of events of an exceptional nature.
- (6) In this Regulation:–
- “adjusted net assets” means the net assets as adjusted for the purposes of the calculation of the solvency margin;
- “claim” means all claims arising from one event whether under the same contract of insurance or not;
- “distribution” means every description of distribution of an authorised insurer’s assets to its members, whether in cash or otherwise, except a distribution to members of the insurer on its winding up;
- “exposure ratio” means the maximum net retention of an authorised insurer expressed as a percentage of the adjusted net assets appearing on the accounts of the insurer for the financial year ending during the appropriate relevant period;
- “net retention” means the maximum liability of an authorised insurer in respect of any claim arising under any one contract of insurance after taking into account any amount recoverable from reinsurers;
- “relevant period” means, as the case may be:–
- (a) the period between incorporation of the insurer and its first annual general meeting; or
 - (b) the period between successive annual general meetings of the insurer;
- “shareholders’ funds” means the amount shown as such in the balance sheet of the insurer;
- “statutory reserve” has the meaning given by paragraph (2).

Solvency Margins

13. (1) The margin of solvency to be maintained by authorised insurers shall be that specified in Part I of Schedule 7.
- (2) Part II of Schedule 7 shall have effect for the purpose of determining the extent to which particular assets may be taken into account.
- (3) Calculation of the solvency margin shall be in the manner specified in Part III of Schedule 7.

Restriction on issue or transfer of shares

14. (1) No shares in an authorised insurer or any interest in such shares shall be transferred to or issued to the trustees of a discretionary trust.
- (2) Any person who causes or permits a transfer or issue of shares or an interest in shares in contravention of paragraph (1) shall be guilty of an offence.

Application of Act to permit-holders

15. (1) Subject to paragraphs (2) and (3), Sections 11, 12(2) to (6), 13 to 17 and 20 of the Act shall have effect, with the necessary modifications, in relation to persons who hold permits, as they have effect in relation to authorised insurers.
- (2) Except in relation to Section 16 of the Act, paragraph (1) shall not have effect in relation to insurers that are authorised to carry on an insurance business in the United Kingdom or in any other Member State of the European Community.
- (3) In its application to persons who hold permits, subsection (3) of Section 12 of the Act shall have effect with the addition at the end of that subsection, of the words “or, with the approval of the Supervisor, in such forms as are required by the competent authority in a country outside the Island and the United Kingdom in which the insurer is carrying on an insurance business”.

Continuation and discontinuation of certain insurers

- 15A. (1) An application for consent by an offshore insurer to be continued in the Island as a company under paragraph 2 of Schedule 3A to the Act shall be in the form set out in Part I of Schedule 11 and shall be accompanied by the documents and information specified in Part II of that Schedule.
- (2) The memorandum of continuance of an offshore insurer under paragraph 2(2) of Schedule 3A to the Act shall be in one of the forms set out in Part III of Schedule 11.
- (3) The certificate of registration of the memorandum of continuance under paragraph 3(4) to Schedule 3A to the Act shall be in the form set out in Part IV of Schedule 11.
- (4) An application for consent by an Isle of Man insurance company to be continued in a country or territory outside the Island under paragraph 8 of Schedule 3A to the Act shall be in the form set out in Part V of Schedule 11.
- (5) The certificate of discontinuance under paragraph 10.2 to Schedule 3A to the Act shall be in the form set out in Part VI of Schedule 11.

Fees for authorisation

16. [Revoked by the Insurance Fees Regulations 2010].

Register of Authorised Insurers

17. The Register of Authorised Insurers required to be kept under Section 8 of the Act shall contain the particulars specified in Schedule 8.

Applications for Permits

18. (1) An application for a Permit under Section 25 of the Act shall be made in the form set out in Part I of Schedule 9.
- (2) [Revoked by the Insurance Fees Regulations 2010].
- (3) [Revoked by the Insurance Fees Regulations 2010].
- (4) [Revoked by the Insurance Fees Regulations 2010].
- (5) The Register of Permit-holders kept by the Supervisor shall contain the particulars specified in Part II of Schedule 9.

Insurance Managers

19. (1) An application for registration under Section 27 of the Act as an Insurance Manager shall be made in the form set out in Part I of Schedule 10.
- (2) [Revoked by the Insurance Fees Regulations 2010].
- (3) The Register of Insurance Managers required to be kept under Section 27 of the Act shall contain the particulars specified in Part II of Schedule 10.

Exempted Insurance businesses

20. Section 3 of the Act shall not apply to:–
 - (a) a Society registered under the Friendly Societies Act 1896 (an Act of Parliament) being a Friendly Society within the meaning of that Act;
 - (b) a Trade Union or Employers' Association where the insurance business carried on by it is limited to the provision for its members in the Island of provident benefits or strike benefits;
 - (c) a person licensed under Section 3 of the Banking Act 1975^(e), in respect of insurance business within Class 6 or 8 and carried on solely in the course of, or for the purposes of, carrying on a banking business;
 - (d) an insurer that:–
 - (i) is authorised to carry on an insurance business in the United Kingdom or any other Member State of the European Community; and
 - (ii) does not have a fixed place of business (other than an agency) in the Island;
 - (e) a person who is a member of the Society incorporated by the Lloyd's Act 1871 (an Act of Parliament) in respect of insurance business carried on as such a member.

Indemnity insurance for the auditors of Authorised Insurers

21. No person shall be appointed as auditor to an authorised insurer unless the person appointed has effected professional indemnity insurance for an amount of not less than ten million pounds.

Saving

22. Except to the extent that Regulations 7 to 9 of, and Schedules 3 to 5 to, these Regulations provide for the form and content of the Accounts and Balance Sheets of Authorised Insurers, those Regulations and Schedules shall not be construed as affecting the operation of the Companies Act 1982.

(e) 1975 c.9.

Regulation 4

SCHEDULE 1

PART I

Application form for authority to carry on an insurance business

To the Insurance Supervisor

(State name of the company (or proposed company) for which a licence is required)

On behalf of the above company I hereby apply for the grant of authority to carry on an insurance business under Section 6 of the Insurance Act 1986 for the Class or Classes of insurance stated herein.

I declare that the information given in the Appendix hereto is correct to the best of my knowledge and belief.

Date

Signed

(State in full the name and address of the Applicant and the capacity in which he makes the application)

Note: The Insurance Supervisor may request further information or documents in the course of considering this application.

APPENDIX

1. Name of Company
.....
2. Address of registered office
.....
.....
3. Business address
.....
.....
4. Date and number of Incorporation
.....
5. Authorised share capital distinguishing between different classes of shares
.....
6. Issued share capital
.....
7. Paid up share capital
.....
8. State the amount, if any, of share premium and the amount paid up
.....
9. Give details of any letter of credit to be issued in support of the initial financing requirement
.....
10. State the amount by which the assets of the company exceed its liabilities (including all contingent or proposed liabilities, but not those in respect of share capital)
.....
11. State who holds (a) legal interest and (b) the ultimate beneficial interest in the shares of the company
.....
12. State whether the company has a parent, and if so, give the name and country of incorporation of the ultimate holding company and any intermediate holding company
.....
13. State whether the company has any subsidiary companies, and if so, give names, activities and percentage holdings of their equity
.....
14. State whether the company has any associated companies, and if so, give (a) names, (b) activities, and (c) the proportion of the nominal value of each class of shares held by the applicant
.....
.....

15. State the Class or Classes of insurance business for which authorisation is sought
16. State the sources of business and the approximate percentage expected from each source
17. State details of the anticipated net retentions for each Class of business for which underwriting authority is sought, during the forthcoming underwriting year.
18. State the nature and extent of the existing or proposed reinsurance arrangements for each Class, giving the fullest details of such reinsurance support including details of reinsurers writing 10 % or more of any contract
19. Describe fully the intermediate processes which may occur between the payment of a premium by an original Insured and the receipt of funds by the company. Describe in particular any route involving an underwriting agent. Give the name and address of the underwriting agent
20. State the date on which the company's financial year will end
21. Indicate the intended areas of investment of future funds
22. State whether the company proposes making any loans to its directors, managers, or associate companies
23. State, in respect of each of the Directors, and the Secretary of the company, the following particulars:-
 - (a) Name
 - (b) Private address
 - (c) Nationality
 - (d) Insurance experience
 - (e) Other business experience
 - (f) Professional qualifications

In addition state particulars of all previous changes in the name or nationality of each of the Directors and Secretary

24. Where the company's activities are to be managed by another company, give details

.....

25. State particulars of any association which exists or which is proposed to exist between the Directors or Controller of the company and any person who acts or will act as an insurance broker, agent, loss adjuster or reinsurer for the company or as an underwriting agent referred to in the information given under 19 above

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.....
.....

26. State the number of staff the company proposes to employ in the Isle of Man in the next three years, and the estimated annual costs thereof.

.....
.....

27. State the name and address of:

- (a) the company's Auditors
- (b) the company's appointed Actuary (if applicable)
- (c) the company's Advocates
- (d) the company's Bankers

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.....
.....
.....

PART II

Supplementary documents and information to accompany applications

1. A questionnaire in the form set out in Schedule 2, completed by every individual who is or will be, Director, Controller, Chief Executive or Manager of the applicant.
2. A copy of the Memorandum and Articles of Association of the applicant.
3. A 3 year Business Plan containing:-
 - (a) projected Revenue or Fund Account(s), Profit and Loss account and Balance Sheet giving details as required in the prescribed formats;
 - (b) in the case of an insurer intending to carry out long term business, an estimate of new business premium volumes and a projected profit profile for each type of product;
 - (c) a cash flow projection; and
 - (d) a statement of the principal assumptions on which the business plan has been prepared
4. Confirmation by the Auditors that they:-
 - (a) have accepted, or are prepared to accept, appointment.
 - (b) carry Professional Indemnity insurance for not less than £10 million, and
 - (c) consider the information provided in respect of the Business Plan to have been properly prepared on the basis of the assumptions made by the Directors of the company.
5. If the company is to carry on long-term business confirmation by the Actuary that he:-
 - (a) has accepted, or is prepared to accept, appointment and is qualified to do so;
 - (b) considers the financing of the company to be sufficient to cover both technical reserves and the required margin of solvency during the first three financial years following authorisation, and
 - (c) agrees with the information provided in the Business Plan in so far as it relates to long-term business.
6. A copy (or draft) of any inwards reinsurance contract, binding authority or agency agreement that has been (will be) entered into.
7. A copy (or draft) of any agreement with persons (other than employees) who will manage the business of the company.
8. Where the applicant is a subsidiary company, a copy of the accounts of the parent company made up to a date not more than 15 months before the date of the application.

Regulation 5

SCHEDULE 2

Particulars of Directors, Controllers, Chief Executives and Managers

If insufficient space is provided, please attach a separate sheet of paper.

1. Name of company in connection with which this questionnaire is being completed.	
2. Surname Forename(s) Any previous name(s) by which you have been known.
3. Are you completing this questionnaire as a Director or a Controller or a Manager (See Note on page 3 of Schedule 2).	
4. Private Address.	
5. Previous private addresses during the last seven years.	
6. Place and date of Birth.	
7. Nationality and former nationality.	
8. Present occupation or employment and occupations and employment during the last ten years, including the name of the employer, the nature of the business, the position held and relevant dates.	
9. Name any bodies corporate and the countries in which they are registered: (a) of which you are now a Director, Controller or Manager. (b) of which you have been a Director, Controller or Manager at any time during the last ten years.

10. Professional qualifications and year in which they were obtained.	
11. Have you at any time been convicted of any offence (other than (a) an offence committed when you were under the age of 18 years unless the same was committed within the last ten years, or (b) an offence in connection with the use or ownership of a motor vehicle which was tried in a court of summary jurisdiction) by any court, whether civil or military? If so, give full particulars of the court by which you were convicted, the offence and the penalty imposed and the date of conviction.	
12. Have you been censured, disciplined or criticised by any professional body to which you belong or belonged or have you ever held a practising certificate subject to conditions? If so, give full particulars.	
13. Have you, or any body corporate, partnership or unincorporated institution with which you are, or have been associated as a Director, Controller or Manager, been the subject of an investigation by a governmental, professional or other regulatory body? If so, give full particulars.	
14. Have you been dismissed from any office or employment or barred from entry to any profession or occupation? If so, give full particulars.	
15. Have you been adjudicated bankrupt by a court? If so, give full particulars.	
16. Have you failed to satisfy any debt adjudged due and payable by you as a judgment-debtor under an order of a court? If so, give full particulars.	

<p>17. Have you, in connection with the formation or management of any body corporate, partnership or unincorporated institution been adjudged by a court civilly liable for any fraud, misfeasance or other misconduct by you towards such a body or company or towards any members thereof? If so, give full particulars.</p>	
<p>18. Has any body corporate, partnership or unincorporated institution with which you were associated as a Director, Controller or Manager been compulsorily wound up or made any compromise or arrangement with its creditors or ceased trading in circumstances where its creditors did not receive or have not yet received full settlement of their claims, either while you were associated with it or within one year after you ceased to be associated with it? If so, give full particulars.</p>	
<p>19. In carrying out your duties will you be acting on the directions or instructions of any other person? If so, please give full particulars.</p>	
<p>20. Provide the name and address of two persons who can provide references appropriate to your profession and who have known of your business activities over the last 5 years or more.</p>	

I certify that the above information is complete and correct to the best of my knowledge and belief.

I became a Director/Controller/Manager of _____
(institution referred to in question 1) on _____ (date)

Signed _____ Date _____

NOTE

Directors, Controllers and Managers:

The term "Controller" should be taken to include a person, whether an individual or a body corporate, in accordance with whose directions or instructions any of the Directors of a company are accustomed to act or who, either alone or with associates, is entitled to exercise control of one third or more of the voting power at any general meeting of the company or its parent. Where a controller is a body corporate, the Insurance Supervisor may wish to look through that body to the ultimate controller or controllers from whom appropriate information as described above may be sought.

"Manager" is more narrowly defined as applying only to a person who under the immediate authority of a director or chief executive either exercises managerial functions or is responsible for maintaining accounts or other records. The term should be taken to include the Company Secretary.

In the case of a company whose principal place of business is outside the Isle of Man, the expression "Chief Executive" includes individuals responsible for the conduct of its Isle of Man insurance business, whether located in the company's branch or elsewhere. Companies which are in doubt about whether they need to supply details of particular individuals should consult the Insurance Supervisor.

Regulation 7**SCHEDULE 3****PART I****GENERAL BUSINESS REVENUE ACCOUNT**

(for business accounted for on an annual basis)

Premiums			
Gross premiums receivable	X		
Reinsurance premiums payable	(X)		
Net premiums written	<u>X</u>		
(Increase) /decrease in unearned premiums	(X)		
			<u>X</u>
(Increase)/decrease in provision for unexpired risks			(X)
Claims			
* Gross	(X)		
* Recoverable from reinsurers	X		
			<u>(X)</u>
Commission and Expenses			
Commission payable	(X)		
Expenses	(X)		
	<u>(X)</u>		
Commission receivable	X		
(Increase)/decrease in deferred acquisition costs	(X)		
			<u>(X)</u>
Underwriting profit/(loss)			<u>(X)</u>
Attributable investment return			<u>X</u>
Insurance profit/(loss)			<u><u>X</u></u>

NOTES

1. Corresponding figures to be given for preceding accounting period.
2. Items which are marked with an asterisk may be disclosed by way of note.
3. The inclusion in this statement of part of the investment return is optional (see Note 2 to Part I of Schedule 4).
4. Where an item is nil in both the period and the preceding period, the relevant heading may be omitted.

PART II

GENERAL BUSINESS FUND (for business accounted for on a fund basis)

Fund brought forward		X
Premiums		
Gross premiums received	X	
Reinsurance premiums paid	(X)	
	<hr/>	X
Attributable investment return		X
		<hr/>
		X
Claims		
* Gross	(X)	
* Recoverable from reinsurers	X	
	<hr/>	(X)
Commissions and expenses		
Commissions paid	(X)	
Expenses	(X)	
	<hr/>	
	(X)	
Commission received	X	
	<hr/>	(X)
Transfer (to)/from Profit and Loss Account		(X)
		<hr/>
Fund carried forward		X
		<hr/> <hr/>

NOTES:

1. Corresponding figures to be given for preceding accounting period.
2. Items which are marked with an asterisk may be disclosed by way of note.
3. The inclusion in this statement of part of the investment return is optional. (See Note 2 to Part 1 of Schedule 4).
4. Profit should not be transferred to Profit and Loss Account except from the closing underwriting years.
Transfers should be made from Profit and Loss Account to cover any anticipated deficiencies in respect of open underwriting years.
5. Where premiums are received net of commission because of market practice, such premiums may be shown net of commission in this statement.
6. Where an item is nil in both the period and the preceding period, the relevant heading may be omitted.

PART III

LONG-TERM BUSINESS FUND

Fund brought forward		X
Premiums		
Gross premiums receivable	X	
Reinsurance premiums payable	(X)	
	<hr/>	X
Investment return		
Investment income	X	
Gains/(losses) on investments	X	
	<hr/>	X
		<hr/>
Benefits		
* Benefits payable	(X)	
* Recoverable from reinsurers	X	
	<hr/>	(X)
Commission and Expenses		
Commission payable	(X)	
Expenses	(X)	
	<hr/>	(X)
Commission receivable	X	
	<hr/>	(X)
Taxation		(X)
Transfer (to)/from profit and loss account		<hr/>
		(X)
Fund carried forward		<hr/>
		X

NOTES:

1. Corresponding figures to be given for preceding accounting period.
2. Items which are marked with an asterisk may be disclosed by way of note.
3. Where an item is nil in both the period and the preceding period, the relevant heading may be omitted.

Regulation 8

SCHEDULE 4

PART I

PROFIT AND LOSS ACCOUNT

Transfer from/(to) insurance accounts		
General business revenue account		X
General business fund		X
Long-term business fund		X
		<hr/>
		X
Investment return (excluding long-term business):		
Investment income	X	
Gains/(losses) on investments		
Realised	X	
Unrealised	X	
	<hr/>	
	X	
Allocated to general business revenue account	(X)	
Allocated to general business fund	(X)	
	<hr/>	
		X
		<hr/>
		X
Differences on exchange		X
Loan interest payable	(X)	
Other expenses	(X)	
	<hr/>	
		(X)
Profit/(loss) before taxation		X
Taxation		(X)
Profit/(loss) after taxation		<hr/>
		X
Extraordinary items		(X)
		<hr/>
		X
Unrealised gains on investments, less taxation, transferred to revaluation reserve	(X)	
Transfer (to)/from statutory reserve	(X)	
	<hr/>	
		(X)
Profit available for appropriation		<hr/>
		X
Dividends paid and proposed		(X)
		<hr/>
Retained profit/(loss)		<hr/> <hr/>
		X

NOTES:

1. Corresponding figures to be given for preceding accounting period.
2. Total realised gains/(losses) on investments may be included either in the Profit and Loss Account or as a movement on reserves. Where realised gains/(losses) on investments are included in the Profit and Loss Account, total unrealised gains/(losses) on investments may also be included in the Profit and Loss Account (otherwise they are to be shown as a movement on reserves). If realised/unrealised investment gains/(losses) are included in the profit and loss account, the whole or any part of such gains/(losses) may, at the company's option, be allocated to the general business revenue account or fund. Realised/unrealised gains/(losses) shown as a movement on reserves are not to be allocated to the general business revenue account or fund.
3. Unrealised differences on exchange may be included wholly or partly in the Profit and Loss Account or as movement on revaluation reserve.
4. Where an item is nil in both the period and the preceding period, the relevant heading may be omitted.

PART II

STATEMENT OF RESERVES

	Share premium account	Statutory reserve	Revaluation reserve	Distributable reserve
Accumulated reserves brought forward	X	X	X	X
Unrealised gains/(losses) on investment, less taxation	-	-	X	-
Unrealised difference on exchange, less taxation	-	-	X	-
Transfer on realisation of revaluation gains	-	-	(X)	X
Realised gains/(losses) on investment, less taxation	-	-	-	X
Transfer from/(to) Profit and Loss Account	-	X	X	X
Other items, less taxation (to be specified)	X	-	X	X
Accumulated reserves carried forward	<u>X</u>	<u>X</u>	<u>X</u>	<u>X</u>

NOTES:

1. Any deficit on revaluation reserve must be made good by a transfer from distributable reserves.
2. Where there are nil items the relevant headings may be omitted.

PART III

INCOME AND EXPENDITURE ACCOUNT

(For Mutual Association carrying on General Business)

Premiums /contributions		
Advance premiums/contributions receivable from members	X	
Supplementary premiums/contributions receivable from members	X	
	<hr/>	
	X	
Reinsurance premiums payable	(X)	
	<hr/>	
		X
Investment return		
Investment income	X	
Gains/(losses) on investments		
Realised	X	
Unrealised	X	
	<hr/>	
		X
		<hr/>
Claims		
*Claims paid	(X)	
*Recoverable from reinsurers	X	
	<hr/>	
		(X)
Expenses		(X)
Differences on exchange		(X)
Other items (to be specified)		(X)
		<hr/>
		(X)
Transfer to reserves		<hr/>
		(X)
Transfer (to)/from fund available for outstanding and unreported claims		<hr/>
		(X)

NOTES:

1. Corresponding figures to be given for preceding accounting period.
2. Items which are marked with an asterisk may be disclosed by way of note.
3. Unrealised investment gains may be taken directly to reserves.
4. Unrealised differences on exchange may be included wholly or partly in the income and expenditure account or as a movement on revaluation reserve.
5. Where there are nil items the relevant heading may be omitted.

Regulation 9**SCHEDULE 5****PART I****BALANCE SHEET**

Tangible fixed assets		X
Investments in related companies		X
Other investments		
* Property	X	
* Fixed interest securities	X	
* Deposits, loans and mortgages	X	
* Ordinary shares and unit trusts	X	
* Other investments	X	
	<hr/>	X
Other assets		
Deposits with reinsurers	X	
Amounts withheld by ceding companies	X	
Other insurance debtors	X	
Bank balances and cash	X	
Miscellaneous	X	
	<hr/>	X
		<hr/>
General business insurance provisions and funds		
Unearned premiums	(X)	
Deferred acquisition costs	X	
	<hr/>	(X)
Unexpired risks	(X)	
Claims (including claims incurred but not reported)	(X)	
General business fund	(X)	
	<hr/>	(X)
Other liabilities		
Deposits by ceding insurers	(X)	
Amounts withheld from reinsurers	(X)	
Other insurance creditors	(X)	
Bank loans and overdrafts	(X)	
Taxation	(X)	
Proposed dividend	(X)	
Miscellaneous	(X)	
	<hr/>	(X)
		<hr/>
Net assets attributable to long-term business fund		X
		<hr/>
		<hr/>
Representing:		
Share capital		X
Share premium account		X
Statutory reserve		X
Revaluation reserve		X
Distributable reserve		X
Shareholders' funds		X
Long-term business fund		X
		<hr/>
		<hr/>
		<hr/>

NOTES:

1. Corresponding figures to be given for preceding accounting period.
2. Items which are marked with an asterisk may be disclosed by way of note.
3. Where there are nil items in both the period and the preceding period the relevant heading may be omitted.

PART II

BALANCE SHEET

(Mutual Association carrying on General Business)

Tangible fixed assets		X
Investments in related companies		X
Other investments		
* Property	X	
* Fixed interest securities	X	
* Deposits, loans and mortgages	X	
* Ordinary shares and unit trusts	X	
* Other investments	X	
	<hr/>	X
Other assets		
Accounts due from members	X	
Deposits with reinsurers	X	
Other insurance debtors	X	
Bank balances and cash	X	
Miscellaneous	X	
	<hr/>	X
		<hr/>
		X
Liabilities		
Amounts due to members	(X)	
Amounts withheld from reinsurers	(X)	
Other insurance creditors	(X)	
Bank loans and overdrafts	(X)	
Miscellaneous	(X)	
	<hr/>	(X)
		<hr/>
		X
Representing:		
Guarantee fund		X
Reserves		X
Fund available for outstanding and unreported claims		X
		<hr/>
		X
		<hr/>

NOTES:

1. Corresponding figures to be given for preceding accounting period.
2. Items which are marked with an asterisk may be disclosed by way of note.
3. Where there are nil items in both the period and the preceding period the relevant heading may be omitted.

PART III

LONG TERM BUSINESS FUND BALANCE SHEET

Tangible fixed assets		X
Investments in related companies		X
Other investments		
* Property	X	
* Fixed interest securities	X	
* Deposits, loans and mortgages	X	
* Ordinary shares and unit trusts	X	
* Other investments	X	
	<hr/>	X
Other assets		
Deposits with reassurers	X	
Other insurance debtors	X	
Bank balances and cash	X	
Miscellaneous	X	
	<hr/>	X
		<hr/>
		X
Liabilities		
Deposits by ceding assurers	(X)	
Other insurance creditors	(X)	
Bank loans and overdrafts	(X)	
Taxation	(X)	
Miscellaneous	(X)	
	<hr/>	(X)
Net assets		<hr/>
		X
		<hr/>
Representing long-term business fund		X
		<hr/>

NOTES:

1. Corresponding figures to be given for preceding accounting period.
2. Items which are marked with an asterisk may be disclosed by way of note.
3. Where there are nil items in both the period and the preceding period the relevant heading may be omitted.

Regulation 11

SCHEDULE 6

PART I

SUPPLEMENTARY INFORMATION

General Business

1. Analysis of Revenue Account or Fund Account (if not separately identified in audited accounts) between;
 - (a) marine, aviation and transport (class 3);
 - (b) motor (class 5);
 - (c) liability (class 7); and
 - (d) other classes.

2. Schedule of maximum retentions, net of reinsurance, any one risk or event each and every class of business, based on:
 - (a) policy limits;
 - (b) estimated maximum loss (if applicable).

3. Summary of reinsurance business ceded or retroceded, stating for each Class of insurance and/or contract:
 - (a) type of reinsurance cover;
 - (b) threshold and limit any one risk/any one event and in aggregate;
 - (c) basis of premium payable and commission receivable;
 - (d) names of reinsurers writing individually (or together with associated companies) 10 % or more of any treaty or more than 5 % of the total amount of premiums ceded.

4. (1) Claims settlement analysis by year of origin (gross) for:
 - (a) motor (class 5);
 - (b) liability (class 7):
 - (i) employers' liability and workman's compensation;
 - (ii) public liability and products' liability;
 - (iii) any other insurance that is mainly liability:-
(to be specified)

- (2) The analysis shall indicate the development of each underwriting year at the end of each financial year of reported claims outstanding and of provisions for claims incurred but not reported.

- (3) The analysis shall indicate the development and settlement of any claim (or number of claims from the same event) which exceeds 20% of the adjusted net assets, as determined by the calculation of solvency margin.
5. If a letter of credit or a guarantee has been or will be issued in support of the business either directly or indirectly, the following information must be supplied for each such security:
 - (a) beneficiary;
 - (b) issued by;
 - (c) to cost of;
 - (d) amount of credit or guarantee;
 - (e) in respect of;
 - (f) whether adjustable and, if so, when;
 - (g) term of notice;
 - (h) restrictions on drawing rights;
 - (i) other material terms or conditions.
6. Details of any material change, made or projected, in the information provided under 2 or 3 above subsequent to the financial year end, or confirmation that no material change has been made or is projected for the current financial year.

Restricted Long-term Business

1. Analysis of premiums receivable (in Fund Account) net of reinsurance between the following classes:
 - (a) Life/annuity/pension contracts - linked:
 - (i) single premium;
 - (ii) regular premium;
 - (b) Life/annuity/pension contracts - non-linked:
 - (i) single premium;
 - (ii) regular premium;
 - (c) Permanent health/disability;
 - (d) Other (to be specified).
2. Maximum retention by class of contract net of reinsurance.
3. The actuarial valuation of liabilities by class of contract net of reinsurance.

Long-term Business (Other than Restricted)

1. Analysis of new business premiums receivable (in Long-term Business Fund) both gross and net of reinsurance under contracts within each class of business categorised by reference to type of product.
2. Where under this Schedule information is produced which relates to a period to which an existing 3 year business plan applies, a comparison of new business premiums receivable, long-term business fund, profit and loss account, long-term business fund balance sheet and balance sheet with the projections given in that business plan. Over-runs in initial expenses, renewal expenses and all other material differences shall be explained.
3. (1) A 3 year business plan containing the same information as is specified in paragraph 12(b) of the Guidance Notes issued by the Authority on the 1st November 1990. The new plan shall have effect from the date of the annual accounts.
Where there are material differences between the new plan and any existing business plan in respect of any period for which both plans provide, those differences shall be explained.

(2) This paragraph shall not apply in respect of any insurer which was authorised under Section 6 of the Act before the commencement of the Insurance (Amendment) Regulations 1990 or in respect of which the Insurance Supervisor in writing has issued a direction to that effect.
4. A statement of the value of assets in the long-term business fund categorised by reference to the following categories of assets:
 - (a) British Government stocks,
 - (b) Overseas Government bonds,
 - (c) other fixed interest stocks listed on an investment exchange,
 - (d) shares listed on the International Stock Exchange of the United Kingdom and the Republic of Ireland,
 - (e) shares listed on any other investment exchange,
 - (f) stocks, shares and other securities not listed on any investment exchange,
 - (g) land,
 - (h) cash and deposits,
 - (i) futures and options contracts,
 - (j) other investments.
5. Maximum retention by type of product net of reinsurance.

General, Restricted Long-term Business and Long-term Business (Other than Restricted)

A statement of the solvency margin of the insurer in the form contained in Part III of Schedule 7.

PART II

DIRECTORS' CERTIFICATE

We certify that:

1. The Company complied with the requirements of the Insurance Act 1986 and the Insurance Regulations 1986 during the financial year ended ().
2. The Supplementary Information submitted with the audited accounts for that year (other than the actuarial valuation of liabilities by class of contract net of reinsurance) has been compiled in accordance with the Insurance Regulations 1986.
3. The excess of adjusted net assets (calculated in accordance with the Insurance Regulations 1986) over the required minimum margin of solvency at the end of that year was £
4. As at the end of that year no charge had been made on the assets of the Company to secure the liabilities of any other person (except as stated in notes to the annual accounts*) and there has been no charge since that date.
5. There was no material change in the share ownership or share structure of the Company during that year (apart from the change notified to the Insurance Supervisor in writing on *).
6. [Revoked by the Insurance (Anti-Money Laundering) Regulations 2008].

Director

Director

Date

* Delete or include as appropriate

PART III

ACTUARY'S REPORT

To the Insurance Supervisor

I/We have examined the information furnished pursuant to regulation 11 of the Insurance Regulations 1986 in respect of the year/period ended

With the exception of any revised business plan, in my/our opinion the information correctly reflects:

- (i) the actuarial valuation of long-term business liabilities by class of contract; and
- (ii) the amount of the quantified actuarial surplus in the long-term business fund.

Where a revised business plan is submitted I/we:

- (iii) consider the financing of the company to be sufficient to cover both technical reserves and the required margin of solvency during the next three financial years; and
- (iv) agree with the information provided in the Business Plan in so far as it relates to long-term business.

Date

Signed

Qualification

PART IV

AUDITORS' REPORT

To the Insurance Supervisor

We have examined the information furnished pursuant to regulation 11 of the Insurance Regulations 1986.

In our opinion and according to the information and explanations we have received:

- (i) all of the information prescribed in regulation 11 of, and Schedule 6 to, those Regulations as is relevant to the business carried on by the company (other than the revised three year business plan for long term business, if applicable, and the actuarial valuation of class of contract net of reinsurance) has been properly prepared; and
- (ii) it was reasonable for the directors giving the certificate under regulation 11 (b) of the Insurance Regulations 1986 to have made the statements thereon contained in paragraphs 2, 3, 4 and, for a company carrying on class 1 or 2 business except when carried on as restricted business under class 12, 6.

Date

Signed

Qualification

SCHEDULE 7

PART I

SOLVENCY MARGINS

1. (1) The minimum margin of solvency of an insurer to carry on:–
 - (a) long-term business within Classes 1 and 2 shall be either £500,000 or the sum produced by applying the following percentages to the actuarial value of liabilities to policyholders net of reinsurance:–
 - (i) ¼% for business within Class 1; and
 - (ii) 1% for business within Class 2, whichever is the greater;
 - (b) general business within Classes 3 to 9 shall be 15% of net premiums written, or £150,000, whichever is the greater;
 - (c) reinsurance business within Classes 10 and 11 shall be £100,000;
 - (d) general business within Class 12 shall be £50,000 plus:–
 - (i) 10% of net premiums written up to 2 million pounds; and
 - (ii) 5% of net premiums written in excess of 2 million pounds;
 - (e) long-term business within Class 12 shall be £100,000;
 - (f) both long-term and general business within Class 12 shall be the sum of the solvency margins required under paragraphs (d) and (e) above.
 - (2) Where an authorised insurer carries on more than one category of business, the minimum solvency margin shall be the sum of the solvency margins required for each category carried on.
-
2. In paragraph 1:–

“net premiums written” means the premium income receivable in the insurer’s last preceding financial year net of reinsurance and reduced by any rebates or refunds, but where an insurer has not completed its first financial year, the net premiums written shall be taken to be the amount stated in its application for authorisation as the maximum aggregate net premiums which will be written in the first year.

PART II

ADMISSIBILITY OF ASSETS AND SECONDARY CAPITAL

1. (1) In this Part:–

“the aggregated funds” means the sum of the shareholders’ funds and the general business insurance provisions and funds as shown by the balance sheet prepared in accordance with Regulation 9;

“approved investments” means:–

(a) any investments which are issued or guaranteed by:–

(i) the Government of the Island;

(ii) the Government of the United Kingdom;

(b) Treasury Bills, Tax Reserve Certificates, or Certificates of Tax Deposit, United Kingdom National Savings Income bonds and fixed interest securities issued by any local authority in the Island or the United Kingdom;

(c) any dated investment which is listed on a recognised exchange and which is issued by the Government of:–

(i) the United States of America;

(ii) any Member State of the European Community; or

(d) any dated investment which is listed on a recognised exchange and which is issued by any other Government or organisation if the Supervisor has confirmed in writing that investments issued by such Government or organisation are acceptable to him either in general or on a case by case basis;

“associate” includes, without prejudice to section 34 of the Act, the insurer’s holding company within the meaning of Section 1 of the Companies Act 1974, any other subsidiary of that holding company and the controller and insurance manager of the insurer;

“investments” includes securities;

“loan amounts” refer only to amounts owing from an associate of the insurer corresponding to a loan from the insurer to that associate, and means the principal amount of the loan and includes accrued interest as at the balance sheet date and other applicable charges relating to the loan that are payable to the insurer;

“recognised exchange” means The Stock Exchange London, and any recognised investment exchange under the Financial Services Act 1986 (an Act of Parliament) and any other investment exchange which is acceptable to the Supervisor;

“shareholders’ funds” means the shareholders’ funds as shown by the balance sheet prepared in accordance with Regulation 9.

(2) In the application of this Part to mutual associations, references to “shareholders’ funds” and “general business insurance provisions and funds” shall be construed as references to “the sum of the guarantee fund and the reserves” and “the fund available for outstanding and unreported claims” respectively.

2. (1) Subject to sub-paragraph (2), an asset subject to a third party charge shall be admissible only to the extent that it exceeds the amount outstanding under the charge.

(2) Sub-paragraph (1) shall not apply in respect of an asset subject to a third party charge where that charge only secures a liability which arises out of an arrangement under which the third party agrees to guarantee the payment of any claim made under a contract of insurance effected by the insurer.

- (3) In this paragraph, “asset subject to a third party charge” means an asset of an insurer which is subject to any mortgage, charge, lien or other arrangement (including any arrangement whereby any premiums paid to, or assets of, the insurer are held in trust) to secure a liability of a third party.
3. For the purposes of entry B of paragraph 5, the calculations shall be based upon:–
- (a) valuations by independent professional valuers made within the period of 3 years immediately preceding the balance sheet date; or
 - (b) the purchase price, if the land or buildings were purchased in an arms length transaction within that period.
4. An asset falling within entry C of paragraph 5 shall not be admissible for the purposes of calculating the solvency margin of the insurer if it is leased by the insurer or is subject to a hire purchase or conditional sale agreement or any financial arrangement under which the property in the asset is not vested in the insurer.
- 4A. (1) Where an insurer holds any units in an acceptable scheme, then, for the purposes of calculating the solvency margin of that insurer, the holding may be treated as a holding of the property of the scheme (other than any part of such property which is not attributable to the units) in proportion to the number of units in the scheme held by the insurer.
- (2) For the purposes of sub-paragraph (1), an “acceptable scheme” is a collective investment scheme which the Supervisor has confirmed in writing is acceptable to him.
- (3) Expressions used in this paragraph have the same meaning as in the Financial Supervision Act 1988 (c).
5. Subject to the provisions of this Part, the assets, other than assets attributable to long-term business, described in column 1 of the following table shall not be admissible for the purposes of calculating the solvency margin of an insurer to the extent specified in column 2:–

TABLE

ASSETS	AMOUNT NOT ADMISSIBLE
A. Investments (other than land and buildings)	
(a) Approved investments:	in respect of each holding, the amount in excess of 20% of the aggregated funds.
(b) Other investments listed on a recognised exchange:	in respect of each holding, the amount in excess of 10% of the aggregated funds.
(c) Investments (other than those falling within head (b)) in, or amounts owing by any associate of the insurer (other than those falling within paragraph 6 C):	the aggregate amount in excess of 25% of the shareholders’ funds.
(d) Any other unlisted investments:	the aggregate amount in excess of 10% of the shareholders’ funds
B. Land and buildings	
(a) All land and buildings (including those falling within head (b)):	the aggregate amount in excess of 25% of the aggregated funds

- | | |
|---|---|
| (b) Land and buildings occupied by the insurer or an associate of the insurer: | the aggregate amount in excess of 10% of shareholders' funds. |
| C. Tangible fixed assets (other than those described elsewhere in this Table): | the aggregate amount in excess of 10% of the shareholders' funds. |
| D. Intangible fixed assets: | not admissible. |
| E. Deferred acquisition costs: | the aggregate amount in excess of 20% of the unearned premium provision as shown by the balance sheet prepared in accordance with regulation 9. |
| F. Debts (other than those falling within entry A or paragraph 6) which have been outstanding, whether due or not, for more than 12 months at the balance sheet date: | not admissible. |
6. Subject to the provisions of this Part, the assets, other than assets attributable to long-term business, described in column 1 of the following table shall be admissible for the purposes of calculating the solvency margin of an insurer to the extent specified in column 2:–

TABLE

ASSETS	MAXIMUM AMOUNT ADMISSIBLE
A. Issued share capital which is unpaid but is fully supported by a letter of credit or a guarantee from a bank or other institution acceptable to the Supervisor and in a form approved by him:	an amount not exceeding 3 times the paid up amount of the share capital (including any share premium).
B. Letters of credit or a guarantee from a bank or other institution acceptable to the Supervisor and in a form approved by him:	the amount required by the Supervisor to provide for exceptional circumstances.
C. Loan amounts owing from an associate of the insurer with the written approval of the Supervisor:	100%.

7. A financial liability included within the audited (non-consolidated) balance sheet of an authorised insurer and which has been deemed by the Supervisor to be suitably alike in characteristics to equity capital for regulatory purposes may, with the written approval of the Supervisor, be added back to the total of shareholders' funds for the purposes of calculating the solvency margin of that insurer. Liabilities treated in this way are referred to in these Regulations as "secondary capital".

In addition to requirements as may be applicable to such supervisory approval, secondary capital must not be paid away or otherwise withdrawn from an authorised insurer unless a written notice is served on the Supervisor by the insurer not less than 28 days before the event, or such shorter period as the Supervisor may agree in writing.

PART III

CALCULATION OF SOLVENCY MARGIN

1. The solvency margin of an insurer shall be calculated in the manner specified in the following table:-

CALCULATION OF SOLVENCY MARGIN

A - SHAREHOLDERS' FUNDS AND GENERAL BUSINESS

Shareholders' funds as shown by audited (non-consolidated)
balance sheet (note i)

X

Undisclosed reserves included in:

Provision for claims

X

General business fund

X

X

Adjustment of assets to market value (note ii)

X

Secondary capital (note iii)

X

X

Adjustments on restatement of assets in accordance
with Part II of Schedule 7

1. Investments (other than land and buildings)

(X)

2. Land and Buildings

(X)

3. Other tangible assets

(X)

4. Assets subject to charge

(X)

5. Intangible assets

(X)

6. Deferred acquisition costs

(X)

7. Debts

(X)

8. Unpaid share capital

X

9. Letters of credit and guarantees (note iv)

X

(X)

Adjusted net assets

X

Required minimum margin for general business (note v)

(X)

Excess over required minimum margin

X

B - LONG-TERM BUSINESS

Quantified actuarial surplus in long-term business fund (note vi)

X

Surplus from Section A (note vii)

X

X

Required minimum margin for long-term business (note v)

(X)

Excess over required minimum margin

X

NOTES:

- (i) In the application of this Part to mutual associations, references to “shareholders' funds” and “general business insurance provisions and funds” shall be construed as references to “the sum of the guarantee fund and the reserves” and “the fund available for outstanding and unreported claims” respectively.
- (ii) Where investments or land and buildings are stated in the shareholders' accounts at an amount less than market value, an adjustment to market value may be included in the calculation of adjusted net assets for solvency margin purposes (subject to any restriction on admissibility in accordance with Part II of Schedule 7).
- (iii) “Secondary capital” is a financial liability approved and treated in accordance with paragraph 7 of Part II of Schedule 7 to the Insurance Regulations 1986.
- (iv) Issuing body to be specified.
- (v) Detail of calculation to be shown.
- (vi) As certified by the actuary to the insurer.
- (vii) The amount to be entered at this line will, in the case of a company not writing general business, be the amount of the net assets of the company (excluding those attributed to the long-term fund) adjusted in accordance with Part II of Schedule 7.

Regulation 17

SCHEDULE 8

Register of Authorised Insurers

1. Name of Authorised Insurer
2. Address of Registered Office
3. Date of Authorisation
4. Categories and classes of insurance for which authorisation is granted
5. Date and details of any amendment to original authorisation
6. Conditions, if any, attaching to authorisation
7. Name of Insurance Manager (if appointed)
8. Name of Auditor

Regulation 18

SCHEDULE 9

PART I

Application for Insurance Permit

To: The Insurance Supervisor

(State name of the company (or proposed company) for which a permit is required)

On behalf of the above company I hereby apply for the issue of a permit under Section 25 of the Insurance Act 1986 to carry on an insurance business in or from the Isle of Man.

I declare that the information given in the Appendix hereto is correct to the best of my knowledge and belief.

I agree to furnish any further information which the Insurance Supervisor may require when considering this application.

Date: Signed

.....

.....

(State in full the name and address of the applicant and the capacity in which he makes the application)

APPENDIX

1. Name of company _____
2. Address of registered office _____

3. Date, place and number of incorporation _____
4. Business address in the Isle of Man _____

5. Country in which authorised to carry on an insurance business _____
6. Licence No. and date of issue _____
7. If NOT a UK authorised insurer state the date on which and the year for which audited annual accounts were last submitted to the supervisory authority and provide a copy of the accounts _____

8. Classes of insurance business which the Company is authorised to carry on _____
9. Classes of insurance business for which a permit is required _____
10. Projected premium income, gross and net of reinsurance, in respect of business carried on in or from the Isle of Man _____
11. Projected profit (loss) before taxation for the same period _____
12. Name of the senior executive in the Isle of Man _____
13. Number of staff employed in the Isle of Man _____
14. If the company does not have a business in the Isle of Man state the name(s) of its main agents in the Island _____
15. State the returns made or to be made to Government departments in the Isle of Man and the person responsible for making them _____

Note: If the applicant is not an insurer authorised by a Member State of the E.E.C., complete also the Appendix to Schedule 1 and provide the information set out in Part II to that Schedule.

PART II

Register of Permit-holders

1. Name of permit-holder.
2. Business address in the Isle of Man.
3. Principal business address.
4. Country of incorporation.
5. Classes of insurance business carried on.

Regulation 19

SCHEDULE 10

PART I

**DETAILS TO BE SUPPLIED WITH APPLICATION FOR REGISTRATION AS
INSURANCE MANAGER**

1. Name.
2. Business Address.
3. If a company, state
 - (a) date and number of incorporation
 - (b) authorised share capital
 - (c) paid up share capital
 - (d) relationship, if any, with any other company and particulars of connected companies.
4. For each director, partner and senior officer state
 - (a) Name and any previous name
 - (b) Private Address
 - (c) Nationality and any previous nationality
 - (d) Insurance experience
 - (e) Other business experience
 - (f) Professional qualification.
5. Particulars of any business, other than insurance management carried on or to be carried on.
6. For each insurance company managed or to be managed or for which a management service is, or is to be, provided state
 - (a) Name and country of incorporation
 - (b) Country in which the company is licensed as an insurer.
7. Name of Auditor in the Isle of Man.
8. If the Company or person making this application is protected by Professional Indemnity insurance please state name of insurer, indemnity limit and renewal date.
9. Estimate of staff numbers two years hence, split between
 - (a) managerial/professional including trainees
 - (b) secretarial/clerical.

I declare that the information given in this application is correct to the best of my knowledge and belief.

Date _____ Signed _____

(State the capacity in which this application is made)

PART II

Register of Insurance Managers

1. Name of Manager.
2. Business Address.
3. Name of the senior representative resident in the Isle of Man.
4. Name of each insurer managed in or from the Isle of Man.
5. Name and country of each insurer not authorised in the Isle of Man but managed on or from the Island.

Regulation 15A

SCHEDULE 11

PART 1

Application form for consent for an offshore insurer to be continued as a company in the Island

To the Insurance Supervisor

(State name of the company for which a consent is required)

On behalf of the above company I apply for the grant of consent to be continued in the Island as a company under Part I of Schedule 3A to the Insurance Act 1986.

I declare that the information given in the Appendix hereto is correct to the best of my knowledge and belief.

Date: Signed

.....
.....
.....
(State in full the name and address of the Applicant and the capacity in which he makes the application)

Note: The Insurance Supervisor may request further information or documents in the course of considering this application.

APPENDIX

1. (a) Name of offshore insurer to be continued as a company in the Isle of Man (present time).
(b) Name to be used by the continued company in the Isle of Man (if different from above).
2. Address of registered office in country or territory of incorporation.
3. Present business address.
4. Address of proposed registered office in the Isle of Man.
5. Proposed business address in the Isle of Man.
6. Date and number of incorporation.
7. Authorised share capital distinguishing between different classes of shares.
8. Issued share capital.
9. Paid up share capital.
10. State the amount, if any, of share premium and the amount paid up.
11. Give details of any letter of credit to be issued in support of the financing requirement upon continuance.
12. State the amount by which the assets of the company exceed its liabilities (including all contingent or proposed liabilities but not those in respect of share capital).
13. State who holds (a) the legal interest and (b) the ultimate beneficial interest in the shares of the company.
14. State whether the company has a parent, and if so, give the name and country or territory of incorporation of the ultimate holding company and any intermediate holding company.

15. State whether the company has any subsidiary companies, and if so, give names, activities and percentage of their equity.

16. State whether the company has any associated companies, and if so, give (a) names, (b) activities, and (c) the proportion of the nominal value of each class of shares held by the applicant.

17. Date of authorisation to carry on insurance business in country or territory of incorporation.

18. State whether authorisation is sought for class 11 (reinsurance - but only in respect of contracts with associated companies or members of a common industry or association) or class 12 (restricted category) of the classes of insurance business set out in regulation 2(2) of the Insurance Regulations 1986.

19. State whether any part of the insurance business presently carried on by the company falls outside the class for which authorisation is sought ("the excluded business") and, if so (a) give full particulars of the excluded business; and (b) state the arrangements for dealing with the excluded business upon continuance.

20. State the present sources of business and the approximate percentage obtained from each source.

21. State any changes in the sources of business and the appropriate percentage expected from each source upon continuance.

22. State details of the anticipated net retentions for each class of business for which underwriting authority is sought, during the forthcoming underwriting year.

23. State the nature and extent of the existing or proposed reinsurance arrangements for each class, giving the fullest details of such reinsurance support including details of reinsurers writing 10% or more of any contract.

24. Describe fully the intermediate processes which may occur between the payment of a premium by an original Insured and the receipt of funds by the company. Describe in particular any route involving an underwriting agent. Give the name and address of the underwriting agent.

25. State the date on which the company's financial year (a) ends at present and (b) will end upon continuance.

26. Indicate (a) the manner in which the funds of the company are presently invested (b) any proposed changes in the manner of investing the existing funds of the company upon continuance and (c) the intended areas of investment of future funds.

27. State whether the company (a) has made or (b) proposes making, any loans to its directors, managers, or associated companies, and if so, give particulars.

28. State, in respect of each of (a) the existing directors and the secretary of the company, and (b) any new directors or secretary to be appointed upon continuance, the following particulars -

- (a) Name
- (b) Private address
- (c) Nationality
- (d) Insurance experience
- (e) Other business experience
- (f) Professional qualifications

In addition state particulars of all previous changes in the name or nationality of each of the directors and secretary.

29. Where the company's activities are managed by another person, give details.

30. Where the company's activities are to be amended by another person upon continuance, give details.

31. State particulars of any association which exists or which is proposed to exist between the directors or controller of the company and any person who acts or will act as an insurance broker, agent, loss adjuster or reinsurer for the company or as an underwriting agent referred to in the information given under 24 above.

32. State the number of staff the company proposes to employ in the Isle of Man in the next three years, and the estimated annual costs thereof.

33. State the name and address of -

- (a) the company's auditors
- (b) the company's appointed actuary (if applicable)
- (c) the company's legal advisers
- (d) the company's bankers

34. State the name and address of the following to be appointed in respect of the continued company -

- (a) the company's auditors
- (b) the company's appointed actuary (if applicable)
- (c) the company's advocates
- (d) the company's bankers

PART II

Supplementary documents and information to accompany applications

1. A questionnaire in the form set out in Schedule 2 to the Insurance Regulations 1986, completed by every individual who is or will be, director, controller, chief executive or manager of the applicant.
2. A copy of the existing memorandum and articles of association of the applicant (or the analogous constitutional documents).
3. A copy of the certificate of incorporation of the company.
4. A copy of the present insurance authorisation or licence.
5. A copy of the memorandum of continuance.
6. A copy of the new articles of association to be adopted upon continuance.
7. Particulars of any charges created by the company to which Section 79 of the Companies Act 1931 would apply if the company had been incorporated in the island.
8. Copies of notices given to all persons having an interest in any charge referred to in the information given under 5 above.
9. A copy of the audited financial statements of the company prepared for a period ending within twelve months of the date of the application.
10. A 3 year business plan containing -
 - (a) Projected Revenue or Fund Account(s), Profit and Loss account and Balance Sheet giving details as required in the prescribed formats;
 - (b) in the case of an insurer intending to carry out restricted long term business, an estimate of new business premium volumes and a projected profit profile for each type of product;
 - (c) a cash flow projection; and
 - (d) a statement of the principal assumptions on which the business plan has been prepared.
11. Confirmation by the auditors that they -
 - (a) have accepted, or are prepared to accept, appointment;
 - (b) carry Professional Indemnity insurance for not less than £10 million; and
 - (c) consider the information provided in respect of the Business Plan to have been properly prepared on the basis of the assumptions made by the directors of the company.
12. If the company is to carry on restricted long-term business confirmation by the actuary that he -
 - (a) has accepted, or is prepared to accept, appointment and is qualified to do so;
 - (b) considers the financing of the company to be sufficient to cover both technical reserves and the required margin of solvency during the first three financial years following authorisation; and
 - (c) agrees with the information provided in the Business Plan in so far as it relates to long-term business.
13. A copy (or draft) of any inwards reinsurance contract, binding authority or agency agreement that has been (will be) entered into.
14. A copy (or draft) of any agreement with persons (other than employees) who will manage the business of the company.
15. Where the applicant is a subsidiary company, a copy of the accounts of the parent company made up to a date not more than 15 months before the date of the application.

PART III

FORM ONE

**A COMPANY LIMITED BY SHARES
MEMORANDUM OF CONTINUANCE**

**THE INSURANCE ACT 1986
THE COMPANIES ACT 1931 - 1993**

PART A

1. The name of the Company from the date of continuance is: [Limited]

2. The Company is a private/public company.
3. The liability of the members is limited.
4. Restrictions, if any, on the exercise of the rights, powers and privileges of the Company with effect from the date of continuance -
or
There are no restrictions on the rights, powers and privileges of the Company with effect from the date of continuance.
[delete as appropriate]
[Restrictions are limited to those permitted by Section 5(6) of the Companies Act 1986].

5. The share capital of the Company is [] divided into [] shares of [] each.

6. The Company was incorporated in [] on the [] day of [] as [insert name] with Registered Number [] and immediately preceding the date of continuance was registered under the name [].

Adopted by Special Resolution of the Company on []

The summary of capital and shares; the particulars of the shareholders, directors and secretary; the statement of indebtedness in respect of mortgages and charges; and the intended situation of the Registered Office of the Company are set out in Part B.

Signed on behalf of the Company by:

..... (Director)

..... (Director or Secretary)

Dated this _____ day of _____ 200 _____

Memorandum of Continuance - Part B

SECTION ONE

PARTICULARS OF THE DIRECTORS

PARTICULARS TO BE PROVIDED IN RESPECT OF EACH PERSON WHO IS A DIRECTOR

Name	Business Occupation
Former name(s)	Nationality (and Nationality of origin if other than present Nationality)
Address	

I hereby consent to act as director of the Continued Company

Signature _____ Date _____

Name	Business Occupation
Former name(s)	Nationality (and Nationality of origin if other than present Nationality)
Address	

I hereby consent to act as director of the Continued Company

Signature _____ Date _____

PARTICULARS OF SECRETARY

Name	Former name(s)
Address	

I hereby consent to act as Secretary of the Continued Company

Signature _____ Date _____

STATEMENT OF INDEBTEDNESS IN RESPECT OF MORTGAGES AND CHARGES

Total amount of the indebtedness of the Company in respect of all mortgages and charges of the kind which are required to be registered with the Registrar of Companies [_____]

INTENDED SITUATION OF REGISTERED OFFICE

The intended situation of the Registered Office of the Company on continuance is as stated below -

SECTION TWO

SUMMARY OF CAPITAL AND SHARES

Nominal Share Capital [] divided into [] Shares of [] each

Number of shares of each class taken up to the date of this Memorandum

Number of shares of each class issued subject to payment wholly in cash

Number of shares of each class issued as fully paid up otherwise than in cash

Number of shares issued as partly paid up to the extent of _____ per share otherwise than in cash

Number of shares (if any) of each class issued at a discount

Amount of discount on the issue of shares which has not been written off at the date of this return

There has been called up on each of _____ shares £ _____

There has been called up on each of _____ shares £ _____

There has been called up on each of _____ shares £ _____

Total amount of calls received, including payments on application and allotment

Total amount (if any) agreed to be considered as paid on _____ shares which have been issued as fully paid up otherwise than in cash

Total amount (if any) agreed to be considered as paid on _____ shares which have been issued as partly paid up to the extent of _____ per share otherwise than in cash

Total amount of calls unpaid

Total number of shares of each class forfeited

Total amount paid (if any) on shares forfeited

Total amount of shares for which share warrants to bearer are outstanding

Number of shares comprised in each share warrant to bearer, specifying in the case of warrants of different kinds, particulars of each kind

PARTICULARS OF THE SHAREHOLDERS

Name and Address	No. of Shares held	Type of Shares	Denominations

NOTE: Section Two is not applicable in the case of a company not having a share capital.

NOTES

1. Full names must be given. In the case of an individual, his present Christian name or names and surname must be given. "Christian name" includes a forename, and "surname" in the case of a peer or person usually known by a title different from his surname means that title. In the case of a corporation which is a secretary, its corporate name must be given.
2. In the case of an individual, any former Christian names and surname must be given in addition. The expression "Christian name" includes a forename.
"Former Christian name" and "former surname" do not include:
 - (a) in the case of a peer or a person usually known by a British title different from his surname, the name by which he was known previous to the adoption of or succession to the title; or
 - (b) in the case of any person, a former Christian name or surname where that name or surname was changed or disused before the person bearing the name attained the age of eighteen years or has been changed or disused for a period of not less than 20 years; or
 - (c) in the case of a married woman, the name or surname by which she was known previous to the marriage.
3. Usual residential address must be given or, in the case of a corporation which is a secretary, the registered or principal office.
4. In the case of an individual who has no Business Occupation, but holds any other directorship or directorships, particulars of that directorship or some one of those directorships.
5. Where all the partners in a firm are joint secretaries the name and principal office address of the firm alone may be stated.

FORM TWO

**A COMPANY LIMITED BY GUARANTEE AND NOT HAVING A SHARE CAPITAL
MEMORANDUM OF CONTINUANCE**

**THE INSURANCE ACT 1986
THE COMPANIES ACTS 1931 - 1993**

PART A

1. The name of the Company from the date of continuance is: [Limited]
2. The Company is a private/public company.
3. The liability of the members is limited.
4. Restrictions, if any, on the exercise of the rights, powers and privileges of the Company with effect from the date of continuance
or
There are no restrictions on the rights, powers and privileges of the Company with effect from the date of continuance
[delete as appropriate]
[Restrictions are limited to those permitted by Section 5(6) of the Companies Act 1986]
5. Every member of the Company undertakes to contribute such amount as may be required (not exceeding [insert limit of liability]) to the assets of the company in the event of its being wound up while he is a member or within one year after he ceases to be a member, for payment of the debts and liabilities of the company contracted before he ceases to be a member, and of the costs, charges and expenses of winding up, and for the adjustment of the rights of the contributories among themselves.
6. The Company was incorporated in [] on the [] day of [] as [insert name] with Registered Number [] and immediately preceding the date of continuance was registered under the name [].

Adopted by Special Resolution of the Company on []

The particulars of the directors and secretary; the statement of indebtedness in respect of mortgages and charges; and the intended situation of the registered office of the Company are as set out in Part B.

Signed on behalf of the Company by:

.....
(Director)

.....
(Director or Secretary)

Dated this _____ Day of _____ 200 _____

Memorandum of Continuance - Part B

SECTION ONE

PARTICULARS OF THE DIRECTORS

PARTICULARS TO BE PROVIDED IN RESPECT OF EACH PERSON WHO IS A DIRECTOR

Name	Business Occupation
Former name(s)	Nationality (and Nationality of origin if other than present Nationality)
Address	

I hereby consent to act as director of the Continued Company

Signature _____ Date _____

Name	Business Occupation
Former name(s)	Nationality (and Nationality of origin if other than present Nationality)
Address	

I hereby consent to act as director of the Continued Company

Signature _____ Date _____

PARTICULARS OF SECRETARY

Name	Former name(s)
Address	

I hereby consent to act as Secretary of the Continued Company

Signature _____ Date _____

STATEMENT OF INDEBTEDNESS IN RESPECT OF MORTGAGES AND CHARGES

Total amount of the indebtedness of the Company in respect of all mortgages and charges of the kind which are required to be registered with the Registrar of Companies [_____]

INTENDED SITUATION OF REGISTERED OFFICE

The intended situation of the Registered Office of the Company on continuance is as stated below -

FORM THREE

**A COMPANY LIMITED BY GUARANTEE AND HAVING A SHARE CAPITAL
MEMORANDUM OF CONTINUANCE**

**THE INSURANCE ACT 1986
THE COMPANIES ACTS 1931 - 1993**

PART A

1. The name of the Company from the date of continuance is: [Limited]
2. The Company is a private/public company.
3. The liability of the members is limited.
4. Restrictions, if any, on the exercise of the rights, powers and privileges of the Company with effect from the date of continuance
or
There are no restrictions on the rights, powers and privileges of the Company with effect from the date of continuance
[delete as appropriate]
[Restrictions are limited to those permitted by Section 5(6) of the Companies Act 1986]
5. Every member of the Company undertakes to contribute such amount as may be required (not exceeding [insert limit of liability]) to the assets of the company in the event of its being wound up while he is a member or within one year after he ceases to be a member, for payment of the debts and liabilities of the company contracted before he ceases to be a member, and of the costs, charges and expenses of winding up, and for the adjustment of the rights of the contributories among themselves.
6. The share capital of the Company is [] divided into [] shares of [] each.
7. The Company was incorporated in [] on the [] day of [] as [insert name] with Registered Number [] and immediately preceding the date of continuance was registered under the name [].

Adopted by Special Resolution of the Company on []

The summary of capital and shares, the particulars of the shareholders, directors and secretary; the statement of indebtedness in respect of mortgages and charges; and the intended situations of the Registered Office of the Company are as set out in Part B.

Signed on behalf of the Company by:

.....
(Director)

.....
(Director or Secretary)

Dated this _____ Day of _____ 200 _____

Memorandum of Continuance - Part B

SECTION ONE

PARTICULARS OF THE DIRECTORS

PARTICULARS TO BE PROVIDED IN RESPECT OF EACH PERSON WHO IS A DIRECTOR

Name	Business Occupation
Former name(s)	Nationality (and Nationality of origin if other than present Nationality)
Address	

I hereby consent to act as director of the Continued Company

Signature _____ Date _____

Name	Business Occupation
Former name(s)	Nationality (and Nationality of origin if other than present Nationality)
Address	

I hereby consent to act as director of the Continued Company

Signature _____ Date _____

PARTICULARS OF SECRETARY

Name	Former name(s)
Address	

I hereby consent to act as Secretary of the Continued Company

Signature _____ Date _____

STATEMENT OF INDEBTEDNESS IN RESPECT OF MORTGAGES AND CHARGES

Total amount of the indebtedness of the Company in respect of all mortgages and charges of the kind which are required to be registered with the Registrar of Companies [_____]

INTENDED SITUATION OF REGISTERED OFFICE

The intended situation of the Registered Office of the Company on continuance is as stated below -

SECTION TWO

SUMMARY OF CAPITAL AND SHARES

Nominal Share Capital [_____] divided into [_____] Shares of [_____] each

Number of shares of each class taken up to the date of this Memorandum _____

Number of shares of each class issued subject to payment wholly in cash _____

Number of shares of each class issued as fully paid up otherwise than in cash _____

Number of shares issued as partly paid up to the extent of _____ per share otherwise than in cash _____

Number of shares (if any) of each class issued at a discount _____

Amount of discount on the issue of shares which has not been written off at the date of this return _____

There has been called up on each of _____ shares £ _____

There has been called up on each of _____ shares £ _____

There has been called up on each of _____ shares £ _____

Total amount of calls received, including payments on application and allotment £ _____

Total amount (if any) agreed to be considered as paid on _____ shares which have been issued as fully paid up otherwise than in cash £ _____

Total amount (if any) agreed to be considered as paid on _____ shares which have been issued as partly paid up to the extent of _____ per share otherwise than in cash £ _____

Total amount of calls unpaid £ _____

Total number of shares of each class forfeited £ _____

Total amount paid (if any) on shares forfeited £ _____

Total amount of shares for which share warrants to bearer are outstanding £ _____

Number of shares comprised in each share warrant to bearer, specifying in the case of warrants of different kinds, particulars of each kind _____

PARTICULARS OF THE SHAREHOLDERS

Name and Address	No. of Shares held	Type of Shares	Denominations

NOTE: Section Two is not applicable in the case of a company not having a share capital.

NOTES

1. Full names must be given. In the case of an individual, his present Christian name or names and surname must be given. "Christian name" includes a forename, and "surname" in the case of a peer or person usually known by a title different from his surname means that title. In the case of a corporation which is a secretary, its corporate name must be given.
2. In the case of an individual, any former Christian names and surname must be given in addition. The expression "Christian name" includes a forename.
"Former Christian name" and "former surname" do not include:
 - (a) in the case of a peer or a person usually known by a British title different from his surname, the name by which he was known previous to the adoption of or succession to the title; or
 - (b) in the case of any person, a former Christian name or surname where that name or surname was changed or disused before the person bearing the name attained the age of eighteen years or has been changed or disused for a period of not less than 20 years; or
 - (c) in the case of a married woman, the name or surname by which she was known previous to the marriage.
3. Usual residential address must be given or, in the case of a corporation which is a secretary, the registered or principal office.
4. In the case of an individual who has no Business Occupation, but holds any other directorship or directorships, particulars of that directorship or some one of those directorships.
5. Where all the partners in a firm are joint secretaries the name and principal office address of the firm alone may be stated.

PART IV

**GENERAL REGISTRY
ISLE OF MAN**

**Certificate of Registration of
Memorandum of Continuance**

I certify that in accordance with the provisions of paragraph 3(4) of Schedule 3A to the Insurance Act 1986 I have this day registered the Memorandum of Continuance of

and that from this day the company is a company to which the Companies Acts 1931 to 1993 and all other laws of the Island apply

This _____ day of _____ 200 _____

Chief Registrar
General Registry

Application form for consent by an Isle of Man insurance company to be continued in a country or territory outside the island.

To the Insurance Supervisor

(State the name of the company for which consent is required)

On behalf of the above company I apply for the grant of consent to be continued as a company in a country or territory outside the Island under Part II of Schedule 3A to the Insurance Act 1986.

I enclose the documents referred to in paragraph 8.2 of Schedule 3A to the Insurance Act 1986.

I declare that the information given in the Appendix hereto is correct to the best of my knowledge and belief.

Date: Signed

.....
.....
.....
(State in full the name and address of the applicant and the capacity in which he makes the application)

Note: The Insurance Supervisor may request further information or documents in the course of considering this application.

APPENDIX

1. Name of Company

.....

2. Address of Registered Office

.....

.....

3. Business Address

.....

.....

4. Country or territory in which company is to be continued.

.....

5. State the date from which it is proposed that the company be continued in a country or territory outside the Island.

.....

.....

6. State the class or classes of insurance business for which the Company intends to apply for authorisation in a country or territory outside the Island.

.....

.....

7. State the arrangements made to deal with the company's insurance business obligations arising out of contracts prior to discontinuance.

.....

.....

8. State whether there are to be any changes in the person who holds (a) the legal interest and (b) the ultimate beneficial interest in the shares of the Company upon continuance in a country or territory outside the Island.

.....

.....

.....

9. Name and address of person to be appointed as agent for the company in the Island for the service of process.

.....

.....

.....

PART VI

No.

**GENERAL REGISTRY
ISLE OF MAN**

Certificate of Discontinuance

I certify that in accordance with the provisions of paragraph 10(2) of Schedule 3A to the Insurance Act 1986 I have this day filed the Instrument of Continuance of

issued by

of

and that from this day the Company shall cease to be registered as a company under the Companies Acts 1931 to 1993

This day of 200

Chief Registrar
General Registry