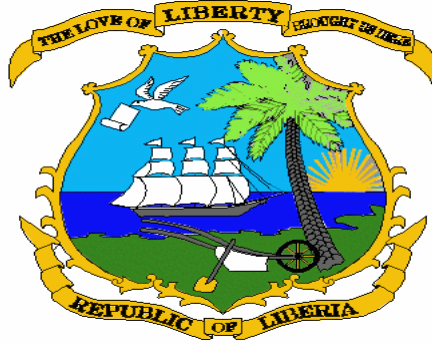


THE LIBERIA OFFICIAL GAZETTE



PUBLISHED BY AUTHORITY

VOLUME.XV MONDAY, MARCH 23, 2016

NO. 24

EXTRAORDINARY

The Government of the Republic of Liberia announces that the Central Bank of Liberia (CBL), pursuant to its mandate under the New Insurance Act of 2013, specifically Section 12.1 of the Act has issued on March 23, 2016, Regulation No. CBL/RSD/INS/007/2016 herein under:

REGULATION NO.CBL/RSD/INS/007/2016
CONCERNING NOTIFICATIONS AND REPORTING TO THE
AUTHORITY

BY ORDER OF THE PRESIDENT

MARJON KAMARA
MINISTER OF FOREIGN AFFAIRS

MINISTRY OF FOREIGN AFFAIRS
MONROVIA, LIBERIA
MARCH 23, 2016

1.0 Introduction

Pursuant to its authority under Section 12.1 of the new Insurance Act of 2013, the Central Bank of Liberia (CBL) hereby prescribes and issues these regulations concerning notifications and reporting to authority as follows:

2.0 NOTIFICATIONS AND REPORTING TO AUTHORITY

2.1. Branch offices and subsidiaries.

A licensed insurer shall not:

- (a) incorporate, form or acquire a subsidiary, or
- (b) open or close a branch or agency office,

unless it has provided the Authority with not less than 30 days notice of its intention to do so, or such shorter period of notice as the Authority agrees to accept.

2.2. Disclosure of matters having material regulatory impact.

1. A licensed insurer shall disclose to the Authority in writing any matter that might reasonably be expected to have a material regulatory impact.
2. Without limiting subsection 1, the following shall be regarded as matters that might reasonably be expected to have a material regulatory impact:
 - (a) any matter that could impact on the ability of the licensed insurer to continue to carry on business substantially in accordance with its most recent business plan;
 - (b) any matter that could result in significant financial consequences to other licensed insurers; or
 - (c) any incidence of fraud or other criminal activity that is connected with, or may affect, the licensed insurer's business if the fraud or criminal activity is material to the safety, soundness or reputation of the licensed insurer.
3. In determining whether a disclosure should be made under this section, a licensed insurer shall consider:
 - (a) any activities that are not subject to supervision by the Authority; and
 - (b) the business and activities of any other group companies.
4. Disclosure under this section shall be made immediately after the licensed insurer:

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- (a) becomes aware of the matter concerned; or
- (b) has reasonable grounds for believing that the matter concerned has occurred or that it may occur in the foreseeable future.

2.3. Disclosures to Authority to be accurate and complete.

1. A licensed insurer shall use its best endeavors to ensure that all information and documents that it provides to the Authority are accurate and complete.
2. If a licensed insurer becomes aware that any information or documentation that it has, at any time, provided to the Authority is not accurate or complete, the licensed insurer shall:
 - (a) notify the Authority immediately upon becoming aware that it has provided inaccurate or incomplete information; and
 - (b) within seven days, or such shorter period as the Authority may require, provide the Authority with such information or documentation as is required to ensure that sub-paragraph (1) is complied with.

2.4. Disclosures on occurrence of specified changes.

1. Without limiting section 2.4, a licensed insurer shall notify the Authority in writing of any event specified in the attached Appendix, within the time limit specified in relation to that event.
2. Where the time limit specified in the Appendix is “immediate”, the licensed insurer shall notify the Authority:
 - (a) immediately after there are reasonable grounds for the licensed insurer believing that the event is likely to occur in the foreseeable future; and
 - (b) whether or not paragraph (a) applies, immediately after the licensed insurer knows, or has reasonable grounds for believing, that the event has occurred.
3. A licensed insurer shall not, without giving the Authority reasonable prior written notice:
 - (a) cause or permit a change in:
 - (i) its name or any business name under which it carries on regulated business;
 - (ii) the address of its principal office or place of business in Liberia; or
 - (iii) the address of its registered office; or

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- (b) carry on business in a manner materially different to its most recent business plan.

**APPENDIX
MATTERS TO BE NOTIFIED TO AUTHORITY**

	<u>Event</u>	<u>Time Limit for Notification</u>
1.	Application being made to the Court for the appointment of a liquidator of the insurer or for the bankruptcy of the insurer;	Immediate
2.	Any proposals for the making of a composition or arrangement with one or more creditors of the insurer;	Immediate
3.	The appointment of a receiver of the insurer or of any of its property, whether by a creditor, the Court or otherwise;	Immediate
4.	Anything equivalent to events 1 to 3 occurring in a country outside Liberia;	Immediate
5.	The bringing of civil proceedings against the insurer where the size of the claim is significant with respect to the insurer's financial resources or is likely to affect the insurer's reputation;	Immediate
6.	The commencement of an investigation with respect to the business or affairs of the insurer by any overseas regulatory authority;	Immediate
7.	The taking of any enforcement action or the imposition of any disciplinary measures against the insurer by a foreign regulatory authority or a professional body (in or	Immediate

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outside Liberia), including the refusal or revocation of membership by such a professional body;

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|-----|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------|
| 8. | The prosecution or conviction of the insurer, or any of its directors or senior managers, in or outside Liberia for any offence;
(a) relating to financial services; or
(b) involving fraud or dishonesty | Immediate |
| 9. | The granting or refusal of an application for a license to carry on any financial services business outside Liberia or the revocation of any such application; | Immediate |
| 10. | The commission by any employee of the insurer of a fraud against a customer of the insurer; | Immediate |
| 11. | The insurer becomes aware of any fraud committed against it; | Immediate |
| 12. | Any matter that the insurer considers to be material to the fitness and propriety of the insurer or any person who is a significant owner of it, or any of its directors or senior managers; | Immediate |
| 13. | Any significant failure in the insurer's systems or controls; | Immediate |
| 14. | Any proposed significant restructuring or reorganization of the insurer or its regulated business or activities; | Within a reasonable time prior to the proposed restructuring or reorganization taking effect

Immediate |
| 15. | | |

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Any material breach of the capital or financial resource requirements imposed on the insurer by the Act or these Regulations;

16. Any transfer of an interest in an insurer by operation of law or pursuant to an order of the Court, where
- Within 14 days of the transfer
- (a) the person whose interest is transferred is, or before the transfer was, a significant owner of the insurer; or
- (b) as a result of the transfer, a person becomes a significant owner of the insurer.

In this paragraph "transfer" includes a sale, charge or other disposal; and

17. Change of address of principal office, whether within or outside Liberia, where prior approval of Authority for change in principal office not required.
- Within 14 days of the change

BY ORDER OF THE PRESIDENT

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