

THE MONETARY AUTHORITY OF SINGAPORE

**APPLICATION FOR PERMISSION UNDER SECTION 35ZF OF THE
INSURANCE ACT (CAP 142) TO NEGOTIATE AND PLACE
INSURANCE RISK WITH UNREGISTERED INSURERS**

1 Name and Address of Applicant _____

2 Name and Address of Insured _____

3 Name(s) and Country(s) of Operation of the Unregistered Insurer(s) to be Approached for
Negotiation and Placement of Risk

4 Description of the Risk _____

5 Sum Insured _____

6 Period of Insurance _____

7 Justification for Placing the Risk Overseas _____

8 Insurers in Singapore Approached for Cover:

<u>Name of Insurer</u>	<u>Person Contacted</u>	<u>Response</u>
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

I hereby certify to the best of my knowledge that cover for the risk stated above cannot be obtained in the Singapore market, and that the particulars stated in this form are correct.

Authorised Signature

Name _____

Designation _____

Date _____

FOR CMI'S USE
Application Approved/Rejected _____
CAPITAL MARKETS INTERMEDIARIES DEPARTMENT
Date _____
Reference _____

Explanatory Notes

Please read the explanatory notes carefully before completing the application form.

Prohibition under the Insurance Act

Section 35ZE of the Insurance Act (“IA”) prohibits a registered and exempt direct insurance broker [collectively referred to as “insurance brokers”] from negotiating any contract of insurance with an insurer (directly or indirectly) except with a registered insurer acting in the course of its business as such except where:

- a) prior approval has been obtained from the Monetary Authority of Singapore (the “Authority”) for the negotiation and placement of the risk with unregistered insurers under section 35ZF; or
- b) the registered insurance broker holds a licence granted by the Authority under section 35ZG to transact business with a foreign insurer under a foreign insurer scheme under Part IIA of the IA.

The above prohibition, however, does not apply to the following risks:

- a) reinsurance business [Section 35ZE(2) of the IA];
- b) business relating to risks outside Singapore [Section 35ZE(2) of the IA];
- c) maritime liabilities of ship owners insured by a Marine Mutual Insurer [Regulation 15 of the Insurance (Intermediaries) Regulations (“IIR”)]; and
- d) marine, aviation and transit business insured with an approved MAT insurer [Regulation 15 of the IIR]

Notes for submission of application:

1. Please state full name of the type of insurance risk applied for and provide a detailed description of the risk in the application form. Any acronym or abbreviation used should be clearly defined.
2. The purpose of the request should be specified, eg. for sourcing of quotation(s) or for placement of risk(s) with overseas markets. Percentage of each risk for which quotes are to be sought from or to be placed with overseas markets should also be specified.
3. Insurance brokers should conduct due diligence by approaching major registered insurers for the risk in question to ensure that there is lack of or insufficient local capacity for the risk before submitting an application to the Authority.

4. The application should be accompanied by documents evidencing that there is a lack of or insufficient capacity in the local market for the risk in question. Such documents may include but not limited to responses from all major local insurers approached, including quote(s) obtained, if any.
5. Please ensure information provided in the Application Form is complete. Any incomplete form or documents may result in the application being rejected or the processing time being delayed.