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Life Insurance Act 2000

KANDA INTERNATIONAL INSURANCE BROKERS LIMITED—LIFE INSURANCE BROKER LICENCE

NOTICE

THE Bank of Papua New Guinea (the "Bank"), acting under Sections 12 and 13 of the *Life Insurance Act 2000* (the "Act") and all other powers enabling it, being satisfied that the person specified in Schedule 1 (the "life insurance broker") —

- (a) meets the fit and proper criteria set out in Schedule 2 to the Act; and
- (b) maintains professional indemnity and other insurances to an adequate level; and
- (c) maintains trust accounts for the receipt and payment of client's moneys;

and that the life insurance broker's officers meet the fit and proper criteria set out in Schedule 2 to the Act, grant a licence to the life insurance broker subject to the conditions set out in Schedule 2 of this licence.

SCHEDULE 1

Kanda International Insurance Brokers Limited

SCHEDULE 2

1. The licence holder must not carry on any aspect of a life insurance business other than as a life insurance broker.
2. The licence holder must:—
 - (a) at all times conduct its business in a prudent manner and with integrity and the professional skills appropriate to the nature and scale of, and the risks inherent in, its activities;
 - (b) at all times maintain adequate liquidity, having regard to the relationship between its actual and contingent liabilities, to the times at which those liabilities will or may fall due and its assets mature and to other relevant factors;
 - (c) at all times make adequate provision for depreciation or diminution in the value of its assets (including provisions for bad or doubtful debts), for liabilities which will or may fall to be discharged by it and for losses which it will or may incur;
 - (d) take appropriate steps to limit the risk of loss of its assets;
 - (e) at all times maintain adequate accounting and other records of its business and adequate systems of control of its business and records, sufficient to enable its business to be prudently managed and it to comply with the duties imposed on it by or under the Act;

Kanda International Insurance Brokers Limited—Life Insurance Broker Licence—*continued*Notice—*continued*

- (f) comply with all relevant financial requirements under the Act, including requirements as to the payment of fees or other similar requirements;
- (g) ensure that a person:—
- (i) who is appointed to become a director or a secretary or auditor of the licence holder must fulfil Schedule 2 of the Act; and any relevant prudential standards; and
 - (ii) is not appointed to a particular office or position with the licence holder, and does not continue to hold a particular office or position with the licence holder, if the Central Bank has notified the licence holder in writing that the person is not a fit and proper person to hold that office or position. For this purpose, the Central Bank may notify a class of offices or positions. In this condition, “office or position” includes the office or position of director of the licence holder.
- (h) not engage:—
- (i) an auditor; or
 - (ii) another service provider where the services provided have or may have a material effect on the licence holder’s operation as a life insurance broker;
- unless the engagement is approved by the Central Bank, or is within a class approved by the Central Bank.
3. The licence holder must give to the Central Bank no later than 3 months after the date of this licence all outstanding information and documentations, required by the Central Bank, not originally submitted in the licence application.
4. The licence holder must not appoint or continue the appointment of a life insurance agent unless it is satisfied that the life insurance agent meets the fit and proper person criteria set out in Schedule 2 of the Act and has the necessary skill, experience, expertise and resources to provide the relevant core services.
5. The licence holder must become a member of the existing Joint Management Committee or life insurance industry body acceptable to the Central Bank.
6. The licence holder must conduct all life insurance brokerage business with a life insurance company licensed under the Act.

Dated this 7th day of September, 2007.

L.W. KAMIT, CBE,
Governor,
Bank of Papua New Guinea.