

Guidebook
Incorporation, Registration & Licensing

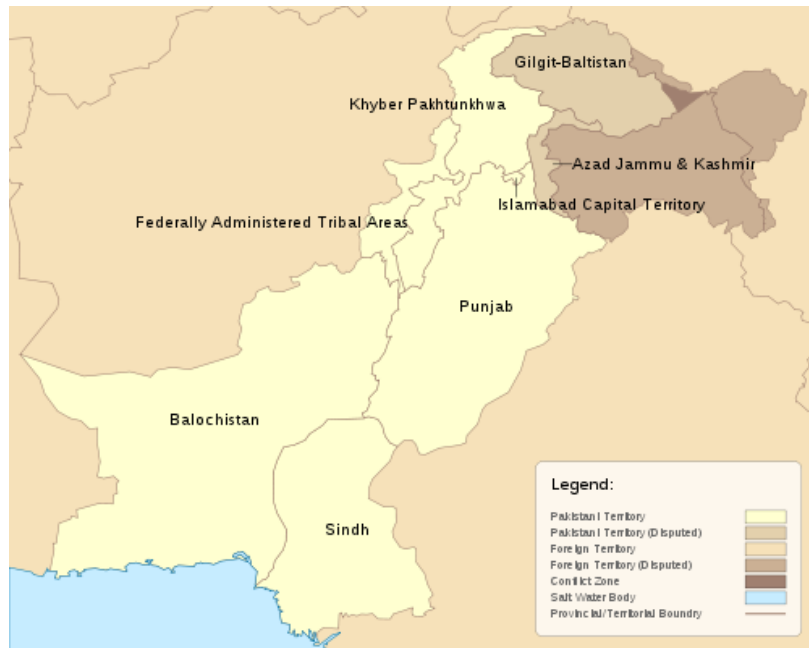
SECP
GUIDE SERIES

INSURANCE COMPANIES,
TAKAFUL OPERATORS,
INSURANCE BROKERS &
SURVEYORS



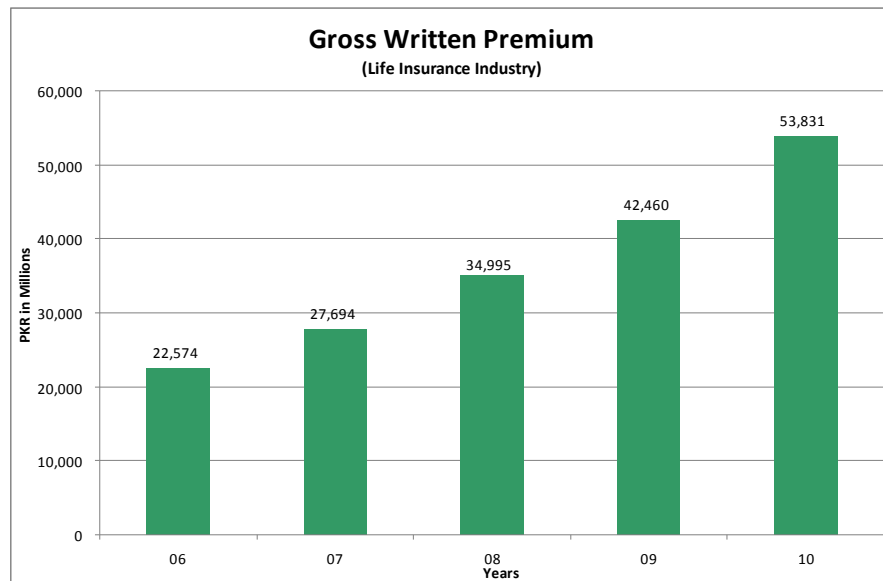
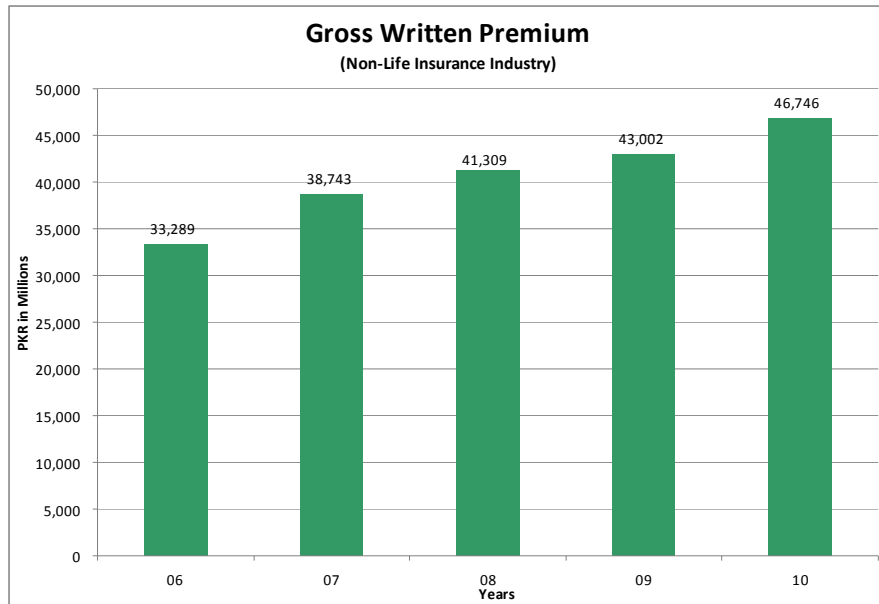
SECURITIES AND EXCHANGE COMMISSION
OF PAKISTAN

Pakistan



Total Area:	796,095 km ²
Coastline:	1,050 km
Population:	173,593,383 (2010)
Currency:	Pak Rupee
Gross Domestic Product:	173 billion dollars or 0.28% of the world economy (World Bank)

5 Years Performance of Insurance Sector



Insurance Penetration and Density

Year	2010	2009	2008	2007	2006
Penetration (%)	0.69%	0.67%	0.74%	0.77%	0.73%
Density (PKR)	579	501	456	404	346
Density (USD)	6.82	5.97	5.77	6.57	5.67



**Message from Commissioner (Insurance),
Securities and Exchange Commission of Pakistan**

I have the honour to present you this Guidebook.

At the Securities and Exchange Commission, our primary target remains to see in this country a healthy and vibrant insurance industry with sustainable growth. As the regulatory authority, we wish to see steady increase of the insurance density and a higher level of penetration of insurance business in terms of contribution to GDP as well as premium per capita, which is relatively low when compared to the neighbouring regions.

Our strategy for achieving the objectives includes working closely with the industry and towards a common goal i.e. the interest and welfare of the policyholders. We shall be undertaking campaigns to spread awareness amongst the masses and we want that every Pakistani to secure an insurance protection.

We have embarked upon a consultative dialogue process with the industry to comprehend their difficulties and at the same time we are bringing in reforms in the current supervisory and regulatory framework to observe practices at par with regional and global practices.

We strongly believe in our organizational values: Integrity, Accountability, Discipline, Fairness, Transparency & Commitment to Excellence.

Best regards

Sincerely

Muhammad Asif Arif

Karachi, 16 March 2012

TABLE OF CONTENTS

	Page #
Securities and Exchange Commission of Pakistan	6
Insurance Division	7
Chapter	
<i>Insurance and Takaful Companies</i>	
1. Procedure for Incorporation of an Insurance Company under the Companies Ordinance 1984	8
2. Procedure for Registration under the Insurance Ordinance 2000	10
Application for Grant of Authorization under the Takaful Rules	12
Application for Grant of Certificate of Commencement of Business	12
Process Diagram for Registration of Insurance/Takaful Companies	13
3. What the SECP expects to see in the Business Plan?	14
<i>Insurance Brokers & Surveyors</i>	
4. Licensing of Insurance Brokers	15
5. Insurance Surveyors & Authorized Surveying Officers	18
6. E.Services	19
<i>Contact</i>	20

Securities and Exchange Commission of Pakistan

Organization:

Securities and Exchange Commission of Pakistan (SECP) was established under the Securities and Exchange Commission of Pakistan Act 1997 and became functional as a body corporate on 1 January 1999. SECP replaced the Corporate Law Authority, the former corporate regulatory body. It has been vested with adequate operational, administrative and financial autonomy.

Located in the Federal Capital, Islamabad, SECP has eight regional offices (Company Registration Offices), one at the Federal Capital, four at provincial capitals and three in other major cities i.e. Multan, Faisalabad and Sukkur.

Function:

Being the apex regulator, SECP's main functions include: regulation of securities market and related institutions like Stock Exchanges, Central Depository Company, Credit Rating Companies and Modarabas (funds operating on the basis of Islamic economic principles); administration of the company law; regulation of non-banking finance companies like leasing companies, investment advisory and asset management companies, venture capital companies, housing finance companies, investment finance companies and discounting companies, and regulation of insurance and related business.

The Insurance Division

The Insurance Division is responsible for regulating, supervising and promoting sound development of insurance sector, which includes life and non-life insurance companies, takaful operators, insurance surveyors and intermediaries. It, also, maintains effective liaison with representative bodies and institutions viz. Insurance Association of Pakistan, Pakistan Insurance Institute, Pakistan Society of Actuaries, Institute of Chartered Accountants of Pakistan, etc.

Apart from monitoring, the Insurance Division has been facilitating the Insurance Sector to achieve high insurance penetration levels, removing bottlenecks that hamper growth of the insurance industry and providing a framework to bring the insurance companies at par with international best practices.

REGULATORY FRAMEWORK:

The insurers registered in Pakistan are governed by the following primary laws and rules:

- The Companies Ordinance 1984;
- Companies (Issue of Capital) Rules, 1996;
- The Insurance Ordinance 2000;
- The Insurance Rules 2002;
- The SEC [Insurance] Rules 2002;
- The Takaful Rules 2005;
- The Insurance Companies (Sound and Prudent Management) Regulations, 2012.

FUNCTIONAL PROFILE:

- **Policy, Regulations & Development Department**

This department undertakes research and development to decipher the international developments and its likely impact, if implemented, on local market. The Department, in consultation with the industry, works on new initiatives and improving the current regulatory framework.

It is also responsible for the registration and deregistration of new insurance companies, insurance brokers and surveyors.

- **Supervision Department**

This department analyzes periodic accounts, statutory returns, actuarial reports, reinsurance, treaty arrangements and new products of registered entities. The department ensures that international accounting and actuarial standards are applied and disclosed in a manner that allows current and prospective policyholder, investors, intermediaries, creditors and SECP to easily determine the financial condition of insurers.

CHAPTER 1

The procedure for Incorporation of an insurance company under The Companies Ordinance 1984

Legal form of the Company:

The following forms of companies are eligible to establish and commence operation as an insurance company in Pakistan:

- (a) a public limited company; or
- (b) a body corporate incorporated under laws of Pakistan (not being a private company or a subsidiary of a private company).

The law does not permit any company to transact composite insurance business in Pakistan.

Objective of the Company:

Registered insurers cannot carry on activities other than in connection with or for the purposes of its insurance business. All the objectives of the company are defined in the company's Memorandum of Association, which is duly approved by the SECP before incorporation of the company.

Foreign Investors:

In the year 2007, the government encouraged liberalization and 100% foreign ownership and control of insurance companies was permitted to foreign investors. The minimum equity requirement being US\$4 million; not less than US\$2 million should come from abroad and an equivalent amount to be raised from the local market.

The following are the requirements for incorporation of a company under the Companies Ordinance 1984.

Phase I. Reservation of Name:

Promoters desirous of forming a company should make sure that the name chosen is not otherwise inappropriate, deceptive or designed to exploit or offend the religious susceptibilities of the people and neither it's identical nor closely resembling with the name of an existing company. Original paid challan in the prescribed amount may be deposited in any of the authorized branches of MCB Bank Limited being the prescribed fee for this purpose has to submitted vide an application to the Incharge, CRO, for seeking availability of a name.

Upon receipt of a confirmation from the CRO, the prospective company has to proceed with Phase II.

The applications of foreign investors are subject to screening/approval Ministry of Interior.

Phase II. Incorporation:

Whilst the proposed insurance company shall be incorporated under the Companies Ordinance 1984 by the concerned CRO.

Statutory forms & documents that are required to be submitted to the registrar are listed hereunder:

1. Declaration for compliance with the requirements for incorporation of the company;
2. Situation of Registered Office;
3. Particulars of Directors;
4. The memorandum and articles of association should be in line with the requirements of the Companies Ordinance 1984. It should explicitly have 5 specific clauses viz.
 - Name clause,
 - Registered Office clause,
 - Object clause,
 - Limited Liability clause and
 - Capital clause.

The Memorandum and Articles of Association, at the time of submission, is to be signed by each subscriber in original in the presence of one witness;

5. A copy of the original paid Challan deposited in the authorized branches of MCB Bank Limited or a Bank Draft/Pay Order drawn in favour of Securities and Exchange Commission of Pakistan of the prescribed amount. Fee is calculated on the basis of Authorised Capital as per 6th Schedule;
6. Proposed pattern of shareholding for meeting the prescribed minimum paid up capital requirement. The minimum paid-up capital of a newly proposed non-life insurer & general takaful operator is Rs.300 million and for life insurance/family takaful operator it is Rs.500 million;
7. Legible copies of Computerized National Identity Card or passport, in case of foreigner, of the Promoters and witnesses;
8. Copy of the letter confirming the Availability of Name issued by SECP;
9. A Business Proposal.

The following additional documentation is required in case of foreign investors:

- (i) The name and address of the parent company with country of its incorporation;
- (ii) The type of insurance business which the parent company is transacting;
- (iii) Audited Annual accounts of the parent company for the last five years.

P.S.

Documents submitted to the Registrar must comply with the requirements specified by the Registrar relating to the legibility of that document viz. documents should be on A4 size plain white paper, text should be black, clear legible and of uniform density. Avoid using dot matrix printer or coloured inks.

CHAPTER 2

Procedures for Registration under the Insurance Ordinance 2000

Pre-requisites:

- Minimum Paid up Capital requirement [**Life Insurer & Family Takaful**: Rs.500 million and **Non-Life & General Takaful**: Rs.300 million];
- Maintain a Statutory Deposit @ 10 percent of the Paid up Capital with State Bank of Pakistan;
- Compliance with the Solvency Requirements pursuant to the provisions of the Insurance Ordinance 2000 and rules made thereunder;
- Ability to meet and continue to meet its liabilities;
- Ability to meet and continue to meet the criteria pursuant to The Insurance Companies [Sound & Prudent Management] Regulations 2012;
- Evidence of appointment of a statutory auditor as approved by the Commission;
- Evidence of appointment of an actuary, if the applicant proposes to carry on life insurance business,
- The applicant is, and is likely to continue to be able to comply with such other provisions of the Insurance Ordinance 2000, as are applicable to it.

Application:

Having obtained Certificate of Incorporation, the sponsors/promoters would be required to submit an application to the Insurance Division of SECP for grant of Registration Certificate under Section 6 of the Insurance Ordinance 2000, to underwrite insurance business in the country, which will specify:

- A. The name of the insurer;
- B. The address of the principal office and in case of an insurer incorporated outside Pakistan, the address of the principal office outside Pakistan;
- C. The name, address and occupation of the directors of the insurer and particulars of other directorships held by them;
- D. The nature of and all considerations and other benefits passing under, any agreement between the applicant and any director;
- E. Names and addresses of and particulars of any business carried on by, each person holding an interest of ten percent or more in the issued share capital of the insurer;
- F. A statement of the class or classes of insurance business to be carried on by the insurer and the magnitude of risk to be covered within each class.
- G. Where registration is sought for life insurance, a statement of the statutory funds to be established by the insurer;
- H. The name and address of the auditor of the insurer and a statement by the auditor that he consents to act as auditor of the insurer (auditors should be appointed out of the list of approved auditors under Section 48(1));
- I. Where registration is being sought for life insurance, the name and address of the appointed actuary of the insurer and a statement by the appointed actuary that he consents to act as appointed actuary of the insurer. Qualifications of actuaries have been prescribed under Rule 3 of the Securities and Exchange Commission (Insurance) Rules 2002;
- J. The name and address of the bank or banks which the insurer uses or proposes to use as its principal banker or bankers;
- K. The name and address of any investment custodian used or proposed to be used by the insurer;
- L. Information on the company's reporting arrangements to its own management;
- M. Information on the company's reporting arrangement to the SECP;
- N. A statement of the proposed reinsurance arrangements of the insurer and a description on how and to what extent the expected contracts are to be insured;
- O. Particulars of any agreement other than a reinsurance agreement, which the applicant has with any person or body corporate carrying on insurance business
- P. Particulars of the measures proposed by the applicant to ensure compliance with the requirements laid down in section 11 of the Insurance Ordinance 2000 and The Insurance Companies {Sound & Prudent Management} Regulations 2012;
- Q. Particulars of the investment policy of the insurer;
- R. Details of the affiliation/outsourcing contracts;
- S. prospective staff plan (even though all positions might not be filled immediately);
- T. Planned commissions, benefits and incentives for agents and brokers;
- U. Methods of distribution and plans for training sales personnel; and
- V. Types of products and marketing methods.

Supporting Documentation:

For the purpose of s.S 6(6) of the Insurance Ordinance 2000, the following documentation shall be submitted along with any application for registration, namely:

- Certificate True Copy of the Certificate of Incorporation attested by the concerned CRO;
- Certified True Copy of the Memorandum and Articles of Association attested by the concerned CRO or other document by which the applicant is constituted;
- Auditors Certificate in respect of paid up capital of the company;
- Copy of Approval granted by the Insurance Division for the appointment of CEO, Directors, Key Officers in compliance with the Insurance Companies [Sound & Prudent Management] Regulations 2012;
- A statement not more than seven days previous to the date of application from State Bank of Pakistan reflecting the statutory deposit made under Section 29 of the Insurance Ordinance 2000;
- Copies of reinsurance treaty arrangement under Section 41 of the Insurance Ordinance 2000; reinsurance treaty arrangements with only "A" rated reinsurers are acceptable;
- Form 29 under the Companies Ordinance 1984, in case of change of directorship, after incorporation of an insurance company;
- Copies of Accounts, Statements and Reports laid before the shareholders of the applicant at the last 5 annual general meetings of the shareholders or, if less than 5 annual general meetings of the shareholders of the applicant have been held, copies of the accounts, statements and reports laid before the annual general meetings of shareholders which have been held;
- Marketing literature and/or internal training material for sales personnel to ensure they contain no misrepresentations or abuses;
- In respect of restricted classes of non-life insurance business, a certified copy of the published prospectus, if any, ad of the standard policy forms of the insurer and statement of the assured rates, advantages, terms and conditions to be offered in connection with insurance policies;
- To carry on life insurance business, the following information shall be submitted:
 - i. a statement of the rates, advantages, terms and conditions of the life insurance policies proposed to be offered by the applicant, including without limitation where the policy acquires a surrender value, the basis on which the surrender value is determined, and including without limitation in case of investment-linked policies a description of:
 - The investment to which the policy is linked;
 - The basis on which the benefits payable under the policy are determined;
 - The frequency with which and basis by which the unit values are determined, and the values attributed to units at the time of purchase and sale;
 - The basis which values are attributed to units at the time of and for the purpose of purchase and sale;
 - The basis on which expenses attributed to the policy are determined; and
 - The basis on which charges for mortality attributed to the policy are determined;
 - ii. a business plan setting out the expected premium income, expenses and results of the applicant for a period of not less than ten years from the date at which authorization is proposed to be obtained;
 - iii. a copy of any written, electronic or other material proposed to be issued by the applicant for mass communication or for communication with a policyholder or prospective policyholder, in respect of life insurance policies proposed to be offered by the applicant;
 - iv. a statement by the appointed actuary that the terms and conditions of the life insurance contracts proposed to be entered into are sound and workable; and
 - v. a statement by the appointed actuary that the business plan has been prepared according to principles which appear to him to be reasonable and sound.

An applicant is required to communicate in writing, any change specified in the application or in the matters contained in a document required, within 14 days after the occurrence of the change, signed by any two authorized persons specifying particulars of the change.

SECP may register insurer upon satisfaction:

The SECP shall scrutinize the application and the documents enclosed, in light of the provisions of the Insurance Ordinance 2000 and Rules made thereunder as well as policy decision(s) made in this regard.

Important:

The SECP may at any time require a registered insurer or any insurer deemed under the Insurance Ordinance 2000 to be registered to comply with such conditions as may deem fit.

Application for Grant of Authorization under the Takaful Rules:

After completion of procedures required under the provisions of the Insurance Ordinance 2000, companies aspiring to transact full-fledge takaful operations or conventional insurers intending to undertake window takaful operations, must comply with the pre-requisites under the relevant Takaful Rules.

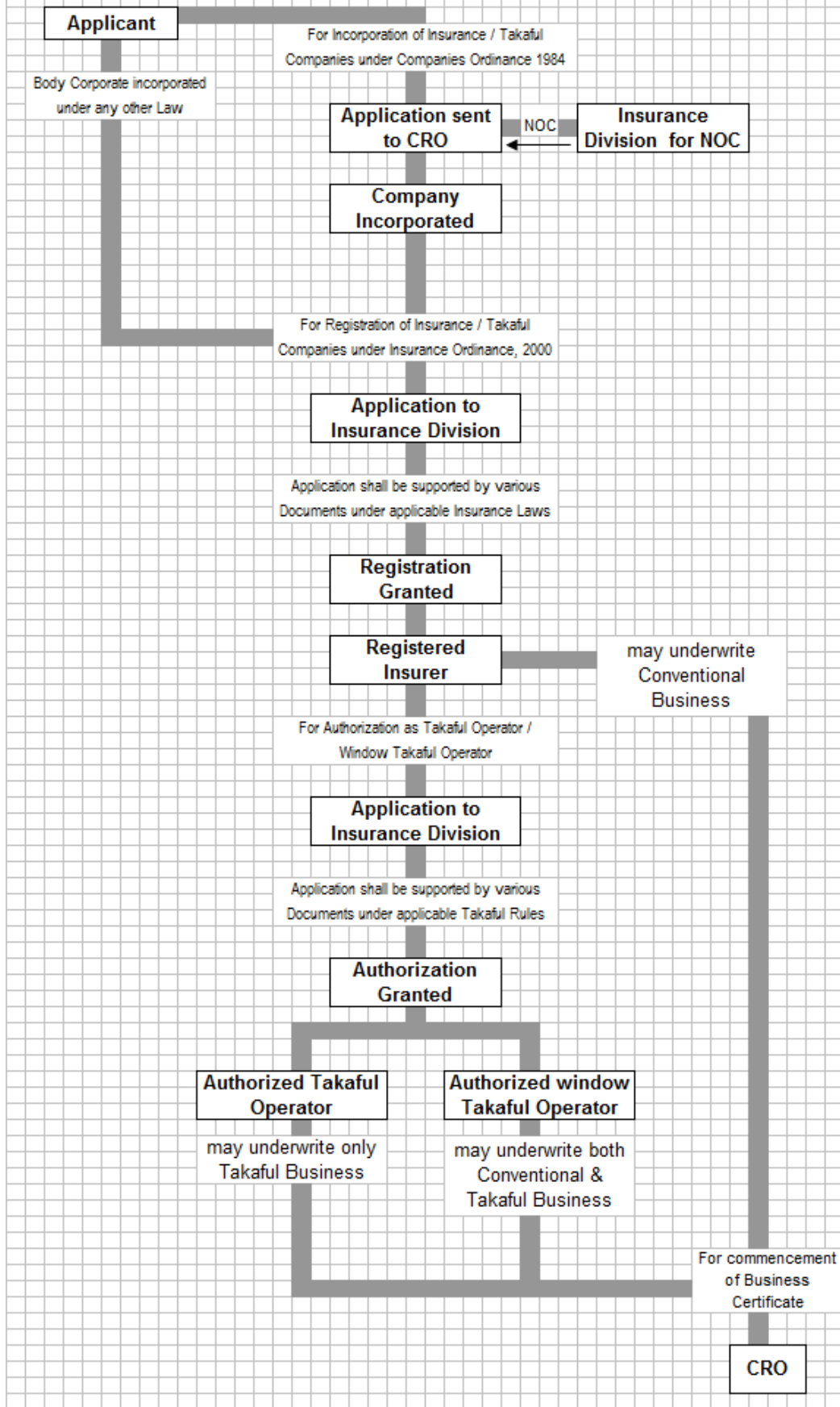
Scope of the Certificate of Registration:

Once the Certificate of Registration is granted to an insurer for conducting insurance business, the life insurer is allowed to underwrite all classes of life insurance business (Ordinary Life, Capital Redemption, Pension Fund, Accident and Health) and a non-life insurer is allowed to underwrite all classes of non-life insurance business (Fire & Property Damage, Marine Aviation & Transport, Motor Third Party Compulsory, Liability, Workers' Compensation, Credit & Suretyship, Accident & Health, Agriculture Insurance including crop insurance, Miscellaneous) subject to the extent it is allowed in the Certificate of Registration.

Application for Grant of Certificate of Commencement of Business:

Upon registration of the company under the Insurance Ordinance 2000, the insurer is required to obtain a Certificate of Commencement of Business from the concerned CRO under the provisions of the Companies Ordinance, 1984 to start its underwriting business operations.

INSURANCE / TAKAFUL REGISTRATION PROCESS DIAGRAM



CHAPTER 3

What the SECP expects to see in the Business Plan?

The business plan should set out the strategy and rationale for establishing an operation in Pakistan and also demonstrate how the business will be managed and controlled. It is recommended that the Business Plan be attached as a separate document.

The description of your business is an important part of the overall application and integral to our decision making. The extent of details submitted should be proportionate to the nature of the business you intend to carry on, and should be appropriate to the risks to your clients.

- **Introduction/Background of the Company**
Brief background about the organization, including past experience of the sponsors/promoters, CVs of the proposed Directors/Management who are anticipated to carry on the proposed insurance business in Pakistan, along with its pattern of shareholding.
- **Mission Statement**
The mission statement should guide the actions of the organization, spell out its overall goal, provide a path, and guide decision-making. It provides the framework or context within which the company's strategies are formulated.
- **Vision Statement**
The Mission and Values are powerful tools for defining and guiding your organization's ability to create the future.
- **Description of the prevailing Economic Conditions of the Country**
- **Analysis of the Insurance Industry**
- **Business Operational Structure**
 - Business Sector
 - Proposed Class of Business to be underwritten
 - Proposed Products and Services
 - Target Market
 - Risk Management & Rating Procedures
 - Organizational Structure
 - Human Resource Structure
 - Initial Estimated Set up Cost
 - Use of IT
 - Branches/Sales Offices Structure
 - Proposed Reinsurance Arrangement
 - Targeted Volume of Business
 - Marketing Strategy (including Product Innovation, Distribution Channels, Pricing Mechanism, Promotion & Publicity)
 - Operational System Manuals (Underwriting Policy, Claims Management, Reinsurance Arrangement, Commission, Investment Policy, Accounting & MIS Reporting)
 - Critical Success Factor
- **Projected Financial Statement for [Ten (10) years in respect of Life Insurers & Three (3) Years for non-Life Insurers]** including Balance Sheet, P&L Account, Revenue Account (for Life Insurers), Cash Flow Statement, Changes in Equity Statement, Premium Statement, Claims Statement, Investment Income Statement, Expenses Statement and any other ancillary detail of projected financial information or assumptions.

CHAPTER 4

Licensing of Insurance Brokers

1. Eligibility Criteria:

- No person who is not a company shall be eligible to be licensed as an insurance broker.

2. Pre-requisites:

- A minimum paid-up share capital of not less than ten million rupees for local brokers and 0.3 million US dollars for a foreign insurance broker to be registered in Pakistan;
- statutory deposits in the amount of 0.5million rupees maintained with the State Bank of Pakistan; and
- professional indemnity insurance to a limit of ten million rupees for any one occurrence.

3. Application for Licensing:

An application for grant of a licence or renewal of licence to act as an insurance broker shall, for the purposes of sub-section (4) or (5) of section 102 of the Ordinance, shall contain the following details in respect of the applicant, namely :—

- (i) Its name;
- (ii) the address of its registered office;
- (iii) its postal address (if different);
- (iv) a description of the business carried on by it (other than insurance broking);
- (v) the names of insurance companies, if any, which have appointed the applicant as insurance agent;
- (vi) the names & pattern of shareholding and details of shareholders holding more than ten per cent of the issued share capital;
- (vii) the names & particulars including qualification, experience, etc. of all directors of the body corporate; and
- (viii) evidence, in original or certified copy form, of compliance with the prescribed qualifications.

(2) Every application shall be accompanied by a declaration by the applicant stating that-

- (a) the information given by him is complete and correct;
- (b) he has complied with the requirements of the Insurance Ordinance 2000 and the rules made thereunder concerning the required qualifications of an insurance broker;
- (c) he undertakes to comply, and (in the case of an existing insurance broker) declares that he has during the previous twelve months complied with being the Insurance Ordinance 2000 and the rules made thereunder concerning the conduct of an insurance broker; and
- (d) neither the body corporate, nor any director of the body corporate, nor any officer of the body corporate engaging in the business of insurance broking, is disqualified from acting in the business of insurance broking by virtue of—
 - (i) being a minor;
 - (ii) having been found of unsound mind by a Court of competent jurisdiction;
 - (iii) having been found guilty, within five years preceding the date of the declaration, of criminal misappropriation or criminal breach of trust, cheating or forgery or an abetment of or attempt to commit any such offence by a Court of competent jurisdiction;
 - (iv) having served any custodial sentence imposed by a Court of competent jurisdiction, ending within five years preceding the date of the declaration;
 - (v) having been found guilty by a Court of competent jurisdiction of any offence involving insurance; or
 - (vi) having been otherwise declared as disqualified by the Insurance Tribunal, other than for a term which had expired prior to the date of the declaration.

(3) Every application and declaration required shall be made in writing and the declaration

shall be signed by at least two directors of the body corporate.

4. Documentary Evidences:

An application for an insurance broker's licence should be accompanied by the following documents, namely:

- certified true copy of the last filed Form A, 21 & 29, attested by the concerned CRO;
- certified true copy of the Memorandum and Articles of the broker and Certificate of Incorporation attested by the concerned CRO;
- evidence of professional indemnity insurance policy;
- evidence that the requisite amount has been deposited as statutory deposit with the State Bank of Pakistan;
- a declaration form to the effect that neither the applicant nor any director or principal officer of the applicant is disqualified from holding his office as such;
- a letter of support from not fewer than five registered insurers, each signed, on behalf of the insurer, by a duly authorised representative;
- original challan of the fee deposited in the designated bank account in the amount of Rs.10,000;
- confirmation from the external auditors in respect of the minimum paid up capital;
- feasibility Study and Business Plan containing 3 years financial projections;
- CVs in respect of the Chief Executive Officer, Directors & Key Officers. The proposed broker should ensure that not fewer than two employees (at least one of whom must be a director) should have a minimum of five years experience working in or in relation to the insurance industry, as—
 - (i) an employee of an insurer; or
 - (ii) an agent; or
 - (iii) an employee of an agent; or
 - (iv) an employee of an insurance broker; or
 - (v) in such capacity, related to the business of insurance, as satisfies the Federal Government that the person has appropriate experience and knowledge to undertake the business of insurance broking;
- An undertaking is required that neither the body corporate nor any director of the body corporate, nor any officer of the body corporate engaging in the business of insurance broking—
 - (i) is a minor;
 - (ii) has been found of unsound mind by a Court of competent jurisdiction;
 - (iii) has been found guilty, within the five years preceding the present date, of criminal misappropriation or criminal breach of trust, cheating or forgery or an abetment of or attempt to commit any such offence by a Court of competent jurisdiction;
 - (iv) has served any custodial sentence imposed by a Court of competent jurisdiction, ending within the five years preceding the present date;
 - (v) has been found guilty by a Court of competent jurisdiction of any offence involving insurance; or
 - (vi) has been otherwise declared as disqualified by the Insurance Tribunal, other than for a term which had expired prior to the present date.

Conflict of Interest:

It is mandatory that no insurer or no director of an insurer should hold any direct or indirect ownership interest in an insurance broker or take part in the management or direction of an insurance broker or vice versa.

Period of Licensing:

An insurance broker's licence shall be issued initially for a period of one year and may on application in the be renewed annually.

Withdrawal and Refusal of Licensing:

The Commission may cancel or refuse to issue or renew a broking licence, where the Commission believes on reasonable grounds that the broker has contravened a provision of the Insurance Ordinance 2000,

including without limitation that the broker has failed to maintain prescribed minimum levels of paid-up capital, statutory deposit or professional indemnity insurance.

CHAPTER 5
Licensing of Insurance Surveyors & Authorised Surveying Officers

Every surveyor, loss adjusters and loss assessor other than an adjuster of aviation or maritime losses are required to get licensed under section 112 of the Insurance Ordinance, 2000.

Under the law there are two types of licenses:

- Insurance Surveyor (surveying company), and
- Authorized Surveying Officer.

Classes of Insurance Surveying:

The following are the classes for insurance surveyors:

- Fire & Property Damage
- Marine Aviation and Transport business
- Motor Third Party Compulsory Business
- Liability Business
- Workers compensation business
- Credit & Suretyship business
- Accident & Health business
- Agriculture insurance including crop insurance
- Miscellaneous business

Procedure for Granting License to Insurance Surveyor

1. Eligibility Criteria:

- No person who is not a company shall be eligible to be licensed as an insurance surveyor.

2. Pre-requisites:

- A minimum paid up share capital shall be one million rupees,
- The minimum level of professional indemnity insurance shall be one million rupees for any one event and such insurance shall extend to a body corporate and all directors or officers of the body corporate who act as Authorized Surveying Officers;
- The minimum educational qualification for the CEO of an insurance surveyor shall be Bachelor's Degree in any discipline from a recognized university

3. Application for Licensing of Insurance Surveyors:

- The application for grant of license to act as an insurance surveyor should be filed with the Commission under sub.Rule 1 of Rule 19 of the Insurance Rules 2002.

4. Documentary Evidences:

An application for an insurance surveyor's license should be accompanied by the following documents, namely:

1. To furnish certified true copy of certificate of incorporation duly certified by the Company Registration Office.
2. To furnish certified true copy of Memorandum and Articles of Association duly certified by the Company Registration Office.
3. To furnish paid challan in respect of fee for grant of licence of the insurance surveyors company to the extent of Rs.2,000/- for each class of insurance surveyors.
4. To furnish a statement showing the breakup of the paid up capital of the company duly verified by the Chartered Accountants within the meaning of the Chartered Accountants Ordinance, 1961 (x of 1961).
5. To furnish a statement showing the numbers of persons working in the company along with their complete names, addresses and other particulars.
6. A declaration is required in terms of sub.Rule (3) of Rule 19;
7. The declaration should be on stamp paper, which shall be signed:-
 - a. in the case of body corporate, by at least two directors of the body corporate; and
 - b. in the case of a firm by at least two partners of the firm.
8. The declaration should also be attested by the Notary Public.

Procedure for Granting License to Authorized Surveying Officer

1. Eligibility Criteria:

- The authorized surveying officer must be a natural person.
- The minimum educational qualification for an authorized surveying officer shall be Bachelor's Degree in any discipline from a recognized university.
- The minimum of three years practical experience of insurance survey in the class or classes of insurance surveyors for which registration is being sought.

2. Documentary Evidence:

Any person entitled to apply to be registered as an authorized surveying officer is required to furnish the following information/documents:-

- A. An application under sub rule (1) and sub rule (2) of Rule 21 of the Insurance Rules, 2002 for registration and renewal of registration of an authorized surveying officer for any class of insurance surveyors.
- B. The minimum educational qualification for an authorized surveying officer shall be Bachelor's Degree in any discipline from a recognized university.
- C. The minimum of three years practical experience of insurance survey in the class or classes of insurance surveyors for which registration is sought, either conducted under the supervision of an insurance surveyor licensed at that time under the Ordinance or registered under the repealed Act, or conducted as an employee of an insurance company.
- D. Fee for registration/renewal of registration of an authorized surveying officer to the extent of Rs.1,000/- for each class of insurance surveyors.
- E. Every application made under sub rule (1) or (2) shall be accompanied by a declaration by the applicant.
- F. A declaration is required in terms of sub.Rule (3) of Rule 19;
- G. The declaration should be on stamp paper, which shall be signed by the applicant in the presence of a witness, who shall be a natural person not a related party of the applicant and who shall also sign as witness;
- H. The declaration should also be attested by the Notary Public.

Period of License:

The license to act as an Insurance Surveyor and Authorised Surveying Officer shall be for a period of one year which shall be renewed upon application.

CHAPTER 6

E.Services

Since its inception, many changes have been made to enhance its operational efficiencies. One of the major projects taken up by the SECP in 2008 was to implement e-Services with the help of E-Government Directorate with all operation & maintenance to be covered by the IS & T department of the SECP.

There are two methods for the submission of application/documents with the SECP viz. through electronic mode/on-line or manual submission. Fee structure for filing documents/returns electronically of documents is comparatively lower than manual submission. This amendment in the structure of fees was made to encourage/enhance the usage of e-Services

The on-line system introduced through e-Services has improved the efficiency and effectiveness of the business processes of SECP, making it easier for clients such as companies, individuals and investors etc. to interact with the SECP. Main features of the system is online registration system for companies, online submission of annual, quarterly, and monthly returns by companies, online registration and tracking of complaints, etc. The system has also reduced undue paper work. The system has enhanced the internal workings of the SECP which includes implementation of workflow environment, business process analysis, document analysis, and business activity monitoring and tracking etc.

On the successful completion of the e-Services, SECP has achieved the following goals:

- Online company registration system
- Online registration and feedback of complaints
- An infrastructure easily capable of automating process of the Commission

In order to facilitate on-line submission of documents by regulatees to the Company Registration Offices, SECP introduced certain amendments in the 6th Schedule to the Companies Ordinance 1984 (SRO No. 119(I)/2009). There is an incentive for applicants/regulatees who wish to avail the facility of on-line submission of their application.

The URL to log on to e.Services is <https://eservices.secp.gov.pk/eServices>.

Authority in Pakistan

Securities and Exchange Commission of Pakistan
NICL Building, 63 Jinnah Avenue, Blue Area, Islamabad
+92 51 9207091 (4 lines)
E.mail: webmaster@secp.gov.pk
Website: www.secp.gov.pk
Working Hours: Monday to Thursday: 0830hrs to 1300hrs &
1400hrs to 1730hrs
Friday: 0830hrs to 1300hrs & 1430hrs to 1630hrs

Insurance Division

Securities and Exchange Commission of Pakistan
Southern Region Office
5th Floor, State Life Building No. 2
Wallace Road, Off I I Chundrigar Road
Karachi
Telephone Numbers: +92 21 99213273 & 32422377

Company Registration Offices

1. Mr. Shaukat Hussain
Additional Registrar, CRO Islamabad
State Life Building, 7-Blue Area
Islamabad
Telephone No.: 051-9208740
Fax No: 051-9208740
Email: croislamabad@secp.gov.pk
or : shaukat.hussain@secp.gov.pk
2. Mr. Ahmad Muzammil
Additional Registrar, CRO Lahore
3rd & 4th Floor, Associated House
7-Egerton Road
Lahore
Telephone No. 042-99204962 – 6
Fax No: 042-99202044
Email: crolahore@secp.gov.pk
Email: ahmad.muzammil@secp.gov.pk
or:shahbaz.sarwar@secp.gov.pk
3. Mr. Sidney Custodio Pereira
Joint Registrar, CRO, Karachi
4th Floor, SLIC Building No.2,
Wallace Road, Karachi.
Telephone No: 021-99213272
Fax No. 021-99213278
Email: crokarachi@secp.gov.pk
Email: sidney.pereira@secp.gov.pk
4. Mr. Saeedullah Khan
Joint Registrar, CRO Peshawar
1st Floor, State Life Building, The Mall,
Peshawar Cantt.
Phone No: 091-9213178
Fax No: 091-9213686
Email: cropeshawar@secp.gov.pk
or: saeedullah.khan@secp.gov.pk
5. Mr. Iftikhar Hassan Naqvi
Deputy Registrar, CRO Sukkur
28 – D , Hamdard Housing Society
Airport Road
Sukkur
Telephone No: 071-5630517
Fax No: 071-5633757
Email: croskr@hotmail.com
or: iftikhar.hasan@secp.gov.pk
6. Mr. Mahboob Ahmed
Joint Registrar, CRO Faisalabad
356-A, Ikram Plaza, Small D ground.
Peoples Colony No. 1,
Faisalabad.
Telephone No: 041-9220284
Fax No: 041-9220152
Email: crofaisalabad@secp.gov.pk
or: mahboob.ahmad@secp.gov.pk
7. Mr. Muin-us-Sami
Assistant Registrar, CRO Quetta
382/3, (IDBP House), Shahrah-e-Hali,
Quetta Cantt.
Telephone No: 081-2844136
Fax No: 081-2899134
Email: croquette@secp.gov.pk
or: msami@secp.gov.pk
8. Mr. Liaqat Ali Dolla
Joint Registrar, CRO Multan
63-A, 2nd Floor,
Nawa-e-Waqt Building,
Abdali Road, Multan.
Telephone No: 061-9200530/9200920
Fax No: 061-9200920
Email: cromultan.eservices@secp.gov.pk
or: liaqat.dolla@secp.gov.pk

DISCLAIMER

This Guide has been published with the intention to create an awareness of the concept of the relevant matters. However, the Guide does not tell everything and the opinions or legal interpretations, contained in the booklet are circumstantial and may vary under different situations. If the reader is in doubt while dealing with any specific condition, it is recommended to refer to the Companies Ordinance 1984 and the Insurance Ordinance 2000 and allied laws and consult an adviser for seeking professional advice.