

**FIT and PROPER GUIDELINES (to be part of Registration regulations, reference s17 & s24(e) )**

In assessing an application to conduct insurance business in Guyana, the Commissioner of Insurance shall consider: -

**1. Qualifications of Managing Director, Chief Executive Officer , Controller or person in charge of the Company, hereinafter referred to as ‘the Applicant’**

For purposes herein the applicant is referred to any person holding a key position in the company as defined in section 2(f) of the Insurance Act 1998.

In accordance with section 24(1)(e), the Commissioner must be satisfied that the applicant satisfies the fit and proper criteria. In this context, “fit” refers to technical expertise whilst “proper” refers to the character and integrity of the applicant.

This is facilitated by evaluating:

- (a) personal history,
- (b) business or employment records and
- (c) knowledge, experience and competence in relation to that class of insurance

Sec 24(1)(e) specifies that “ the managing director or controller of the company or person in charge of the association is a fit and proper person”

This section is intended to assess the management of the company and permits the choice of using the managing director **or** controller.

However, The Insurance Act 1998 fails to define “managing director” and in such absence, the OCI has opted to use “controller” in its determination of the section.

“Controller” under section 2(f) is defined to be –

**“a person having the power directly or indirectly either to direct the management of an insurer or if that insurer is a body corporate with shares to exercise control, the exercise of twenty-five percent or more of any class of voting shares”**

Further, the term “person” can be interpreted as a natural person or a body of persons as in accordance with the definition in section 2 (x) of the Insurance Act.

Upon this premise, the OCI in using “controller” as the person(s) to satisfy the fit & proper test, has decided that this should refer to the **“Board of Directors”**

**and/or most senior positions of management of the company** such as the Chief Executive Officer.

2. **Procedure**

- (a) Information regarding the knowledge, experience and competence of the applicant shall be submitted to the Commissioner in such form as prescribed in the **Personal Declaration Form**.
  
- (b) The completed form is to be submitted to the Office of the Commissioner of Insurance. No section in the form shall be left blank. Place “Not Applicable” or “None” as the case may be. If the space provided in format is not adequate, the required information or data needed may be annexed. Reference shall be made in the pertinent section of the form by placing the words “Refer to Annex \_\_\_\_\_”