



NATIONAL INSURANCE COMMISSION

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CIRCULAR NO: NAICOM/DPR/CIR/25/2019

Date: May 20, 2019

TO: ALL INSURANCE AND REINSURANCE COMPANIES

MINIMUM PAID-UP SHARE CAPITAL POLICY FOR INSURANCE AND REINSURANCE COMPANIES IN NIGERIA

1. In 2005/7, the insurance industry witnessed its last recapitalization and despite the astronomical increase in value of insured assets, consequent exposure to higher level of insured liabilities and operating cost of insurers, the same capital continued to rule in the insurance industry.
2. In the exercise of the powers conferred on the Commission by the enabling laws, the Minimum Paid-up Share Capital requirement of Insurance and Reinsurance companies in Nigeria is hereby reviewed as presented in the Table below:

Minimum Paid-up Share Capital Requirement

S/No.	Class of Business	Existing Minimum Paid-up Capital (₦'Bn)	Revised Minimum Paid-up Capital (₦'Bn)
1	LIFE	2.0	8.0
2	GENERAL	3.0	10.0
3	COMPOSITE	5.0	18
4	REINSURANCE	10.0	20.0

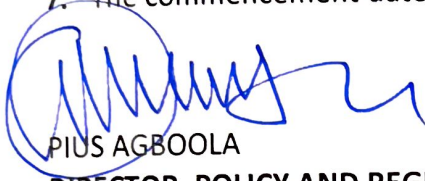
3. This Circular shall apply to all Insurance and Reinsurance Companies other than Takaful operators and Micro-insurance companies.

Minimum Paid-up Share Capital Policy for Insurance and Reinsurance Companies

[Date]

1

4. The new minimum paid-up share capital requirements shall take effect from the commencement date of this Circular for new applications while existing insurance and reinsurance companies shall be required to fully comply not later than June 30, 2020.
5. The provision in respect of requirement of statutory deposit as stipulated in **Part III, Section 10 of the Insurance Act 2003** shall apply on the effective date of commencement of this Circular.
6. All Insurance and Reinsurance companies are required to ensure strict compliance with this Circular.
7. The commencement date of this Circular shall be May 20, 2019.



PIUS AGBOOLA

**DIRECTOR, POLICY AND REGULATION DIRECTORATE
FOR: COMMISSIONER FOR INSURANCE**