



**Dividend Announcement and
Profits Repatriation –
Approval Process
(Notice No. CBUAE/BSD/2022/4697,
issued on 21 Nov 2022)**

DD CONSULTING LLC

08 December 2022

Highlights of the Circular

- ❑ All listed insurance companies including foreign branches to seek approval of the Central Bank UAE (CB) for the distribution of dividends to the shareholders and profits repatriation.
- ❑ The CB will assess the request for approval once compliance requirements are fulfilled by the Company.
- ❑ An actuarial certificate issued by a licensed actuary by the Central Bank to be provided, showing the solvency position before and after the proposed dividend / profits repatriation.

Compliance For Approval Criteria

Company's compliance with
Minimum Capital
Requirements (MCR)

Company's compliance with
Solvency Capital
Requirements (SCR)

Company's compliance with
Minimum Guarantee Fund
(MGF)

The accumulated losses of
the company must not
exceed 20% of the paid-
up share capital

No shortfall in the Technical
Provisions as provided by
appointed actuary, in
accordance with the
requirements specified in
the Financial Regulations

Template to be provided by each Company

[Note: This Letter should be written on the Company's Official Headed Paper]

Date: DD/MM/YYYY

Attention: Insurance Supervision Department at the Central Bank of the UAE

Subject: The Proposed Dividends/ Profit Repatriation

Dear Central Bank of the United Arab Emirates,

[Enter Company Name] hereby submits its application for the Central Bank to provide its "no objection" to the company's intention to declare dividends / profit repatriations amounting to AED [enter actual amount here in figures].

We hereby confirm that the company has considered all of the criteria set out by the Central Bank, as summarized in the below information:

Criteria 1: Compliant with Minimum Capital Requirements (MCR) as stated in the Financial Regulations.

Criteria	Data should be taken from the following Lines of SM-1 in the eForms	Description	As at DD/MM/YYYY Amounts in actual figures (AED)	
			Before Dividends/Profit Repatriation	After Dividends/Profit Repatriation
	1)	Minimum Capital Requirement (MCR)		
	9)	Solvency Capital Requirement (SCR)		
	10)	Minimum Guarantee Fund (MGF)		
	30)	Own funds eligible to meet the MCR		
Criteria 1	31)	MCR Solvency Margin - Surplus / (Deficit)		

Criteria 2: Compliant with Solvency Capital Requirements (SCR) as stated in the Financial Regulations.

Criteria	Data should be taken from the following Lines of SM-1 in the eForms	Description	As at DD/MM/YYYY Amounts in actual figures (AED)	
			Before Dividends/Profit Repatriation	After Dividends/Profit Repatriation
	1)	Minimum Capital Requirement (MCR)		
	9)	Solvency Capital Requirement (SCR)		
	10)	Minimum Guarantee Fund (MGF)		
	32)	Own funds eligible to meet the SCR		
Criteria 2	33)	SCR Solvency Margin - Surplus / (Deficit)		

Criteria 3: Compliant with Minimum Guarantee Fund (MGF) as stated in the Financial Regulations.

Criteria	Data should be taken from the following Lines of SM-1 in the eForms	Description	As at DD/MM/YYYY Amounts in actual figures (AED)	
			Before Dividends/Profit Repatriation	After Dividends/Profit Repatriation
	1)	Minimum Capital Requirement (MCR)		
	9)	Solvency Capital Requirement (SCR)		
	10)	Minimum Guarantee Fund (MGF)		
	34)	Own funds eligible to meet the MGF		
Criteria 3	35)	MGF Solvency Margin - Surplus / (Deficit)		

Criteria 4: The accumulated losses of the company must not exceed 20% of the paid-up share capital (only for companies incorporated in the UAE).

Criteria	Item Number	eForms source of the information	Description	As at DD/MM/YYYY Amounts in actual figures (AED) (before dividend/profit repatriation)	
	(1)	FS-1 (line 49)	Issued and paid up share capital		
	(2)	FS-1 (line 53)	Retained earnings (accumulated losses)		
	(3) = (4)-(1)-(2)		Other items of Equity & Reserves		
	(4)	FS-1 (line 64)	Total Equity		
	Criteria 4	(5) = (2) / (1)		Retained earnings (accumulated losses) as a percentage of Paid-up share capital	
		(6)		Profit (Loss) made by the company during the period	

Criteria 5: No shortfall in the Technical Provisions as per the CBUAE requirements as stated in the Financial Regulations.

Criteria	Item Number	Description	As at DD/MM/YYYY Amounts in actual figures (AED)	
	(1)	As at date used for the data (DD/MM/YYYY)		
	(2)	Technical Provision booked by the Company *		
	(3)	Technical Provision estimated by the Appointed Actuary		
	Criteria 5	(4) = (2) - (3)	Difference	
		(5) = (4) / (2)	Percentage difference	

Template to be provided by each Company (cont.)

We hereby confirm that the solvency assessment has been performed and certified by **[enter Actuary Title, Name, and CBUAE license number]** who is licensed by the CBUAE as required.

- **The following document is attached to this letter:**
An actuarial certification, issued by an actuary licensed by the CBUAE, shows the solvency position before and after the proposed dividend distribution/ profit repatriation.

Signed by [Company CEO / Branch Manager] Name: _____

Email address: _____

Position in the Company:

Signature: _____

- The application shall be made using the above form, in addition to the actuarial certification showing the solvency position before and after the proposed dividend/profits repatriation, by submitting these to:

insurance.supervision@cbae.gov.ae

The background features a low-angle photograph of a building's exterior, showing a window frame and architectural lines. A semi-transparent gradient overlay transitions from a deep blue on the left to a bright orange on the right, covering the entire image.

ABOUT OUR COMPANY

OUR SERVICES

Appointed Actuary



IFRS 17

Peer-Review Actuary



**Business Planning, Solvency
Projections & Stress Testing**

Motor & Medial Pricing



**Product Pricing for Individual
Life products**

**Actuarial Staff Secondment
(Short/Long term basis)**



Actuarial Expert for Audit Firms

Our Key Team Members



HUSAIN FEROZ ALI

Founder & CEO

Fellow of Society of Actuaries, USA

Registered with CBUAE since 2011

Husain has worked for several markets including Malaysia, UAE, Saudi Arabia, Pakistan etc. His previous companies included an actuarial consulting firm, a European financial institution and a Life Insurance Corporation. His achievements includes working on a privatization project of a life insurance corporation, introducing risk based pricing structure for motor line of business and designing several innovative individual life insurance products. He has worked on several projects of actuarial valuations, product development, financing agreements, M&A deals etc.

He has presented in several conferences and takes keen interest in writing articles.

Our Key Team Members



JUNAID AKRAM

Consulting Actuary

Fellow of Society of Actuaries, USA



MOHAMMAD IRFAN CHAUDRY

Consulting Actuary

Fellow of Society of Actuaries, USA



MUHAMMAD HASNAIN AZHAR

Manager

Bachelors - Actuarial Science & Risk Management



IMRAN MEHMOOD

Senior Actuarial Analyst

Bachelors - Actuarial Science & Risk Management



RAHUL KUMAR KALANI

Manager

Bachelors- Economics & Mathematics



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FOR CONSULTING SERVICES

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