

**APPLICATION FOR LICENCE TO OPERATE A NON- DEPOSIT TAKING
MICROFINANCE INSTITUTION**

1. Type of Institution and Licence :
2. Name of Applicant (Organization):
3. (a) Physical Address of Applicant's Head Office:
- (b) Physical Address(es) of Applicant's Branch(es):
4. Applicant Organization's Contact Information:
- (a) Postal Address:
- (b) Telephone Number:
- (c) Facsimile Number:
- (d) E-mail Address:

5. BACKGROUND OF MICROFINANCE INSTITUTION:

Start Date of Microcredit Programme	
Affiliation with	
Proposed Board of Directors/Governing Body	
Mission Statement	

6. OWNERSHIP

Legal Status	
Owners	
State change in ownership or legal status, if any	

7. CUSTOMERS AND MARKET

Describe your target market	
Details of price for each type of credit facility:	
Describe market research, if any, conducted to undertake the microfinance business in terms of lending, loan terms and charges etc. in the context of existing competition	
Detail the institution's main components of microfinance business in the wake of existing and anticipated competition	

8. FINANCIAL SERVICES

List and briefly describe current and envisaged financial products, credits or interest rates, periods, payment frequencies, amounts, requirements.	
Describe methodologies of delivering products and services	
Describe mechanisms for loan collection	
Describe policies for monitoring & recovering delinquent loans	

9. (a) CORPORATE BOARD OF DIRECTORS:

<i>Name</i>	<i>Nationality</i>	<i>Address</i>	<i>Date of Appointment</i>	<i>Other Directorships</i>

(b) GOVERNING BODY (NO-CORPORATE) MEMBERS:

<i>Present (and former) name</i>	<i>Nationality</i>	<i>Address</i>	<i>Date of Appointment</i>	<i>Other Directorships</i>

10. THE SHARE CAPITAL OF THE MICROFINANCE INSTITUTION

(a) Authorized Capital MWK.....

(b) Issued/Paid up Capital MWK.....

- (b) Particulars of any Business Relationship that the Applicant Organization has or expects to have with any of its Officers or Shareholders:

1. IN THE CASE OF A FOREIGN-OWNED/CONTROLLED MICROFINANCE INSTITUTION:

(That is, if more than 50% of voting shares are held by non-Malawian residents/corporations registered outside Malawi and are part of an international banking /financial/microfinance group)--

- (a) provide certified copy of the resolution of the directors of the bank/financial institution/microfinance institution authorizing the establishment of the subsidiary in Malawi.
- (b) declare who is going to perform the consolidated supervision of the group and whether the said supervisor is aware of the applicant's plan to set up business in Malawi.
- (c) provide organization (organization chart) showing how the applicant fits in the group.

14. DETAILS OF PROPOSED SENIOR EXECUTIVES OF THE MICROFINANCE INSTITUTION TO BE LICENSED.

(Please attach curriculum vitae of each one of them).

- (a) Chief Executive Officer/ Managing Director:

<i>Present (and former) name</i>	<i>Nationality</i>	<i>Academic/Professional qualifications*</i>	<i>Professional and business experience</i>	<i>Date of appointment</i>

* Attach copies of certificates

(b) Chief Financial Officer

<i>Present (and former) name</i>	<i>Nationality</i>	<i>Academic/Professional qualifications*</i>	<i>Professional and business experience</i>	<i>Date of appointment</i>

*** Attach copies of certificates**

15. HAS THE APPLICANT'S ANY OF ITS DIRECTORS OR PRINCIPAL OFFICERS EVER:

- (a) Been convicted of any offence, or are there any proceedings now pending which may lead to a conviction for any offence involving fraud or dishonesty?

.....

(If so, please provide details)

- (b) Had judgment involving findings of fraud or other dishonesty, or violence, misrepresentation, breach of contract, breach of fiduciary duty or professional negligence given against it, in any civil proceedings, or are there any proceedings now pending that may lead to such a judgment or finding?

.....

(if so, please provide details)

- (c) Contravened any written law designed for protecting members of the public against financial loss due to dishonesty, incompetence or malpractice by persons concerned in the provision of financial services or the management of companies or against financial loss due to the conduct of discharged or undischarged bankrupts?

.....

(if so, please provide details)

- (d) Had a receiver and/or manager been appointed in respect of any of the assets of the applicant?

.....

(if so, please provide details)

- (e) Had a petition presented in a court for its winding up?

.....

(if so, please provide details)

- (f) Been subjected to any form of disciplinary proceedings or action by any professional or regulatory body?

.....

(if so, please provide details)

16. Name and Address of Applicant's Proposed Auditors

.....
.....
.....

17. Does the institution hold, or has it ever held, any authority from a supervisory body to carry on any business activity in Malawi or elsewhere?

If yes, give particulars:

.....
.....

18. Has the institution been put under receivership in the past or made any compromise or arrangement with its creditors in the past or otherwise failed to satisfy creditors in full?

If yes, give particulars:

.....
.....

19. Is an examiner or other authorized officer of any government ministry, department or institution, professional association, or other regulatory body investigating the affairs of the institution or has such an investigation ever previously taken place into the affairs or the institution ?

If yes, give particulars:

.....
.....

20. Please lodge with this Application the following documents relating to the Microfinance Institution to be licensed:

- (a) Articles of Association, designation of voting rights, and subordination of claims to depositors and other creditors;
- (b) Evidence of incorporation/registration of organization;
- (c) Duly completed officers'/director's /principal shareholders' questionnaire (as applicable);
- (d) Documentation indicating the location of the microfinance institution;
- (e) Business plan, and
- (f) Projected balance sheet and income statement with relevant assumptions (based on feasibility analysis) for at least three year.

21. Provide documents relating to the Promoters/Shareholders of the Microfinance Institution to be licensed in case they are Corporate Persons/organizations:

- (a) Articles of Association;
- (b) Evidence of incorporation;
- (c) Audited balance sheet and income statement for the last completed financial year immediately preceding the application;
- (d) And, in the case of a wholly-owned subsidiary a copy of the resolution of the Board of Directors approving the proposed microfinance investment.

22. *I/we hereby certify to the best of *my/our knowledge and belief that the information given above is correct and true.

Chairperson's Name:

Signature: Date:

Chief Executive Officer's Name:

Signature: Date:

Place:

(City/town, country)

*Delete where not applicable

Note: *Where the space provided in this Form is insufficient to furnish required details, please use a separate sheet of paper indicating the relevant item of the application Form. The Chairperson/Chief executive officer or any duly authorized representative of the applicant should duly sign such attachment(s).*