

FSCA COMMUNICATION 4 OF 2019 (INSURANCE)

Publication of application and notification forms emanating from the Regulations and Policyholder Protection Rules under the Long- and Short-term Insurance Acts, 1998

9 May 2019

1. PURPOSE

The purpose of this Communication is to inform stakeholders that a number of templates have been developed and published for use in order to comply with specific application and notification requirements in terms of the following:

- Regulations under the Long-term Insurance Act, 1998 (LT Regulations);
- Regulations under the Short-term Insurance Act, 1998 (ST Regulations); and
- Policyholder Protection Rules (Long and Short-term Insurance), 2017 (collectively referred to as the PPRs).

2. BACKGROUND

2.1. The LT Regulations and ST Regulations (collectively referred to as the Regulations) set out requirements for an insurer to, in particular instances, notify the FSCA of changes to its business arrangements regarding the outsourcing of binder functions and certain remuneration practices. The Regulations also in some cases require pre-approval of the payment of fees in excess of the limitations set out in the Regulations, and allows for exemption applications in certain instances.

2.2. The PPRs require an insurer to, least 31 days prior to marketing or offering a new microinsurance or funeral product, notify the FSCA of the intention to launch a new microinsurance or funeral product. This notification requires the submission of particular information to the FSCA as set out in the relevant rule.

2.3. To ensure consistency across insurers and in order to streamline the application and notification processes, the FSCA has developed a number of standardised forms for use by insurers when complying with the relevant provisions contained in the Regulations and PPRs.

2.4. The forms, including the relevant regulatory references applicable to each form, are set out in the table below.

Table: List of forms published, including the relevant regulatory reference and the email address to which the form and supporting documents must be submitted.

Form Number	Description	Reference	Submit via email to:
INS001	Notification of new binder agreement	Regulation 6.6(1) - LTIA and STIA Regulations	INS.binders@fsca.co.za
INS002	Application for approval to pay a binder holder a fee in excess of the fees referred to in Regulation 3.21(2) of LTIA Regulations and Regulation 5.8(2) of STIA Regulations	Regulation 3.21(3) LTIA Regulations and Regulation 5.8(3) STIA Regulations	INS.binders@fsca.co.za
INS003	Notification of the Termination of a Binder Agreement	Regulation 6.6(2) - LTIA and STIA Regulations	INS.binders@fsca.co.za
INS004	Notification of arrangements to pay remuneration to an independent intermediary / representative for a service, function or activity other than services as intermediary or a binder function	Regulation 3.24 LTIA Regulations and Regulation 5.11 STIA Regulations	INS.notification@fsca.co.za
INS005	Exemption from Regulation 6.2(2) or (3) of the LTIA and STIA regulations	Regulation 6.5 LTIA Regulations And Regulation 6.5(2) STIA Regulations	INS.exemption@fsca.co.za
INS006	Application to postpone the issue and/or the delivery of a fund policy	Rule 11.5.4 of the Policyholder Protection Rules (Long-term Insurance), 2017	INS.applications@fsca.co.za
INS007	Notification of the intention to launch a new microinsurance or funeral product	Rule 2A.11 of the Policyholder Protection Rules (Long-term Insurance), 2017 And Rule 2A.12 of the Policyholder Protection Rules (Short-term Insurance), 2017	MI.Products@fsca.co.za

2.5 Notifications of this nature have prior to this communication been dealt with on an *ad hoc* basis and insurers were requested to submit all notifications and applications to a central email inbox under Insurance@fsca.co.za. Insurers are requested to not make any further submissions to the mailbox Insurance@fsca.co.za and instead utilise the allocated email addresses as set out in the table above. The relevant email address to be used is also set out in the legal and policy framework reference page at the end of each template.

3. NEXT STEPS

- 3.1 The relevant forms (INS001 - INS007) as described in the above table are available on the FSCA's website under *Regulated Entities < Supervisory Information < Insurer / Micro Insurer < Application and Notification forms*.
- 3.2 The FSCA has a project underway for automating the process for receipt of these notifications and applications from insurers, which will be implemented in due course. The intention is to, in future, have web-based application and notification forms which can be directly and securely uploaded by way of the Data Upload Facility on the FSCA website.
- 3.3 Until such time as the process through the data upload facility is available, insurers are requested to submit the relevant applications and notifications electronically via email to the relevant email address as set out in the table above.

4. CONTACT

For further information regarding the notifications and applications referred to in this email, please contact your relevant insurance liaison Manager within the Conduct of Business Supervision Division of the FSCA.