



FSCA INS NOTICE 3 OF 2024

FINANCIAL SECTOR REGULATION ACT, 2017 (ACT NO. 9 OF 2017)

**EXEMPTION OF MICROINSURERS FROM RULE 2A.6.1 OF THE POLICYHOLDER
PROTECTION RULES (LONG-TERM INSURANCE), 2017**

The Financial Sector Conduct Authority, under section 281(1) of the Financial Sector Regulation Act, 2017 (Act No. 9 of 2017), hereby exempts microinsurers from Rule 2A.6.1 of the Policyholder Protection Rules (Long-term Insurance), 2017, to the extent set out in the Schedule to this Notice.

**KATHERINE GIBSON
DEPUTY COMMISSIONER
FINANCIAL SECTOR CONDUCT AUTHORITY**

Date of publication: 04 March 2024

SCHEDULE

EXEMPTION OF MICROINSURERS FROM RULE 2A.6.1 OF THE POLICYHOLDER PROTECTION RULES (LONG-TERM INSURANCE), 2017

1. Definitions

In this Schedule “**the Act**” means the Long-term Insurance Act, 1998 (Act No. 52 of 1998), and the “**Policyholder Protection Rules**” means the Policyholder Protection Rules (Long-Term Insurance), 2017, made under section 62 of the Act promulgated by GN. 1407 of 15 December 2017 and amended from time to time, and any word or expression to which a meaning has been assigned in the Act or in the Policyholder Protection Rules bears, subject to context, that meaning unless otherwise defined.

2. Extent and conditions of the Exemption

- (1) A microinsurer is hereby exempted from Rule 2A.6.1 of the Policyholder Protection Rules.
- (2) The exemption referred to in subparagraph (1) is subject to the following conditions:
 - (a) The microinsurer may not impose a waiting period of more than 6 months in respect of policy benefits payable on the happening of a death, disability or health event resulting from natural causes;
 - (b) the microinsurer may not impose a further or additional waiting period in relation to policy benefits under a policy that is subject to this exemption, where the policy was entered into before the date on which this exemption takes effect; and
 - (c) a microinsurance policy provided under this exemption must carry a contract term of 12 (twelve) months.
- (3) Failure by a microinsurer to comply with the conditions referred to in subparagraph (2) will result in the exemption no longer being applicable to that microinsurer.

3. Duration, amendment, and withdrawal of Exemption

- (1) This Exemption is subject to –
 - (a) amendment thereof, published by the Authority by notice on its website; and
 - (b) withdrawal in a like manner.

4. Short title, commencement, and expiry

This Notice is called the Exemption of Microinsurers from Rule 2A.6.1 of the Policyholder Protection Rules (Long-term Insurance), 2024, and comes into effect on the date of publication.