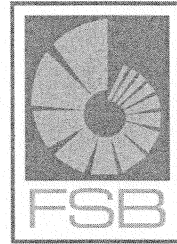


**FINANCIAL SERVICES BOARD
REPUBLIC OF SOUTH AFRICA**



**LONG-TERM INSURANCE ACT, 1998 (ACT 52 OF 1998)
SHORT-TERM INSURANCE ACT, 1998 (ACT 53 OF 1998)**

Addressee:	Long-term and short-term insurers		File:	10.49.3; 10.41.1.7.2; 10.41.2.7.2	
Edition	Issue date	Effective date	Info Letter	Status	Withdrawal date
1 st	20 December 2006	01 January 2007	2/2006 (LT/ST)	Withdrawn	01 January 2013
2 nd	20 December 2012	01 January 2013	6/2012 (LT/ST)	In force	-
Subject:	Service level commitments of the Registrar of Long-term and Short-term Insurance				

1. PURPOSE

The Registrar of Long- and Short-term Insurance has committed to the service level commitments attached as Annexure A to meet the strategic objectives of the Financial Services Board, and to enhance accountability and transparency.

2. SCOPE AND REVIEW OF THE SERVICE LEVEL COMMITMENTS (SLCs)

2.1 The SLCs attached as Annexure A relate to periods / timeframes within which the office of the Registrar will deal with:

2.1.1 applications submitted under the Long- and Short-term Insurance Acts;

2.1.2 the investigation of complaints in respect of registered and unregistered entities submitted to the Office of the Registrar;

2.1.3 enquiries submitted to the Office of the Registrar; and

2.1.4 feedback on on-site visits conducted by the Office of the Registrar.

2.2 The SLCs set out in Annexure A will be reviewed annually.

3. GENERAL PROVISIONS

3.1 The first day of the SLC period will commence on the day that the Office of the Registrar:

3.1.1 receives the complete and correct application;

- 3.1.2 receives the complaint;
- 3.1.3 receives the necessary documentation with respect to an enquiry; or
- 3.1.4 completes the on-site visit.
- 3.2 The Office of the Registrar will issue an acknowledgement of receipt within 5 calendar days of receiving an application or other documentation.
- 3.3 If the Office of the Registrar requires further clarification or additional information relating to an application, complaint or enquiry, the Office of the Registrar will inform the applicant or complainant accordingly in writing. The SLC period will be suspended, pending receipt of a response. Once a response is received, the SLC period will recommence from the day the SLC period was suspended.
- 3.4 If the Office of the Registrar does not receive a written response to the correspondence from an applicant or complainant within the response period indicated or within a reasonable period, a follow-up second correspondence will be issued to the applicant or complainant. If the Office of the Registrar does not receive a written response to the second correspondence within a specified time period, the application or complaint will be considered as withdrawn. If the applicant or complainant wishes to pursue the matter subsequently, a new application or complaint will have to be submitted. The prescribed fee paid in respect of the original application will not be refundable or re-usable in any way or form.
- 3.5 The Office of the Registrar may consider a request for an extension of the response period(s) that may be provided for in the correspondence referred to above on application in terms of section 4(1) of the Long-term Insurance Act, 1998 (Act No. 52 of 1998) or the Short-term Insurance Act, 1998 (Act No. 53 of 1998), respectively. Where the applicant requests an extension of time, the SLC period will be adjusted accordingly.

4. PROVISIONS RELATING TO APPLICATIONS AND ACCOMPANYING FEES

Applicants must ensure that applications submitted to the Office of the Registrar are complete and correct and that proof of payment of the prescribed fees in respect of an application is submitted together with the application. Incomplete applications and applications in respect of which no proof of payment was submitted will not be processed.

5. WITHDRAWAL OF PREVIOUS SLCs

Information Letter 2/2006 issued on 20 December 2006 is hereby withdrawn.



REGISTRAR OF LONG-TERM AND SHORT-TERM INSURANCE

ANNEXURE A

MATTER	SLC
APPLICATIONS	
REGISTRATION	
Section 9(1) of the Long-term Insurance Act and the Short-term Insurance Act: Registration as a new insurer	180 calendar days
VARIATION OF LICENCE CONDITIONS	
Section 11(1)(a) of the Long-term Insurance Act and the Short-term Insurance Act: Variation of conditions of existing insurer (Where the application will result in a material change to the existing strategy, operation or financial soundness of the insurer, and accordingly a business plan will be required)	180 calendar days
Section 11(1)(a) of the Long-term Insurance Act and the Short-term Insurance Act: Variation of conditions of existing insurer (Where the application will not have a material change to the existing strategy, operation or financial soundness of the insurer, and accordingly a business plan is not required)	60 calendar days
CHANGE IN SHAREHOLDING	
Section 26(1) & (2) of the Long-term Insurance Act and section 25(1) & (2) of the Short-term Insurance Act: Change in shareholding (Where the application will result in a material change to the existing strategy, operation or financial soundness of the insurer, and accordingly a business plan will be required)	180 calendar days
Section 26(1) & (2) of the Long-term Insurance Act and section 25(1) & (2) of the Short-term Insurance Act: Change in shareholding (Where the application will not result in a material change to the existing strategy, operation or financial soundness of the insurer, and accordingly a business plan is not required)	60 calendar days
GOVERNANCE RELATED APPLICATIONS	
Section 19 (2) of the Long-term Insurance Act and section 19(2) or 57(5) of the Short-term Insurance Act: Appointment or change in auditors	30 calendar days
Section 20 of the Long-term Insurance Act and section 19(A) of the Short-term Insurance Act: Appointment or change in statutory actuary	30 calendar days
Section 23(4) of the Long-term Insurance Act and section 22(4) of the Short-term Insurance Act: Exemption from having an audit committee and exemption from composition of an	60 calendar days

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MATTER	SLC
audit committee	
SOLVENCY RELATED APPLICATIONS	
Section 31(1)(c) of the Long-term Insurance Act and section 30(2) of the Short-term Insurance Act: Spreading of investment limits	60 calendar days
Section 32(1)(a)(ii) read with paragraph 4.3.3(a) of Board Notice (BN) 169 of 2011, BN issued under item 2 of Part 1 of Schedule 2 of the Short-term Insurance Act: Claims Incurred But Not Yet Reported - Different amount as prescribed	60 calendar days
Section 32(1)(b) read with paragraph 4.1.3(a) of Board Notice (BN) 169 of 2011, BN issued under item 2 of Part 1 of Schedule 2 of the Short-term Insurance Act: Unearned Premium Provision different amount as prescribed	60 calendar days
Section 32(2) of the Long-term Insurance Act: Shares in holding company - Policyholders funds	60 calendar days
Section 33(1)(e) of the Short-term Insurance Act: Shares in holding company - Short-term Insurance	60 calendar days
Section 34(1)(a) of the Long-term Insurance Act and section 33(1)(a) of the Short-term Insurance Act: Encumbrance of assets	60 calendar days
Section 34(1)(c) of the Long-term Insurance Act and section 33(1)(c) of the Short-term Insurance Act: Directly or indirectly borrowing assets	60 calendar days
Section 34(1)(d) of the Long-term Insurance Act and section 33(1)(d) of the Short-term Insurance Act: Give security in relation to obligations between other persons	60 calendar days
Section 34(1)(e) of the Long-term Insurance Act: Shares in holding company - Shareholders funds - Long-term Insurance	60 calendar days
Paragraph 10 of Board Notice (BN) 14 of 2010, BN issued under Part 2 of Schedule 3 of the Long-term Insurance Act and paragraph 6 of BN 169 of 2011, BN issued under item 2 of Part 1 of Schedule 2 of the Short-term Insurance Act: Relaxation of value placed on group undertakings and securities in holding company	60 calendar days
Paragraph 10 of Board Notice (BN) 14 of 2010, BN issued under Part 2 of Schedule 3 of the Long-term Insurance Act and paragraph 6 of BN 169 of 2011, BN issued under item 2 of Part 1 of Schedule 2 of the Short-term Insurance Act: Relaxation of Minimum Capital Adequacy Requirement	60 calendar days

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MATTER	SLC
TRANSFERS	
Transfer i.t.o. section 36(2) of the Short-term Insurance Act and section 37(2) of the Long-term Insurance Act - Policyholder consent transfer	As per agreed timetable
Transfer i.t.o. section 37 under the Short-term Insurance Act	As per agreed timetable
OTHER APPLICATIONS	
Section 1(1)(e) of the Long-term Insurance Act: Application for any person, arrangement or business to be determined a fund by the Registrar	90 calendar days
Section 4(1) of the Long- and Short-term Insurance Acts: Request for extension of time for submission of documents/returns	5 calendar days
Section 4(7)(b) of the Long-term Insurance Act and the Short-term Insurance Act: Reclassification of policy	90 calendar days
Section 4(7)(b) of the Long-term Insurance Act and the Short-term Insurance Act: Retrenchment cover as ancillary benefit	90 calendar days
Section 8(1)(a) of the Long- and Short-term Insurance Acts: Prohibition on use of certain words without Registrar's approval	20 calendar days
Section 8(2) of the Long-term Insurance Act and section 17(b) of the Short-term Insurance Act: Change of name	20 calendar days
Section 8(2)(d) of the Short-term Insurance Act: Placement of short-term insurance business with entities not registered in South Africa	Timelines stipulated in Directive 149.A.iii
Section 8(3) of the Long-term Insurance Act: Placement of long-term insurance business with entities not registered in South Africa	90 calendar days
Section 17 of the Long-term Insurance Act and section 17(a) of the Short-term Insurance Act: Change in financial year-end	30 calendar days
Section 24(a)(i) or (ii) of the Long-term Insurance Act and section 23(a)(i) or (ii) of the Short-term Insurance Act: Issue preference shares or debentures other than compulsory convertible (including business plan)	60 calendar days
Sections 24(a)(iii),(iv),(v),(vii) or (viii) of the Long-term Insurance Act and sections 23(a)(iii),(iv),(v),(vii) or (viii) of the Short-term Insurance Act: Change of one class of shares into other type of shares	60 calendar days

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MATTER	SLC
Section 25(1)(a) & (b) of the Long-term Insurance Act and section 24(1)(a) & (b) of the Short-term Insurance Act: Approval to issue any shares or register any shares of a long- or short-term insurer in the name of a person other than the intended beneficial shareholder	60 calendar days
Paragraph 1 of Schedule 3 of the Long-term Insurance Act: Approved Reinsurance	60 calendar days
Paragraph 2(b)(i) of Schedule 1 of the Long-term Insurance Act and the Short-term Insurance Act: Counterparty of over-the-counter derivatives	60 calendar days
Paragraph 7(2) of Schedule 3 of the Long-term Insurance Act and Paragraph 7(2) of Schedule 2 of the Short-term Insurance Act: Creditor waiving rights	60 calendar days
COMPLAINTS AND ENQUIRIES	
Investigation of complaints into conduct of registered insurance business	90 calendar days
Investigation of complaints into conduct of unregistered insurance business	90 calendar days
General enquiries (including emails)	14 calendar days
ON-SITE VISITS	
Formal feedback following an on-site visit in the form of a management letter issued to the insurer	90 calendar days