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| **NOTIFICATION FORM IF053**  **NOTIFICATION FOR FAILING TO MEET OR THE RISK OF FAILING TO MEET THE MINIMUM REQUIREMENTS** |

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| **Purpose of this document**  This notification form needs to be completed by or on behalf of a microinsurer, to notify the Prudential Authority of any such deteriorating circumstances that could lead to a failure to meet or the risk of failure to meet the minimum requirements within the following three months, as required in terms of section 39(3) of the Insurance Act, 2017 (the Act). |

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| **Important information to complete this form**  Before completing this form, read the Fact Sheet Application and Notification Forms (Fact Sheet) that is available on the website of the SARB. The Fact Sheet contains important information on consent and declarations required. Please note: this application could include a prescribed fee, in accordance with [Prudential Standard IAF](http://www.resbank.co.za/PrudentialAuthority/Insurers/Post%20Insurance%20Act/Legislation%20and%20Regulatory%20instruments/Prudential%20Standards/Documents/Prudential%20Standard%20IAF.pdf), 2019 with the process for payment found [here](http://www.resbank.co.za/PrudentialAuthority/Insurers/Post%20Insurance%20Act/Legislation%20and%20Regulatory%20instruments/Prudential%20Standards/Documents/Process%20for%20payment%20of%20fees%20prescribed%20in%20terms%20of%20the%20Insurance%20Act.pdf). |

## Company information and reason for approval

* 1. Provide the following details for this notification:

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| **Microinsurer number** |  |
| **Microinsurer name** |  |
| **Date of failure or risk of failure to meet requirements** | YYYY/MM/DD |
| **Date of most recent dividend payment** | YYYY/MM/DD |
| **Effective date for notification** | YYYY/MM/DD |

* 1. Provide reason(s) for seeking notification

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## Contact and Basic Information

* 1. Contact details of the person for correspondence related to this form

This must be someone who works for the company and not a professional advisor.

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| **Title** |  |
| **First names** |  |
| **Surname** |  |
| **Position** |  |
| **Business address** |  |
| **Contact number** |  |
| **Email address** |  |

* 1. Details of professional advisors

#### Have you used third-party professional advisors to help with this form?

**No** 🡺 Continue to question 2.3

**Yes** 🡺 Complete the remainder of this section

#### Provide the name and contact details of the third-party professional advisor(s) used (i.e. the consultants, auditors, actuaries and/or lawyers used in compiling this form). This information should be included in an attachment accompanying this form, e.g.:

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| **Name of firm** |  |
| **Title** |  |
| **First names** |  |
| **Surname** |  |
| **Position** |  |
| **Business address** |  |
| **Contact number** |  |
| **Email address** |  |

* 1. Other information

#### Is there any additional information that is not requested elsewhere in this form, that is relevant for the Prudential Authority to assess this form?

**No** 🡺 Continue to section 3

**Yes** 🡺 Complete question 2.3.2

#### Provide a summary or list of the additional information, including the reasons for providing this additional information and attach to this form.

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## Specific Information

* 1. Specific information on the failure to meet or the risk of failure to meet the minimum requirements

#### When did the microinsurer become aware of the possible failure or the risk of failure to meet the minimum requirements?

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#### Provide details regarding the extent of the failure to meet or the risk of failure to meet the minimum requirements, including the MCR cover ratio after the failure to meet or the risk of failure to meet the minimum requirements.

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#### Furnish full reasons for the failure or expected failure to maintain a financially sound condition, including the cause(s) thereof.

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#### If the date of the most recent dividend payment is after the date of the failure to meet or the risk of failure to meet the minimum requirements, provide the reason(s) for paying the dividend.

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* 1. Proposed actions by the microinsurer to restore financial soundness

#### What action(s) are proposed by the microinsurer to restore financial soundness?

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#### What is the expected impact of the proposed actions in question 3.2.1?

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#### Explain the expected timeframe required to implement the proposed actions and to restore financial soundness.

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* 1. Further specific information on the failure to meet or the risk of failure to meet the minimum requirements

#### Describe the current controls in place to monitor financial soundness.

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#### What improvements, if any, will be made to controls in future to detect the deterioration in financial soundness position earlier?

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## Results

* 1. Provide the following:

#### Attach the business plan of the microinsurer together with the main assumptions used in drawing up the business plan and detailed explanation of the main changes in the business from year to year. This should include projections of the solvency position for MCR cover.

## Attachment Checklist

* 1. Compulsory attachments

Complete the following table with details of the attachments provided.

| **Attachment Number** | **Question Number** | **Description** | **Number of pages/sheets** | **Attached** |
| --- | --- | --- | --- | --- |
| A1 | 4.1 | Business projections |  |  |
| A2 | 6 | Consent and Declarations |  |  |

* 1. Other attachments

Complete the following table with details of the attachments provided, also indicating the number of pages of each attachment. For example, attachments might be required if there was not sufficient space to include the information in the form itself or if your responses in this form refer to external documents. Please add additional rows for each attachment included:

| **Attachment Number** | **Question Number** | **Description** | **Number of pages/sheets** | **Attached** |
| --- | --- | --- | --- | --- |
| e.g. B1 | 2.2 | Contact details of professional advisors | 8 |  |

## Consent and Declarations

To assess the application or notification, the Prudential Authority needs to ensure that the information in the application or notification is accurate and complete, and may be verified and shared with other regulatory authorities. Please see the Fact Sheet on the SARB website for the required consent and declarations that must accompany this form.