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| **APPLICATION FORM IF060**  **APPLICATION FOR THE APPROVAL TO ALLOW A SUBSIDIARY TO DIRECTLY OR INDIRECTLY ACQUIRE SHARES IN THE INSURER** |

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| **Purpose of this document**  This application form needs to be completed by an insurer or controlling company in relation to allow a subsidiary to directly or indirectly acquire shares in the insurer as required in section 38(1) 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. Does this application relate to:

**Insurer**

**Controlling company**

* 1. Provide the following additional details for this application:

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| **Insurer/Insurance group number** |  |
| **Insurer/Insurance group name** |  |
| **Effective date for which approval is requested** | YYYY/MM/DD |

* 1. Describe the reason(s) for this approval

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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 section 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. Specifications for the purpose of this application form

#### Is the company for which this application is made, a profit company or a co-operative?

**Profit company**

**Co-operative**

#### Are the significant owners of the insurer and subsidiary aware of this application?

**Yes**

**No**

#### What will the impact on the significant owners of both the insurer and subsidiary be if the approval is granted?

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#### Which subsidiary is applying to acquire shares in the insurer?

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#### Describe the business of the subsidiary.

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#### Provide details of other shares which the subsidiary has acquired in the insurer.

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#### What will the impact on policyholders be if the approval is granted?

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#### Attach a structural chart reflecting the position of the subsidiary in the group to which it and the insurer belongs. The chart should indicate percentage holdings.

#### How will the subsidiary fund the acquisition - via the encumbrance of assets, loan funding, use of excess assets, or some other arrangement? Please elaborate.

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#### Describe all inter-group transactions between the insurer and subsidiary.

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#### Does the insurer wish to apply for multiple acquisitions of its shares by the subsidiary e.g. where the insurer expects that the subsidiary will be trading in its shares in the case of an asset manager?

**No** 🡺 Continue to question 3.3

**Yes** 🡺 Continue to question 3.2

* 1. Application for multiple acquisitions

#### What proportion (range) of the subsidiary’s assets is expected to be invested in the insurer?

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#### What proportion (range) of the insurer’s shares is expected to be effectively held by the subsidiary?

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#### What is the period over which the acquisition is expected to occur?

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#### Are the shares to be acquired listed on a stock exchange?

**No** 🡺 Continue to question 3.2.5

**Yes** 🡺 Continue to section 4

#### Motivate why the insurer believes that approval for multiple acquisitions is appropriate.

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* 1. Application for once-off acquisitions

#### How many shares will be acquired?

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#### Why does the insurer believe that this application is in the interest of the insurer and its policyholders?

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#### Are the shares to be acquired listed on a stock exchange?

**No** 🡺 Continue to question 3.3.4

**Yes** 🡺 Continue to section 4

#### What is the purchase price of the shares and manner of payment?

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## Results

* 1. Provide the following as attachments accompanying this form:

#### Complete the attached Excel spreadsheet showing details of the current financial soundness as well as the financial soundness should approval be given.

## 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 | 3.1.8 | Chart |  |  |
| A2 | 4.1.1 | Excel template |  |  |
| A3 | 6 | Consent and Declarations |  |  |

* 1. Other Attachments

Complete the following table with details of the attachments provided, also indicating the number of pages/sheets 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. 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.