|  |
| --- |
| **APPLICATION FORM IF063**  **APPLICATION FOR THE APPROVAL TO CONVERT SHARES FROM ONE TYPE OF SHARE TO ANOTHER** |

|  |
| --- |
| **Purpose of this document**  This application form needs to be completed by an insurer or controlling company for the approval to convert shares from one type of share to another referred to in section 38(1) of the Insurance Act, 2017 (the Act). |

|  |
| --- |
| **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 form:

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

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

|  |
| --- |
|  |

## 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.

|  |  |
| --- | --- |
| **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.:

|  |  |
| --- | --- |
| **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.

|  |
| --- |
|  |

## 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 existing shareholders aware of this application?

**No**

**Yes**

#### Provide details of the conversion of shares from one type of share to another including the existing type of share and the type of share that it will be converted to.

|  |
| --- |
|  |

#### Describe the impact of the conversion on existing shareholders.

|  |
| --- |
|  |

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

|  |
| --- |
|  |

#### Provide the price to be charged per share/security.

|  |
| --- |
|  |

#### In the case of preference shares, provide the rate or amount of interest and dividends payable, should approval be granted, as well as the frequency of payments.

|  |
| --- |
|  |

* 1. Structure of new share and securities

#### Will the shares and securities converted be redeemable?

**No 🡺** Continue to section 3.2.5

**Yes 🡺** Continue to section 3.2.2

#### State the date of redemption or conversion.

|  |
| --- |
| YYYY/MM/DD |

#### Provide the conditions attached to the redemption or conversion.

|  |
| --- |
|  |

#### At whose option will the shares, debentures or other assets be redeemable or convertible?

|  |
| --- |
|  |

#### Will any subordinate arrangement be in place?

**No** 🡺 Continue to question 3.2.8

**Yes** 🡺 Continue to question 3.2.6

#### Provide details of the subordination arrangement.

|  |
| --- |
|  |

#### Attach the written undertaking between the parties.

#### In the case of conversion to preference shares, will holders get voting rights or other special interest in the insurer as a result of non-payment of dividend or capital?

**No** 🡺 Continue to question 3.2.10

**Yes** 🡺 Continue to question 3.2.9

**Not preference share** 🡺 Continue to question 3.2.11

#### Provide full details of the voting rights or other special interest in the insurer.

|  |
| --- |
|  |

#### Does the insurer expect to be able to afford the required dividend and capital payments described in question 3.2.8?

**No**

**Yes**

#### Provide the required information in the Excel template accompanying this form.

* 1. Information about preference shares

#### Number of shares to be converted.

|  |
| --- |
|  |

#### Total amount of ordinary or preference shares to be converted.

|  |
| --- |
|  |

#### Share premium on conversion or issuing, if any.

|  |
| --- |
|  |

## 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 | 3.2.7  3.2.11 | Excel template |  |  |
| A2 | 5 | Declarations and consent |  |  |

* 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 |  |

## 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.