



South African Reserve Bank

Media release

8 March 2019

Order for the provisional winding-up of Bophelo Life Insurance Company Limited

Bophelo Life Insurance Company Limited (Bophelo Life) is a registered long-term insurer and financial services provider. Bophelo Life was placed under provisional curatorship on 6 November 2018. True South Actuaries and Consultants (Pty) Limited (the curator) was appointed as the provisional curator. The curator's report received by the Prudential Authority (PA) on 5 December 2018 states that Bophelo Life's liabilities far exceeded its assets.

The curatorship determined that significant capital investment and business development would be required for Bophelo Life to continue to exist. The curator concluded that Bophelo Life would need substantial recapitalisation to ensure its continued existence.

The PA must act in the best interest of policyholders. Taking into account that Bophelo Life is factually insolvent, liquidation was considered to be in the best interest of policyholders.

Bophelo Life was registered with the then Financial Services Board as a long-term insurer in April 2014. Bophelo Life is an unlisted public company, wholly owned by Bophelo Insurance Group (Pty) Limited.

Bophelo Life was registered to conduct business in respect of the assistance, disability, health and life classes of long-term policies as outlined in the Long-term Insurance Act 52 of 1998 until its registration was converted to a licence under the Insurance Act 18 of 2017 (Insurance Act). Bophelo Life's insurance business consists mostly of group life and group funeral policies.

On 4 February 2019 the PA lodged an application to the High Court of South Africa, Johannesburg (High Court) for the final winding-up (liquidation) of Bophelo Life. On 12 February the High Court issued an order placing Bophelo Life under provisional winding-up. All parties with legitimate interests are given until 11 March 2019 to provide reasons, if any, why Bophelo Life should not be placed under final winding-up.

Approval of the appointment of the provisional liquidator was granted by the PA in terms of sections 57 and 58(4) of the Insurance Act. Mr Jayant Daji Pema has been appointed as the provisional liquidator of the business of Bophelo Life by the Master of the High Court of South Africa, Johannesburg. Mr Jayant Daji Pema can be contacted at 082 606 0223 or 011 482 8198, or via email at jaypema1@global.co.za.

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