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## **Notice regarding the publication of the draft Prudential Standard: Insurance application fees**

### **Fees payable for applications made in terms of the Insurance Act, 2017 (Act No. 18 of 2017)**

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The Prudential Authority (PA) today publishes the draft Prudential Standard: Insurance application fees, made in terms of section 63 read with section 60(2) of the Insurance Act, 2017 (Act No. 18 of 2017) (Insurance Act) and section 105 of the Financial Sector Regulation Act, 2017 (Act No. 9 of 2017) (FSR Act), for public comment for a period of six weeks. This notice is made in terms of section 98 of the FSR Act.

The FSR Act introduced a number of reforms to the regulation and supervision of the financial sector. On 1 April 2018, the FSR Act established the PA. The PA is responsible for the prudential regulation and supervision of banks, insurers and market infrastructures.

Chapter 16 of the FSR Act provides for a process for the determination of fees for the performance of specific functions by the PA under the FSR Act and financial sector laws. This chapter will only come into effect once the Financial Sector Levies Bill (Levies Bill) is enacted.

At present, due to extensive consultations currently underway, it is unlikely that the Levies Bill will be in operation by 1 April 2019 as was envisaged. Therefore, as an interim solution, the PA proposes the draft Standard to enable the payment of fees for applications made under the Insurance Act and Insurance Prudential Standards. This Standard will continue to operate until the determination of fees has been made in terms of Chapter 16 of the FSR Act, whereupon the Standard will be repealed.

The draft Standard sets out fees payable by all persons, including insurers and controlling companies in respect of applications submitted to the PA in terms of the Insurance Act. In addition, the Standard sets out ancillary details related to the administrative matters pertaining to the fees.

In accordance with section 98 of the FSR Act, the PA hereby invites submissions on the draft Standard. The relevant documentation released for the public consultation process, including the Statement of the need for, expected impact and intended operation of the Standard, can be accessed on the website of the PA at: [Draft Prudential Standard-Insurance Fees](#).

Submissions on the draft Standard, using the comments template attached as Annexure A, must be submitted to [PA-Standards@resbank.co.za](mailto:PA-Standards@resbank.co.za) for the attention of Kalai Naidoo and Stewart Bobo by close of business on 18 April 2019.

Issued by the Prudential Authority

**Date: 6 March 2019**