



South African Reserve Bank  
Office of the Deputy Governor  
Kuben Naidoo

Dear Insurers

**Fees payable for applications<sup>1</sup> made under the Insurance Act, 2017 (Act No. 18 of 2017) (Insurance Act)**

Further to the previous communication issued by the Prudential Authority (PA), on applications and fees payable under the Insurance Act, dated 19 April 2018, this communication is intended to provide you with an update on the matters pertaining to the payment of fees.

Since the commencement of the Insurance Act on 1 July 2018, the PA has not charged fees in relation to applications submitted for consideration in terms of the Insurance Act and the related Insurance Prudential Standards. As indicated in the previous communication, this arrangement was put in place until 1 April 2019. In providing this dispensation, the PA envisaged the commencement of Chapter 16 of the Financial Sector Regulation Act, 2017 (Act No. 9 of 2017) (FSR Act) on 1 April 2019. The commencement as referred to above would have enabled the PA to determine fees for insurers and other regulated entities. Owing to extensive consultation currently underway, the PA does not foresee that the Financial Sector Levies Bill and Chapter 16 of the FSR Act will be in operation by 1 April 2019 as was envisaged.

In consideration of the above, the PA has released the draft Prudential Standard: Insurance application fees - Fees payable for applications made in terms of the Insurance Act, 2017 (Act No. 18 of 2017) for public consultation on 6 March 2019. The draft standard prescribes the fee(s) payable for the different types of applications that may be submitted in terms of the Insurance Act and related Prudential Standards. Once finalised, the draft standard will be an interim regulatory instrument to collect fees until the PA is able to determine fees under Chapter 16 of the FSR Act.

In light of the above, no fees will be payable for applications made under the Insurance Act until the draft Prudential Standard on insurance application fees is finalised and implemented. The PA will update the industry on any developments in this regard.

Kind regards

**Kuben Naidoo**  
**Deputy Governor and CEO: Prudential Authority**

**Date:** 1/04/2019

<sup>1</sup> A written application may be submitted in respect of an application for the granting of a licence, any other application for approval and if any determination, decision, exemption or the performance of any other act is required by the Prudential Authority under the Insurance Act.