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| **GUIDANCE NOTE 5 OF 2014 – MATERIAL OUTSOURCING APPLICATION/NOTIFICATION FORM** |

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| **Purpose of this document**This form should be completed when applying to or notifying the Prudential Authority of the proposed outsourcing of a material business activity or function as noted in the Guidance Note 5 of 2014. |

# **Company information**

This application relates to a:

[ ]  Bank

[ ]  Controlling company of a bank

[ ]  Controlling company of the Group

Provide details for this application

|  |  |
| --- | --- |
| Bank name: |  |
| Address: |  |
| Website: |  |

# **Contact and basic information for correspondence**

Contact details of the person responsible for correspondence related to this form

|  |  |
| --- | --- |
| Title |  |
| First names |  |
| Surname |  |
| Position |  |
| Contact number |  |
| Email address |  |

# **Specific information of the application/notification**

Details business activity or function being outsourced

[ ]  Internal Audit

[ ]  Core banking IT system

[ ]  Financial reporting system

[ ]  Other (Specify) \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Reason for material classification:

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Describe the business activity/function/services to be outsourced:

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The anticipated effective date of the outsourcing contract:

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Duration of the outsourcing contract:

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Estimated total value of the outsourcing contract:

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|   |

Name of the service provider to whom the business activity/function will be outsourced:

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|   |

Is the service provider to whom the business activity/function will be outsourced located within South Africa?

[ ]  **No**

[ ]  **Yes**

If answer to question 3.8 is “No”, please provide jurisdiction of service provider:

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|   |

Can this service be provided by a service provider within South Africa?

[ ]  **No**

[ ]  **Yes**

Is the service provider, to whom the business activity/function will be outsourced, within the same group (insourcing)?

[ ]  **No**

[ ]  **Yes**

If the answer to question 3.11 is “Yes”, please provide details of the relationship with the service provider to whom the business activity/function will be outsourced:

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A brief description of contingency plan considerations for the outsourcing arrangement in the event of termination or failure of services:

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Provide the name of the alternate service provider/s:

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Confirm if the outsourcing arrangement is compliant with the bank’s outsourcing policy and within the risk appetite set by the board of directors?

[ ]  **No**

[ ]  **Yes**

Provide details of the governance committee(s) that approved the outsourcing arrangement:

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| --- |
|   |

On what date was this approved?

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| --- |
|   |

Provide the outcome of the risk assessment performed, including risk mitigation strategies developed to address the identified risks:

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|   |

Provide details of how the organisation will obtain assurance of controls that are implemented by the service provider are effective:

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|   |

Provide details of how governance and monitoring (including frequency) will be managed for the outsourced business process/function:

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|   |

# **Additional information**

Complete the following table with details of the attachments provided. Each attachment should be listed in a separate row:

| **Attachment number** | **Question number** | **Description** | **Number of pages/sheets** | **Attached** |
| --- | --- | --- | --- | --- |
| A1 | # | A  |  | [ ]  |
| A2 | # | B  |  | [ ]  |
| A3 | # | C |  | [ ]  |

# **Sign-off**

To assess the application or notification, the Prudential Authority needs to ensure that the information in the application or notification is accurate and complete.

Sign-off by person submitting the form

I confirm that:

1. I am duly authorised to make the application or notification on behalf of the organisation; and
2. to the best of my knowledge and belief, the information in this application and the attached documents are complete, accurate and not misleading in any way.

|  |  |
| --- | --- |
| **Title** |  |
| **Name** |  |
| **Surname** |  |
| **Position**  |  |
| **Signature** |  |
| **Date of signature**  |  |