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| **APPLICATION FORM IF008**  **APPLICATION FOR APPROVAL TO USE AN ALTERNATIVE APPROACH TO CALCULATE OWN FUNDS AND SCR FOR NON-REGULATED ENTITIES** |

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| **Purpose of this document**  This application form needs to be completed to use an alternative approach to calculate own funds and SCR for non-regulated entities, as required in terms of section 4.3 of Financial Soundness Standards for Insurance Group Deduction and Aggregation Method (FSG 2) made under section 36(6)(a) of the Insurance Act, 2017 (the Act). |

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| **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). |

## Reason for approval

* 1. Describe the reason for seeking this approval

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## Specific Information

* 1. Details of entity

#### Provide the name of the entity to which this application relates.

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#### Provide a description of the business conducted by the entity.

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#### Provide detailed description of the entity’s main assets.

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#### Provide detailed description of the entity’s main liabilities.

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#### Describe the insurer’s proposed approach for measuring the following items for purposes of including the entity in the group’s capital adequacy calculations.

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| **Own funds** |
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| **SCR** |
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#### Describe the following risks and explain how the proposed SCR calculation allows for these risks.

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| **Risks** | **Description of Risk** | **Allowance within SCR** |
| **Market Risks** | | |
| Interest rate |  |  |
| Equity |  |  |
| Property |  |  |
| Currency |  |  |
| Spread and Default |  |  |
| Concentration |  |  |
| **Other Risks** | | |
| Risk arising from participations |  |  |
| Operational |  |  |
| **Risk not mentioned above** | | |
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#### Describe how the proposed SCR calculation allows for the following items

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| **Risk mitigation factor** | **Allowance within SCR** |
| Risk-mitigation instruments |  |
| Management actions |  |
| Loss-absorbing capacity of deferred taxes |  |

* 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 section 2.2.2

#### Provide a summary or list of the additional information, including the reasons for providing this additional information and attach to this form.

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## Results

* 1. Submit the following:

#### Standard approach: A group quantitative reporting templates (Group QRT) where the entity is valued using the standard SAM requirements, as per section 4.3 of FSG 2.

#### Proposed approach: An abridged Group QRT where the entity is valued using the proposed approach described in question 2.1.5 of this form, for which the following sheets do not need to be completed: G5, G5.1, G5.2, G5.3 and G6.

#### Provide the solo own funds and solo SCR of the entity, as required in the Excel template accompanying this form (sheet Solvency Position).

## 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 | 3.1.1 | Group quantitative reporting template: standard approach |  |  |
| A2 | 3.1.2 | Group quantitative reporting template: proposed approach |  |  |
| A3 | 3.1.3 | Excel template accompanying this form |  |  |
| A4 | 5 | Consent and Declarations |  |  |

* 1. Other Attachments

Complete the following table with details of the attachments provided, also indicating the number of pages 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.

| **Attachment Number** | **Question Number** | **Description** | **Number of pages/sheets** | **Attached** |
| --- | --- | --- | --- | --- |
| e.g. B1 | 2.2 |  | 8 |  |

## Consent and 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.