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| **Proposed amendments - Policyholder Protection Rules made under section 62 (1) of the Long-term Insurance Act, 1998 (Act No. 52 of 1998)****Proposed amendments -** **Policyholder Protection Rules made under section 55 of the Short-term Insurance Act, 1998 (Act No. 53 of 1998)** |
| Comments and recommendations through public consultation process |

JULY 2021

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| **PRIVACY STATEMENT**Please take note that information collected in this template will be used for the purposes outlined in the Template. In so doing, the identities of the entities and persons commenting on behalf of the entity will be identifiable.The FSCA publishes all comments received and responses on its website with the names of persons that commented, and entities they represent. This is to ensure transparency and openness in the response to comment process. All collected information will be processed in line with the FSCA’s Privacy Policy which can be found on [www.fsca.co.za](http://www.fsca.co.za). |

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| **IMPORTANT INSTRUCTIONS**Please note the following instructions for completing the template:* For referencing purposes please use the numbering as contained in the Notices.
* Please provide details of the commentator in **Section A.**
* For comments on the definitions, please indicate which definition is being commenting on under the “Rule / Section number in of the PPRs” column (see below for an example).
* Please include both the section / item number used in the draft amendment notices and the rule number in the PPR.
* Comments on the proposed amendments to the Policyholder Protection Rules made under section 55 of the Short-term Insurance Act, 1998, please use **Section B: NON-LIFE INSURANCE**.
* Comments on the proposed amendments to the Policyholder Protection Rules made under section 62of the Long-term Insurance Act, 1998, please use **Section C: LIFE INSURANCE**.
* Commentators, in particular insurers, are requested to answer questions relating to the expected impact of the draft proposed amendments under **Section D**.
* For any other general comments, please use **Section E**.
* Please send the completed template, in Word Format, to: FSCA.RFDStandards@fsca.co.za on or before ***10 September 2021****.*

Please note that no PDF or scanned documents or late submissions will be accepted unless agreed to in writing by the Authority. |

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# SECTION A - DETAILS OF COMMENTATOR

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| **Name of organisation/individual:** |  |
| **If the commentator is an organisation, provide the name and designation of the contact person:** |  |
| **Email address:**  |  |
| **Contact number:** |  |

# SECTION B – NON-LIFE INSURANCE: COMMENTS ON PROPOSED AMENDMENTS TO THE SHORT-TERM INSURANCE PPRs

| **No** | **Commentator** | **Section / item number in draft amendment notice**  | **Rule / section number in the PPRs** | **Issue / Comment / Recommendation** |
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| **CHAPTER 1 – INTERPRETATION (APPLICATION & DEFINITIONS)** |
| **Section 2: Definitions** |
| *E.g.* | *FSCA* | *Section 2(1)(a)* | *Definition of “beneficiary”* | *Insert comment here…* |
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| **CHAPTER 2 – FAIR TREATMENT TO POLICYHOLDERS** |
| **Rule 1: Requirements for the fair treatment of policyholders** |
| *E.g.* | *FSCA* | *Section 2(2)(a)* | *Rule 1.4 (b)* | *Insert comment here….* |
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|  **CHAPTER 3 – PRODUCTS** |
| **Rule 2: Product design** |
| *E.g.* | *FSCA* | *Section 2(3)(a)* | *Rule 2* | *Insert comment here….* |
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| **Rule 2A: Microinsurance product standards** |
| *E.g.* | *FSCA* | *Section 2(3)(b)* | *Rule 2A.4.1* | *Insert comment here….* |
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| **Rule 3: Consumer Credit Insurance** |
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| **Rule 6: Determining premiums and excesses** |
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| **Rule 7: Void provisions** |
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| **Rule 8: Waiver of rights** |
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| **CHAPTER 4 – ADVERTISING AND DISCLOSURE** |
| **Rule 10: Advertising** |
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| **Rule 11: Disclosure** |
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| **CHAPTER 5 – INTERMEDIATION AND DISTRIBUTION** |
| **Rule 12: Arrangements with intermediaries and other persons** |
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| **CHAPTER 6 – PRODUCT PERFORMANCE AND ACCEPTABLE SERVICE** |
| **Rule 13: Data management** |
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| **Rule 14: Ongoing Monitoring and review of product performance**  |
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| **CHAPTER 7 – NO UNREASONABLE POST-SALE BARRIERS** |
| **Rule 17: Claims management** |
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| **Rule 18: Complaints management** |
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| **Rule 19: Termination of policies** |
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| **Rule 20: Misrepresentation**  |
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| **CHAPTER 8 – ADMINISTRATION** |
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# SECTION C - LIFE INSURANCE: COMMENTS ON THE PROPOSED AMENDMENTS TO THE LONG-TERM INSURANCE PPRs

| **No** | **Commentator** | **Section / item number in draft amendment notice**  | **Rule / section number in the PPRs** | **Issue / Comment / Recommendation** |
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| **CHAPTER 1 – INTERPRETATION (APPLICATION & DEFINITIONS)** |
| **Section 2: Definitions** |
| *E.g.* | *FSCA* | *Section 2(1)(a)* | *Definition of “beneficiary”* | *Insert comment here…* |
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| **CHAPTER 2 – FAIR TREATMENT TO POLICYHOLDERS** |
| **Rule 1: Requirements for the fair treatment of policyholders** |
| *E.g.* | *FSCA* | *Section 2(2)(a)* | *Rule 1.4 (b)* | *Insert comment here….* |
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|  **CHAPTER 3 – PRODUCTS** |
| **Rule 2: Product design** |
| *E.g.* | *FSCA* | *Section 2(3)(a)* | *Rule 2* | *Insert comment here….* |
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| **Rule 2A: Microinsurance and funeral policy product standards** |
| *E.g.* | *FSCA* | *Section 2(3)(b)* | *Definition of “funeral policy”*  | *Insert comment here….* |
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| **Rule 6: Determining premiums and excesses** |
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| **CHAPTER 4 – ADVERTISING AND DISCLOSURE** |
| **Rule 10: Advertising** |
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| **Rule 11: Disclosure** |
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| **CHAPTER 5 – INTERMEDIATION AND DISTRIBUTION** |
| **Rule 12: Arrangements with intermediaries and other persons** |
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| **CHAPTER 6 – PRODUCT PERFORMANCE AND ACCEPTABLE SERVICE** |
| **Rule 14: Ongoing Monitoring and review of product performance**  |
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| **Rule 15: Premium reviews** |
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| **CHAPTER 7 – NO UNREASONABLE POST-SALE BARRIERS** |
| **Rule 17: Claims management** |
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| **Rule 18: Complaints management** |
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| **Rule 19: Replacement policies** |
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| **Rule 20: Termination of policies** |
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| **Rule 22: Reinstatement of policies** |
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| **CHAPTER 8 – ADMINISTRATION** |
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# SECTION D - QUESTIONS RELATING TO THE ANTICIPATED IMPACT OF THE DRAFT PROPOSED AMENDMENTS

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| **No.** | **Question** | **Responses** |
|  | Will the proposed amendments impose additional compliance costs on the business? If yes, please provide details including the expected costs. |  |
|  | How do you anticipate the draft amendments will affect the operational cost of your business, if at all?  |  |
|  | Do you foresee any concerns with the increased scope of the Short-term Insurance PPRs applying to all commercial policies? If so, please refer to any particular Rules that you anticipate may be problematic.  |  |
|  | Will the proposed change to the definition of “funeral policy” thereby expanding this rule to apply to all funeral type products (regardless of being written under the funeral / the risk class of business) be problematic in your view?  |  |
|  | Do you anticipate any areas of concern in regard to the proposals around product design (Rule 2), in particular where a policy includes loyalty benefits? |  |
|  | Are the six months transitional period following the final publication of the amendments in your view sufficient and appropriate, given the nature and scope of the proposed amendments? (Please provide a justification for your response and details on timeframes to comply with the relevant section) |  |

# SECTION E- GENERAL COMMENTS

| **No** | **Commentator** | **Comment/Recommendation** |
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