







Rule 2A - Microinsurance and Funeral Policy Product Standards

- Inserted to support the microinsurance regulatory framework established in the Insurance Act, 18 of 2017
- Comments by 13 April 2018
- Effective date is 1 July 2018

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Rule 2A - Microinsurance and Funeral Policy Product Standards

Classes of Life Insurance Business

- Risk
- Credit Life
- Funeral
- Reinsurance
- Capped at R60 000

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Rule 2A - Microinsurance and Funeral Policy Product Standards

Classes of Non-Life Insurance Business

- Motor
- Property
- Agriculture
- Legal expenses
- Consumer Credit
- Accident and health
- Liability
- Reinsurance
- Capped at R120 000

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Assistance Policy

A life policy in respect of which the aggregate of -

- a) the value of the policy benefits, other than an annuity, to be provided [. . .]; and
- b) the amount of the premium in return for which an annuity is to be provided, does not exceed R30 000, or another amount prescribed by the Minister

Funeral Policy

Lump sum or, specified or determinable equal or unequal sums of money payable at specified intervals not exceeding an amount prescribed by the Prudential Authority to cover cost associated with a funeral or the rendering of a service on the happening of a death event

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Rule 12 – Arrangements with Intermediaries

- Must be FAIS authorised
- Product knowledge competency
- Proper due diligence in each instance
- Written Agreements required (NB Rule 12.2.2)
 - Agreement must entered into directly between the insurer and intermediary

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Rule 12 – Arrangements with Intermediaries

Rule 12.4 - Facilitation of fees payable by a policyholder

- STIA s 8(5) fees (*S 8(5) repealed 1 Jan 2018*)
- Amount and purpose explicitly agreed in writing
- Relates to an actual service provided
- Service other than intermediary service
- Does not relate to any other remunerated service
- Effective date – 15 December 2018

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Questions . . . ?



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