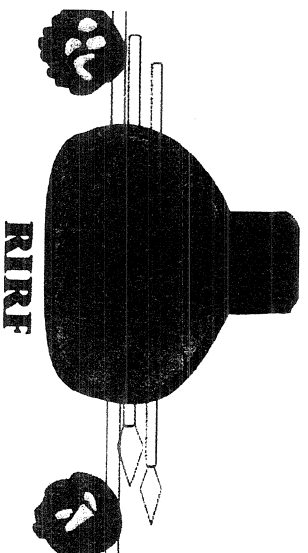




## **CIRCULAR NO. 4 of 2009**

**DATE: September 25, 2009**

**ADDRESSED TO:**

ALL RETIREMENT FUNDS, INSURERS, BROKERS, AGENTS,  
INVESTMENT MANAGERS, ASSET MANAGERS, FUND  
ADMINISTRATORS, CUSTODIANS

**SUBJECT:**

SCHEDULE OF FINES FOR THE LATE RENEWAL OF LICENCES

**STATUTORY REFERENCE:**

SECTION 3 AND 14 OF THE INSURANCE ACT 2005,  
DIRECTIVE 3 (4) (5), OF THE INSURANCE DIRECTIVES 2008,  
REGULATION 3(10) OF THE INSURANCE REGULATIONS  
2008, SECTION 3 AND 66 OF THE RETIREMENT FUNDS ACT,  
2005 AND REGULATION 18(1) OF THE RETIREMENT FUNDS  
REGULATIONS, 2008

**SCHEDULE OF FINES TO BE IMPOSED ON ENTITIES THAT FAIL TO RENEW THEIR LICENCES  
TIMEOUSLY**

In terms of the Insurance Act 2005 and Insurance Directives, 2008 and the Retirement Funds Act, 2005 and Directives, 2008, licences issued by the Registrar of Insurance and Retirement funds are valid for a period of 12 months. Applications for renewal of licences should be lodged

at least 3 months before their expiry date. The Registrar's office notes with concern that regulated entities do not comply with this requirement .

The Registrar therefore notifies the industry that with effect from 1st October 2009, the following minimum penalties will be levied to all entities that do not comply with these requirements as follows:

|                        | 1 Month                                                              | In excess of<br>1 months                                                                | 3 Months    | In excess of<br>3 Months                                                                   |
|------------------------|----------------------------------------------------------------------|-----------------------------------------------------------------------------------------|-------------|--------------------------------------------------------------------------------------------|
| Brokers                | E 5000.00                                                            | E 5000.00<br>plus E500.00<br>for each day<br>that the<br>licence is not<br>renewed.     | E 10000.00  | E 10,000<br>plus<br>E1000.00<br>for each<br>day that the<br>licence is<br>not<br>renewed.  |
| Corporate<br>Agents    | E 5000.00                                                            | E 5000.00<br>plus E500.00<br>for each day<br>that the<br>licence is not<br>renewed.     | E 10000.00  | E 10000.00<br>plus<br>E500.00 for<br>each day<br>that the<br>licence is<br>not<br>renewed. |
| Agents                 | E 1000.00                                                            | E 1000.00<br>plus E<br>100.00 for<br>each day<br>that the<br>licence is not<br>renewed. | E 1500.00   | E 1500.00<br>plus E<br>150.00 for<br>each day<br>that the<br>licence is<br>not<br>renewed. |
| Insurers               | E 5,000.00<br>for each day<br>that the<br>licence is not<br>renewed. |                                                                                         |             |                                                                                            |
| Fund<br>Administrators | E 5000.00                                                            | E 5000.00<br>plus E500.00<br>for each day<br>that the                                   | E 10,000.00 | E 10,000<br>plus<br>E1000.00<br>for each                                                   |

|                                               |           |                                                                       |             |                                                                       |
|-----------------------------------------------|-----------|-----------------------------------------------------------------------|-------------|-----------------------------------------------------------------------|
|                                               |           | licence is not renewed.                                               |             | day that the licence is not renewed.                                  |
| Investment Managers/asset Managers/Custodians | E 5000.00 | E 5000.00 plus E1000.00 for each day that the licence is not renewed. | E 10,000.00 | E 10,000 plus E1000.00 for each day that the licence is not renewed.  |
| Retirement Funds                              | E 5000.00 | E 5000.00 plus E500.00 for each day that the licence is not renewed.  | E 10,000.00 | E 10,000 plus E 1000.00 for each day that the licence is not renewed. |



**SANDILE DLAMINI**

**REGISTRAR OF INSURANCE AND RETIREMENT FUNDS**