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Ref.: 10/10/1/127

Mr Leo Makgamathe  
 Chief Executive Officer  
 3Sixty Life Limited  
 P.O. Box 787352  
 Sandton  
 2146

Dear Mr Makgamathe

**3Sixty Life Limited: Appointment of an independent person to perform an investigation in terms of section 134(1) of the Financial Sector Regulation Act of 2017**

1. The Prudential Authority's (PA) letter dated 5 May 2020 and the abovementioned investigation conducted by Deloitte and Touche (Deloitte) refer.
2. The Financial Sector Regulation Act, 2017, Act 9 of 2017, requires the PA, when performing its functions, to take into account the need for a primarily pre-emptive, outcomes focused and risk-based regulatory and supervisory approach.
3. The Governance and Operational Standards for Insurers (GOI) issued in terms of Insurance Act, 2017, Act No. 18 of 2017 (the Insurance Act), highlight the PA's expectations for good governance and set down the minimum requirements for insurers. These requirements include amongst others, the governance framework, board structures and the allocation of roles and responsibilities within an insurer. The GOIs also establish the PA's minimum requirements for an insurer's approach to risk management and internal controls.
4. The Framework for Financial Soundness of Insurers (FSI 1) also sets out that the ultimate responsibility for the prudent management of the financial soundness of an insurer rests not with the PA but with the insurer's board of directors and that this responsibility goes beyond meeting the aforementioned regulatory minimum.
5. As a result of the governance concerns raised, the PA requested Deloitte to perform an investigation into a number of issues highlighted in the PA's letter dated 5 May 2020.
6. The PA thanks 3Sixty Life Limited's (3Sixty) board and management for availing themselves and for the co-operation given to Deloitte whilst conducting the investigation.
7. Please find a copy of the investigation report as Annexure A.
8. You are requested to bring this report to the attention of the chairperson of the board, heads of the control functions and your external auditor.

9. The PA would like to meet (potentially virtually) with 3Sixty's management during the next month to discuss the outcomes of the investigation and remedial actions as indicated in the report.
10. Should you require any further information, please contact Mr Mvelase Peter at telephone number 012 313 4104 or email [Mvelase.Peter@resbank.co.za](mailto:Mvelase.Peter@resbank.co.za)

Yours sincerely



Ms Suzette Vogelsang  
**Head: Banking, Insurance and FMI Supervision Department**

Date: 2 February 2021