

BOARD NOTICE 45 OF 2008**FINANCIAL SERVICES BOARD****FINANCIAL ADVISORY AND INTERMEDIARY SERVICES ACT, 2002
(ACT NO. 37 OF 2002)****DETERMINATION OF COMPLIANCE REPORT FOR CATEGORY 1
AUTHORISED FINANCIAL SERVICES PROVIDERS WITHOUT A COMPLIANCE
OFFICER, 2008**

In terms of section 17(4) of the Financial Advisory and Intermediary Services Act, 2002 (Act No. 37 of 2002) ("the Act"), I, Robert James Gourlay Barrow, Registrar of Financial Services Providers, by this notice with its schedule, determine the manner in which the compliance report must be submitted by Category I Financial Services Providers without a compliance officer, and the matters which it must have regard to. This determination was made after consultation with the Advisory Committee on Financial Services Providers.

- (a) A written report for the reporting period, conforming to the schedule attached hereto, or in the prescribed electronic format determined by the Registrar, must be submitted to the Registrar by 28 February 2009.
- (b) Answers should not be provided in columns that are shaded in grey in the schedule.
- (c) In this Notice and the schedule, unless the context indicates otherwise –
 - (i) any word or expression shall have the meaning that it was assigned in the Act (including any measure contemplated in the definitions of "this Act" as defined in section 1(1) of the Act);
 - (ii) "Code of Conduct" means any Code published under section 15 of the Act;
 - (iii) "Determination of Fit and Proper Requirements" means the Determination of Fit and Proper Requirements for Financial Services Providers, 2006;
 - (iv) "FICA" means the Financial Intelligence Centre Act, 2001 (Act No. 38 of 2001);
 - (v) "Forex Investment Business Code of Conduct" means the Code of Conduct for Authorised Financial Service Providers, and their Representatives, involved in Forex Investment Business, 2004;
 - (vi) "FSP" and "financial services provider" means an authorised financial services provider, and includes, where applicable, any representative of the provider;

- (vii) "General Code of Conduct" or "General Code" means the Code of Conduct for Authorised Financial Services Providers and their Representatives, 2003;
- (viii) "Regulations" means the Financial Advisory and Intermediary Services Regulations, 2003;
- (ix) "reporting date" means 31 December 2008;
- (x) "reporting period" means the period from-
 - (aa) the date of authorisation as financial services provider in terms of section 8 of the Act; or
 - (bb) the first day of the month following the reporting period for the 2007 compliance report,

whichever is the later date, until the reporting date.

This Determination is called the Determination of Compliance Report for Category I Financial Services Providers without a Compliance Officer, 2008, and comes into operation on the date of publication thereof.



R J G BARROW,
Registrar of Financial Services Providers

SCHEDULE

Compliance Report in terms of section 17(4) of the Financial Advisory and Intermediary Services Act, 2002 (Act No 37 of 2002) ("the Act") by Category I Financial Services Providers without a compliance officer for reporting period ended 31 December 2008

Scope

In accordance with section 17(4) of the Act, I (key individual or sole proprietor) of the Financial Services Provider ("the FSP") hereby report as follows as regards compliance with the Act by (full name of the FSP and the FSP Number) for the reporting period (date reporting period started) to 31 December 2008.

Question	Column				
	1	2	3	4	5
	Yes	No	Not applicable	Develop - mental area	Note No. Comment/ Annexure
SECTION 1 – GENERAL					
1. Conditions and restrictions imposed, made, given or issued by Registrar <i>Section 8(4) (a) and 8(5)(b) of the Act</i>					
1.1 Does the FSP have procedures in place to ensure that it can comply with condition 1 of the licensing conditions that require the FSP to update its business information as provided during applications within 15 days of any change occurring?					
1.2 Did the FSP change the name of the financial services business as reflected on the licence concerned?					
1.3 <i>If the answer to Question 1.2 is YES-</i> Did the FSP obtain prior approval from the Registrar in compliance with condition 4 of the licensing conditions?					
1.4 Financial Products in respect of which FSP renders financial services <i>Condition 5 imposed by the Registrar in terms of section 8(4) of the Act</i>					
1.4.1. Is the FSP regulated in terms of any other Act?					

Question	Column				
	1	2	3	4	5
	Yes	No	Not applicable	Develop - mental area	Note No. Comment/ Annexure
1.4.2. If the answer to Question 1.4.1 is YES: Provide details of the Regulators (Name, registration or licensing number if applicable) in a separate annexure and indicate the annexure number in column 5.					
1.4.3. Does the FSP render financial service on any financial product that is not specifically defined in the Act or regulated in terms of any other legislation?					
1.5 Financial Products in respect of which FSP renders financial services <i>Authorisation in terms of the license of the FSP</i>					
1.5.1. Does the FSP have internal controls and procedures in place to ensure that financial services are rendered within the limitations on categories and sub-categories for which the licence is issued?					
1.5.2. Did you only render the financial services within the limitation on categories and sub-categories for which the license is issued?					
1.5.3. If the answer to question 1.5.2 is NO – Provide details of such non-compliance in a separate annexure and indicate the annexure number in column 5.					
1.5.4. Does the FSP form part of a group and/or is associated with other financial services providers? Provide full details of the group and/or associates (organogram or diagram as well as relation to one another) in a separate annexure and provide the annexure number in column 5.					
2. Key Individuals Section 8(1) and 8(4) (b) of the Act and <i>Determination for Fit and Proper Requirements for Financial Services Providers</i>					
2.1 Was the Registrar informed of any changes that occurred in the personal circumstances of the key individual during the reporting period that adversely affected the Fit and Proper Requirements of the person?					
2.2 Are you able to meet the Column 4 requirements of the Determination of Fit and Proper Requirements by the date specified in the said requirements?					

Question	Column				
	1	2	3	4	5
	Yes	No	Not applicable	Develop - mental area	Note No. Comment/ Annexure
3. License of the FSP <i>Section 8(8) of the Act</i>					
3.1 Is an original license or certified copy of the license of the FSP displayed within every business premises of the FSP?					
4. Staff complement					
4.1 Does the FSP have any employees that are assisting the FSP in the rendering of financial services?					
4.2 <i>If the answer to question 4.1 is YES –</i> Provide the number of employees that the FSP employs and that are assisting the FSP in the rendering of financial services. Provide the roles and responsibilities of these employees in a separate annexure. Provide the annexure number in column 5.					
5. Insurance cover <i>Sections 5(e) and 13 of the General Code of Conduct</i>					
5.1 Does the FSP have professional indemnity cover? If yes, provide the extent (numeric amount) of the cover in column 5					
5.2 Does the FSP have fidelity insurance cover? If yes, provide the extent (numeric amount) of the cover in column 5.					
5.3 Does the FSP have guarantees in place as contemplated in section 13 of the General Code of Conduct? If yes, provide the extent (numeric amount) of the guarantees in column 5.					
5.4 Does the FSP disclose to clients in terms of section 5(e) of the General Code of Conduct whether it holds guarantees or professional indemnity or fidelity insurance cover?					
6. Compliance function <i>Section 17 of the Act and Chapter IV of the Regulations</i>					
6.1 Is the compliance function established as part of the risk management framework of the business of the FSP in compliance with section 17(3) of the Act and Regulation 5?					