

FINANCIAL SERVICES BOARD

Rigel Park 446 Rigel Avenue South Erasmusrand Pretoria 0181 South Africa

PO Box 35655 Menlo Park Pretoria 0102 South Africa

Tel +27 12 428 8000 Fax +27 12 347 0221 E-mail info@fsb.co.za

Toll free 0800 110443 Internet http://www.fsb.co.za



ENQUIRIES:	Fit and Proper	D. DIALLING NO.:	0800 110443 or 0800 202087
OUR REF:	General Circular	E-MAIL:	fitandproper@fsb.co.za
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Dear Sir/Madam

Regulatory Examinations – its coming in 2010!

As you may be aware, the new Fit and Proper Requirements have introduced regulatory examinations as part of the competence requirements.

The FSB has embarked on a process of setting up the support structures to make the regulatory examinations available nationally. As part of this process Examination Bodies have been approved to assist in the development and delivery of the regulatory examinations. The Examination Bodies are:

The South African Institute of Financial Markets (SAIFM)

The Institute of Bankers (IOB)

The Financial Planning Institute (FPI)

Moonstone Information Refinery

The regulatory examinations that they will make available to the financial services industry are as follows:

EXAMINATION BODY	FOREX INVESTMENT BUSINESS	S & I: DERIVATIVES	S & I: BONDS	S & I: WARRANTS	S & I: DEBENTURES	S & I: MONEY MARKET	S & I: SHARES	DEPOSITS	PENSION FUND BENEFITS	SHORT-TERM: COMMERCIAL LINES	SHORT-TERM: PERSONAL LINES	HEALTH CARE BENEFITS	RETAIL PENSION BENEFITS	COLLECTIVE INVESTMENT SCHEMES	LONG-TERM INSURANCE CAT C	LONG-TERM INSURANCE CAT B	REPRESENTATIVES: Level 1	KI Level 1: Cat 1.1 & 1.19	KI Level 1: Cat I & IV	KI Level 1: Cat II & IIA	KI Level 1: Cat III
Moonstone	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
FPI												✓	✓	✓	✓	✓	✓	✓	✓	✓	✓

EXAMINATION BODY	FOREX INVESTMENT BUSINESS		✓
	S & I: DERIVATIVES		✓
	S & I: BONDS		✓
	S & I: WARRANTS		✓
	S & I: DEBENTURES		✓
	S & I: MONEY MARKET		✓
	S & I: SHARES		✓
	DEPOSITS	✓	
	PENSION FUND BENEFITS	✓	
	SHORT-TERM: COMMERCIAL LINES	✓	
	SHORT-TERM: PERSONAL LINES	✓	
	HEALTH CARE BENEFITS		
	RETAIL PENSION BENEFITS		
	COLLECTIVE INVESTMENT SCHEMES		
	LONG-TERM INSURANCE CAT C		
	LONG-TERM INSURANCE CAT B		
REPRESENTATIVES: Level 1	✓	✓	
KI Level 1: Cat 1, 1 & 1.19	✓	✓	
KI Level 1: Cat I & IV	✓	✓	
KI Level 1: Cat II & IIA	✓	✓	
KI Level 1: Cat III	✓	✓	
Leselo / IOB			
SAIFM			

Note: The matrix above can change where examination bodies apply for the delivery of additional examinations, subject to the approval by the Registrar.

It is anticipated that the regulatory examinations will be made available to the industry during 2010. Specific dates and details cannot be provided at this stage, but we urge you to please monitor the FSB website for new developments in this regard. All information regarding these regulatory examinations will be available on the FSB website as soon as the information becomes available and can be communicated.

These are exciting developments within the financial services industry! We therefore will make every attempt to keep the industry informed as much as possible, and that you, as an active member of the industry, will participate in the process of keeping abreast of all new developments as they happen, by monitoring the FSB website and the relevant Examination Body websites on a regular basis.

Fit and Proper Requirements in Plain Language for: Key Individuals

It is with great pleasure that we introduce the “**Fit and Proper Requirements in Plain Language for: Key Individuals**”. The primary focus of this plain language guide is to provide the financial services industry with a user-friendly guide to the new Fit and Proper requirements which was published in October 2008.

There will be three plain language guides available, of which the Key Individual Guide will be the first.

The titles of the guides are:

1. **Fit and Proper Requirements in Plain Language for: Key Individuals (Now available on the FSB website!)**

2. Fit and Proper Requirements in Plain Language for: Representatives (Will be available on the FSB website shortly.)
3. Fit and Proper Requirements in Plain Language for: FSPs and Sole Proprietors (Will be available on the FSB website shortly.)

The Fit and Proper Requirements in Plain Language Guide for Key Individuals that is available now, summarise what it is that **Key Individuals** should know in order to comply with the Fit and Proper Requirements and will address questions such as:

- *How does the Fit and Proper Requirements affect me?*
- *Where do I start to check whether I am complying?*
- *What do I need to do to become complaint?*
- *By when should I be compliant?*
- *Any many more similar questions!*

Please download the Plain Language Guide for Key Individuals from the FSB Website now to ensure that you are not caught off guard when the deadlines for meeting the Fit and Proper Requirements are due!

Should you have any questions relating to the Regulatory Examinations, please send your question to fitandproper@fsb.co.za.

REGISTRAR OF FINANCIAL SERVICES PROVIDERS