



Financial Sector
Conduct Authority

FSCA FAIS Notice 87 of 2018

FINANCIAL ADVISORY AND INTERMEDIARY SERVICES ACT, 2002 (ACT NO. 37 OF 2002)

EXEMPTION OF CERTAIN PERSONS FROM CONTINUOUS PROFESSIONAL DEVELOPMENT REQUIREMENTS, 2018

The Financial Sector Conduct Authority, under section 44(4) of the Financial Advisory and Intermediary Services Act, 2002, read with section 281(3)(b) of the Financial Sector Regulation Act, 2017, hereby exempts particular persons from provisions of the Determination of Fit and Proper Requirements for Financial Services Providers, 2017, to the extent set out in the Schedule.



CD da Silva
For the Financial Sector Conduct Authority

SCHEDULE

EXEMPTION OF CERTAIN PERSONS FROM CONTINUOUS PROFESSIONAL DEVELOPMENT REQUIREMENTS, 2018

Definitions

1. In this Schedule, “the Act” means the Financial Advisory and Intermediary Services Act, 2002 (Act No. 37 of 2002), any word or expression to which a meaning is assigned in the Act shall have that meaning, and unless the context otherwise indicates -

“**Authority**” means the Financial Sector Conduct Authority as defined in section 1(1) of the Financial Sector Regulation, 2017 (Act No. 9 of 2017);

“**Determination**” means the Determination of Fit and Proper Requirements for Financial Services Providers, 2017, published by Board Notice 194 of 2017 in Government Gazette No. 41321 on 15 December 2017;

“**financial institution**” has the meaning assigned to it in section 1(1) of the FSR Act;

“**FSP**” means a financial services provider who renders financial services to or for or on behalf of private equity funds only;

“FSR Act” means the Financial Sector Regulations Act, 2017 (Act No. 9 of 2017);

“private equity fund” means a managed pool of capital that -

- (a) has as its principle business the making of equity, equity orientated or equity related investments primarily in unlisted companies or ventures to earn income or capital gains;
- (b) is managed or advised by a member of the South African Venture Capital and Private Equity Association or other equivalent private equity and venture capital industry body; and
- (c) is not open or offered to the public as an investment.

Extent and conditions of exemption

- 2. (1) An FSP, its key individuals and representatives are exempted from sections 32(1)(b) and 33(1) of the Determination provided that the FSP, key individual or representative –
 - (a) completes at least 50% of the CPD hours prescribed in section 33 of the Determination by **31 May 2019**;
 - (b) does not become the subject of a decision, order or directive as contemplated in sections 9 and 14(1) of the Act and sections 144, 153 and 167 of the FSR Act whereby -
 - (i) the FSP’s license is suspended or withdrawn (either provisionally or finally);
 - (ii) the FSP, key individual or representative is debarred;
 - (iii) an administrative penalty is imposed on the FSP, key individual or representative; and/or
 - (iv) the FSP, key individual or representative is removed from a specified position or function in or in relation to a financial institution.
- (2) Failure by an FSP, its key individual or representative to comply with any condition referred to in subparagraph (2) will automatically result in the exemption no longer applying to that FSP, key individual or representative.
- (3) The exemption referred to in subparagraph 1 will, subject to paragraph 3, be valid until **31 May 2019**.

Amendment and withdrawal of Exemption

- 3. This Exemption is subject to -
 - (a) amendment thereof published by the Authority by notice on the official web site of the Authority; and
 - (b) withdrawal in a like manner.

Short title and commencement

- 4. This Notice is called the Exemption of Certain Persons from the Continuous Professional Development Requirements, 2018, and comes into operation on date of publication.

DATE OF PUBLICATION OF NOTICE: 5 DECEMBER 2018