



SERVICE LEVEL COMMITMENT BY THE MARKET INTEGRITY DIVISION

1. PURPOSE

To enhance the Market Integrity Division's service delivery and transparency, the Division has resolved to develop a service level commitment ("SLC") in respect of the regulatory and supervisory services that fall within the regulatory ambit of the Division by virtue of **the Financial Markets Act, 2012 (Act No. 19 of 2012) ("FMA"), the FMA Regulations, 2018, the Financial Sector Regulations Act, 2017 (Act No. 9 of 2017) ("FSRA") Conduct Standard 1 of 2018, Conduct Standard 2 of 2018, Conduct Standard 3 of 2018, Credit Rating Services Act, 2012 (Act No 24 of 2012) (CRS Act) and subordinate legislation.**

The Market Integrity Division assists the FSCA in its responsibility to enhance and support the efficiency and integrity of financial markets. The division is responsible for the day-to-day oversight over markets and market infrastructures, as well as financial services that are critical to the integrity of financial markets, for example financial benchmark providers and credit rating agencies.

2. TURNAROUND TIMES

The Division undertakes to consider matters outlined in **Annexure A** within the timelines stipulated therein.

3. APPLICATIONS SUBMITTED IN TERMS OF THE APPLICABLE LEGISLATION AND ACCOMPANYING FEES

Where applicable, it is the responsibility of the applicant to ensure that all applications and or requests submitted to the Market Integrity Division in terms of the applicable financial sector law are complete and correct. Incomplete applications and/or requests will not be processed until such time as a complete and correct application and or request is submitted together with the prescribed fee.

An acknowledgement of receipt will be issued within 10 calendar days of receiving the relevant application. If the application and or any request in relation to the application is incomplete, the applicant will be advised in writing. On receipt of the outstanding information, the turnaround times contained in Annexure A in the SLC will apply as if a new application and or request is received on that date. If the application and or request is complete, however, and further information is requested by the FSCA, such notice of further information will suspend the operation of the time period until such time as the information requested has been submitted and is to the satisfaction of the FSCA.

If the Market Integrity Division does not receive a written response from an applicant following a request for further information within 30 calendar days from the date of such correspondence, the application will be considered withdrawn, and the fee shall be forfeited.

If the applicant wishes to pursue the application, a resubmission must be made to the Market Integrity Division incorporating all required/outstanding information. The prescribed fee paid in respect of the original application and or request is not refundable or re-usable in any way or form.

Incomplete applications will not be processed until such time as complete and correct information is submitted together with the prescribed fee (where applicable). The prescribed fees can be found in **Board Notice 137 of 2015** on the website of the FSCA at www.fsca.co.za

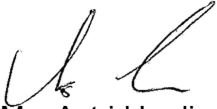
4. **GENERAL**

This SLC applies to all services rendered by the Market Integrity Division in relation to the separate financial sector laws with effect from 1 February 2023. The first day of the time periods will start on the day following the receipt of the complete application, request, and prescribed fee (where applicable) by the FSCA.

If the relevant time period by which the Market Integrity Division is required to action the correspondence falls on a Sunday and/or non-working day, the Market Integrity Division may action such correspondence on the following working day.

This SLC will be revised annually to incorporate any new services that the Division may be required to deliver or to provide for any related matter. This SLC serves as a commitment of the Market Integrity Division and is not intended to be and should not be construed in any manner or form as a legally binding prescription or regulation. It is not legally enforceable and does not create any legal rights, substantive or procedural, or impose any legally binding obligations on the FSCA.

The Market Integrity Division expressly reserves the right to extend the time periods in its sole discretion without notice to any person.

A handwritten signature in black ink, appearing to read 'AL', is positioned above the printed name.

Ms. Astrid Ludin

Deputy Commissioner

FINANCIAL SECTOR CONDUCT AUTHORITY

ANNEXURE “A”

Service Level Commitments

| FUNCTION/ACTION | RELEVANT SECTION | MAXIMUM TIME REQUIRED TO COMPLETE ACTION | CONCURRENCE REQUIRED BY PA/SARB |
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| Applications for a market infrastructure licence | <i>Sections 9(1), 29(1) 56(1) 49(1) of the FMA, and 116 of the FSRA</i> | 270 calendar days | Yes |
| Application for registration of a credit rating agency (“CRA”) | <i>Section 5 of the CRS Act</i> | 270 calendar days | No |
| Application for amendment/ variation of a market infrastructure licence | <i>Section 9(3), 29(3), 49(3), 56(5) of the FMA, and 119 of the FSRA</i> | 90 calendar days | Yes |
| Application for amendment of registration details of a CRA | <i>Section 5 of the CRS Act</i> | 90 calendar days | No |
| Issuance of a certificate of registration to a CRA | <i>Section 5 of the CRS Act</i> | 30 calendar days after the approval of the registration | No |
| Application for amendment to the listing requirements of an exchange and rules of a market infrastructure | <i>Sections 11(6) and 71(3) of the FMA</i> | 90 calendar days | No |
| Delegation of functions for market infrastructures | <i>Section 68 of the FMA</i> | 90 calendar days | No |
| Delegation of functions for ODPs | <i>FMA, Conduct Standard 1 of 2018</i> | 90 calendar days | No |
| Approval of additional business for market infrastructures | <i>Section 61 of the FMA</i> | 90 calendar days | No concurrence but consultation with the PA |
| Approval of the provision of ancillary services by a CRA | <i>Section 12 of the CRS Act</i> | 60 calendar days | No |
| Approval of changes to shareholding of market infrastructures | <i>Section 67(3) of the FMA, and 157 & 158 of FSRA</i> | 120 calendar days | Yes |

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| Approval of nominees for market infrastructures | <i>Section 76(3) of the FMA</i> | 120 calendar days | No |
| Approval of appointment of auditors for market infrastructures | <i>Section 89 of the FMA</i> | 30 calendar days | No |
| Approval of appointment of auditors for ODPs | <i>Section 89 of the FMA, Conduct Standard 1 of 2018</i> | 30 calendar days | No |
| Assessment of new directors and senior management of market infrastructures | <i>Section 8(1)(c), 28(1)(c), 55(1)(c), 48(1)(c) and section 66(3) of the FMA</i> | 90 calendar days | No |
| Assessment of new directors and senior management of non-bank ODPs | <i>FMA, Conduct Standard 1 of 2018</i> | 90 calendar days | No |
| Confirmation of appointment of directors of CRAs | <i>Section 8 of the CRS Act</i> | 30 calendar days | No |
| Approval of compliance unit and/or compliance officer of a CRA | <i>Section 16 of the CRS Act</i> | 30 calendar days | No |
| Approval of outsourcing of any of the operational functions of a CRA | <i>Section 12 of the CRS Act</i> | 60 calendar days | No |
| Application for endorsement of credit ratings by CRAs | <i>Section 6 of the CRS Act</i> | 90 calendar days | No |
| Application for exemption for CRAs | <i>Section 27 of the CRS Act</i> | 90 calendar days | No |
| Application for exemption for market infrastructures and ODPs | <i>Sections 6(3)(m) of the FMA & Section 281 (3) and (4) of the FSRA:</i> | 90 calendar days | Yes |
| Application for extension to comply with regulatory requirement for market infrastructures and ODPs | <i>Sections 6(3)(j) of the FMA and 279 of FSRA</i> | 30 calendar days | No |

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| Feedback on PFMI Assessments for market infrastructures | <i>IOSCO Standards</i> | 180 calendar days | Joint assessment with the PA |
| Feedback on the Annual Report Assessment of a CRA | <i>Section 15 of the CRS Act</i> | 30 calendar days | No |
| Feedback on the Compliance Report Assessment of a CRA | <i>Section 16 of the CRS Act</i> | 30 calendar days | No |
| Issuance of final feedback letter following a supervisory onsite inspection/ thematic review of a market infrastructure, ODP and CRA | <i>Section 132 of the FSR Act</i> | 90 calendar days | No |
| Complaints | <i>N/A</i> | 90 calendar days | No |
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