

FINANCIAL SERVICES BOARD

REPUBLIC OF SOUTH AFRICA FINANCIAL ADVISORY AND INTERMEDIARY SERVICES ACT, 37 OF 2002



SERVICE LEVEL COMMITMENT BY THE REGISTRAR OF FINANCIAL SERVICES PROVIDERS

1. THE OFFICE OF THE REGISTRAR OF FINANCIAL SERVICES PROVIDERS

The office of the Registrar of Financial services Providers (“ the Registrar”) main responsibility is to administer the Financial Advisory and Intermediary Services Act 37 of 2002 (the FAIS Act) whose aim is to regulate the rendering of certain financial advisory and intermediary services to clients. In order to achieve its regulatory responsibilities the Department is structured into three sub departments, Registration, Supervision and Compliance

1.1 Registration (R)

Registration is responsible for processing of licence applications, approval of compliance officers and profile changes.

1.2 Supervision (S)

Supervision is responsible for on-going supervision of authorised Financial Services Providers (providers) by way of on-site visits following the risk based framework approach and analyses compliance reports and statutory returns.

1.3 Compliance (C)

Compliance is responsible for investigations of complaints regarding contraventions of the FAIS Act and taking regulatory action against authorised providers in the form of suspension or withdrawal of licenses.. The department is also responsible for the interaction between the Registrar’s office and the FSB Enforcement Unit. This interaction includes the preparation of matters that the Registrar deems necessary to refer for

possible administrative sanction. The department is also responsible for updating debarments on the central representative register as well as reinstatement of representatives on the central register, and handling debarments in terms of section 14A of the FAIS Act

2. PURPOSE

The purpose of this Service Level Commitment (SLC) is to outline the services rendered by the Registrar and to enhance the delivery thereof. To ensure that all the services will be carried out within the prescribed period provided that all the necessary information has been received and prescribed fees were applicable are paid.

3. AGREED PERIODS

The SLC will apply to services rendered by the Registrar from 1 April 2017 and will be reviewed from time to time as and when there are changes to the procedures or additional services will be required to be rendered by the Department.

4. SERVICES

- 4.1 If any application is properly completed and free of error and all issues addressed to the satisfaction of this Office, accompanied by proof of payment of prescribed fees the Registrar will process and finalise the application. The prescribed fees are stipulated in Determination of Fees payable to the Registrar.
- 4.2 Applications for authorisations or profile changes for approval of key individuals should be accompanied by information to demonstrate that the applicant and/or key individual complies with the Fit and Proper Requirements
- 4.3 If the application is incomplete the Registrar will inform the applicant in writing highlighting the outstanding information and the date on which the information should be received.
- 4.4 The commitment period in terms of Annexure A will be operational after the receipt of all pertinent information.
- 4.5 The commitment period does not apply in matters where the applicant's character qualities of honesty and integrity issues are being considered or the application is subject to litigation or enquiry by the Registrar or any other authority
- 4.6 Authorised Financial Services Providers will be visited by the Supervision Department following the Department's risk based supervision framework. Affected providers will be informed prior to the visit and feedback will be given..

- 4.7 The Department does receive complaints relating to financial services from time to time, some of which may not fall within the jurisdiction of the Department. All of these will be acknowledged with the affirmation that the complaint will be investigated or alternatively where the matter referred to. Feedback on investigations may be given subject to Section 22 of the Financial Services Board Act. 97 of 1990. (feedback relating to findings of the Registrar's investigations will not be given to third parties including persons that may have brought the matter in question to the Registrar's attention)
- 4.8 Enforcement and section 14A debarment cases will be preceded by the preliminary investigation which will be conducted for the duration prescribed in Annexure A
- 4.8 The request for the lapsing of a license must be in writing, with detailed reasons for such a request and proof of compliance with section 20(b) of the General Code of Conduct for Authorised FSPs
- 4.9 Providers are required to pay levies annually to fund the Office of the Registrar. The applicable levies will be imposed by Notice in the Gazette on an annual basis and invoices will be issued September.

5. GENERAL

This SLC serve as a commitment by the Registrar 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, nor impose any legally binding obligations on the FSB. The Registrar expressly reserves the right to vary the period stipulated in the SLC at her sole discretion, without notice to any person.


JABHILE MBELE
HEAD FAIS REGISTRATION


FELICITY MABASO
HEAD FAIS SUPERVISION


MANASSE MALIMABE
HEAD FAIS COMPLIANCE


28-4-17

PERIODS OF TURNAROUND TIMES**1.1 REGISTRATION**

SECTIONS OF THE FAIS ACT	DESCRIPTION OF FUNCTION	PERIOD
8	Approval of Category I applications	2 months
8	Approval of Category II applications	2 months
8	Approval of Category IIA applications	3 months
8	Approval of Category III application	6 months
8	Approval of Mandates	1 month
8	Profile change to add Category II to a Category I authorisation	3 months
8	Profile change to add Category IIA to existing Category II	3 months
8	Profile change to add Category I on a Category II authorisation	3 months
8	Processing of profile changes that generate a fee	3 months
8	Processing of profile changes that do not generate a fee	6 weeks
17	Approval of an application for a compliance officer or compliance practise and linking of compliance officer	2 months
11	Request for a license to be lapsed	1 month
	Enquiries regarding DOFA	30 days

1.3 COMPLIANCE

SECTIONS OF THE FAIS ACT	DESCRIPTION OF FUNCTION	PERIOD
N/A	Complaints ¹	Complaints to be resolved within 120 days after receipt
9(4)(b)	Lifting of suspension	14 days after full compliance with the conditions of the lifting of a suspension. the submission must be forwarded to the designated inbox
14(1)	Update register of debarred representatives	15 Days of notification if all prescribed information is provided
13(1)(b)(ii)	Removal from the register of debarred representatives	15 days if all required information is received in compliance with Board Notice Reappointment of Debarred Representatives
14A(1)	Removal from the register of persons debarred in terms of section 14A	Date of expiry of a debarment
9	Suspension or withdrawal of a licence	120 days from the date a contravention is found or reported
9(2)(b)(1)	Withdrawal of a licence due to failure to comply with the conditions for the lifting of a licence suspension	90 days after date of suspension following the failure of the licensee to comply with the conditions for the lifting of a suspension. A notice of a suspension also serve as a notice of intention to withdraw a licence should the licensee fail to comply with the suspension lifting conditions.
N/A	Preliminary investigation of section 14A debarments and enforcement cases	60 days from the date of receipt

¹ The department only deal with complaints regarding allegation of the FAI Act contraventions, complaints in which recourse is sought for inappropriate financial services rendered by financial advisors must be referred to the office of the Ombud for Financial Services Providers.

14.A	Investigation and debarment of any person including a representative by the Registrar	Within 120 days after completion of the preliminary investigation
6A of the FI ²	Investigation and referral of Enforcement cases	Within 120 days after initial preliminary investigation

² Financial Institutions (Protection of Funds) Act

1.2 SUPERVISION

SECTIONS OF THE FAIS ACT	DESCRIPTION OF FUNCTION	PERIOD
4	Routine onsite visit notification	14 working days prior notification
4	Onsite visits cancellation of appointment	2 working days prior notification only in unforeseen circumstances
4	Onsite visits feedback to financial services provider and compliance officers	30 working days after visit
4	Reply to correspondence on onsite visit feedback received from financial services providers and compliance officers	7 working days after receipt of reply
17&19	Analysis of compliance reports and financial statements	20 working days after receipt of a complete set of compliance reports and financial statements
19	Reply on request for extension for submission of financial statements	7 working days after receipt of the request
FAIS Act and Subordinate legislation	General enquiries from stakeholders (industry, consumers of financial services and other regulatory authorities)	3 working days after receipt of enquiry
FAIS Act and Subordinate legislation	Management meetings	Feedback to FSP provided within 21 working days after the meeting