



Financial Sector
Conduct Authority

FSCA CIS Notice 5 of 2024

COLLECTIVE INVESTMENT SCHEMES CONTROL ACT, 2002

EXEMPTION OF SYGNIA COLLECTIVE INVESTMENTS (RF) (PTY) LTD FROM CERTAIN REQUIREMENTS OF BOARD NOTICE 90 OF 2014

The Financial Sector Conduct Authority (Authority), under section 22 of the Collective Investment Schemes Control Act, 2002 (Act No. 45 of 2002), read with section 281(3) of the Financial Sector Regulation Act, 2017 (Act No. 9 of 2017), hereby exempts Sygnia Collective Investments (RF) (Pty) Ltd from certain requirements in the “Determination on the Requirements for Money Market Funds” published under Board Notice 90 of 2014 in *Government Gazette* No. No. 37895 on 8 August 2014, to the extent and subject to the conditions set out in the Schedule.

KEDIBONE DIKOKWE
DIVISIONAL EXECUTIVE: CONDUCT OF BUSINESS SUPERVISION
FINANCIAL SECTOR CONDUCT AUTHORITY

Date of Publication: 01 November 2024

SCHEDULE

EXEMPTION OF SYGNIA COLLECTIVE INVESTMENTS (RF) (PTY) LTD FROM CERTAIN REQUIREMENTS OF BOARD NOTICE 90 OF 2014

1. Definitions

In this Schedule, "**the Act**" means the Collective Investment Schemes Control Act, 2002 (Act No. 45 of 2002), and any word or expression to which a meaning has been assigned in the Act has that meaning and, unless the context otherwise indicates;

"**BN 90**" means the Determination of Securities, Classes of Securities, Assets or Classes of Assets that may be Included in a Portfolio of a Collective Investment Scheme in Securities and the Manner in which and the Limits and Conditions Subject to which Securities or Assets may be so included, published under Board Notice 90 of 2014 in *Government Gazette* No. 37895 on 8 August 2014;

"**Land Bank**" means the Land and Agricultural Development Bank of South Africa, established in terms of the Land and Agricultural Development Bank Act, No. 15 of 2002.

"**portfolio**" means the Sygnia Money Market Fund established under the Sygnia Collective Investments Scheme; and

"**Sygnia**" means Sygnia Collective Investments (RF) (Pty) Ltd, a manager of the Sygnia Collective Investments Scheme, established in terms of the Act.

2. Extent of exemption and conditions

- (1) Sygnia is, in respect of the portfolio, exempted from –
 - (a) paragraph 8(1)(a) of BN 90, insofar as it relates to the requirement of inclusion in a money market portfolio, a money market instrument that may not have a residual maturity exceeding 13 months; and
 - (b) the provision exempted in sub-paragraph 1(a) is limited to money market instruments issued by the Land Bank currently in the portfolio exchanged by replacement notes, with a maturity duration of approximately three years and five months.
- (2) The exemption referred to in subparagraph (1), is subject to Sygnia, adequately managing the liquidity risk of the portfolio and ensuring that the portfolio remains compliant with the required weighted average legal maturity and the weighted average duration as prescribed in paragraph 8(2) and 8(3) of BN 90.
- (3) The valuation of the Land Bank note will be done in line with the approved Sygnia's valuation policy.
- (4) Sygnia must provide the Authority with a compliance report within 30 days after the end of each quarter, outlining adherence to the conditions of this exemption for the portfolio.
- (5) This exemption shall, subject to paragraph 4, be valid until **31 March 2027**.

3. Amendment and withdrawal of exemption

This exemption is subject to –

- (a) amendment thereof published by the Authority by notice on its website; and
- (b) withdrawal in a like manner.

4. Short title and commencement

This Notice is called the Exemption of Sygnia Collective Investments (RF) (Pty) Ltd, 2024, and comes into effect on date of publication.