

FSCA Communication 50 of 2020 (CIS)

Publication of draft Conduct Standard - Advertising, Marketing and Information Disclosure Requirements for Collective Investment Schemes

7 October 2020

1. PURPOSE

The purpose of this Communication is to inform stakeholders that today the Financial Sector Conduct Authority (FSCA) published the following Conduct Standard and supporting documents in terms of section 106(1) of the Financial Sector Regulation Act, 2017 (Act No. 9 of 2017) (FSR Act):

1.1 Draft Conduct standard - Advertising, Marketing and Information Disclosure Requirements for Collective Investment Schemes:

- Draft Conduct Standard;
- Statement supporting the draft Conduct Standard; and
- Comments Template.

2. BACKGROUND

- 2.1 The draft Conduct Standard is aimed at ensuring that investors are treated fairly and that clear information is made available to them prior to signing any contracts and on a regular basis thereafter to ensure that investors are kept appropriately informed at all times.
- 2.2 The draft Conduct Standard sets out principles and rules-based requirements for CIS managers and their authorised agents in respect of disclosures and advertising pertaining to the CIS Managers and their portfolios.
- 2.3 The draft Conduct Standard places an obligation on CIS Managers to provide certain minimum disclosures which complies with predefined requirements, to existing and potential investors.
- 2.4 The draft Conduct Standard further sets out requirements pertaining to record keeping and the lodgement of all required documentation, advertisements and disclosures which are produced.

3. AVAILABILITY OF INFORMATION AND ENQUIRIES

- 3.1 The documents referred to in paragraph 1 is available on the FSCA's website at www.fsca.co.za.
- 3.2 For more information regarding the draft Conduct Standard and/or this Communication please contact the Regulatory Framework Department of the Authority at Andile.Mjadu@fsca.co.za or Marius.DeJongh@fsca.co.za.



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