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BOARD NOTICES

BOARD NOTICE 146 OF 2008

FINANCIAL SERVICES BOARD

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

PROVISIONAL WITHDRAWAL OF AUTHORISATION: TF FINANCE (PTY) LTD

I, German Emmanuel Anderson, the Deputy Registrar of Financial Services Providers, hereby make known under section 10(2)(b), read with section 9(3), of the Financial Advisory and Intermediary Services Act, 2002 (Act No. 37 of 2002), that with effect from 3 March 2008 I have provisionally withdrawn under section 10(1) and (2) of the Act the licence of TF Finance (Pty) Limited (FSP No. 26106).

This Notice is called the Notice on Provisional Withdrawal of Authorisation, No. 2 of 2008.



G E ANDERSON
Deputy Registrar of Financial Services Providers

BOARD NOTICE 147 OF 2008**FINANCIAL SERVICES BOARD****FINANCIAL ADVISORY AND INTERMEDIARY SERVICES ACT, 2002
(ACT NO. 37 OF 2002)****LIFTING OF SUSPENSIONS**

I, German Emmanuel Anderson, the Deputy Registrar of Financial Services Providers, hereby make known under section 9(2)(c) of the Financial Advisory and Intermediary Services Act, 2002 (Act No. 37 of 2002), that I have lifted the suspensions of the following Licensees with effect from the respective dates referred hereunder:

Licensee	FSP No.	Effective Date
Paarlberg 4X4 Motor Vehicles (Pty) Ltd t/a Inspectacar	20089	2 July 2008
Out There Brokers CC	22993	15 July 2008
JD Funeral Parlour CC t/a JD Funeral	28516	1 September 2008

This Notice is called the Notice on Lifting of Suspensions, No. 1 of 2008.



G E ANDERSON

Deputy Registrar of Financial Services Providers

BOARD NOTICE 148 OF 2008**FINANCIAL SERVICES BOARD****FINANCIAL ADVISORY AND INTERMEDIARY SERVICES ACT, 2002
(ACT NO. 37 OF 2002)****WITHDRAWAL OF AUTHORISATIONS**

I, German Emmanuel Anderson, the Deputy Registrar of Financial Services Providers, hereby make known under section 10(2)(a), read with section 9(2)(c), of the Financial Advisory and Intermediary Services Act, 2002 (Act No. 37 of 2002), that I have withdrawn under section 10(1) and (2) of the Act the licences of the following Licensees with effect from the respective dates referred hereunder:

Licensee	FSP No.	Effective Date
Daizy Funeral Services CC	15944	2 December 2008
Wixxam Investments (Pty) Ltd	800	26 November 2008
Adisa Life-Care (Pty) Ltd	26176	3 November 2008
Silvex 272 CC t/a Niche	21444	30 October 2008
Nguvu Health-Care (Pty) Ltd	26177	23 October 2008
Delapure Financial Brokers CC	24081	20 October 2008
Stephen Lindsay t/a Lindsay & Associates	12466	30 September 2008
Sekurit CC t/a Sekurit Insurance Brokers	8822	29 September 2008
Money Worx (Pty) Ltd	13190	25 September 2008
CB-Yond Distributors (Pty) Ltd t/a CB-Yond	25180	21 August 2008
Van Rensburg Makelaarsdienste	10083	23 July 2008
Executive Advisory Services (Pty) Ltd	16843	22 July 2008
Condor Insurance (Pty) Ltd	3466	22 July 2008
Capital Commitments Securities (Pty) Ltd	10383	21 July 2008
T F Finance (Pty) Limited	26106	21 July 2008
Wilber Finansiële Trust BK	14981	10 June 2008
Letoka Trading Enterprise CC	11583	3 June 2008
Letoka Trading Enterprise CC	14568	3 June 2008
Scott Makelaars en Finansiële Dienste BK	27753	2 June 2008
Basson and Associates Financial Services CC	14248	29 May 2008
Biotrace Trading 8 (Pty) Ltd t/a Careturus Investments and Insurance Solutions	19531	25 April 2008

This Notice is called the Notice on Withdrawal of Authorisations, No. 4 of 2008.



G E ANDERSON
Deputy Registrar of Financial Services Providers

BOARD NOTICE 149 OF 2008**FINANCIAL SERVICES BOARD****FINANCIAL ADVISORY AND INTERMEDIARY SERVICES ACT, 2002
(ACT NO. 37 OF 2002)****SUSPENSION OF AUTHORISATIONS**

I, German Emmanuel Anderson, the Deputy Registrar of Financial Services Providers, hereby make known under section 9(2)(c) of the Financial Advisory and Intermediary Services Act, 2002 (Act No. 37 of 2002), that I have suspended under section 9(1) and (2) of the Act the licences of the following Licensees with effect from the respective dates referred hereunder:

Licensee	FSP No.	Effective Date
Brokersure (Pty) Ltd	9220	8 December 2008
DLTH Insurance Consultants (Pty) Ltd	9530	28 November 2008
Solutrade 21 CC t/a Fritz Consulting	19900	14 November 2008
Nadia Salek t/a NS Insurers	7064	7 November 2008
Kwanda Financial & Investment Consultants (Pty) Ltd	13482	31 October 2008
Hill Garth Brokers CC	2000	24 October 2008
Terrence Richard Vermeuten t/a T Vermeulen Makelaars	11714	23 October 2008
Abel Jacobus Wiese t/a Winmore Brokers	16209	22 October 2008
Imbumba Brokers (Pty) Ltd	14216	10 October 2008
Wealth Management (Pty) Ltd	674	10 October 2008
Arxcis Financial Services CC	28442	30 September 2008
Zeroth Thanda Nxumalo t/a Multi Payouts Investment Broker	21959	30 September 2008
Zandile Mkhize t/a Zandile Mkhize Brokers	22158	30 September 2008
Margaretha Susanna Elsworthy t/a Elsworthy Brokers	10797	30 September 2008
Divine Asset Management (Pty) Ltd	790	29 September 2008
Samukelisiwe Ntuli t/a Mdumonnok Trading and Investments	20695	25 September 2008
The Barons Business Trust and Holdings	9344	3 September 2008
Independent Distribution Network (Pty) Ltd	5779	1 September 2008
Bernie Nico Fourie t/a Finpro	7747	24 July 2008
Accelera (Pty) Ltd	14754	10 July 2008
David Ralph Maserow t/a Maserow Vehicle Sales	23352	2 July 2008
Clough and Strong Enterprises CC t/a Emmarentia Auto	25434	26 May 2008
Hayser Business Enterprises CC	12942	31 March 2008

The terms attached to the suspension are as follows:

- (a) The Licensees are prohibited from concluding any new business;

- (b) The Licensees must inform all affected clients and product suppliers concerned that their licences have been suspended, and the Registrar must be copied with such correspondence;
- (c) The Licensees must, in consultation with clients and product suppliers concerned, take reasonable steps to ensure that any outstanding business is transferred to another licensed financial services provider in the best interest of clients, and must advise the Registrar of Financial Services Providers accordingly;
- (d) The suspension of the licensees will endure for a period of three months after the effective date, where after the Registrar will either lift the suspension if satisfied that the Licensees comply with the requirements of the Act, or withdraw the Licensees licenses under section 10 of the Act if not so satisfied.

This Notice is called the Notice on Suspension of Authorisations, No. 4 of 2008.

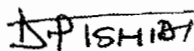


G E ANDERSON

Deputy Registrar of Financial Services Providers

BOARD NOTICE 150 OF 2008**FINANCIAL SERVICES BOARD****FINANCIAL ADVISORY AND INTERMEDIARY SERVICES ACT, 2002****(ACT NO. 37 OF 2002)****EXEMPTION OF ANGLO OPERATIONS**

I, Dube Phineas Tshidi, Registrar of Financial Services Providers, hereby exempt under section 44(4) of the Financial Advisory and Intermediary Services Act, 2002 (Act No. 37 of 2002), Anglo Operations to the extent and subject to the conditions set out in the Schedule.



D P Tshidi,
Registrar of Financial Services Providers

SCHEDULE**EXEMPTION OF ANGLO OPERATIONS****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-

"Anglo American", means Anglo American South Africa Limited;

"Anglo Operations", means Anglo Operations Limited;

"client", in relation to Anglo Operations, means-

- (a) a wholly owned subsidiary of Anglo American;
- (b) a subsidiary of Anglo American in which the latter holds not less than 50% of the issued share capital and more than half of the voting rights;
- (c) Platinum Producers Environmental Trust;

- (d) Kumba Iron Ore Rehabilitation Trust; and
- (e) Platinum Jewellery Development Association;

“**Registrar**”, means the Registrar of Financial Services Providers.

Extent of exemption and condition

3. Anglo Operations is exempted from section 7(1) of the Act, when rendering financial services to a client subject to the following conditions-
 - (a) Anglo Operations must remain a wholly owned subsidiary of Anglo American;
 - (b) Anglo Operations must immediately advise the Registrar of any change to the particulars furnished in the exemption application.

This exemption shall, subject to paragraph 4, be valid for a period of 5 years after the commencement date.

Amendment and withdrawal of exemption and conditions

4. The exemption and condition mentioned in paragraph 3 are subject to-
 - (a) amendment thereof published by the Registrar by notice in the *Gazette*; and
 - (b) withdrawal in like manner.

Short title and commencement

5. This Exemption is called the Exemption of Anglo Operations, 2008, and comes into operation on the date of publication in the *Gazette*.

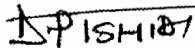
BOARD NOTICE 151 OF 2008

FINANCIAL SERVICES BOARD

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

**AMENDMENTS TO FIT AND PROPER REQUIREMENTS, QUALIFYING CRITERIA AND
QUALIFICATIONS AND EXEMPTION IN RESPECT OF SERVICES UNDER SUPERVISION**

I, DUBE PHINEAS TSHIDI, the Registrar of Financial Services Providers, after consultation with the Advisory Committee on Financial Services Providers, hereby under section 8(1) of the Financial Advisory and Intermediary Services Act, 2002 (Act No. 37 of 2002), and paragraph 5 of the Exemption in respect of Services under Supervision respectively, amend the Notices on Fit and Proper Requirements, Qualifying Criteria and Qualifications and Exemption in respect of Services under Supervision as set out in the Schedule.



D P TSHIDI,
Registrar of Financial Services Providers

SCHEDULE

AMENDMENTS TO FIT AND PROPER REQUIREMENTS, QUALIFYING CRITERIA AND QUALIFICATIONS AND EXEMPTION IN RESPECT OF SERVICES UNDER SUPERVISION**[General note:**

In this Schedule words underlined with a solid line indicate insertions in existing enactments, and words in bold type square brackets indicate deletions from existing enactments.]

1. Definitions

In this Schedule-

'Fit and Proper Requirements' means the Determination of Fit and Proper Requirements for Financial Services Providers, 2008, published in Board Notice 106 of 2008 in Gazette No. 31514 of 15 October 2008;

'Qualifying Criteria and Qualifications' means the Determination of Qualifying Criteria and Qualifications for Financial Services Providers, 2008, published in Board Notice 105 of 2008 in Gazette No. 31514 of 15 October 2008;

'Exemption in respect of Services under Supervision' means the Exemption in respect of Services under Supervision in terms of Requirements and Conditions, 2008, published in Board Notice 104 of 2008 in Gazette No. 31514 of 15 October 2008.

2. Amendment of Fit and Proper Requirements

- (a) Part IV of the Schedule to the Fit and Proper Requirements is hereby amended by the substitution of column two and three under subcategory 1.1 Long-term Insurance Category A in Table A: Category I Experience Requirements for an FSP and Representative of the following columns:

TABLE A: CATEGORY I EXPERIENCE REQUIREMENTS FOR AN FSP AND REPRESENTATIVE			
	COLUMN ONE SUBCATEGORY	COLUMN TWO ADVICE: MINIMUM EXPERIENCE	COLUMN THREE INTERMEDIARY SERVICES: MINIMUM EXPERIENCE
1.1	Long-term Insurance Category A	<u>[1 year]</u> <u>6 months</u>	[6] <u>2</u> months

- (b) Part V of the Schedule to the Fit and Proper Requirements is hereby amended by the substitution of subparagraphs (1)(c) and (1)(d) of paragraph 5 of the following subparagraphs:

- "(c) A key individual of a Category I and IV FSP must, at approval, have a recognised qualification, as determined by the Registrar by notice in the *Gazette*, as it applies to the applicable Categories or subcategories of the FSP.
- (d) A representative of a Category I and IV provider must, on appointment, have a recognised qualification as determined by the Registrar by notice in the *Gazette*, as it applies to the applicable Categories or subcategories he or she is appointed for: Provided that the Registrar may, by notice in the *Gazette*, exempt

representatives that on appointment only meet the following entry level qualifications while working under supervision until the recognised qualification is obtained:

- (i) Matric;
- (ii) Grade 12; or
- (iii) an equivalent school leaving certificate at NQF Level 4,

with the proviso that in respect of representatives in subcategory 1.1 **[Long Term] Long-term** Insurance Category A and/or 1.19 Friendly Society Benefits, the entry level qualification requirement is either ABET level 1, or the proven ability to read, write and calculate to the satisfaction of the provider.”;

- (c) Part VI of the Schedule to the Fit and Proper Requirements is hereby amended by the insertion in paragraph 6(1) after subparagraph (e) of the following subparagraphs:

“(f) All representatives must complete the relevant first level Regulatory Examination within two years from date of first appointment;

(g) All representatives must complete the relevant second level Regulatory Examination(s) within six years from date of first appointment.”;

- (d) Part IX of the Schedule to the Fit and Proper Requirements is hereby amended by-

- (i) the substitution of subparagraph (4) of paragraph 9 of the following subparagraph:

“(4) An FSP in respect of Category II and IV must at all times comply with the following requirements:

- (a) The assets of the FSP (excluding goodwill, other intangible assets and investments in related parties) must exceed the FSP’s liabilities (excluding loans validly subordinated in favour of all other creditors);
- (b) the FSP must maintain current assets which are at least sufficient to meet current liabilities; and
- (c) the FSP shall at all times maintain liquid assets equal to or greater than 8/52 weeks of annual expenditure.”;

- (ii) by the insertion in paragraph 9 after subparagraph (5) of the following subparagraph:

“(6) An FSP that is authorised for multiple financial categories, must comply with the most onerous financial soundness requirements as it applies to the multiple categories.”;

- (e) Part X of the Schedule to the Fit and Proper Requirements is hereby amended by-

- (i) the substitution of subparagraph (1) of paragraph 10 of the following subparagraph:

“(1) Subject to the provisions of the Act and Parts I to IX above, the transitional requirements will be applicable to all FSPs, key individuals and representatives that was authorised, approved or appointed in relation to a specific Category or subcategory **[on] prior to and including** 31 December 2009 and provides for the transitional arrangements until 31 December 2014 as applicable.”;

- (ii) the substitution of column two and three under subcategory 1.1 Long-term Insurance Category A in Table E: Transitional provisions for Categories I, II, IIA and III of the following columns:

TABLE E: TRANSITIONAL PROVISIONS FOR CATEGORIES I, II, IIA AND III				
	COLUMN ONE CATEGORY	COLUMN TWO QUALIFICATION REQUIREMENTS	COLUMN THREE FIRST LEVEL REGULATORY EXAMINATION	COLUMN FOUR SECOND LEVEL REGULATORY EXAMINATION
	Category I			
1.1	Long-term Insurance Category A	<u>Representatives</u> : ABET Level 1 or the proven ability to read and write to the satisfaction of the provider. <u>FSPs and Key Individuals</u> : <u>recognised qualification on NQF level 2 or a recognised skills programme of 30 credits at level 2 by 31 December 2011</u>	31/12/ [2014] <u>2013</u>	Not applicable

(iii) the substitution of subparagraph (3)(g) of paragraph 10 of the following subparagraph:

"(g) All FSPs (who are sole proprietors) authorised during the period 30 September 2004 to 31 December 2008, that changed their licensing restrictions during the period 1 ~~[December]~~ January 2008 to 31 December ~~[2008]~~ 2009 to include additional Categories or subcategories are, in relation to the additional Categories or subcategories they are authorised for, required to-

- (aa) comply with the qualification requirements in column two of Table E by 31 December 2011, as applicable to the Categories and subcategories they are authorised, approved or appointed for; or
- (bb) complete a qualification, from the list of recognised qualifications, in accordance with Part V of this Determination, as applicable to the Categories and subcategories they are authorised, approved or appointed for, by 31 December 2013.";

(iv) the substitution of subparagraph (3)(h) of paragraph 10 of the following subparagraph:

"(h) All key individuals and representatives appointed during the period 30 September 2004 to 31 December 2008, whose approval and/or appointment conditions were amended during the period 1 ~~[December]~~ January 2008 to 31 December ~~[2008]~~ 2009 to include additional Categories or subcategories, are, in relation to the additional Categories or subcategories they are approved, required to-

- (aa) meet the column two requirements of Table E by 31 December 2011, as applicable to the Categories or subcategories they are authorised, approved or appointed for; or
- (bb) complete a qualification, from the list of recognised qualifications, in accordance with Part V of this Determination, as applicable to the Categories or subcategories they are authorised, approved or appointed for, by 31 December 2013.";

(v) the substitution of the second subparagraph (3)(c) of paragraph 10 of the following subparagraph:

(The Fit and Proper Requirements contains two subparagraphs 10(3). This incorrect numbering is corrected in these amendments.)

"(3)A All FSPs (who are sole proprietors), key individuals and representatives authorised, approved or appointed during the period 1 January 2009 to 31 December 2009 must comply as follows:

- (a) All FSPs (who are sole proprietors), key individuals and representatives authorised, approved or appointed during the period 1 January 2009 to 31 December 2009 are required to complete a qualification, from the list of recognised qualifications, in accordance with Part V of this Determination, as applicable to the Category or subcategory they are authorised, approved and/or appointed for, by 31 December 2013.
- (b) All FSPs (who are sole proprietors), key individuals and representatives authorised, approved or appointed during the period 1 January 2009 to 31 December 2009 must meet the requirements relating to the first level of Regulatory Examinations, as applicable to the Categories or subcategories they are authorised, approved or appointed for, by the date stated in column three of Table E.
- (c) All FSPs (who are sole proprietors), key individuals and representatives authorised, approved or appointed during the period 1 January ~~[2008]~~ 2009 to 31 December ~~[2008]~~ 2009 must meet the requirements relating to the second level of Regulatory Examinations, applicable to the Categories or subcategories they are authorised, approved or appointed for, by 31 December 2013.";

(vi) the substitution of subparagraph (4) of paragraph 10 of the following subparagraph:

"(4) All FSPs (who are sole proprietors), key individuals and representatives authorised, approved or appointed during the period 30 September 2004 to 31 December 2009 must comply with the Continuous Professional Development requirements, as described in Part ~~[VIII]~~ VII of this Determination, from the date of completion the applicable requirements as set out in paragraphs 2 and 3 above.";

(vii) the insertion in paragraph 10 after subparagraph (8) of the following subparagraphs:

"(9) All FSPs that have been authorised for category 1.3 Long-term insurance category B and category 1.4 Long-term Insurance Category C between 2004 and 31 December 2008, that render financial services in respect of retirement annuity policies and policies issued in respect of preservation funds, has until 31 October 2009 to amend the restrictions on their licence to include category 1.5 Retail Pension Benefits.

(10) All FSPs that amend the restrictions on their license to include category 1.5 Retail Pension Benefits in terms of the requirements of paragraph 10(9), are exempt from complying with the qualification requirement for category 1.5 Retail Pension Benefits, but are required to complete the second level Regulatory Examination in respect of category 1.5 Retail Pension Benefits, by 31 December 2013."

- (f) Part XI of the Schedule to the Fit and Proper Requirements is hereby amended by the insertion in paragraph 11 after subparagraph (e) of the following subparagraph:

"(f) the Amendment Determination of Fit and Proper Requirements for Financial Services Providers, published in Board Notice 84 of 2008 in Gazette 31384 of 3 September 2008."

3. Amendment of Qualifying Criteria and Qualifications

Part IV of the Schedule to the Qualifying Criteria and Qualifications is hereby amended by the substitution of the heading in the first column of the Table in paragraph (4) of the following heading:

"Category I and IV".

4. Amendment of Exemption in respect of Services under Supervision

- (a) Paragraph 3 of the Schedule to the Exemption in respect of Services under Supervision is hereby amended by-

- (i) the substitution of subparagraph (c) of the following subparagraph:

"(c) the first and second level regulatory examinations in terms of paragraph 6(2)(c) and (3)(c) of the Determination of Fit and Proper Requirements, 2008; [; and]"; and

- (ii) the deletion of subparagraph (d);

- (b) Paragraph 4 of the Schedule to the Exemption in respect of Services under Supervision is hereby amended by the substitution of subparagraph (7) of paragraph 4 of the following subparagraph:

"(7) Supervision may include one or more of the following activities:

- (a) Sign-off by a supervisor on the advice given to a client;
- (b) pre-transaction sign-off by a supervisor where intermediary services are rendered;
- (c) attending meetings with supervisee and clients where the purpose of the meeting is the rendering of financial services;
- (d) appropriate post-transaction sampling;
- (e) follow-up calls to clients after the rendering of financial services by the supervisee to confirm certain aspects of the interaction with the client; or
- (f) any other activity that enables the supervisor to scrutinise the activities of the supervisee in respect of rendering of financial services:

Provided that in the case of Category I and IV financial services providers the intensity of supervision is aligned to the phase of supervision (direct or ongoing supervision), referred to in Table A below, which applies."

- (c) Paragraph 6 of the Schedule to the Exemption in respect of Services under Supervision is hereby amended by the substitution of subparagraph 2(a) of paragraph 6 of the following subparagraph:

"(a) A supervisor who does not meet the qualification requirements or has not completed the relevant first or second level Regulatory Examination(s), in

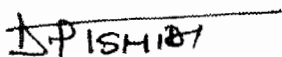
relation to a specific Category or subcategory that he or she was appointed for before **[the date of coming into operation of this Exemption]** 31 December 2010, may continue to function as a supervisor until he or she has met the requirements as set out in the Determination of Fit and Proper Requirements, 2008, as they apply.”.

5. Short title and Commencement

This Notice is called the Amendments to Fit and Proper Requirements, Qualifying Criteria and Qualifications and Exemption in respect of Services under Supervision and comes into operation on 31 December 2008.

BOARD NOTICE 152 OF 2008**FINANCIAL SERVICES BOARD****FINANCIAL ADVISORY AND INTERMEDIARY SERVICES ACT, 2002
(ACT NO. 37 OF 2002)****AMENDMENT NOTICE ON THE GENERAL CODE OF CONDUCT FOR AUTHORISED
FINANCIAL SERVICES PROVIDERS AND REPRESENTATIVES, 2008**

I, Dube Phineas Tshidi, Registrar of Financial Services Providers, hereby, after consultation with the Advisory Committee on Financial Services Providers, under section 15 of the Financial Advisory and Intermediary Services Act, 2002 (Act No. 37 of 2002), amend Part VI in the Schedule to the Notice on the General Code of Conduct for Authorised Financial Services Providers and Representatives, 2003, as set out in the Schedule to this Notice.



D P Tshidi,
Registrar of Financial Services Providers

SCHEDULE**AMENDMENT OF GENERAL CODE OF CONDUCT FOR AUTHORISED FINANCIAL
SERVICES PROVIDERS AND REPRESENTATIVES****Definitions**

1. In this Schedule "the Notice" means the Notice on the General Code of Conduct for Authorised Financial Services Providers and Representatives, 2003.

Amendment of Part VI of Schedule to Notice

2. Part VI of the Schedule to the Notice is hereby amended by the substitution for paragraph (xiii) of section 7(1)(c) of the following paragraph:

"(xiii) any material investment or other risks associated with the product, including any risk of loss of any capital amount(s) invested due to market fluctuations; and".

Short title and commencement

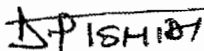
3. This Notice is called the Amendment Notice on the General Code of Conduct for Authorised Financial Services Providers and Representatives, No. 2 of 2008, and comes into operation on a date three months after the date of publication of this Notice in the *Gazette*.

BOARD NOTICE 153 OF 2008**FINANCIAL SERVICES BOARD****FINANCIAL ADVISORY AND INTERMEDIARY SERVICES ACT, 2002****(ACT NO 37 OF 2002)****APPLICATIONS BY REPRESENTATIVE BODIES FOR RECOGNITION BY
THE FINANCIAL SERVICES BOARD**

I, DUBE PHINEAS TSHIDI, the Registrar of Financial Services Providers, hereby determine, under section 6(4)(b) of the Financial Advisory and Intermediary Services Act, 2002 (Act No. 37 of 2002), that applications by representative bodies under the said section for recognition by the Financial Services Board established by section 2 of the Financial Services Board Act, 1990 (Act No. 97 of 1990), under section 6(3)(a)(iii) of the said first mentioned Act, must be submitted in writing in a format (including an electronic format readily and correctly retrievable in written form) substantially conforming to the application form set out in the Schedule.

This Notice comes into operation on 31 December 2008.

Board Notice 34 of 2003 published in Government Gazette 24794 of 2 May 2003 is hereby repealed.



D P TSHIDI,
REGISTRAR OF FINANCIAL SERVICES PROVIDERS

SCHEDULE

APPLICATION TO THE FINANCIAL SERVICES BOARD FOR RECOGNITION AS A REPRESENTATIVE BODY UNDER SECTION 6(3)(a)(iii) OF THE FINANCIAL ADVISORY AND INTERMEDIARY SERVICES ACT, 2002 (hereunder referred to as 'the Act')

Instructions on how to complete the form:

- a) **This application form, together with the relevant attachments, must be submitted to:**
The Registrar of Financial Services Providers
Financial Services Board
Postal address: P O Box 35655, Menlo Park, 0102
Telephone and Facsimile numbers (012) 428-8000 / 347-8788
Electronic address: www.fsb.co.za
- b) **Complete the items hereunder legibly and fully, and initial subsequent alteration markings**
- c) **Applications must be accompanied by the required fee (section 6(4)(b)(ii) of the Act, and Government Notice 536 of 2003)**
- d) **Application must particularly take note of the provisions of sections 6(3), (4), (5) and (6), of the Act and of the sanctioning provision in section 36(b)**
- e) **Refer to the Notes at the back of the document for explanations of some of the information requested**

SECTION 1: DETAILS OF THE APPLICANT

1.1 Name of applicant

1.1.1 Previous names of applicant¹

1.2 Contact details (Head Office)²

Physical address (Head Office)

Postal code

Postal address (Head Office)

Postal code

Telephone number (Head Office)

Fax number (Head Office)

¹ If the applicant previously had other names, please list all of those names.

² If the applicant has more than one office, please only provide the details of the Head Office where required.

Website address (if applicable)

1.3 Contact person¹

Title

Initials

Surname

Telephone number

Website address

1.4 Information Technology – Contact person²

Title

Initials

Surname

Telephone number

Website address

1.5 Auditors or Accountant

Firm's name

Practice number (if applicable)

Physical address

Postal code

¹ Provide the information of the person who will be responsible for liaising with the Registrar of Financial Services Providers ('Registrar'). All correspondence addressed to the applicant will be sent to this person.

² Provide the details of the person, in the employ of the applicant, that will be responsible for the Information Technology systems. The Registrar will communicate with this person relating to the technical requirements of the applicants information technology and all changes to the system will be sent directly to the designated person.

Postal address (Head Office)

Postal code

Telephone number

Fax number

Responsible person¹

1.6 Legal format²

a. Corporate

b. Incorporate

c. Other (specify in space provided)

1.7 Is the business of the applicant carried on for profit?

YES

NO

1.8 Provide details of other industry affiliations / membership (RSA and foreign) and / or details of other entities the applicant is or has been associated with, if any³:

¹ Provide the detail of the partner or person at the audit or accounting firm responsible for handling of the applicant's account.

² Provide the legal format in which the applicant is operating.

³ If the applicant is affiliated to other industry bodies or a member of other industry bodies, provide the name of such body as well as its status as well as other entities that the applicant is associated with.

SECTION 2: DETAILS OF THE APPLICANT'S REPRESENTATION OF A RELEVANT GROUP OF PERSONS FALLING UNDER THE AMBIT OF THE ACT

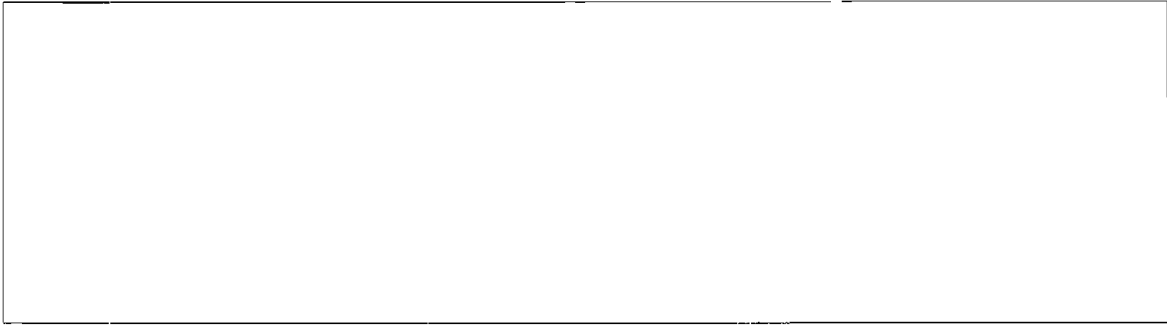
- 2.1 Provide a description of the group of persons represented by the applicant, and categories thereof¹. (If applicable.)

- 2.2 Provide details of existing status (if any) of applicant as representative body recognised for purpose of any other law, and of any condition (if any) subject to which recognition has been granted.

- 2.3 Date of establishment of the applicant.

- 2.4 Provide details of membership criteria (if applicable).

¹ Section 6(4)(b)(iii) of the Act provides that: '*...and that the applicant is reasonably representative of the relevant group of persons which it purports to represent*'. Details are this required to determine whether the applicant is representative of a relevant group of persons regulated by this Act. The Registrar may, when considering the application, request a 'membership list' from the applicant to verify the representation of the applicant.



2.5 Provide details of the current functions of applicant¹.



2.6 Attach current copy of founding memorandum, rules or constitution of the applicant (as may be applicable).

2.7 Attach a copy of the current applicable code of conduct (if any).

¹ All the current functions of the applicant should be listed. If the applicant is a newly established body please provide details of all functions (except the functions that it is applying for) that it will be providing in terms of its founding statement or constitution.

SECTION 3: FUNCTION WHICH THE APPLICANT WISHES TO PERFORM

3.1 **Indicate the function which applicant wishes to perform with reference to such functions determined by the Registrar of Financial Service Providers under section 6(4)(a) of the Act:**

- (a) Consideration of applications for licences under section 8 of the Act.
- (b) Consideration of applications for approval of compliance officers under section 17(2) of the Act.
- (c) Examination body.

SECTION 4: MANAGEMENT OF RESOURCES AVAILABLE TO THE APPLICANT¹

4.1 Provide details regarding the directors, principals or other persons in control of the applicant by completing Annexure A².

SECTION 5: MANPOWER RESOURCES AVAILABLE TO THE APPLICANT

5.1 Attach an organogram reflecting the following information to the application form³:

- 5.1.1 Indicate the allocated responsibilities to the different staff members regarding all the functions of the applicant.
- 5.1.2 Provide details of the experience of the staff and management that will be fulfilling the delegated function.

- 5.2 Number of staff members currently employed by the applicant.
- 5.3 Number of staff members to be utilised to fulfil the function that will be delegated to the applicant.
- 5.4 Will you use existing staff to fulfil the function(s) that will be delegated? YES NO

¹ Management resource available refers to the management of the applicant which oversees the functions of the applicant.

² Each director, principle or other person in control of the applicant must complete Annexure A. This will include all members of the controlling organ in terms of the founding statement or constitution of the applicant that has the power to make decisions on behalf of the applicant.

³ If this is the first year of the operation please provide up-to-date management accounts or budgets for the year.

**SECTION 6: FINANCIAL AND APPROPRIATE TECHNOLOGY RESOURCES
AVAILABLE TO THE APPLICANT**

- 6.1 Attach the latest audited financial statements to the application form.
- 6.2 Provide information on how the applicant will fund the operations relating to the delegated function.

- 6.3 Provide details of the type of information technology systems that will be used¹.

- 6.4 If the applicant's information technology is outsourced please provide²:

- 6.4.1 Details of the entity that it is outsourced to:

Name of entity

¹ Short description of the systems and database structures must be provided as well as contingency plans and information on the applicant's disaster recovery policy must be provided.

² With outsourcing is meant contracting with a third party for the provision of information technology support. (In case where information technology systems is not developed and maintained in-house.)

Contact person	<input type="text"/>
Telephone number	<input type="text"/>
Fax number	<input type="text"/>

- 6.4.2 Attach a copy of the service level agreement between the applicant and the outsource entity to the application form¹.

SECTION 7: INFORMATION ON THE EXPERIENCE OF THE APPLICANT

- 7.1 Provide details of the experience of the applicant as regards the business of the persons that the applicant will be fulfilling the delegated function for:

SECTION 8: MANNER IN WHICH THE REQUIRED FUNCTION IS PROPOSED TO BE PERFORMED

- 8.1 Attach a detailed business plan to the application form².

¹ An agreement between the applicant and the third party (outsourcing entity) must exist and must accompany the application form.

² The business plan should set out the applicant's role out plan with regards to the implementation of its delegated powers.

8.2 Attach a description of the procedures that will be followed in the fulfilment of the functions applied for¹.

8.3 In relation to an examination bodies Annexure B² must also be completed.

SECTION 9: ATTACHMENTS

Indicate with an (X) whether the following attachments as required in terms of the application form have been attached and state the total number of pages of the attachments.

Question	Attachment	Attached	Number of pages	Not applicable
2.6	Current copy of the founding memorandum, rules or constitution of the applicant.			
2.7	Copy of the applicant's current applicable code of conduct.			
3.2	Explanation on calculation of the estimates provided.			
4.1	Details regarding the directors, principals or other persons in control of the applicant - Annexure A.			
5.1	Organigram of the applicant.			
5.1.1	Allocated responsibilities of the different staff members on the organigram.			
5.1.2	Details of the experience of staff members fulfilling delegated functions.			
6.1	Latest audited financial statements of the applicant.			
6.4.2	Copy of the service level agreement between the applicant and the entity outsourced to.			
8.1	Detailed business plan pertaining to the application.			
8.2	Description of the procedures that will be followed in the fulfilment of the functions applied for.			
10	Resolution of the Board of the managing			

¹ A short description outlining the procedures and/or flowcharts of the procedures that will be followed for the delegated functions must be provided. The Registrar may request additional information or evaluate the procedures if deemed necessary.

² Annexure B is a detailed checklist containing all the criteria that must be met by the applicant in terms of obtaining recognition as an examination body. The evidence required can be submitted in document format, but the numbering of the items on the checklist of Annexure B must remain the same.

Question	Attachment	Attached	Number of pages	Not applicable
	or controlling organ of applicant for authorisation for making application on behalf of the applicant.			
11	Annexure B for Examination Bodies			

SECTION 10: DECLARATIONS AND SIGNATURES OF ALL MEMBERS OF MANAGING OR CONTROLLING ORGAN OF APPLICANT¹

I/We, the undersigned, duly authorised hereto, hereby submit this application on behalf of (Name of applicant), and declare that I/we am /are not aware of any circumstance, ground or reason, not disclosed in this application, and which may reasonably affect the exercise of the appropriate discretions vested in the Financial Service Board under section 6 of the Act:

Name Office Signature Date

Name Office Signature Date

Name Office Signature Date

¹ All the members of the managing and controlling organ of the applicant must sign the application form unless a Resolution of the Board of the managing or controlling organ, authorizing a member of such organ to apply on its behalf, is attached to the application form.

Annexure A – Details of directors, principals or other persons in control of the applicant.

4.1 Person's detail

Title	<input type="text"/>
Initials	<input type="text"/>
First name	<input type="text"/>
Surname	<input type="text"/>
ID / Passport number	<input type="text"/>
Date of Birth	<input type="text"/>
Role within the applicant ¹	<input type="text"/>
Telephone number	<input type="text"/>
Qualifications ²	<input type="text"/>

Questions:

	YES ³	NO
4.2 Has this person or has any organisation in which he/she held a managerial position been placed under provisional or final liquidation or been placed under judicial management?	<input type="checkbox"/>	<input type="checkbox"/>
4.3 Has this person been convicted of any criminal offence other than a minor traffic offence?	<input type="checkbox"/>	<input type="checkbox"/>
4.4 Is there any civil or criminal litigation pending against this person?	<input type="checkbox"/>	<input type="checkbox"/>

¹ State the person's responsibilities in terms of the applicant's management.

² Only list all relevant qualifications and/or membership to professional bodies.

³ If any of the answers to the questions 4.2 to 4.4 is YES please provide details and attached the relevant documentation to the application form.

Annexure B – Additional information required in terms of examination bodies

The following checklist must be completed, and supporting evidence to the effect must be provided in documentation form in addition to the application form, where application is made for examination body status. Applications received by the Registrar that do not address each of these requirements will not be considered.

Where documents are provided in terms of this checklist, please ensure that the documents are clearly numbered in the same sequence as the checklist.

Number	Checklist Items	✓/x
1.	APPLICANT INFORMATION - ADDITIONAL	
1.1.	Is there an undertaking to keep the contact details of the applicant updated? Please provide detail regarding the process that will be implemented in order to achieve this.	
1.2.	Please list the examinations against which you intend to offer services.	
1.3.	Is any relationship with other examination bodies / training providers intended in order to provide the examination services? Please provide detail.	
1.4.	Is the organisation also responsible for the development, delivery and/or implementation of training? (If so, please complete item 1.4.1. and 1.4.2.)	
1.4.1.	How the examination functions will be managed and controlled separately from the training function?	
1.4.2.	What controls will be instituted to ensure that the two functions remain separate?	

Number	Checklist Items	✓/ x
2.	QUALITY MANAGEMENT POLICY	
2.1.	Have you attached a suitable quality management policy statement?	
2.2.	Does it reflect the examination body's quality management objectives?	
2.3.	Does it take into account the requirements, expectations and needs of the customers?	
2.4.	Have you included documented records of communication about the quality management policy within the organisation?	
2.5.	Does the communication make the intended role of the examining body's staff clear in implementing the quality management policy and in meeting the organisation's goals?	
2.6.	Have you indicated that and how suitable examination results records will be kept by the examination body?	
2.7.	Have you provided evidence that you identified and studied the relevant legislation and regulations?	
2.8.	Have you made provision for the revision of the policy in the case of changes in activities or in the needs and expectations of the customers?	
2.9.	Do you undertake to notify the Registrar of changes in your quality management policy?	
3.	ORGANISATION	
3.1.	Does your application include an organogram, indicating inter-relationships among personnel who manage, perform and verify work-affecting quality?	
3.2.	Do the organisational charts represent reporting structures in the examining body?	
3.3.	Have you provided job or role descriptions for all relevant personnel?	
3.4.	Have you provided detailing of quality-related procedures in the examination body?	
4.	QUALITY MANAGEMENT REVIEW SYSTEM	
4.1.	Do you undertake to conduct a regular review of the quality management system to ensure its continuing suitability and effectiveness?	
4.2.	Do you undertake to carry out checks and audits for preventive and corrective actions relating to quality management and to ensure that improvements are implemented?	
4.3.	Do you undertake to maintain records of these reviews for a period of at least five years?	
4.4.	Do you give the Registrar express permission to undertake post-accreditation site visits and will you give access to the Office of the Registrar all relevant:	

Number	Checklist Items	✓/x
4.4.1.	materials	
4.4.2.	documentation	
4.4.3.	venues and	
4.4.4.	persons?	
5.	Do you give the external moderation entity express permission to undertake checks and audits ordained by the Registrar and will you give access to the auditing body/agent to:	
5.1.1.	materials	
5.1.2.	documentation	
5.1.3.	venues and	
5.1.4.	persons?	
5.2.	Do you recognise that the examination body will be liable for all costs attached to such an audit if the audit is the result of allegations of quality defaults and such defaults are substantiated by the audit itself?	
6.	QUALITY MANAGEMENT SYSTEM	
6.1.	Does the mission statement include a clear and unambiguous statement of the goals and principles by which the examination body operates?	
6.2.	Is there provision made for the degree of excellence in terms of sectoral, local and candidate requirements within the context of accessible, affordable and cost-effective quality systems for delivery and examination?	
6.3.	Is there provision made for a clear statement of the areas of business in which the examination body operates and the services provided in respect of these areas?	
6.4.	Is there provision made quality management in the policies and procedures of the examination body?	
7.	QUALITY MANAGEMENT SYSTEM PROCEDURES	
7.1.	Have you included the quality management policy of the examination body?	
7.2.	Have you attached the quality management manual of the examination body which includes the requirements of its quality management system?	

Number	Checklist Items	✓/ ✗
7.3.	Have you included the quality management procedures which:	
7.3.1.	describe who is responsible for what activity,	
7.3.2.	when and where it is to be carried out,	
7.3.3.	as well as the relevant documentation and records?	
7.3.4.	Is there an undertaking to make the procedures and methods for the implementation of plans and policies easily available to staff, candidates and other clients of the examination body?	
8.	QUALITY MANAGEMENT SYSTEM PLANNING	
8.1.	Have you stipulated the procedure for the planning of quality management and does it include:	
8.1.1.	a description of the actual quality management system planning processes,	
8.1.2.	equipment,	
8.1.3.	fixtures and	
8.1.4.	skills auditing?	
8.2.	Have you provided:	
8.2.1.	relevant quality management examination plans	
8.2.2.	quality management examination criteria	
8.2.3.	quality records	
8.2.4.	quality objectives	
8.2.5.	examination procedures	
8.2.6.	identification of checking and verification points	
8.2.7.	copies of applicable process and reference documents?	
8.3.	Have you included:	
8.3.1.	a discussion of the method of modifying the quality management system if necessary and	
8.3.2.	the method for measuring the achievement of the quality management system objectives?	
9.	SERVICE LEVEL AGREEMENTS	
9.1.	The contract	

Number	Checklist Items	✓/x
9.1.1.	Do you acknowledge the need to establish and maintain service level agreements?	
9.2.	Does this application contain a pro forma of the standard contract to be used itemising:	
9.2.1.	relevant customer service procedures as well as, for example,	
9.2.2.	the recognition of prior learning	
9.2.3.	credit transfers	
9.2.4.	candidate appeals	
9.2.5.	a list of marketing literature and	
9.2.6.	relevant accreditation records?	
9.3.	Contract review	
9.3.1.	Have you stipulated the review process for contracts comprising service level agreements and does it include	
9.3.2.	policies and procedures related to reviews	
9.3.3.	the recording of such reviews and	
9.3.4.	the process by which capacity and resources will be reviewed?	
9.4.	Contract amendments	
9.4.1.	Have you shown how	
9.4.2.	service level agreements will be effected	
9.4.3.	records will be kept	
9.4.4.	communication will take place	
9.4.5.	amendments will be authorised?	
10.	CONTROL AND CARE OF CANDIDATES	
10.1.	Does the application describe	
10.1.1.	how candidates will receive pre- and post-examination guidance and counselling;	
10.1.2.	how the examining body will establish procedures for the control and care of candidates;	
10.1.3.	how the safety and security of candidates is ensured;	
10.1.4.	how the assignments/projects handed in by the candidate are	

Number	Checklist Items	✓ / ✗
	controlled	
10.1.5.	how documents are controlled	
10.1.6.	how candidate records are maintained?	
10.2.	Do you undertake to notify of any problems, loss or damage experienced relating to the control and care of candidates?	
11.	SETTING OF EXAMINATION QUESTIONS	
11.1.	Have you outlined the process by which examination questions will be developed?	
11.2.	Have you included supporting flowcharts?	
11.3.	Have the resources to be drawn upon been listed?	
11.4.	Have the technical interfaces to be used been listed?	
11.5.	Is there an undertaking to control the development and alignment documentation properly?	
11.6.	Design input:	
11.7.	Is there a declaration to the effect that design input requirements will take into account:	
11.7.1.	regulatory requirements	
11.7.2.	statutory requirements	
11.7.3.	the needs of candidates and special candidates in the sector	
11.7.4.	candidate and special candidate support services	
11.7.5.	technical requirements and	
11.7.6.	industry standards?	
11.8.	Is there a statement to the effect that the examination body will	
11.8.1.	document examination question development outputs	
11.8.2.	maintain the necessary records	
11.8.3.	issue appropriate examination development reports?	
11.9.	Is there a declaration to the effect that the examination body will ensure that formal documented reviews of the developed examination questions will be conducted at appropriate stages of the development process?	
11.10.	Is there a declaration to the effect that development verification will be performed as appropriate to ensure that the examination questions developed meets the requirements as set by the	

Number	Checklist Items	✓ / x
	Registrar?	
11.11.	Is there a declaration to the effect that all changes and modifications to the examination questions will be identified, documented, and communicated to the Office of the Registrar to ensure that only one version of the examination questions exists?	
12.	CANDIDATE ENTRY, GUIDANCE AND SUPPORT	
12.1.	Is there a policy for:	
12.1.1.	candidates with special needs and disabilities?	
12.1.2.	Communication to candidates which includes access to reliable guidance and information before enrolling/registering, during the examination process and after completion?	
12.2.	Is there provision made for candidates to complete examinations in writing / manually?	
13.	MANAGEMENT OF EXAMINATIONS AND MODERATION	
13.1.	Is there an undertaking to provide employees involved with the setting, implementing, monitoring and recording of examinations with the relevant training and development required in order for them to fulfil their duties responsibly and competently?	
13.2.	Have the following elements been taken into account:	
13.2.1.	the alignment of the examination questions to the qualifying criteria?	
13.2.2.	the involvement of a range of parties / subject matter experts in the development and setting of the examination questions?	
13.2.3.	feedback to the Registrar in terms of progress and performance when setting, implementing, monitoring and recording of examinations?	
13.2.4.	examination records?	
13.3.	Does the examination body accept that the Registrar may appoint an external moderator to moderate a sample of examinations and moderations carried out by the examination body?	
13.4.	Is there an undertaking that any necessary corrective actions will be taken?	
14.	APPEALS PROCEDURE	
14.1.	Has provision been made for an appeal system to ensure that candidates have access to appeal at various levels?	
15.	RESOURCES	
15.1.	Have you provided details of the examination body's staffing policies and procedures including those related to:	
15.1.1.	recruitment	

Number	Checklist Items	✓/x
15.1.2.	selection	
15.1.3.	appraisal and development	
15.1.4.	termination?	
15.2.	Have you shown that you have sufficient and suitably qualified personnel to assure the quality of the examinations implemented?	
15.3.	Have you provided evidence that you have the necessary physical resources for carrying out the examination body examination activities?	
15.4.	Have you provided assurance as to financial viability by providing:	
15.4.1.	A longer-term business plan?	
15.4.2.	Do you undertake to supply the Registrar with compliance/monitoring reports?	
16.	DOCUMENT AND DATA MANAGEMENT	
16.1.	Is there an undertaking to maintain and make available on demand all copies of plans, control lists and documentary evidence in relation to the regulatory examinations?	
16.2.	Is there system for recalling invalid and/or obsolete documents?	
16.3.	Is there a declaration to the effect that you will make provision for proper processes in respect of documents and data changes, including provision for review and approval with the same function/organisation as the original review?	
17.	PROCESS MANAGEMENT	
17.1.	Is there an undertaking to engage in continuous quality monitoring, evaluation and improvement?	
17.2.	Is there an outline of the actual procedures of how the examination body will perform its functions in relation to the Office of the Registrar?	
17.3.	Is there a description of the pre-evaluation and examination procedures including:	
17.3.1.	control functions to ensure quality of delivery in relation to initial examination?	
17.3.2.	Enrolment?	
17.4.	Have details been provided of :	
17.4.1.	'in-process' evaluations and examinations?	
17.4.2.	Monitoring of examinations?	

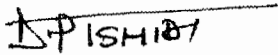
Number	Checklist Items	✓/x
17.4.3.	monitoring of administration systems?	
17.4.4.	equipment and facility monitoring?	
17.4.5.	procedures for evaluation of examination processes and procedures?	
17.4.6.	Monitoring and evaluation of examination results?	
18.	Have you provided a list of reports that can be presented in these matters stated in item 17.4.?	
19.	Is there an undertaking to establish and maintain documented procedures to control, calibrate and maintain measuring and test equipment used within its products/interventions where relevant?	
20.	Handling, storage and packaging:	
20.1.	Is there an undertaking to establish and maintain documented procedures for handling, storage, packaging, preservation and delivery of examination materials associated with the fulfilment of the examination functions which could affect the quality of the examinations?	
21.	NON-COMPLIANCE AND CORRECTIVE MEASURES	
21.1.	Have you provided procedures for dealing with non-compliance and corrective action?	
21.2.	Is there an undertaking:	
21.2.1.	to maintain a register for non-compliance?	
21.2.2.	to follow up all non-compliance with corrective action and	
21.2.3.	to verify the effectiveness of corrective action?	
21.3.	Corrective and preventive action:	
21.4.	Have you provided policies and procedures for corrective and preventive action?	
21.5.	Have you shown that the corrective and preventive action taken to eliminate potential non-compliance is appropriate to the magnitude of the problem and commensurate with the risk encountered?	
21.6.	Do preventive action procedures include:	
21.6.1.	the use of appropriate sources of information to detect, analyse and eliminate potential causes of non-conformities?	
21.6.2.	the determination of steps needed to deal with problems requiring preventive action?	
21.6.3.	a description of the measures for initiating preventive action?	

Number	Checklist Items	✓/ ✗
21.6.4.	the application of controls to ensure it is effective?	
21.6.5.	a description of the measures for ensuring that relevant information is submitted for management review?	
21.6.6.	a prescription of how preventive action is to be documented and followed up within a reasonable time to determine whether the action has been effective?	
21.7.	Is there an undertaking to implement and record any changes to the documented procedures resulting from preventive and corrective action?	
22.	CONTROL OF RECORDS	
22.1.	Is there an undertaking:	
22.1.1.	to capture, maintain and update quality records?	
22.1.2.	to make these available to demonstrate compliance to requirements and the effective operation of the quality management system?	
22.1.3.	to keep these records for no less than five years?	
22.2.	Have you described:	
22.2.1.	the processes for ensuring the confidentiality of candidate information?	
22.2.2.	the policy for the release of candidate information to relevant parties?	
22.2.3.	the processes for establishing examination completion rates?	
22.2.4.	tracking the completed examinations for the various different types of candidates (i.e. representatives, sole proprietors, key individuals)?	
22.2.5.	reporting to the Financial Services Board?	
22.3.	Is there a declaration to the effect that the examination body will acquaint itself with the findings of any developmental needs analyses undertaken by the Office of the Registrar and will make such inputs as required by the Registrar from time to time?	
23.	POST-AUTHORISATION SITE VISITS	
23.1.	Is there an undertaking to co-operate fully with the Office of the Registrar for the purpose of routine monitoring in the form of bi-annual site visits to the examination body?	
23.2.	Is there an undertaking to conduct an internal monitoring within the first year, according to the monitoring dimensions stipulated by the Registrar, and to conduct a follow-up monitoring wherever sufficient evidence may not have available during the initial monitoring event?	
23.3.	Has provision been made for the issuing of a certificate, signed by the chief executive officer of the examination body and the responsible quality auditor(s), to the effect that an internal quality	

Number	Checklist Items	✓/x
	process according to the stipulated dimensions has been completed?	
23.4.	Does the examination body accept that an internal monitoring / compliance report and action plan will be submitted to the Registrar when required?	
24.	EXTERNAL QUALITY MONITORING	
24.1.	Is there a declaration by the examination body:	
24.1.1.	of its willingness to subject itself to quality monitoring conducted by or through the Office of the Registrar and/or its agents and	
24.1.2.	to maintain relevant documentation of that monitoring event;	
24.1.3.	to act on the recommendation of the Registrar or to accept immediate and indefinite suspension of its status?	
24.2.	Does the examination body accept that: an external monitoring will be undertaken only on the express direction of, or with the express consent of the Registrar?	
24.3.	Is there an undertaking to schedule and internal follow-up to conduct monitoring in order to verify the effectiveness of corrective actions taken?	
25.	MONITORING AND MODERATION RULINGS	
25.1.	Is there an understanding that the monitoring and moderation report submitted to the Office of the Registrar will be accompanied by an action plan to remedy any gaps identified?	
25.2.	Is there an understanding that should the finding of an monitoring and moderation not be satisfactory, the examination body may be required to present further evidence within a specified time period?	
25.3.	Is there an understanding that in the case of failure to present evidence, suspension or termination of evidence may be considered?	

BOARD NOTICE 154 OF 2008**FINANCIAL SERVICES BOARD****FINANCIAL ADVISORY AND INTERMEDIARY SERVICES ACT, 2002****(ACT NO 37 OF 2002)****DETERMINATION OF EXAMINATION BODY CRITERIA, 2008**

I, DUBE PHINEAS TSHIDI, the Registrar of Financial Services Providers, after consultation with the Advisory Committee on Financial Services Providers, hereby under Part 6 of the Determination of Fit and Proper Requirements for Financial Services providers, 2008, determine the criteria for examination bodies as set out in the Schedule.



DP TSHIDI,
REGISTRAR OF FINANCIAL SERVICES PROVIDERS

SCHEDULE

DETERMINATION OF EXAMINATION BODY CRITERIA, 2008

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This Determination should be read in conjunction with the Determination of Fit and Proper Requirements for Financial Services Providers, 2008 and the Determination of Qualifying Criteria and Qualifications for Financial Services Providers, 2008.

PART I: DEFINITIONS

1. In this schedule:-

“**the Act**” means the Financial Advisory and Intermediary Services Act, 2002, including, unless the context indicates otherwise, any measure referred to in the definition of “this Act” in section 1(1) of the Act;

and any word or expression to which a meaning has been assigned in the Act and in the Determination of Fit and Proper Requirements for Financial Services Providers, shall have that meaning and, unless the context otherwise indicates –

- (a) “**certificate**” means issuing a certificate of competence where a candidate has successfully completed the regulatory examination(s), and where the certificate clearly states the result that was obtained by the candidate;
- (b) “**examination body applicant**” means an industry association, statutory professional body or voluntary professional body that has submitted an application to the Financial Services Board for recognition as an examination body, but where recognition has not been granted as yet;

- (c) “**external moderator**” means a person or group of persons with the required moderation knowledge, skills and expertise and the relevant subject matter expertise to conduct objective and fair moderation of the examination content and examination results, independent of the examination body and the Financial Services Board;
- (d) “**fit and proper requirements**” means the requirements as set out in the Determination of Fit and Proper requirements for Financial Services Providers, 2008 as published in Board Notice 106 of 2008;
- (e) “**FAIS Advisory Committee**” means the Advisory Committee on Financial Services Providers referred to in section 5 of the Act;
- (f) **FSB**” means the Financial Services Board;
- (g) “**item bank**” means a source of questions specific to each category and / or sub-category from which questions will be selected to construct the regulatory examination level 1 and regulatory examination level 2;
- (h) “**professional body**” means an organisation of which the main objective is the promotion or furtherance of competence, skills, education and professional excellence in a particular industry;
- (i) “**quality audit**” means the process of examining the indicators which show the degree of excellence achieved;
- (j) “**Quality Management System (QMS)**” means the combination of processes used to ensure that a degree of excellence specified is achieved. A quality management system is the sum of activities and information an examination body uses:
 - i. to enable it to better and more consistently implement and administer examination services; and
 - ii. to meet and exceed the needs and expectations of its clients and beneficiaries in a cost effective and cost efficient manner.

PART II: RECOGNITION AS EXAMINING BODY

- 2. (1) Subject to the provisions of the Act and the Determination of Fit and Proper Requirements, a professional body or industry body applying for recognition in terms of section 6 of the Act must comply with the criteria set out in this Determination. The provisions contained in this Determination and its Annexure must be implemented by an examination body.

PART III: PURPOSE OF EXAMINATION BODY CRITERIA

3. (1) The Registrar is responsible for the regulatory examinations in terms of the Determination of Fit and Proper Requirements, 2008 and will, in terms of Section 6 of the Act, delegate these functions to competent entities (authorised examination bodies) that can assist with the setting, conducting, managing and recording of the regulatory examinations in accordance with this Determination.
- (2) This Determination governs the functions of examination bodies as it relates to the regulatory examinations, as stipulated in the recognition notice, including-:
- (a) all principles and procedures established by the Registrar;
 - (b) the development and maintenance of the question bank for the regulatory examinations;
 - (c) the rules of combination and process for the setting of the regulatory examinations;
 - (d) the implementation, management, administration and record keeping of the regulatory examinations;
 - (e) the resulting and certification of the regulatory examinations;
 - (f) any quality assurance functions delegated to the authorised examination bodies;
 - (g) the roles and responsibilities of all the relevant role players involved with the regulatory examinations;
 - (h) the provision of data and reports in relation to appeals, complaints and irregularities in the conduct of regulatory examinations; and,
 - (i) the provision of data and feedback reports to the Registrar on an ongoing basis in terms of the regulatory examinations in relation to items specified in the authorisation agreement.
- (3) All examination bodies must to adhere to the principles and procedures stipulated within the criteria.
- (4) This examination body criteria provides for:
- (a) uniformity and consistency in decision making and operational processes amongst authorised examination bodies;
 - (b) direction of authorised examination bodies during internal change processes such as staff turnover, restructuring of internal processes and procedures, etc; and
 - (c) a framework for quality assurance in terms of regulatory examinations.

PART IV: ONGOING MONITORING OF EXAMINATION BODIES

4. The Registrar may conduct ongoing monitoring of the activities and functions performed by the examination bodies in relation to the setting, conducting, managing and recording of the regulatory examinations.

PART V: USE OF FSB LOGO

5. Examination bodies may not feature the FSB logo on any correspondence, marketing material, regulatory examinations or certificates without the prior written approval of the Board.

PART VI: RESERVATION OF RIGHTS

6. The Registrar reserves the right to request an examination body to set or administer additional regulatory examinations in the event that a particular Category or sub-category of FSP do not have sufficient access to the services of an examination body.

PART VII: MAINTENANCE OF EXAMINATION BODY POLICY

7. The Registrar may, from time to time, review the examination body criteria, and publish an updated schedule by notice in the *Gazette* as part of a cycle of continuous improvement.

ANNEXURE A: EXAMINATION BODY POLICY

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SECTION I: FUNCTION OF ROLE PLAYERS

1. ROLE PLAYERS

The role players concerned with the setting, conducting, managing, recording and monitoring of the regulatory examinations each have a specific function and responsibility in the examination process.

1.1. The Registrar and FSB

- (a) The responsibility of the Registrar is to provide a quality assurance, approval, monitoring, oversight and moderation function relating to examination bodies. These include the following:
- i. Approving the contents of the regulatory examination item banks which will remain the intellectual property of the FSB;
 - ii. Maintaining ownership of the regulatory examinations;
 - iii. Appointing an external moderator, responsible for the external independent moderation of all examinations as well as for the moderation of results;
 - iv. Ensuring that all examination bodies have the requisite capacity for the design of the examinations for which they will be respectively responsible;
 - v. Ensuring the safe keeping and storing of the regulatory examinations in electronic format;
 - vi. Overseeing the maintenance of the examination item banks;
 - vii. Controlling the versions of the regulatory examinations;
 - viii. Monitoring the examination bodies in terms of:
 - their organisational capacity and resources to conduct regulatory examinations;
 - their Quality Management Systems, including examination and moderation processes and procedures, administrative support, recording and reporting systems and learner support and structures;
 - their irregularities, complaints and appeals procedures, and ongoing feedback on these processes to the Registrar;
 - any verification processes that the Registrar implements.
- (b) In addition to these responsibilities, the Registrar may, after consultation with the FAIS Advisory Committee, require an examination body to develop explanatory memorandums or reference material (body of knowledge) to support each of the regulatory examinations. This material would serve as reference material for prospective examinees, and may assist with their preparation for the regulatory examinations.

- (c) In order meet the responsibilities set out above, the Registrar will consult, where appropriate, with:
- i. The Department of Labour (DoL);
 - ii. The Quality Council for Trades and Occupations (QCTO);
 - iii. The South African Qualification Authority (SAQA);
 - iv. The Sector Education and Training Authorities (SETAs);
 - v. The FAIS Advisory Committee;
 - vi. The examination bodies;
 - vii. The industry and professional bodies in the financial services industry.

1.2. FAIS Advisory Committee

- (a) The FAIS Advisory Committee has appointed a sub-committee consisting of industry experts and educational experts. The sub-committee will be consulted on advice on the implementation and maintenance of the examination structures, which includes satisfying itself that the quality management structures makes provision for effective implementation and monitoring of regulatory examinations.
- (b) The Registrar may refer the following to the Advisory Committee for consultation:
- i. the regulatory examinations in terms of maintenance and updating criteria resulting from changes to legislation, regulations or any other relevant policies that may affect the regulatory examinations;
 - ii. the quality of the regulatory examinations produced by the examination bodies to ensure validity, integrity, reliability, currency and consistency;
 - iii. the quality of the examination body structures, processes and procedures to ensure integrity, reliability and consistency;
 - iv. any related significant findings and recommendations (relating to qualifying criteria, regulatory examinations and examination bodies) of the financial services industry together with the FSB's responses thereto; and
 - v. the effectiveness of the quality management framework and processes.

1.3. Recognised Examination Body

- (a) An examination body must:

- i. set a regulatory examination or a range of regulatory examinations as per agreement with the Registrar;
- ii. subject regulatory examination(s) to external moderation;
- iii. implement and administer the regulatory examination(s);
- iv. guard the security and confidentiality of the regulatory examinations at all times;
- v. quality assure the regulatory examination(s) in accordance to the quality assurance guidelines provided by the Registrar;
- vi. make any changes as may be required by the Registrar and / or external moderators;
- vii. record results in the manner required by the Registrar;
- viii. maintain the regulatory examination(s) item banks and compilation process in line with the condition of recognition;
- ix. certificate candidates who have successfully met the criteria of the regulatory examination(s);
- x. provide formal reports to the Registrar in terms of the regulatory examination(s);
- xi. notify the Registrar of any breach in security at any time and corrective procedures taken to confine the breach.

SECTION II: EXAMINATION BODY APPLICATION AND SELECTION

1. EXAMINATION BODY APPLICATION CRITERIA

(a) The following bodies / associations may apply to become examination bodies:

- i. Statutory Professional Bodies;
- ii. Voluntary Professional Bodies;
- iii. Industry associations.

(b) Examination bodies must operate independently in terms of their decision making and execution of examination activities, especially in the context that industry and/or employers may exert pressure on the examination body in terms of examination processes and/or results.

(c) Where professional bodies / industry associations are involved with the development, delivery and/or implementation of training, the professional bodies / industry associations must ensure that all examination related functions are managed, controlled and implemented under a separate entity with a separate management structure.

2. THE APPLICATION PROCESS

The application process consists of a series of activities, outlined below:

STEP	ACTION
1. Formal application by the professional body / industry association.	<ul style="list-style-type: none"> • The professional body / industry association completes the application. • The application is submitted to the Financial Services Board in writing.
2. The Registrar reviews the application information and conducts a site visit.	<ul style="list-style-type: none"> • A representative of the Office of the Registrar conducts a site-visit to verify the information included in the examination body application of the professional body / industry association. • Where the professional body / industry association complies with all the criteria,

TABLE A: EXAMINATION BODY APPLICATION PROCESS	
STEP	ACTION
	<p>continue with Step 3 of the application process.</p> <ul style="list-style-type: none"> Where the professional body / industry association does not comply with all the criteria, continue with Step 4 of the application process.
3. The professional body / industry association complies with all the criteria as stipulated in the application.	<ul style="list-style-type: none"> The application is submitted to the Advisory committee for consultation. The application is submitted to the FSB Board for approval. The Registrar issues a formal delegation of authority letter to the professional body/ industry association in which the Registrar delegate powers to set and conduct examination with certain conditions. The Registrar publish by Notice in the Gazette delegation of authority. <u>End of application process.</u>
4. The professional body/ industry association does not comply with all the criteria as stipulated in the examination body criteria provided in the application.	<ul style="list-style-type: none"> The professional body / industry association is notified in writing by the Registrar of the result of the verification visit. The notification stipulates which criteria were not met. The professional body / industry association revises it's application accordingly, and re-submits the application to the FSB.
5. The FSB reviews the application information and conducts a 2 nd site-visit.	<ul style="list-style-type: none"> If not compliant, the application of the professional body / industry association is declined in writing after consultation with the Advisory Committee. If compliant, continue with Step 3 of the application process. <u>End of application process.</u>

3. THE APPLICATION FORMAT

(a) The application and all its relevant sections must be completed in full.

(b) Applications will **not** be considered where:

- i. A format and numbering system other than that specified in the application has been used;
 - ii. The application does not contain all the relevant information required as stipulated in the application and its annexure.
- (c) The application must be submitted in hard copy to the FSB.

4. SITE VISITS CONDUCTED BY THE FSB

- (a) The purpose of the site visit is to collect evidence of compliance in terms of the criteria stipulated in application and to verify that the examination body applicant has:
- i. a quality management system as prescribed by the Registrar;
 - ii. quality assurance processes in place, particularly where services are outsourced by the examination body applicant e.g. the IT System;
 - iii. examination processes and resources are in place to cater for candidates with disabilities.

5. SELECTION PRINCIPLES

- (a) The following principles will apply:
- i. An examination body applicant either meets **all** the criteria, or not;
 - ii. An application will either be approved (where all the criteria and requirements are met) or declined (where the application does not meet some or all of the criteria);
 - iii. No provisional approvals will be granted where examination body applicants do not meet all the stipulated criteria;
 - iv. An examination body applicant may re-submit an application to the FSB three times and the application process will apply each time – please refer to the application process **table A** of this policy document;
 - v. Examination body applicants will be required to prove that they have the quality assurance resources, policies, procedures and processes in place to design, develop, implement, administer and record the regulatory examination(s).
- (b) Selection and approval of examination bodies will take place strictly in accordance with the criteria stipulated in the application.

6. INFRASTRUCTURE CRITERIA

(a) Examination bodies must have the infrastructure to enable them to provide examination services to the required standard. The infrastructure should include the following:

- IT System;
- Administration;
- Resources;
- Budget.

(b) IT System

The IT System must include:

- i. Compatibility with the FSB database as per FSB specifications;
- ii. Capacity to host and to store / back-up data files;
- iii. Contingency plans to continue providing an examination service without interruption and/or loss of quality;
- iv. Maintenance of IT infrastructure;
- v. IT support when / where system problems are encountered;
- vi. System security to control the access of information and data;
- vii. Ability to provide examination information in accordance with the FSB specifications;
- viii. Contingency and disaster recovery plans.

(c) Administration

Administration processes and procedures must support the following functions:

- i. Register candidates and maintain candidate database;
- ii. Conduct examinations in accordance with the required standard;
- iii. Recording the results of the examinations;
- iv. Conduct re-examinations;
- v. Provide feedback to the FSB in accordance to the FSB specifications;
- vi. Conduct moderation and verification of examinations;
- vii. Contingency and disaster recovery plans;
- viii. Training and continuous improvement and development plans.

(d) Resources

Resources must include the following:

- i. Subject matter experts / access to subject matter experts, industry specific experts, content specific experts and training and education specific expertise;
- ii. Administration and support staff to support the IT, administration, and invigilator functions;
- iii. Equipment required to provide the examination service, including but not limited to hardware, software and stationery.

(e) Budget

The examination body must be financially sound, and should be able to provide audited financial statements.

The infrastructure requirements that examination bodies should comply with, are stipulated in detail in the application.

SECTION III: REGULATORY EXAMINATIONS

1. LEVELS OF REGULATORY EXAMINATIONS

(a) The regulatory examinations must be set in accordance with the qualifying criteria set out in the Determination of Qualifying Criteria and Qualifications, 2008 and the principles stipulated in the determination of Fit and Proper Requirements, 2008. The regulatory examinations must be set on two different levels:

(b) Regulatory Examination Level 1:

These regulatory examinations include a set of core examinations (referred to as first level regulatory examinations) dealing in particular with legislation directly binding on an FSP, its key individuals and representatives in terms of the Act (particularly the provisions of the Act and the Financial Services Board Act, 1990, and of all measures promulgated there under).

(c) Regulatory Examination Level 2:

These regulatory examinations are specific examinations (referred to as second level regulatory examinations) relating to the category or subcategories in respect of which an FSP is authorised to render financial services.

(d) The regulatory examinations focus in particular on testing the application of factual knowledge of the examinees in relation to:

- i. the rendering of financial services applicable to specific categories or subcategories to clients; and
- ii. the relevant legal provisions, particularly of the rights and duties which they vest in providers and clients, their appreciation of the legal meaning, the implications of these provisions, and their competence to apply these provisions correctly.

2. VERSION CONTROL OF REGULATORY EXAMINATIONS

(a) Only one national version of any regulatory examination may be set for each category or subcategories. All regulatory examinations will be hosted and distributed by the Registrar. Examination bodies have access to the regulatory examinations based on their application criteria and area of expertise.

(b) The intention is to ensure that the content, quality and standard of each regulatory examination is the same nationally. There will be no fluctuation in standard or quality across examination bodies, provinces, etc.

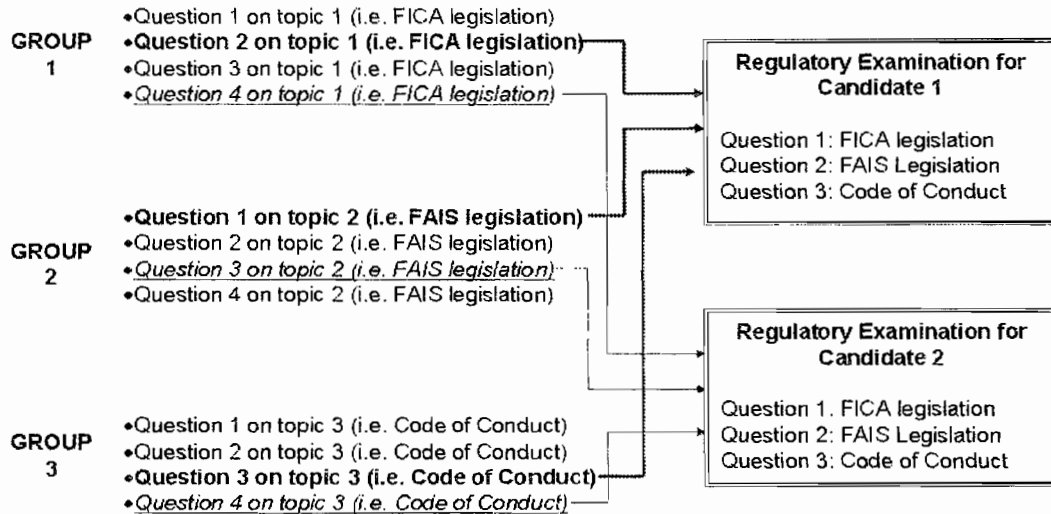
3. SETTING OF THE REGULATORY EXAMINATIONS

- (a) The Registrar delegates specific regulatory examinations to examination bodies that are responsible for developing and setting the questions for each of the regulatory examinations. In order to do this, specific expertise is required in terms of:
- i. Educational expertise, specifically referring to the setting of questions, the relevant assessment and quality assurance principles;
 - ii. In-depth financial product knowledge and expertise.
- (b) The examination body must at all times be able to prove to the Registrar that it has:
- i. educational ability and expertise relating to examinations;
 - ii. expertise relating to a specific sub-category / sub-categories.
- (c) The questions for each of the examinations must therefore be set by the examination body with the most appropriate level of expertise relating to a specific sub-category / sub-categories.
- (d) In order to ensure consistency between the various examinations, all examination bodies will be required, prior to setting the questions, to attend the relevant workshops and information sessions, as required by the Registrar, in preparation of setting the examinations, in an attempt to standardise the level and style of the regulatory examinations.
- (e) When the examinations are set, an alignment document must be kept for each regulatory examination set by an examination body. This alignment document serves as proof of the alignment of the regulatory examination to the qualifying criteria for each category and sub-category.
- (f) The alignment documentation will be moderated by the examination body and the Registrar, after consultation with the Advisory committee, to verify alignment. The alignment documentation will also be used when updating and maintaining of regulatory examinations are required.
- (g) All regulatory examinations must be:
- i. Valid – the examinations test what was intended to be tested, i.e. the qualifying criteria;
 - ii. Reliable – the standard of the examinations is the same across different demographical areas and examination bodies;

- iii. Fair – all candidates that are tested on the same category / sub-category should receive questions that cover the same competence outcome, are of the same standard or level of complexity and the same style;
- iv. Consistent – two candidates with the same knowledge and skill should obtain the same results.

4. ITEM BANK

- (a) Each regulatory examination must have an item bank of at least 200 questions in the database to ensure a variety of alternative questions for each candidate completing the examination.
- (b) Every effort should be made to use questions relating to case studies.
- (c) The examination body should take into consideration that the type of questions apart from the cognitive level, may impact on the difficulty level. The level of questions will be informed by the complexity of the regulatory examination. The questions must be set strictly in accordance to the qualifying criteria published in the Gazette by the Registrar.
- (d) The nature of the question development methodology used must make provision for the type of knowledge and skills that will be tested.
- (e) As a result the same type of question and cognitive level must be used for each grouping of questions within the regulatory examination for each candidate. The same topic or competence outcome must be covered in the group of four questions to ensure that the same competence outcome is tested when different candidates complete the examination. It is not advisable, for example that one candidate is tested on cash flow, and another candidate is tested on analysis of financial statements.
- (f) The total number of questions included in each examination should not be less than 20 questions and not more than 80 questions.
- (g) The following is an illustration as to how the groupings of questions should be developed:

Diagram A: Question development

- (h) A random selection of questions from each group (topic) should be used to make up the total number of questions contained in the specific regulatory examination which each candidate takes. Each candidate will therefore get a unique set of questions covering all aspects/topics of the qualifying criteria as per diagram A.
- (i) The cognitive and complexity level of the question contained in each group must therefore be the same to ensure consistent and reliable testing for all candidates completing the same regulatory examination.

NOTE: The regulatory examination must be developed in a manner that will allow for electronic assessment as well as written assessment in certain instances and the same design and development methodology should therefore apply. This means that all questions must be designed and developed as per the structure illustrated above. In addition, provision must be made for candidates with special needs.

5. TESTING AND MODERATION

- (a) Subsequent to the development of the regulatory examination questions, the validity of the regulatory examination must be tested. This is the responsibility of the examination body responsible for the setting of the regulatory examination. The standards to be used for the testing of the regulatory examinations will be supplied by the Registrar, in consultation with the Advisory committee.

- (b) The Registrar may subject regulatory examinations to an external moderation prior to finalisation of the item bank.

SECTION IV: IMPLEMENTATION AND DELIVERY OF REGULATORY EXAMINATIONS

1. PRE-IMPLEMENTATION PILOT AND TESTING

- (a) The administration, implementation, and management of regulatory examinations are the responsibility of the examination body.
- (b) The regulatory examinations may be delivered in the following formats:
- i. an on-line format, and/or
 - ii. a written format (hard copy).
- (c) Only authorised staff in the employ of the examination bodies may have access to the regulatory examination questions, and examination bodies must ensure that there is sufficient security in place to limit and control access to the regulatory examination questions.
- (d) Examination bodies will be required to:
- i. download the regulatory examination questions onto its electronic examination system/platform;
 - ii. verify that the data is secure and that back-up processes and procedures are in place and functional;
 - iii. check, test and verify whether the examination questions have been downloaded correctly and that the questions will populate correctly on the electronic examination system;
 - iv. verify that the regulatory examination can be made available in different formats, i.e. the examination questions can be printed for written examinations, or can be viewed electronically for on-line examinations, whatever the case may be;
 - v. perform overall quality assurance of the questions and system.
- (e) In order to ensure that the regulatory examination will be administered correctly, a pilot session(s) must be conducted prior to implementation ensure that:

- i. the correct regulatory examination is generated based on the candidate accessing the system. For example: the key individual examination will populate if a key individual signs onto the system, etc.;
- ii. the questions generated for each regulatory examination are correct and relevant to the type of regulatory examination in question;
- iii. the sequencing of the questions is correct;
- iv. the examination can be supplied in the required formats, i.e. electronically and/or paper-based;
- v. re-examinations can be administered, when and if required;
- vi. check that sites approved for writing have all systems in place and are fully capable of meeting IT and invigilation requirements.

2. CANDIDATE REGISTRATION

(a) The registration of candidates must be supported by an effective learner management system. A learner management system is essential in order to:

- i. keep accurate records of all candidate registrations;
- ii. keep accurate records of candidate information such as contact details, etc.
- iii. track when candidates have accessed the examination system so that their identities can be checked and the invigilation requirements imposed;
- iv. track whether the candidate has completed the regulatory examination(s) for which the candidate has registered; as
- v. make statistical analysis possible as and when required by the Registrar.

(b) Candidate information recorded during registration must be in line with requirements of the Registrar:

Table B: Candidate Information

Candidate Information	
1) Type of identification	7) Race
2) ID number / Valid Passport number	8) Gender
3) First Name	9) Disability

4) Initials	10) Contact details: <i>(Area code) Telephone number(s), Fax number(s), e-mail address.</i>
5) Surname	11) Highest qualification
6) Age	
Employer Information	
12) FSP number employer	16) Job Title
13) Employer name	17) Occupational category
14) Employer physical address	
15) Department / Branch	

- (c) The registration system must be tested to ensure that accurate records can be kept of all candidate registration- and achievement-related information. The system hardware and software must be able to support the registration process.
- (d) Examination bodies must have the procedures, processes and system infrastructure in place to cater for large corporate enrolments as well as candidate enrolments.

3. REGULATORY EXAMINATION IMPLEMENTATION

- (a) The regulatory examination delivery will commence once all system tests have been completed and quality assurance requirements are in place. The Registrar must receive feedback in terms of the success of the testing and piloting of the examinations before the regulatory examination delivery phase can commence.
- (b) The delivery phase includes:
- i. Actual registrations taking place;
 - ii. Actual regulatory examinations being completed within the prescribed conditions;
 - iii. Actual records of real candidates being maintained.
- (c) It is recommended that the initial delivery of the regulatory examinations is monitored closely by the examination body and the office of the Registrar, to

ensure that all processes and procedures are followed as stated in this Determination.

- (d) A calendar of examination dates should be provided by all examination bodies at the beginning of each year. The calendar should stipulate the dates and venues for all the regulatory examinations. Additional examination(s) should also be made available if there is a demand for it, based on arrangements with candidates and/or organisations.
- (e) Examination bodies should provide those candidates that wishes to complete more than one regulatory examination at a time, with an option to do so.

4. EVALUATION

- (a) Evaluation refers to the feedback obtained from candidates and other relevant role players with regards to the examination processes and procedure, in order to improve examination processes and procedures. Evaluation should be integrated with all regulatory examination-related processes and procedures and should not be a separate activity.
- (b) Examination bodies should have reliable evaluation systems that make timely declaration of results possible. Examination bodies must indicate the anticipated turn-around time for both on-line and paper-based examinations in their submissions to the Registrar.
- (c) Thus, evaluation systems must be in place for on-line and written regulatory examinations to verify the consistency and quality of the marking of these papers – whether it is marked electronically or manually.

5. REGULATORY EXAMINATION RESULTS

- (a) The results of the regulatory examinations must be treated as confidential, and should be made available to only the following parties:
 - i. The candidate – on completion of the resulting process of the regulatory examination;
 - ii. The Registrar – for regulation, monitoring and auditing purposes.
- (b) Examining bodies should strive to issue the results of on-line examinations as printed statements for all candidates on completion of the examination. Such immediate feedback will benefit all candidates and will streamline the process. The statement of results must have a unique identifiable number and must

include the name of the regulatory examination, the pass mark obtained and the date of the examination.

- (c) The certificate should be made available to the candidate within one hour of the completion of an electronic assessment by any candidate and within one week of the completion of a written assessment by any candidate. If there are large numbers of candidates whose scripts must be marked manually, this may not be realistic. When a larger organisation make reservation for its employees, then this may be an appropriate time for the examination body to inform the organisation what the turn-around time would be in terms of certification.
- (d) Results for all completed regulatory examinations must be kept by the examination body for a period of at least 5 years. The results can be archived but must be accessible at the request of the Registrar.

6. PASSMARK FOR REGULATORY EXAMINATIONS

- (a) The pass mark for regulatory examination(s) is 70%.
- (b) Where a candidate failed to obtain the required pass mark, the candidate will be required to re-write the regulatory examination at a later stage once the candidate is ready.

Please note: The candidate will be required to re-write the regulatory examination in total, and not just a specific section of the regulatory examination.

7. APPEALS AND RE-EXAMINATIONS

- (a) Provision must be made in the Quality Management System (QMS) of the authorised examination body for appeals and re-examinations. Also refer to requirements stipulated under "Regulatory Examination Appeals and Complaints Management" of this policy.

8. UPLOADING OF REGULATORY EXAMINATION RESULTS ONTO THE FSB SYSTEM

- (a) The results of all regulatory examinations must be uploaded electronically to the FSB's system within 2 weeks of the candidate completing the regulatory examinations. Where results cannot be uploaded within this timeframe, the examination body must notify the Registrar accordingly in writing stipulating:
 - i. The reason for the delay;
 - ii. The action plan in place to address the problem;

- iii. A timeframe by which the results will be uploaded;
- iv. Contact details of the person(s) accountable for the upload taking place.

9. CANDIDATE SUPPORT

- (a) Once a candidate has registered for the completion of a regulatory examination(s), the candidate must have access to support services. The following aspects can be considered as candidate support:
 - i. Access to primer(mock) examination questions to see what the candidate can expect from the actual examination;
 - ii. Access to the policies and procedures of the authorised examining body;
 - iii. Access to brochures / website / information that may assist the candidate in preparing for the regulatory examination(s);
 - iv. access to information that can address regulatory examination(s);related queries, concerns, etc.

10. CANDIDATES WITH SPECIAL NEEDS

- (a) Candidates with special needs and/or disabilities must be catered for. Access to the regulatory examination and examination facilities cannot be refused to any such person, and all authorised examination body must ensure that they have the means to assist these candidates, provided that the candidate in question notified the examination body in advance that such a service will be required
- (b) Where a special need has been identified, and special arrangements must be made for the candidate, it is essential to ensure that the candidate is kept informed of all arrangements.
- (c) Any special arrangements made for the candidate must not hinder or assist the candidate's ability to achieve the desired regulatory examination results. In other words, the achievement of the required regulatory examination results must not be easier or more difficult for the candidate due to the special arrangements made by the examining body to accommodate his/her special needs.

11. REGULATORY EXAMINATION ADMINISTRATION

- (a) Under no circumstances may a candidate complete a regulatory examination without the physical presence of an invigilator.

- (b) Where a candidate is unable to complete a regulatory examination due to circumstances beyond his/her control (i.e. load shedding, falling ill during the examination etc.) the candidate must be given the opportunity to complete the regulatory examination again at a later stage as agreed by the candidate and the examining body, without having to pay for the regulatory examination again.
- (c) Extreme care should be taken by all examination bodies to ensure that the regulatory examination content is secure and that questions are randomly selected in line with the rules of combination prescribed to ensure that full examination papers cannot be leaked.
- (d) Extreme care should be taken by all examination body to ensure that the regulatory examination content is secure and that questions are randomly selected to ensure that exam papers cannot be duplicated unlawfully or leaked.
- (e) The question papers for all paper-based examinations should be collected and destroyed after each examination.

12. APPEALS AND COMPLIANTS MANAGEMENT

- (a) The internal policies and procedures of the examination body must make provision for:
 - i. Appeals processes;
 - ii. Complaints management.
- (b) Where an appeal / complaint cannot be addressed to the satisfaction of the examining body and/or candidate, then the matter must be referred to the Registrar. The Registrar will make the final decision on what recourse is required to settle the matter.
- (c) The FSB will be the appeal of last resort.
- (d) The following process will apply where a matter is referred to the Registrar:
 - i. **Step 1: Submission to the office of the Registrar**
 - All contact details of both parties should be included;
 - All supporting documentation and evidence must be submitted.
 - ii. **Step2: Investigation**
 - The submission is reviewed by the office of the Registrar;
 - Where additional information is required, interviews with the relevant parties are conducted.

iii. **Step 3: Hearing**

- All parties concerned (i.e. candidate, examination body, etc.) attends the hearing scheduled at the office of the Registrar;
- The results of the investigation is communicated and remedial action required and the timeframes applicable is clearly communicated;
- The finding of the Registrar is final and binding.

SECTION V: MODERATION AND MONITORING

(a) **PRINCIPLES OF MONITORING**

- (a) The following quality indicators per criteria element form the basis of the Registrar's scope for monitoring, and is expanded in the individual monitoring reports according to the purpose of the monitoring event.

No.	Criteria / Scope	Quality Indicator
1.	Organisational Capacity	<ul style="list-style-type: none"> • Ratios – exams per examiner / invigilator • Examiners per moderator not relevant if electronic • Geographical spread • Quality provision of regulatory examinations
2.	QMS	<ul style="list-style-type: none"> • Admin Management • Examination Management • Candidate Management • Examination Staff Management • Examination Result and Certification Management
3.	Resources, Facilities and Infrastructure	<ul style="list-style-type: none"> • Physical • Financial • Administrative • Human
4.	Regulatory Examinations	<ul style="list-style-type: none"> • Examination policy, practices and process • Management, review, role players • Principles, instruments, access • Role players competence and capacity

No.	Criteria / Scope	Quality Indicator
5.	Moderation	<ul style="list-style-type: none"> • Policy, practice and process • Role players competence and capacity, management • Scope, impact, instruments

(b) The scope of monitoring that the Registrar will exercise is as follows:

- i. Organisational capacity
- ii. Quality Management Systems
- iii. Resources
- iv. Examination system, processes and procedures
- v. Moderations
- vi. Administrative support
- vii. Discrepancies / irregularities/ complaints / appeals
- viii. Quality provision
- ix. Contingency planning
- x. Provision for candidates with special needs and disabilities

2. MONITORING METHODS AND TECHNIQUES

(a) The following monitoring methods and techniques are used by the Registrar:

No	Method	Description
1.	Off-site Desk top evaluation	Documented evidence of examining body's strategic, operational and examination practices are submitted for review and evaluated against set criteria established by the Registrar.
2.	On-site Evidence Validation	Evidence submitted for desk-top review is validated against actual practice.

No	Method	Description
3.	Sampling Framework	Random and/or targeted selection of candidate records for external moderation purposes, to include Probability-based and Non-probability based selection of sampling.
4.	Document Review	Review of policies, standard forms and templates, examination materials.
5.	Validation	Comparison of evidence to practice. Testing validity against performance of competent volunteer practitioners (as opposed to genuine candidates).

3. ROLE OF EXAMINATION BODIES IN THE MONITORING PROCESS

- (a) The examination body is required to comply with the Registrar's monitoring & auditing process by:
- i. Preparing the evidence requested for submission and evaluation;
 - ii. Submitting all required evidence timeously as per any reasonable request from the Registrar;
 - iii. Arrange for access of the Office of the Registrar to the required premises, people and documented evidence;
 - iv. Implement and report on the implementation of the agreed Conditional Compliance Plan (where applicable);
 - v. Follow the formal channels of Appeal in the event of a dispute regarding a monitoring and auditing outcome.

4. MONITORING RESULTS

- (a) Should a Monitoring Intervention show evidence of sub-standard examination practices, a variety of outcomes may be recommended by the Registrar, depending on the severity of the non-compliance / non-conformance:

No	Non-compliance	Example	Outcome
(a)	Compliance Rating - 5	<ul style="list-style-type: none"> • All QMS and Examination policies & practices comply to FSB QA criteria as stated. 	<ul style="list-style-type: none"> • Approval of continuation

(b)	Compliance Rating - 4	<ul style="list-style-type: none"> • Policies and practices are in place, but selected areas need improvement. • Examination processes and procedures show evidence of alignment and good practice, but does not meet the criteria set by the Registrar. • Self evaluation of examination practices is insufficient. 	<ul style="list-style-type: none"> • Conditional approval of continuation of practices • Development Plan with due dates
(c)	Compliance Rating Below 4	<p>Insufficient evidence of :</p> <ul style="list-style-type: none"> • sound examination evidence and practices, • QMS policy and practice implementation • Quality provision and candidate support • Insufficient moderation practices • Obvious disregard for criteria set by the Registrar for quality provision, • No evidence of quality examination practices, • QMS practices insufficient in all examination areas 	<ul style="list-style-type: none"> • Immediate withdrawal of "authorised" status. • Suspension of all examination activities. • Handover to another authorised examination body appointed by the FSB. • Examination body to reapply for authorisation status.

5. QUALITATIVE AND QUANTITATIVE REVIEW

- (a) The Registrar shall conduct a quantitative and qualitative review of all monitoring activities on a quarterly or bi-annual basis, depending on need and demand, to determine:
- i. trends and patterns in monitoring results;
 - ii. required capacity building interventions; and
 - iii. continuous improvement requirements.

6. REPORTING

- (a) A Monitoring Report will be issued to all examination bodies and stakeholders after each Monitoring Review.

7. NON-COMPLIANCE

- (a) The following actions will be regarded as non-compliance:
- i. Non-compliance to the criteria and/or process of Monitoring & Auditing as described in this policy. Where an examination body does not comply with the processes and procedures as described in this policy, the examination body will be placed on suspension until such time that the examining body and prove compliance. Please refer to the Monitoring and Auditing processes and procedures in this policy;
 - ii. Material breach where the integrity of the regulatory examination(s) have been compromised by the examination body.
Where the integrity of the regulatory examination(s) has been compromised by the examination body, the authorisation status of the examination body will be withdrawn with immediate affect.
- (b) Candidates enrolled with this examination body will be transferred to another authorised examination body to ensure that the candidates are not unduly affected.

SECTION VI: POLICY MAINTENANCE

- (a) The policy will be reviewed annually and recommendations will be reviewed, documented and implemented by the Registrar, after consultation with the Advisory Committee.
- (b) Examination bodies will be notified formally of any amendments to processes and procedures that may affect their responsibilities within 2 weeks of the amendments being made.
- (c) This particular process will be monitored annually by the Registrar, using the following indicators:

Indicators	Description
Process Audit	o A Self -evaluation will be done on a yearly basis through the random selection of examination body that have been audited to establish due process and administrative support.
Electronic compliance audit	
Internal Self Evaluation	

Appeals against the Registrar's Monitoring & Auditing process and outcomes	<ul style="list-style-type: none">○ An Internal Self Evaluation of the status and accuracy of the FSB Record Keeping System.○ Number and nature of appeals received against the monitoring activities of the Registrar.
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