

No.	Task	Knowledge Criteria	Skill Criteria
45	Provide advice to clients with respect to interest rate swaps in the money market.	<p>Know and understand the mechanics of trading FRAs, the uses of FRA's and quoting of two-way prices.</p> <p>Define and explain the purpose and characteristics of Interest Rate Swaps (IRS).</p> <p>Discuss the uses of IRS.</p> <p>Be able to apply IRS principles and do the requisite calculations.</p> <p>Define and explain the purpose and characteristics of Rand Overnight Deposit Swaps (RODS).</p> <p>Discuss the uses of RODS.</p> <p>Be able to apply RODS principles and do the requisite calculations.</p> <p>Discuss the pricing of short-term interest rate derivatives, and do the requisite calculations.</p>	Offer investment advice on IRSs with a view to optimising investment returns.
46	Provide advice to clients with respect to Interest Rate options.	<p>Define and explain the purpose and characteristics of Interest Rate Caps, Floors and Collars.</p> <p>Discuss the uses of Caps and Floors.</p> <p>Indicate who the counterparties are and how risk is transferred.</p> <p>Discuss the reversibility and tradability of Caps and Floors.</p> <p>Be able to distinguish between Caps and Floors as opposed to Interest Rate Swaps.</p> <p>Discuss the uses of Collars.</p> <p>Be able to apply the principles of Collars and do the requisite calculations.</p>	Offer investment advice on interest rate options with a view to optimising investment returns.

No.	Task	Knowledge Criteria	Skill Criteria
47	Provide advice to clients with respect to settlement of transactions.	Discuss the pricing of Caps, Floors and Collars. Be able to do settlement calculations.	Perform settlement calculations.
48	Provide advice to clients with respect to interest rate futures.	Define and explain the purpose and characteristics of interest rate futures. Explain how interest rate risk may be hedged with interest rate futures Discuss the effect of the inverse price-interest rate relationship on the value of a futures position, be able to apply the principles in a case study and do the requisite calculations.	Offer investment advice on interest rate futures with a view to optimising investment returns.
49	Provide advice to clients with respect to the Yield-X exchange.	Define the Yield-X exchange, its purpose and features. Name the products listed on Yield-X. Discuss the clearing and settlement conventions applicable to Yield-X	Offer investment advice with respect to Yield-X traded instruments with a view to optimising investment returns.
50	Provide advice to clients with respect to Bond Exchange SA lists interest rate derivatives.	Indicate that the Bond Exchange SA lists interest rate derivatives. Discuss the clearing and settlement conventions applicable to BESA.	Offer investment advice with respect to interest rate derivatives traded on BESA with a view to optimising investment returns.
51	Provide advice to clients with respect to the Bond Market conventions.	Bonds Indicate how the bond market fits into the financial system. Indicate who the role-players in the secondary bond market are. State the elements of a plain vanilla bond.	Offer advice on bond market conventions with a view to optimising investment returns.

No.	Task	Knowledge Criteria	Skill Criteria
52	Provide advice to clients with respect to the issuing of bonds in the Bond Market	<p>Explain coupon payments and settlement conventions.</p> <p>Discuss borrowers in the bond market (supply of bonds).</p> <p>Discuss the reasons for issuing bonds as opposed to other short-term securities.</p> <p>Indicate the categories of bond issuers and understand the factors that may influence their issuing activities.</p> <p>Explain the relationship between government debt and fiscal policy.</p>	Offer investment advice on the issuing of bond with a view to optimising investment returns
53	Provide advice to clients with respect to the instruments in the Bond Market.	<p>Describe the instruments of the bond market.</p> <p>Distinguish between the main characteristics of the different types of bonds found in the South African and international bond markets and be able to distinguish between them.</p>	Offer advice on the different types of bond market instruments with a view to optimising investment returns.
54	Provide advice and intermediary services to clients with respect to investing in the Bond Market.	<p>Describe the investors in bonds (demand for bonds).</p> <p>Explain the main investors in Government and other bonds.</p> <p>Discuss the motivation for the different sectors and institutional and other investors to hold bonds.</p>	Offer investment advice on the risks and structure of the bond market.
55	Provide advice and intermediary services to clients with respect to risks faced by investors in the Bond Market.	<p>Explain the risks faced in holding bonds including market risk, credit risk call risk, reinvestment risk, liquidity risk, volatility risk exchange rate risk, incident risk and inflation risk.</p>	

No.	Task	Knowledge Criteria	Skill Criteria
56	Provide advice to clients with respect to investing in the Foreign Bond Market.	Explain the risks and advantages of investing in the foreign bond market.	
57	Provide advice to clients with respect to the role of BESA in the bond market.	<p>Discuss the role of rating agencies.</p> <p>Discuss the Bond Exchange of South Africa.</p> <p>Explain the risks faced by market participants in an OTC market and how these risks are overcome by trading on an exchange.</p> <p>Discuss the methods of issue, the various participants and the roles they play in the primary bond market.</p> <p>Explain the basic structure of BESA & Yield-X and how trades are processed.</p> <p>Discuss the importance of the secondary bond market, the participants and the roles they play in the market, the organisation and structure and functions of the secondary bond market.</p>	Offer investment advice on the role of BESA in the bond market with a view to optimising investment returns.
58	Provide advice to clients with respect to the time value of money.	<p>Define future value from present value and vice versa.</p> <p>Explain how the annuity formula applies to bonds.</p> <p>Define fixed coupon rate bonds.</p> <p>Be able to calculate the price (value) of a bond with a fixed coupon rate and a fixed term to maturity.</p> <p>Explain the concepts of cum interest and ex interest. (add the same under equities - cum dividends and ex dividends).</p> <p>Be able to apply the standard price formula for bonds with 6 months or longer to maturity and for bonds with less than 6 months to maturity.</p>	Perform the bond market mathematics.
59	Provide advice to clients with respect to the valuation of bonds.		<p>Calculate future value from present value and vice versa.</p> <p>Perform basic time value of money calculations.</p> <p>Perform bond pricing calculations and sensitivity calculations.</p>

No.	Task	Knowledge Criteria	Skill Criteria
60	Provide advice to clients with respect to the yield curve.	<p>Define and be able to apply the following bond calculating formulae to the following instruments: perpetual bonds, bonds with a variable rate, inflation linked (CPI) bonds, zero coupon bonds and strips.</p> <p>Explain and be able to apply other yield measures.</p> <p>Explain and be able to apply bond market concept like duration, Macauley duration, modified duration and convexity.</p> <p>Know what the bond rate time series is and term structure of interest rates.</p> <p>Define the yield curve and indicate how it is derived.</p> <p>Explain the different uses of the yield curve.</p> <p>Define the par yield curve and the zero-coupon yield curve and discuss their uses.</p> <p>Describe the different shapes of the yield curve, what it represents in terms of short-term and long-term interest rates and expectations with regard to short-term interest rates (monetary policy).</p> <p>Explain and be able to calculate implied forward rates from the yield curve.</p> <p>Look at what was developed for equity derivatives - and include credit derivatives.</p>	Perform and interpret yield curve analysis.
Derivatives			
61	Provide advice to clients with respect to derivative market instruments.	Define and discuss the features and purpose of a derivative contract and explain how the spot markets relate to derivative markets.	Offer advice on derivative market conventions with a view to optimising investment returns.

No.	Task	Knowledge Criteria	Skill Criteria
Forwards			
62	Provide advice to clients with respect to the spot market.	Explain the differences between speculation and hedging in the derivatives market.	Offer advice on spot market settlement conventions with a view to optimising investment returns.
63	Provide advice to clients with respect to forward contracts	Define and explain the features and purpose of a forward contract. Be able to apply the principles of a forward contract and do the requisite calculations. Compare the advantages of forward markets with those of futures markets.	Offer investment advice on forward contracts with a view to optimising investment returns.
64	Provide advice to clients with respect to forward interest rate contracts	Define the definition, features and purpose of a forward interest rate contract and be able to and do the requisite calculations.	Offer investment advice on forward interest rate contracts with a view to optimising investment returns.
65	Provide advice to clients with respect to repurchase agreements.	Define the features and purpose of a repurchase agreement (repo) and be able to apply the principles of a repo and do the requisite calculations. Explain the motivation for using repos, the institutions involved in this market and the different types of repos.	Offer investment advice on repurchase agreements with a view to optimising investment returns.
66	Provide advice and intermediary services to clients with respect to forward contracts in the equity market.	Define and discuss the features and purpose of a forward in the equity market and be able to apply the principles of a forward and do the requisite calculations.	Offer investment advice on forward contracts in the equity market with a view to optimising investment returns.
67	Provide advice to clients with respect to forward contracts in the foreign exchange market.	Define the features and purpose of forwards in the foreign exchange market and be able to apply the principles of a forward and do the requisite calculations.	Offer investment advice on forward contracts in the foreign exchange market with a view to optimising investment returns.

No.	Task	Knowledge Criteria	Skill Criteria
		Define and be able to distinguish between outright forwards, foreign exchange swaps, forward-forwards and time options. Explain the motivations for using the forward foreign exchange market.	
68	Provide advice to clients with respect to forward contracts in the commodities market.	Define and discuss the features and purpose of forwards in the commodities market and be able to apply the principles of a forward and do the requisite calculations. Explain the principles of hedging by means of forward instruments	Offer investment advice on forward contracts in the commodities market with a view to optimising investment returns.
Futures			
69	Provide advice to clients with respect to futures market	Define and discuss the features and purpose of futures and do the requisite calculations. (e.g. commodities market) Explain how a futures price relates to the spot price. Explain how the futures market is organised, how clearing takes place, the concepts of margining and marking to market, open interest and how settlement takes place.	Offer investment advice on futures with a view to optimising investment returns.
70	Provide advice to clients with respect to the pricing of interest rate futures.	Explain how the pricing of futures takes place, be able to apply the principles and do the requisite calculations. Explain how the pricing of interest rate futures takes place, be able to apply the principles and do the requisite calculations.	Apply the principles of futures contracts in the agricultural market.
71	Provide advice to clients with respect to the pricing of individual bond futures.	Explain how the pricing of individual bond futures takes place, be able to apply the principles and do the requisite calculations.	Apply the principles of individual bond futures in the agricultural market.

No.	Task	Knowledge Criteria	Skill Criteria
72	Provide advice and intermediary services to clients with respect to the pricing of individual equity futures.	Explain how the pricing of individual equity futures takes place, be able to apply the principles and do the requisite calculations.	Apply the principles of forward contracts in the foreign exchange market.
73	Provide advice to clients with respect to the pricing of individual commodity futures.	Explain how the pricing of commodity futures takes place.	Apply the principles of the pricing of commodity futures market. Apply the principles of pricing of commodity futures. Do the requisite calculations.
74	Provide advice and intermediary services to clients with respect to basis and net carry cost.	Explain the principle of basis and net carry costs.	Apply the principles of basis and net carry costs.
75	Provide advice and intermediary services to clients with respect to hedging in the futures market.	Explain how to hedge with futures and be able to apply the principle of hedging to case studies and be able to do the requisite calculations, particular hedging with a interest rate future (LIBOR), a share index future, and a currency future.	Apply the principles of hedging in the agricultural market.
Swaps			
76	Provide advice to clients with respect to interest rate swaps.	Define and discuss the features and purpose of interest rate swaps.	Offer investment advice on interest rate swaps with a view to optimising investment returns. Apply the principles of interest rate swaps Do the requisite calculations for interest rate swaps.
77	Provide advice to clients with respect to equity swaps.	Describe the different versions of equity swaps that exist.	Offer investment advice on equity swaps.

No.	Task	Knowledge Criteria	Skill Criteria
Options			
78	Provide advice to clients with respect to options.	Define and discuss the features of options and be able to distinguish between put and call options.	Offer investment advice on options with a view to optimising investment returns
		Describe the different payoff profiles and be able to interpret the graphic representations thereof including long call options, short call options, long put option and short put option.	
		Describe the organisation of the options markets.	
		Explain the margining and settlement principles for listed options and OTC options.	
79	Provide advice to clients with respect to option pricing.	Describe the two main option pricing / valuation models namely the Black-Scholes model and the Bimodal model and be able to apply the principles.	
80	Provide advice to clients with respect to options in the derivatives market.	Define and discuss the features of options on swaps and be able to apply principles.	
		Define and discuss the features of options on debt market instruments including caps and floors and bonds and be able to apply principles.	
81	Provide advice to clients with respect to options in the bond market.	Describe the mechanics of dealing in bond options.	
		Explain options on bond indices, bond warrants (call options and retail options), bonds with embedded options and convertible bonds.	

No.	Task	Knowledge Criteria	Skill Criteria
82	Provide advice to clients with respect to options in the foreign exchange and commodities markets.	Define and discuss the features of options on foreign exchange and commodities.	
83	Provide advice to clients with respect to option strategies.	Describe option strategies and be able to apply the principle and interpret graphic representations, including but not limited to a straddle and strangle.	
84	Provide advice to clients with respect to exotic options.	Explain the different types of exotic options that exist in the market.	
85	Other Derivative Instruments: Provide advice to clients with respect to credit and weather derivatives.	Define and discuss the features of less common derivatives such as credit derivatives and weather derivatives.	Offer investment advice on credit and weather derivative instruments with a view to optimising investment returns.
86	Provide advice to clients with respect to carbon credit, shipping and energy derivatives.	Define and discuss carbon credit, shipping and energy derivatives.	Offer investment advice on carbon credit, shipping and energy derivative with a view to optimising investment returns.
87	Provide advice to clients with respect to delta hedging.	Define delta hedging.	Offer investment advice on delta hedging with a view to optimising investment returns.
		Explain what a delta hedge is and what it is used for.	Apply the principles of a delta hedge.
		Explain concepts like delta, delta variable, delta neutral hedge ratio, in-the-money and out-the-money. Describe what is taken into consideration when a delta hedge is calculated.	
88	Provide advice to clients with	Speculation and Position-taking.	Offer investment advice on

No.	Task	Knowledge Criteria	Skill Criteria
	respect to speculation in the market.	<p>Explain what a speculator is and what role and function they are playing on the futures exchange.</p> <p>Distinguish between hedging and speculating.</p> <p>Explain what position taking is and what it is used for.</p> <p>Explain why position taking can be both speculative and anticipatory hedging.</p>	speculation and position-taking with a view to optimising investment returns.
89	Carrying of Commodity: Provide advice to clients with respect to carrying costs.	Explain how futures can be used to defray the cost of carrying an inventory of products.	Offer investment advice on Carrying of Commodity Positions in the market with a view to optimising investment returns.
90	Arbitrage: Provide advice to clients with respect to arbitrage transactions.	Describe what arbitrage is and the role that it plays in the futures market.	Offer investment advice on arbitrage in the market with a view to optimising investment returns.
91	Pricing: Provide advice to clients with respect to pricing in the market.	Explain how price determination takes place on the futures market and how the exchange serves as a price discovery mechanism.	Offer investment advice on pricing in the market with a view to optimising investment returns.
92	Forecasting Price Movements.	To provide advice to clients with respect to forecasting price movements by means of fundamental analysis in the market.	Offer investment advice on price movements in the market with a view to optimising investment returns.
93	Conduct a Fundamental analysis.	Fundamental analysis.	
		Explain what fundamental analysis is and what beliefs underlie this approach.	
		Discuss fundamental analysis in the context of the markets and name the factors taken into consideration by a fundamental analyst for a particular price outlook.	
		Discuss the objectives of fundamental analysis, the different layers involved including microeconomic and the macroeconomic factors that are important for fundamental analysis.	

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No.	Task	Knowledge Criteria	Skill Criteria
94	Conduct a technical analysis of the market.	Explain the general principles of technical analysis and the three broad areas that it can be divided in.	Offer investment advice on technical analysis in the market with a view to optimising investment returns.
95	Chart patterns and trend identification To provide advice to clients with respect to trend identification using chart patterns in the market.	Discuss the different types of charts and be able to read a trend and draw conclusion from it.	Offer investment advice on chart patterns and trends in the market with a view to optimising investment returns.
96	Provide advice to clients with respect to market sentiment in the market.	Explain market sentiment and be able to determine the sentiment in the market using different means.	Offer investment advice on trader sentiment in the market with a view to optimising investment returns.
97	Provide advice to clients with respect to the impact of market structure on price expectations in the market.	Explain how studying market structure to anticipate price and time expectations and the theories in this regard.	Offer investment advice on market structure in the market with a view to optimising investment returns.

Section 10: RE 10: Second Level Regulatory Examination: Short Term Insurance: Personal Lines

- (1) All representatives performing financial services in relation to category I dealing with the subcategory Short Term Insurance: Personal Lines are required to complete a first level regulatory examination, based on the qualifying criteria as it appears in Section 4 and a second level regulatory examination based on the qualifying criteria in Section 10.
- (2) Examination bodies have the discretionary powers to offer a combination examination for representatives working with category I, dealing with the subcategory Short Term Insurance: Personal Lines, where such representatives may choose to complete one examination that addresses the qualifying criteria as it appears in Sections 4 and 10.
- (3) The qualifying criteria in Section 4 and Section 10 serve as the criteria against which qualifications will be evaluated for inclusion on the list of recognised qualifications.

NO.	TASK	KNOWLEDGE CRITERIA	SKILL CRITERIA
1.	Determine the clients need for insurance.	<p>Explain the principles of insurance including the concepts of insurable interest, insurable risk, duty of disclosure, indemnity, average, compensation, subrogation, proximate cause, contribution.</p> <p>Explain the policy wording/s including the concept of excess, underwriting criteria and types of perils.</p> <p>Describe the benefits offered by relevant products.</p> <p>Explain the different lines of insurance.</p> <p>Explain the different types of cover (including self insurance) available and the implications and benefits thereof.</p> <p>Describe client specific contractual obligations e.g. HP agreements, tenant liability.</p> <p>Explain how to apply the underwriting criteria.</p> <p>Explain the concept of reinsurance and limits of retention of the Company.</p>	<p>Ask relevant questions relating to product offering in order to determine the clients need for insurance.</p> <p>Gather relevant information by completing a questionnaire where applicable.</p> <p>Establish the insurable interest, previous claims loss history, previous insurance and personal financial status of the client.</p> <p>Capture relevant information.</p> <p>Explain and apply principles of insurance.</p>
2.	Match the client's need to the relevant product/s.		<p>Identify the areas of risk to which the client is exposed.</p> <p>Conduct a comparison of types of cover available to the client.</p>
3.	Apply underwriting criteria.		<p>Determine factors/hazards that will influence risk.</p> <p>Identify additional requirements, loadings, discounts and excesses which may need to be applied.</p>

NO.	TASK	KNOWLEDGE CRITERIA	SKILL CRITERIA
4.	Draft/request a quotation for insurance.	<p>Explain the applicability of rates structures.</p> <p>Explain the concept of SASRIA as it applies to premium.</p>	<p>Apply, calculate and illustrate applicable rates including fees and SASRIA with taking reinsurance into consideration where applicable.</p>
5.	Agree terms and conditions of cover.	Describe endorsements, restrictions, exclusions, conditions of insurance, application of terms and conditions as applied to the quotation.	<p>Present the agreed terms and conditions to the proposer.</p> <p>Obtain acceptance from client.</p> <p>Follow up on outstanding requirements (e.g. valuation certificates and security requirement certificates).</p>
6.	Issue policy / fulfilment document.	Explain the procedure for issuing policies/fulfilment.	<p>Submit/receipt of closings/acceptance of quote.</p> <p>Ensure accuracy of closings/acceptance to the quote.</p> <p>Issue policy/fulfilment document.</p> <p>Quality assurance of policy document/contract to quote/proposal/closings.</p>
7.	Provide a service to the client / maintain policy / client retention.	<p>Explain the concept and process of renewal/review of policies.</p> <p>Explain the procedures for making additions or changes to policies and the implications thereof.</p> <p>Explain the conditions of collection and payment of premiums.</p> <p>Explain the replacement policy concepts as defined in Board Notice 43/2008 Amendment of Part X of Schedule of Notice.</p>	<p>Analyse the performance of the policy and establish whether the policy still meets the need of the client.</p> <p>Agree changes in terms and conditions of policy.</p> <p>Communicate and confirm all changes to policies with all relevant parties.</p> <p>Obtain supporting documentation for changes where required.</p>

NO.	TASK	KNOWLEDGE CRITERIA	SKILL CRITERIA
8.	Process a claim.	<p>Identify whether the loss is an insured peril in terms of the policy/fulfilment.</p> <p>Explain the claims procedure and criteria for claims of the insurer.</p> <p>Explain the concept and applicability of third party insurance and the procedure for third party insurance claims.</p> <p>Describe the role of the relevant parties to a claim.</p> <p>Explain the types of compulsory legislative insurance.</p> <p>Explain what the applicable formulas are (e.g. average, betterment and contribution) and how they should be used.</p>	<p>Make amendments to policies and issue endorsement.</p> <p>Ensure collection/payment/refund of premiums.</p> <p>Gather relevant information relating to the claim from the client.</p> <p>Advise the client on the claims procedure.</p> <p>Record the details of the incident or loss for record keeping.</p> <p>Notify the relevant parties of the potential loss.</p> <p>Obtain all relevant documentation regarding the claim.</p> <p>Validate the documents/information and the legitimacy of the claim.</p> <p>Establish liability in terms of the policy (Appoint loss adjustor/assessor and/or investigator if necessary).</p> <p>Establish the value/quantum of the claim.</p> <p>Notify relevant parties of claims outcome (settle/reject) internal and external.</p> <p>Settle the claim (if admitted).</p> <p>Record finalisation of claim.</p>
9.	Recovery/mitigation of losses.	<p>Explain the process of salvage of goods and recovery of money.</p> <p>Explain the legal rights of recourse (i.e. subrogation) available to the relevant parties.</p>	<p>Determine available recourse/recovery actions.</p> <p>Determine the involvement of the client in this process.</p>

NO.	TASK	KNOWLEDGE CRITERIA	SKILL CRITERIA
			Advise client of actions/process to be taken and implement recovery actions where appropriate.
			Establish the relative interest of the parties in any recovery achieved.
			Settle between the parties involved.
			Record finalisation of recovery/mitigation settlement.

Section 11 RE 11: Second Level Regulatory Examination: Short Term Insurance: Commercial Lines

- (1) All representatives performing financial services in relation to category I dealing with the subcategory Short Term Insurance: Commercial Lines are required to complete a first level regulatory examination, based on the qualifying criteria as it appears in Section 4 and a second level regulatory examination based on the qualifying criteria in Section 11.
- (2) Examination bodies have the discretionary powers to offer a combination examination for representatives working with category I, dealing with the subcategory Short Term Insurance: Commercial Lines, where such representatives may choose to complete one examination that addresses the qualifying criteria as it appears in Sections 4 and 11.
- (3) The qualifying criteria in Section 4 and Section 11 serve as the criteria against which qualifications will be evaluated for inclusion on the list of recognised qualifications.

NO.	TASK	KNOWLEDGE CRITERIA	SKILL CRITERIA
1.	Determine the clients insurance needs.	<p>Explain the principles of insurance including the concepts of insurable interest, insurable risk, duty of disclosure, indemnity, average, compensation, subrogation, proximate cause, contribution.</p> <p>Explain the different lines of insurance.</p> <p>Describe the different types of cover (including self insurance/funding e.g. aggregate excesses) available and the implications and benefits thereof.</p> <p>Basic knowledge and understanding of financial statements.</p> <p>Describe what a niche market is.</p> <p>Explain when to refer to a niche specialist.</p> <p>Explain the principles of insurance.</p>	<p>Determine the clients need for insurance by asking relevant questions relating to product offering.</p> <p>Conduct a needs analysis by asking relevant questions and gathering relevant information.</p> <p>Complete relevant records.</p> <p>Identify the areas of risk to which the client is exposed.</p> <p>Interpret basic financial statements in order to determine a client's financial risk.</p> <p>Establish the client's limitations and restrictions, including affordability.</p> <p>Apply the principles of insurance.</p> <p>Establish the insurable interest, previous claims loss history, previous insurance and personal financial status of the client.</p>

NO.	TASK	KNOWLEDGE CRITERIA	SKILL CRITERIA
2.	Match the appropriate product to the client's needs.	Explain the terms and conditions of various products available. Describe the benefits offered by relevant products.	Analyse the data gathered from the client in order to establish the insurable interest and need of the client. Conduct a comparison of types of cover available to the client.
3.	Apply underwriting criteria.	Explain the concept and types of reinsurance (with applicability) and limits of retention of the Company. Explain how to apply the underwriting criteria and when surveys are required. Explain the policy wording/s including the concept of excess, underwriting criteria and types of perils and hazards. Describe how the severity and frequency of a risk could impact on acceptance of a risk or the premium.	Determine factors/hazards that will influence risk in terms of severity and frequency.
4.	Draft/request a quotation.	Explain the applicability of rates structures. Explain and use of applicable formulas.	Identify additional requirements, loadings, discounts and excesses which may need to be applied. Use the formulas. Prepare a quotation for a commercial short term insurance policy.
5.	Present quotation to the client.	Explain how to apply the law of contract to insurance policies.	Apply, calculate and disclose applicable rates including fees, SASRIA and reinsurance where applicable. Calculate the premium including reinsurance where applicable. Present and explain the terms and conditions to the client. Verify that the quote meets the client's needs.

NO.	TASK	KNOWLEDGE CRITERIA	SKILL CRITERIA
			<p>Ensure that a survey is conducted where applicable.</p> <p>Make recommendations of measures that can be put in place to reduce losses or improve risk.</p> <p>Explain financial options for managing risk with reference of transferring the risk and self funding.</p> <p>Present any changes to terms and conditions where applicable.</p> <p>Obtain acceptance from client.</p> <p>Follow up on outstanding requirements or documentation (e.g. valuation certificates, security requirement certificates and financial statements etc).</p>
6.	Prepare/request a policy/fulfilment document.	Explain the procedure for issuing policies/fulfilment.	<p>Submit/receipt of closings/acceptance of quote.</p> <p>Ensure accuracy of closings/acceptance to the quote.</p> <p>Issue policy/fulfilment document/contract.</p> <p>Quality assurance of policy document/contract to quote/proposal/closings.</p>
7.	Provide a service to the client / maintain policy/ client retention.	<p>Describe the concept and process of renewal/review of policies.</p> <p>Explain the procedures for making additions or changes to policies and the implications thereof.</p> <p>Explain conditions of collection and payment of premiums.</p> <p>Explain replacement policy concepts as defined in Board Notice 43/2008 Amendment of Part X of Schedule of Notice.</p>	<p>Analyse the performance of the policy and establish whether the policy still meets the need of the client.</p> <p>Renegotiate terms and conditions of policy as appropriate.</p> <p>Communicate and confirm all changes to policies with all relevant parties.</p> <p>Obtain supporting documentation for changes where required.</p> <p>Make amendments to policies and issue</p>

NO.	TASK	KNOWLEDGE CRITERIA	SKILL CRITERIA
			endorsement.
8	Process a claim.	Identify whether the loss is an insured peril in terms of the policy/fulfillment.	Ensure collection/payment/refund of premiums.
		Explain the terms and conditions of the policy.	Gather relevant information relating to the claim from the client.
		Explain the claims procedure and criteria for claims of the insurer.	Advise the client on the claims procedure.
		Explain the concept and applicability of third party insurance and the procedure for third party insurance claims.	Record the details of the incident or loss for record keeping.
		Explain the role of all possible relevant parties involved in a claim (e.g. insurer/ceding company, reinsurer/accepting company, the insured, the assessor etc).	Notify the relevant parties of the potential loss.
		Describe the process for review and appeals of rejected claims.	Obtain all relevant documentation regarding the claim.
		Explain the types of compulsory legislative insurance.	Validate the documents/information and the legitimacy of the claim.
		Explain the use of applicable formulas (e.g. average, betterment and contribution).	Establish liability in terms of the policy (Appoint loss adjustor/assessor and/or investigator if necessary).
			Establish the value/quantum of the claim.
			Notify relevant parties of claims outcome (settle/reject) internal and external.
			Settle claim if admitted (valid).
			Record finalisation of claim.
9.	Recovery/mitigation of losses.	Explain the process of salvage of goods and recovery of money.	Determine available recourse/recovery actions.

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NO.	TASK	KNOWLEDGE CRITERIA	SKILL CRITERIA
		<p>Explain the legal rights of recourse (i.e. subrogation) available to the relevant parties.</p> <p>Explain the implications of VAT.</p>	<p>Determine the involvement of the client in this process.</p> <p>Advise client of actions/process to be taken and implement recovery actions where appropriate.</p> <p>Establish the relative interest of the parties in any recovery achieved.</p> <p>Settle between the parties involved.</p> <p>Record finalisation of recovery/mitigation settlement.</p>

Section 12: RE 12: Second Level Regulatory Examination: Health Care Benefits

- (1) All representatives performing financial services in relation to category I dealing with the subcategory Health Care Benefits are required to complete a first level regulatory examination, based on the qualifying criteria as it appears in Section 4 and a second level regulatory examination based on the qualifying criteria in Section 12.
- (2) Examination bodies have the discretionary powers to offer a combination examination for representatives working with category I, dealing with the subcategory Health Care Benefits, where such representatives may choose to complete one examination that addresses the qualifying criteria as it appears in Sections 4 and 12.
- (3) The qualifying criteria in Section 4 and Section 12 serve as the criteria against which qualifications will be evaluated for inclusion on the list of recognised qualifications.

NO.	TASK	KNOWLEDGE CRITERIA	SKILL CRITERIA
1.	Negotiate a broker / intermediary agreement with a medical scheme.	<p>Explain the product specific features and benefits.</p> <p>Explain the product specific rules and limitations.</p> <p>Describe the Medical Scheme structures.</p> <p>Provide a general overview of the industry and any issues that are currently impacting on the medical schemes.</p> <p>Explain the legislation that impacts on the South African Health Care Industry.</p> <p>Explain the relevant model rules governing Medical Schemes.</p> <p><i>The following criteria applies to brokers, principle officers and board of trustees:</i></p> <p>Explain the roles and responsibilities of the broker and the medical scheme principle officer and trustees, including the broker agreement with the scheme.</p> <p>Identify what information must be included (clauses) in the agreement to support the roles and responsibilities of the parties involved.</p> <p>Explain the agreements between the medical scheme and any third parties, including but not limited to administrator, manage care networks,</p>	<p>Check that the broker banking details are correct.</p> <p>Confirm all the details stipulated on the contract are accurate and relevant.</p>

NO.	TASK	KNOWLEDGE CRITERIA	SKILL CRITERIA
		etc.	
2	Receive a direct lead.	<p>Explain the consequences for the broker if there is no formal agreement with the medical scheme(s).</p> <p>Describe what general information is required from the consumer to ensure that it is a legitimate lead.</p> <p>Explain what consumer information is required for internal administrative processes.</p> <p>Explain what consumer information is required for the internal database.</p> <p>Explain the reason why information must be obtained from the consumer regarding how the lead was generated.</p> <p>Explain the disclosure requirements as the FAIS General Code of Conduct. (Also included in the complaints procedure.)</p>	<p>Enter into the broker agreement.</p> <p>Check the basic general information of the consumer i.e. name, contact details, etc. to ensure that it is legitimate.</p> <p>Check the basic general information of the consumer creating an internal administrative processes and database.</p> <p>Obtain information from the consumer on how the lead was generated.</p>
3.	Receive a referred lead.	<p>Explain what the consumer's rights are in terms of the Consumer Protection Bill.</p> <p>Explain the importance of checking the pre-emptive block register (to see if the consumer may be contacted in terms of marketing.)</p> <p>Describe what general information is required from the consumer to ensure that it is a legitimate lead.</p> <p>Explain what consumer information is required for internal administrative processes.</p> <p>Explain what consumer information is required for the internal database.</p>	<p>Check the pre-emptive block register to identify if the consumer may be contacted in terms of marketing.</p> <p>Check the basic general information of the consumer i.e. name, contact details, etc. to ensure that it is legitimate.</p> <p>Capturing the basic general information of the consumer creating an internal administrative process and updating the database.</p> <p>Make contact with the consumer via telephone, e-mail, fax, or face-to-face.</p> <p>Obtain information from the consumer on how the lead was generated.</p>

NO.	TASK	KNOWLEDGE CRITERIA	SKILL CRITERIA
		<p>Explain the reason why information must be obtained from the consumer regarding how the lead was generated.</p> <p>Explain the disclosure requirements as the FAIS General Code of Conduct. (Also included in the complaints procedure.)</p>	
4.	Introduction to the client.	<p>Explain the important of disclosing the Council of medical Schemes accreditation and FSP license.</p> <p>Explain the disclosure requirements as per the FAIS General Code of Conduct.</p>	<p>Disclose your Council accreditation and FSP license.</p> <p>Disclose which medical schemes you are accredited with and if you receive more than 80% of your commissionable income from one medical scheme.</p> <p>Disclose the broker fee involved. (Anything outside the regulated commission.)</p> <p>Obtain consent to act on behalf of the member/consumer, or employer group.</p> <p>Obtain consent from the employer group to act on behalf of their employees.</p>
5.	Conduct a client needs analysis	<p>Explain the cost of the benefits of the medical schemes.</p>	<p>Obtain the consumer's signature to confirm that they have received the disclosure information. (That he/she understands and acknowledges receipt of the document, etc.)</p> <p>Obtain the signature on the appointment letter from the consumer to act on his/her behalf.</p> <p>Render services to consumer in accordance to the broker code of conduct. (Only for brokers.)</p> <p>Conduct in-depth interview with the consumer to obtain the appropriate information related to his / her affordability.</p>

NO.	TASK	KNOWLEDGE CRITERIA	SKILL CRITERIA
		<p>Explain the impact of prior membership of any other scheme, and the period of such membership.</p> <p>Explain what personal information is required from a consumer, in making a full disclosure.</p> <p>Explain how the personal information / situation of the consumer may influence the schemes/ benefit choice and benefit costs.</p> <p>Describe the Medical schemes Act / regulation / amendments / circulars and scheme rules that should be taken into consideration when identifying a medical scheme / benefit option for the consumer.</p> <p>Explain why the underwriting protocols should be considered when rendering advice to the consumer.</p> <p>Explain what financial information must be obtained from the consumer i.e. income to determine the affordability of the contribution.</p> <p>Explain what the tax implications for the consumer, with regards to their medical scheme and health care expenses.</p> <p>Identify what relevant legislation should be taken into consideration when providing advice to the consumer. (Complimentary legislation i.e. Tax, FICA, etc.)</p>	<p>Conduct in-depth interview with the consumer to obtain the appropriate information related to his / her health care requirements.</p> <p>Conduct in-depth interview with the consumer to obtain the appropriate information related to his / her health care needs.</p> <p>Obtain personal information from the consumer that may impact on the benefit choice provided that includes, but is not limited to:</p> <p>Age Pre-existing medical conditions Whether treatment was received within the last 12 months. Family size of consumer and how it affects the cost benefit. Establish eligibility for any subsidy from employer.</p> <p>Identify the underwriting principles that should be taken into consideration when providing a recommendation to the consumer.</p> <p>Obtain an acknowledgement from the consumer that he/she has understood your recommendation in the form of a signed approval.</p> <p>Calculate the tax benefit for the consumer.</p>

NO.	TASK	KNOWLEDGE CRITERIA	SKILL CRITERIA
		<p>Describe the importance of considering all demographic and financial information on medical schemes, including but not limited to solvency ratio, average age, pensioners ratio, size of the schemes, GEMS profile, etc.</p> <p>Explain to the consumer the broker's relationship with the consumer and the medical scheme.</p> <p>Provide a general overview of the industry and any issues that are currently impacting on the medical schemes.</p>	<p>Correctly identify the factors that should be taken into consideration when analysing a medical scheme.</p> <p>Identify any conflict of interest, and disclose up-front to the consumer.</p> <p>Correctly identify current issues in the legislative and medical scheme environment that could influence an analysis of a medical scheme.</p>
6	Conduct a comparative medical scheme analysis.	<p>Identify the factors in the Medical Scheme Act and regulations that medical schemes have to adhere to, to be compliant.</p> <p>Describe the Medical schemes Act / regulation / amendments / circulars and scheme rules that should be taken into consideration when identifying a medical scheme / benefit option for the consumer.</p> <p>Identify what relevant legislation should be taken into consideration when providing advice to the consumer. (Complimentary legislation i.e. Tax, FICA, etc.)</p> <p>Describe the importance of considering all demographic and financial information on medical schemes, including but not limited to solvency ratio, average age, pensioners ratio, size of the schemes, GEMS profile, etc.</p> <p>Provide a general overview of the industry and any issues that are currently impacting on the medical schemes.</p> <p>Explain the importance of the global credit rating of medical schemes.</p>	<p>Access and analyse the medical scheme's compliance with the Medical Scheme Act and regulations.</p> <p>Access and analyse global credit rating for each medical scheme that are being considered.</p> <p>Access and analyse the demographic information from the medical schemes.</p> <p>Identify trends in terms of growth, solvency, premium increases, service delivery to consumer/brokers and social responsibility of medical schemes.</p> <p>Establish whether the administrator and any other third parties, are compliant with legislative requirements.</p> <p>Evaluate operational efficiency of the medical schemes.</p>

NO.	TASK	KNOWLEDGE CRITERIA	SKILL CRITERIA
7	<p>Make a decision regarding which medical scheme options would be the most appropriate for the consumer, taking into consideration the member and medical scheme analysis that were conducted.</p>	<p>Explain the cost of the benefits of the medical schemes.</p> <p>Explain the impact of prior membership of any other scheme, and the period of such membership.</p> <p>Explain what personal information is required from a consumer, in making a full disclosure.</p> <p>Describe the Medical schemes Act / regulation / amendments / circulars and scheme rules that should be taken into consideration when identifying a medical scheme / benefit option for the consumer.</p> <p>Explain why the underwriting protocols should be considered when rendering advice to the consumer.</p> <p>Explain what financial information must be obtained from the consumer i.e. income to determine the affordability of the contribution.</p> <p>Explain what the tax implications for the consumer, with regards to their medical scheme and health care expenses.</p> <p>Identify what relevant legislation should be taken into consideration when providing advice to the consumer. (Complimentary legislation i.e. Tax, FICA, etc.)</p> <p>Describe the importance of considering all demographic and financial information on medical schemes, including but not limited to solvency ratio, average age, pensioners ratio, size of the schemes, GEMS profile, etc.</p>	<p>Compare the different medical scheme options.</p> <p>Select the most appropriate medical scheme option for the consumer.</p> <p>Demonstrate to the consumer the impact of the underwriting.</p> <p>Calculate the contribution to the member.</p> <p>Calculate the tax benefit for the consumer.</p> <p>Discuss the relevant legislation with the consumer to demonstrate the impact of the legislation on the health care option, for example: How community rating works, how the savings account and risk pool works.</p> <p>Explain to the consumer the limited choice of providers within the provider network arrangement if applicable.</p>

NO.	TASK	KNOWLEDGE CRITERIA	SKILL CRITERIA
8.	<p>Render advice to the consumer.</p>	<p>Provide a general overview of the industry and any issues that are currently impacting on the medical schemes.</p> <p>Explain the importance of the global credit rating of medical schemes.</p> <p>Describe the processes and procedures included in the managed care initiatives of the scheme, including but not limited to pre-authorisation, chronic conditions, oncology, HIV and maternity, etc.</p> <p>Explain the medical scheme rules included but not limited to waiting periods, late joiner penalties, exclusions, non-disclosure implications, and upgrades and downgrades.</p> <p>Explain the record keeping requirements in accordance to FAIS Act and FICA.</p> <p>Explain the importance of providing advice in plain simple and understandable language. (Layman's language.)</p> <p>Explain the cost of the benefits of the medical schemes</p> <p>Explain the impact of prior membership of any other scheme, and the period of such membership.</p>	<p>Discuss any proposed future changes in the medical schemes industry that could impact on the consumer.</p> <p>Explain factors that could negatively impact on medical scheme financial soundness, which could influence the consumer's contribution.</p> <p>Recommend a medical scheme / option to the consumer.</p> <p>Explain the necessity of managed care including the limitations and benefits.</p> <p>Educate the consumer on benefits, proration of benefits, processes and procedures included but not limited to pre-authorisation, chronic conditions, oncology, HIV and maternity, etc.</p> <p>Explain to the consumer the benefits of the medical scheme (in accordance to the company protocols) including but not limited to self-payment gaps, medical savings account, thresholds, annual limits, deductibles, sub-limits, preferred provider networks, PMBs, BBPs, etc.</p> <p>Explain the appropriate medical scheme rules, included but not limited to upgrades, timeframes within which upgrades may be done, LJPs, condition specific exclusions, normal exclusions, waiting periods, complimentary benefits, premium waiver, etc.</p> <p>Discuss the National Health Reference Price List (NHRPL) and the appropriate tariffs used by the medical schemes.</p>

NO.	TASK	KNOWLEDGE CRITERIA	SKILL CRITERIA
		<p>Explain what personal information is required from a consumer.</p> <p>Explain how the personal information / situation of the consumer may influence the schemes/ benefit choice and benefit costs.</p> <p>Describe the Medical schemes Act / regulation / amendments / circulars and scheme rules that should be taken into consideration when identifying a medical scheme / benefit option for the consumer.</p> <p>Explain why the underwriting protocols should be considered when rendering advice to the consumer.</p> <p>Explain what financial information must be obtained from the consumer i.e. income to determine the affordability of the contribution.</p> <p>Explain what the tax implications for the consumer.</p> <p>Identify what relevant legislation should be taken into consideration when providing advice to the consumer. (Complimentary legislation i.e. Tax, FICA, etc.)</p> <p>Describe the importance of considering all demographic and financial information on medical schemes, including but not limited to solvency ratio, average age, pensioners ratio, size of the schemes, GEMS profile, etc.</p> <p>Provide a general overview of the industry and any issues that are currently impacting on the medical schemes.</p>	<p>Confirm with the medical scheme any late joiner fee and underwriting where applicable to the consumer.</p> <p>Re-confirm the complaint process with the consumer.</p> <p>Obtain sign-off from the consumer as confirmation of his/her understanding of the information and advice provided.</p> <p>Advising the employer/member on the impact of any changes in the medical scheme environment that will influence any post-retirement liability.</p>

NO.	TASK	KNOWLEDGE CRITERIA	SKILL CRITERIA
9.	Facilitate a membership application form from a broker perspective.	<p>Must have an understanding of the financing of both current and deferred health costs and the method of delivery. They should also be able to identify those contemporary issues which are likely to have an impact on the employer and individual.</p> <p>Explain why signatures are required.</p> <p>Explain the administrative functions related to the application form.</p> <p>Describe the record keeping requirements in terms of FICA and FAIS.</p> <p>Explain the internal structure of the administrator of the medical scheme.</p> <p>Describe what type of changes the consumer can make to the counter offer letter received from the medical scheme.</p> <p>Explain the regulations / rules regarding completing application forms on behalf of consumers.</p> <p>Explain the process of refunding a claim.</p> <p>Describe the conditions under which the membership of a member can be suspended and/or terminated.</p> <p>Explain the importance of advising the member and the broker of the suspension.</p>	<p>Review application forms for accuracy, completeness, etc.</p> <p>Advise the member and / or broker of the membership suspension or termination.</p> <p>Provide guidance to the consumer when completing the application form.</p> <p>Retain copies of the application, filing the application (electronic or hard copy format) in terms of FAIS and FICA requirements.</p> <p>Forward the application form to the new business department of the medical scheme.</p> <p>Receive the counter offer letter / acceptance letter from the medical scheme.</p> <p>Present the counter offer letter / acceptance letter to the consumer.</p> <p>Explain what type of amendments the consumer is entitled to make to the counter offer letter, and the implications of these changes.</p> <p>Make changes as required by the consumer.</p>

NO.	TASK	KNOWLEDGE CRITERIA	SKILL CRITERIA
10.	Collect commission from the medical scheme.	<p>Explain the processes involved with changing benefit options and the addition / withdrawal and resignation of members / beneficiaries or dependants.</p> <p>Explain the requirements that should be met by the broker in order to collect commission.</p> <p>Describe the process to collect the broker commission from the medical scheme.</p> <p>Explain the tax implications for the broker when receiving commission in accordance to the relevant tax laws.</p> <p>Explain the importance of the broker code allocated by the medical scheme for collection of commission purposes.</p> <p>Explain the confidentiality of the consumer details linked to the broker code.</p> <p>Explain the broker commission structure in accordance to the Medical Schemes Act.</p>	<p>Obtain the signature of the consumer.</p> <p>Collect commission on condition that the broker is licensed as an FSP and accredited by the Council of Medical Schemes and must have a contract in place with the Medical Scheme.</p> <p>Collect commission in accordance to the broker agreement.</p> <p>Collect commission in accordance to the relevant process that applies the broker.</p> <p>Confirm with the Council of Medical Schemes that the broker's accreditation is current.</p>
11.	Collect advisory fee from the consumer.	<p>Explain the disclosure requirements as it relates to additional advisory fees that might be recovered from the consumer.</p> <p>Explain the payment options available to the consumer in order to recover the advisory fee.</p> <p>Explain that no interest may be charged unless the broker is registered with the NCR.</p> <p>Explain the importance of obtaining an agreement in writing from the consumer that an advisory fee will be collected.</p>	<p>Obtain the signature from the consumer for the payment of the advisory fee.</p> <p>Issue invoices to the consumer in terms of agreed fee.</p> <p>Advising the consumer of the broker's banking details.</p>
12.	Process the membership	Applicable to new business department and underwriting department:	

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NO.	TASK	KNOWLEDGE CRITERIA	SKILL CRITERIA
	application form from a medical scheme perspective.	<p>Explain the administrative functions related to the application form.</p> <p>Describe the record keeping requirements in terms of FICA and FAIS.</p> <p>Explain the internal structure of the administrator of the medical scheme.</p> <p>Describe what type of changes the consumer can make to the counter offer letter received from the medical scheme.</p> <p>Explain the regulations / rules regarding completing application forms on behalf of consumers.</p> <p>Explain the internal medical scheme process involved when receiving an amended counter offer letter / acceptance letter from the broker / consumer.</p> <p>Applicable to only underwriting department within a medical scheme:</p> <p>Explain the internal medical scheme process involved when receiving an amended counter offer letter / acceptance letter from the broker / consumer.</p>	<p>Refer back to the broker/member for completion (if need to be completed.)</p> <p>Retain copies of the application, filing the application (electronic or hard copy format) in terms of FAIS and FICA requirements.</p> <p>Draft a counter offer letter / acceptance letter to the member where applicable.</p> <p>Send the counter offer letter / acceptance letter to the broker and / or the member.</p> <p>Obtain the signature of the consumer.</p>
13.	Resolving medical scheme queries in a broker environment.	<p>Explain the product specific features and benefits.</p> <p>Explain the product specific rules.</p>	<p>Analyse the amendment(s) made by the member in order to accept, revise or decline the membership.</p> <p>Draft the updated letter of acceptance / counter offer letter to the member.</p> <p>(Revert to process above.)</p> <p>Obtain consent to act on behalf of the member.</p> <p>Obtain consent from the employer group to act on behalf of their employees.</p>

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NO.	TASK	KNOWLEDGE CRITERIA	SKILL CRITERIA
		<p>Describe the Medical Scheme rules.</p> <p>Describe the Medical Scheme structures.</p> <p>Describe the Medical Scheme protocols.</p> <p>Describe the Medical schemes Act / regulation / amendments / circulars and scheme rules that should be taken into consideration when resolving a medical scheme query in a broker environment.</p> <p>Provide a general overview of the industry and any issues that are currently impacting on the medical schemes.</p> <p>Provide an overview of the most recent information from the Associations and Broker organisations.</p> <p>Provide an overview of the ICD 10, procedure and provider codes and what they are used for and where it is obtained from (obtained from the Council circulars) to prove awareness of these codes.</p>	<p>Consider all the guidelines published by the Medical Scheme Council.</p> <p>Act as mediator between the consumer and the medical scheme until it's resolved.</p> <p>Communicate / educate and assist the member with appropriate and accurate information.</p> <p>Comply with broker code of conduct on Medical Council's website.</p> <p>Provide feedback to the member in terms of complaint / query resolution (in terms of the broker code of conduct.)</p> <p>Explain to the member the dispute resolution process and the role of the Council for Medical Schemes in this process.</p>
14.	Resolving medical scheme queries in a medical scheme environment.	<p>Explain the product specific features and benefits.</p> <p>Explain the product specific rules.</p> <p>Describe the Medical Scheme rules.</p> <p>Describe the Medical Scheme structures.</p> <p>Describe the Medical Scheme protocols.</p>	<p>Consider all the guidelines published by the Medical Scheme Council.</p> <p>Consider most recent internal communication with regards to payment of claims.</p> <p>Communicate / educate and assist the member or broker with appropriate and accurate information.</p> <p>Explain to the member the dispute resolution process and the role of the Council for Medical Schemes in this process.</p>