

**BOARD NOTICE 86 OF 2011****FINANCIAL SERVICES BOARD****FINANCIAL ADVISORY AND INTERMEDIARY SERVICES ACT, 2002****COMPLIANCE REPORT FOR CATEGORY II AND IIA FSPs, 2011**

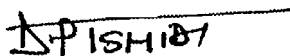
In terms of section 17(4) of the Financial Advisory and Intermediary Services Act, 2002 ("the Act"), I, Dube Phineas Tshidi, the Registrar of Financial Services Providers, determine the manner in which the compliance report for Categories II and IIA FSPs must be submitted, and the matters which it must have regard to. This determination was made after consultation with the Advisory Committee on Financial Services Providers.

- (a) Written reports for the reporting periods, by completing the schedule attached hereto, or by completing electronically, online the schedule on the web site of the Financial Services Board ([www.fsb.co.za](http://www.fsb.co.za)), must be submitted one month after the reporting date.
- (b) Answers should not be provided in columns that are shaded in grey in the schedule.
- (c) In this Notice, unless the context indicates otherwise –
  - (i) any word or expression shall have the meaning that it was assigned in the Act;
  - (ii) "Code of Conduct" means any Code published under section 15 of the Act;
  - (iii) "Determination of Fit and Proper Requirements" means the Determination of Fit and Proper Requirements for Financial Services Providers, 2008;
  - (iv) "developmental area" means any control, process or compliance issue that has been identified during the monitoring of compliance as an area in respect of which the need for improvement of such control, process or compliance issue has been identified by the provider, and plans are in place to effect such improvements within a reasonable time;
  - (v) "FICA" means the Financial Intelligence Centre Act, 2001;
  - (vi) "Forex Investment Business Code of Conduct" means the Code of Conduct for Authorised Financial Service Providers, and their Representatives, involved in Forex Investment Business, 2004;
  - (vii) "FSP", "financial services provider" or "provider" means an authorised

financial services provider, and includes, where applicable, any representative of the provider;

- (viii) "General Code of Conduct" or "General Code" means the Code of Conduct for Authorised Financial Services Providers and their Representatives, 2003;
- (ix) "Regulations" means the Financial Advisory and Intermediary Services Regulations, 2003;
- (x) "reporting date" means 31 May 2011;
- (xi) "reporting period" means the period from the latter of-
  - (aa) the date of authorisation as financial services provider in terms of section 8 of the Act;
  - (bb) the first day of the month following the reporting period for the last compliance report,; or
  - (cc) the date of appointment of the compliance officer of the FSP,until the reporting date.

This Determination is called the Compliance Report for Categories II and IIA FSPs, 2011, and comes into operation on the date of publication thereof.



**D P TSHIDI,**  
Registrar of Financial Services Providers

## SCHEDULE

### Compliance Report for Category II and IIA FSPs for the reporting period ended 31 August 2011

#### Scope

In accordance with section 17(4) of the Act, I/we ..... (the approved Compliance Officer(s) of the Financial Services Provider hereby report as follows as regards compliance with the Act by ..... (full name of the FSP and the FSP Number) and any representatives of the FSP, for the reporting period ..... (date reporting period started) to 31 May 2011.

Question		Column				
		1	2	3	4	5
		Yes	No	Not applicable	Develop - mental area	Annexure number
	<b>SECTION 1 – GENERAL</b>					
<b>1</b>	<b><i>Conditions and restrictions by Registrar Sections 7 and 8(4)(a) and (5)(b) of Act</i></b>					
1.1	Does the FSP have procedures in place to ensure that it can comply with condition of the licensing conditions requiring the FSP to update its business information as provided during the application stage within 15 days of any change/s occurring?					
1.2	Did the FSP change legal status (e.g. from CC to (Pty) Ltd) as an entity since obtaining a licence?					
1.3	<i>If the answer to Question 1.2 is YES – Did the FSP obtain a new licence as contemplated in section 8 of the Act?</i>					
1.4	Does the FSP verify in all instances that any other FSP that it gives an instruction to, or receives an instruction from, is authorised to render specific financial services without any restrictions in the licence in relation to a specific financial product?					

Question		Column				
		1	2	3	4	5
		Yes	No	Not applicable	Develop - mental area	Annexure number
1.5	<b>Financial products in respect of which FSP renders financial services</b> <i>Condition 5 imposed by Registrar in terms of section 8(4) of Act</i>					
1.5.1	Is the FSP regulated in terms of any other law (within or outside South Africa)? (Please note that this does not include membership of professional bodies.)					
1.5.2	<i>If the answer to Question 1.5.1 is YES -</i> Provide details of the Regulator (Name of Regulator and registration and/or licensing number/s with the Regulator, if applicable) in a separate annexure and indicate the annexure number in column 5.					
1.5.3	Does the FSP render financial services on any financial product that is not specifically defined in the Act or regulated in terms of any other legislation (i.e. hedge fund, depending on the structure)?					
1.5.4	<i>If the answer to Question 1.5.3 is YES -</i> Provide details of the financial products concerned in a separate annexure and indicate the annexure number in column 5.					
1.6	<b>Financial products in respect of which FSP renders financial services</b> <i>Authorisation in terms of licence</i>					
1.6.1	Does the FSP have procedures in place to ensure that the rendering of financial services is done within the limitation on Categories and sub-categories for which the licence is issued?					
1.6.2	Did any non-compliance occur in respect of the limitation on Categories and sub-categories during the reporting period?					
1.6.3	<i>If the answer to Question 1.6.2 is YES -</i> Provide details of such non-compliance as well as steps taken to reasonably ensure that such non-compliance does not occur again, in a separate annexure and indicate the annexure number in column 5.					
1.7	<b>Functions performed by FSP</b>					

Question		Column				
		1	2	3	4	5
		Yes	No	Not applicable	Develop - mental / area	Annexure number
1.7.1	During the reporting period did the FSP render services as a pension fund administrator in terms of section 13B of the Pension Funds Act?					
1.7.2	Did the FSP act as asset consultant (advisor) to a pension fund during the reporting period?					
1.7.3	Is the FSP also a licensed credit provider in terms of the National Credit Act, 2005?					
2	<b>Group structure</b>					
2.1	Does the FSP form part of a group of companies and/or have service level agreements in place with other financial services providers within the group? If yes, provide full details of the group, including an organogram or diagram as well as such FSP's relation to the group of companies in a separate annexure and provide the annexure number in column 5.					
3	<b>Key individuals</b> <i>Section 8(1) and (4)(b) of Act and Determination of Fit and Proper Requirements</i>					
3.1	Are all people involved in the managing/overseeing function in relation to the rendering of financial services, appointed as key individuals?					
3.2	In a separate annexure, provide information on the structure with regards to key individuals (what is their position in the organisation, where are they situated). Indicate the annexure number in column 5.					
3.3	Does the FSP have procedures in place to ensure that it complies with Section 8(4) (b) of the Act in the case of replacement of key individuals?					
3.4	<b>Fit and Proper Requirements for key individuals</b> <i>Determination of Fit and Proper Requirements</i>					
3.4.1	Did any changes occur in the personal circumstances of any key individual during the reporting period that adversely affected the fitness and propriety of the person, with reference to Part II of the Determination of Fit and Proper Requirements?					
3.4.2	<i>If the answer to Question 3.4.1 is YES –</i> Provide full details thereof in a separate annexure and indicate the annexure number in column 5.					

Question		Column				
		1	2	3	4	5
		Yes	No	Not applicable	Develop - mental area	Annexure number
3..4.3	Is the key individual able to maintain the operational ability to fulfill the responsibilities imposed by the Act on FSPs, including (where applicable) oversight of the financial services rendered by the representative of the FSP?					
4	<b>Representatives</b> <i>Sections 13 and 14 of Act and section 8(8) of Determination of Fit and Proper Requirements for Financial Services Providers</i>					
4.1	Does the FSP have representatives? If YES, the Statistical Information Sheet (Section 7) must be completed.					
4.2	If the answer to question 4.1 is YES, questions 4.3 to 4.9 must be answered					
4.3	Does the FSP have any juristic representatives?					
4.4	If the answer to Question 4.3 is YES – questions 4.4.1 to 4.4.3 must be answered					
4.4.1	Does the FSP have an agreement with each juristic representative? If YES attach a copy of an agreement as a separate annexure and indicate the annexure number in column 5.					
4.4.2	Are all employees of the juristic representative who renders financial services on behalf of the provider, appointed as representatives of the provider in terms of section 13 of the Act?					
4.4.3	Does the FSP have procedures in place to ensure that juristic representatives have the necessary operational ability to render financial services to clients?					
4.5	Does the FSP have procedures in place (including documentation) to enable representatives to provide clients with confirmation, certified by the provider, of their status as representatives as provided for in section 13(1) (b) (i) of the Act?					
4.6	<b>Competency of representatives</b> <i>Section 13(2)(a) of Act, Parts II, III and VI of Determination of Fit and Proper Requirements and Board Notice 151 of 2008</i>					
4.6.1	Does the FSP have procedures in place to ensure that representatives comply with the personal character qualities of honesty and integrity and the competency requirements as set					



Question		Column				
		1	2	3	4	5
		Yes	No	Not applicable	Develop - mental area	Annexure number
	out in Parts II and III of the Determination of Fit and Proper Requirements?					
4.6.2	Have any representatives FSP passed the First Level Regulatory Exam (RE1)? If YES, the Statistical Information Sheet (Section 7) must be completed.					
4.6.3	Does the FSP have representatives who, on the reporting date, render financial services under supervision as contemplated in paragraph 3 of the Exemption of Services under Supervision in terms of Requirements and Conditions, 2008?					
4.7	<b>If the answer to question 4.6.3 is YES –questions 4.7.1 to 4.7.5 must be answered</b>					
4.7.1	Confirm the number of representatives working under supervision as well as the number of supervisors, as at the reporting date, on the Statistical Information Sheet (Section 7).					
4.7.2	Does the FSP have procedures in place to monitor the compliance of supervisors with paragraph 4(7) (a) to (f) of the Exemption of Services under Supervision in terms of Requirements and Conditions, 2008? If YES, attach a copy of the procedures as a separate annexure and indicate the annexure number in column 5.					
4.7.3	Does the FSP have procedures in place to ensure that there is a formal, documented supervision plan in place for representatives that are rendering services under supervision?					
4.7.4	Does the FSP have procedures in place to ensure that the fact that a representative is rendering financial services under supervision is disclosed to clients?					
4.7.5	If any non-compliance was found in terms of representatives under supervision, submit full details of such non-compliance as well as steps that will be taken to reasonably ensure that such non-compliance does not occur again in a separate annexure. Indicate the annexure number in column 5.					
4.8	<b>Representatives' compliance with Code of Conduct</b> <i>Section 13(2)(b) of Act, Board Notice 58 of 2010 and section 5(f) of General Code of Conduct</i>					
4.8.1	Does the FSP have procedures in place to determine whether representatives adhered to the requirements stipulated in the Codes of Conduct applicable to the FSP?					
4.8.2	<b>If the answer to Question 4.8.1 is YES– questions 4.8.2.1 to 4.8.2.4 must be answered</b>					

Question		Column				
		1	2	3	4	5
		Yes	No	Not applicable	Develop - mental area	Annexure number
4.8.2.1	In a separate annexure, describe the procedures that the FSP have in place to determine whether the representatives adhered to the said requirements. Indicate the annexure number in column 5.					
4.8.2.2	During the reporting period did any representatives of the FSP receive any financial interest for giving preference to the quantity of business secured for the provider to the exclusion of the quality of financial service rendered to clients?					
4.8.2.3	During the reporting period did any representatives of the FSP receive any financial interest for giving preference to a specific product supplier, where the representative may have recommended more than one product supplier to a client?					
4.8.2.4	During the reporting period did any representatives of the FSP receive any financial interest for giving preference to a specific product of a product supplier, where the representative was able to recommend more than one product of that product supplier to the client?					
4.9	<b>Debarment of representatives</b> <i>Section 14 of Act</i>					
4.9.1	Does the FSP have procedures in place to debar a representative if the representative does not comply with the personal character qualities of honesty and integrity and the qualifications set out in Parts II and V of the Determination of Fit and Proper Requirements?					
4.9.2	Has the FSP taken steps to debar representatives in respect of non-compliance with Column Two of Table E of the Determination of Fit and Proper Requirements?					
4.9.2.1	<i>If the answer to question 4.9.2 is YES –</i> In a separate annexure, provide full details thereof. Indicate the annexure number in column 5.					
5	<b>Insurance cover</b> <i>Sections 5(e) and 13 of the General Code of Conduct and Board Notice 123 of 2009</i>					
5.1	Does the FSP have professional indemnity cover? If yes, the Statistical Information Sheet (Section 7) must be completed.					
5.2	Does the FSP have fidelity insurance cover?					



Question		Column				
		1	2	3	4	5
		Yes	No	Not applicable	Developmental area	Annexure number
	If yes, the Statistical Information Sheet (Section 7) must be completed.					
5.3	Does the FSP have guarantees in place as contemplated in section 13 of the General Code of Conduct? If yes, the Statistical Information Sheet (Section 7) must be completed.					
5.4	Does the FSP disclose to clients in terms of section 5(e) of the General Code of Conduct whether it holds guarantees or professional indemnity or fidelity insurance cover?					
5.5	If the FSP holds guarantees or professional indemnity or fidelity insurance cover, attach the latest copy/copies of the insurance schedule/s in a separate annexure and indicate the annexure number in column 5.					
5.6	Did the FSP have any claims against their professional indemnity cover, fidelity insurance cover or guarantees during the reporting period?					
6	<b>Compliance function</b> <i>Section 17 of Act and Chapter IV of Regulations and Board Notice 127 of 2010</i>					
6.1	Is the compliance function established as part of the risk management framework of the business of the FSP in compliance with section 17(3) of the Act and regulation 5 of the Regulations?					
6.2	Was any aspect in this report as a "Developmental Area" (Column 4) that was also indicated as a developmental area in the compliance report for the previous reporting period?					
6.3	<i>If the answer to question 6.2 is YES –</i> In a separate annexure, provide details thereof, the reasons for continued non-compliance, and corrective actions to be taken. Indicate the annexure number in column 5.					
6.4	Has the FSP appointed a compliance officer in terms of section 17 of the Act?					
6.5	<i>If the answer to question 6.4 is YES – questions 6.6 to 6.13 must be answered</i>					
6.6	Are you appointed as an external compliance officer of the FSP?					

Question		Column				
		1	2	3	4	5
		Yes	No	Not applicable	Develop - mental area	Annexure number
6.7	Are you appointed as an internal compliance officer of the FSP?					
6.8	<i>If the answer to question 6.7 was YES-</i> Are you also the appointed internal compliance officer for any other FSPs? If YES In a separate annexure, provide the details of these FSPs. Indicate the annexure number in column 5.					
6.9	Do you provide written reports on the compliance monitoring and recommendations relating to the FSP on a regular basis? If YES, the Statistical Information Sheet (Section 7) must be completed.					
6.10	Did you conduct regular visits to the business premises, business units and / or branches of the FSP? If YES, the Statistical Information Sheet (Section 7) must be completed.					
6.11	Did you conduct regular visits to the business premises, business units and / or branches of the representatives of the FSP? If YES, the Statistical Information Sheet (Section 7) must be completed.					
6.12	Are you also the compliance officer appointed in terms of section 43(b) of FICA? If the answer is NO, the Statistical Information Sheet (Section 7) must be completed.					
6.13	Do you have any issues that are not covered by this report that you would want to bring to the attention of the Registrar? Attach a written copy of your comments as an annexure and indicate the annexure number in column 5.					
7	<b>Maintenance of records</b> <i>Section 18 of Act and General Code of Conduct</i> Section 22 of FICA					
7.1	Does the FSP have appropriate procedures and systems in place to record the information contemplated in section 18 of the Act and section 3(2) of the General Code of Conduct?					
7.2	Can all documents be inspected by the Registrar within 7 days from the date of request?					
7.3	Are all records stored in a manner that ensures that it will be safe from destruction?					
7.4	Does the FSP have a process in place to reasonably ensure that records are kept for a period					

Question		Column				
		1	2	3	4	5
		Yes	No	Not applicable	Develop - mental area	Annexure number
	of five years, after termination of the product concerned or, in any other case, after the rendering of the financial service concerned?					
7.5	Does the FSP have electronic back-ups for all electronic records?					
7.5.1	<i>If the answer to question 7.5 is YES –</i> Does the FSP have procedures (e.g. disaster recovery procedures) in place to ensure that back-ups are tested on a sample basis in order to reasonably ensure that records can be retrieved in a proper manner?					
7.5.1.1	<i>If the answer to question 7.5.1 is YES –</i> In a separate annexure, indicate the last time such back-ups were tested and the result of the test. Indicate the annexure number in column 5.					
8	<b>General Code of Conduct</b>					
8.1	<b>General provisions</b> <i>Section 3 of General Code of Conduct and Board Notice 58 of 2010</i>					
8.1.1	Has the FSP adopted, maintained and implemented a conflict of interest management policy? If the answer is YES a copy of the policy must be attached and indicate the annexure number under column 5.					
8.1.2	Are the employees, representatives and, where appropriate, associates aware of the conflict of interest management policy?					
8.1.3	Has appropriate training and educational material been provided to the employees, representatives and where appropriate, associates?					
8.1.4	Has the conflict of interest management policy been published in appropriate media and is the policy easily accessible for public inspection at all reasonable times?					
8.1.5	During the reporting period did the FSP or any of its employees receive any immaterial financial interests from a product supplier which exceeded an aggregate of R1 000 during? If the answer is YES – the Statistical Information Sheet (Section 7) must be completed.					
8.1.6	If applicable, did the FSP and / or their representative(s) disclose to clients in writing any					

Question		Column				
		1	2	3	4	5
		Yes	No	Not applicable	Develop - mental area	Annexure number
	conflict of interest in respect of the client?					
8.1.7	Does the FSP have procedures and internal controls in place to ensure that it does not disclose any confidential information acquired from clients without obtaining written consent from the clients, unless it is required in terms of any other legislation?					
8.2	<b>Disclosure requirements</b> <i>Sections 4, 5 and 7 of General Code of Conduct</i>					
8.2.1	Is the FSP authorised for Category I?					
8.2.2	If the answer to question 8.2.1 is YES - questions 8.2.2.1 to 8.2.3.4 must be answered.					
8.2.2.1	Does the FSP have procedures in place to ensure that the disclosure documentation complies with sections 4 and 5 of the General Code of Conduct?					
8.2.2.2	Does the FSP have procedures in place to ensure that the disclosure documentation complies with section 7 of the General Code of Conduct?					
8.2.3	Does the FSP disclose the following information in terms of section 7(1) (c) of the General Code of Conduct to the client in writing:					
8.2.3.1	The name, class or type of financial product concerned;					
8.2.3.2	The nature, extent and frequency of any incentive, remuneration, consideration, commission, fee or brokerage which will or may become payable to the provider, directly or indirectly, by any product supplier or any other person as a result of the financial service concerned;					
8.2.3.3	Any material risk and where applicable investment risk associated with the product concerned;					
8.2.3.4	Extent of monetary obligations assumed by the client, the frequency thereof and consequences of non-compliance concerned.					
8.3	<b>Direct marketing</b> <i>Section 15 of General Code of Conduct</i>					
8.3.1	Is the FSP authorised for Category I? If the answer is YES, Question 8.3.2 must be answered.					

Question		Column				
		1	2	3	4	5
		Yes	No	Not applicable	Develop-mental area	Annexure number
8.3.2	Does the FSP act as a direct marketer as defined in the General Code of Conduct?					
8.3.3	<b>If the answer to Question 8.3.2 is YES – questions 8.3.3.1 to 8.3.3.4 must be answered</b>					
8.3.3.1	Does the FSP have recording systems in place to record all telephonic conversations with clients in the course of direct marketing?					
8.3.3.2	Does the FSP have appropriate procedures and systems in place to store and retrieve recordings?					
8.3.3.3	Does the FSP have procedures in place to ensure that it complies with section 15 (read with sections 4, 5 and 7) of the General Code of Conduct?					
8.3.3.4	<i>If the answer to Question 8.3.3.3 is NO - In a separate annexure, provide details on how and when (provide specific time frame) such procedures will be put in place. Indicate the annexure number in column 5.</i>					
8.4	<b>Furnishing of advice and record of advice Sections 8 and 9 of General Code of Conduct</b>					
8.4.1	Is the FSP licensed to furnish advice?					
8.4.2	Did the FSP render advice as a regular feature of its business during the reporting period?					
8.4.3	<b>If the answer to question 8.4.2 is YES – questions 8.4.3.1 to 8.4.3.5 must be answered</b>					
8.4.3.1	Does the FSP have procedures in place to ensure that an analysis of the client's financial situation and objectives is performed before advice is furnished?					
8.4.3.2	<i>If the answer to Question 8.4.3.1 is NO - In a separate annexure, provide details on how these procedures will be put in place. Indicate the annexure number in column 5.</i>					
8.4.3.3	Does the FSP have procedures in place to ensure compliance with section 8(1)(d) of the General Code of Conduct relating to replacement products ?					



Question		Column				
		1	2	3	4	5
		Yes	No	Not applicable	Develop - mental area	Annexure number
8.4.3.4	Does the FSP keep a record of advice and provide it to its clients in accordance with section 9 of the General Code of Conduct? Provide details of instances of non-compliance found as well as steps taken to reasonably ensure that such non-compliance does not occur again in a separate annexure and provide the annexure number in column 5.					
8.4.3.5	Did the FSP do any new financial transactions during the reporting period where the client did not provide all information requested by the provider, or where the provider was unable to conduct an analysis because of the circumstances surrounding the case, or where there wasn't reasonable sufficient time to do so [section 8(4)(a) of the General Code of Conduct]? If the answer is YES, the Statistical Information Sheet (Section 7) must be completed.					
8.5	<b>Custody of financial products and funds</b> <i>Section 10 of General Code of Conduct</i>					
8.5.1	Does the FSP receive or hold funds on behalf of clients in accounts other than separate bank accounts in the name of clients; or receive or hold financial products other than financial products held in safe custody by a custodian appointed by the client?					
8.5.2	<i>If the answer to question 8.5.1 is YES – questions 8.5.2.1 to 8.5.2.6 must be answered</i>					
8.5.2.1	Has the FSP notified the Registrar of the details of the approved auditor in terms of section 19 of the Act?					
8.5.2.2	Has the FSP changed auditors during the reporting period?					
8.5.2.3	<i>If the answer to Question 8.5.2.2 is YES -</i> Did the FSP submit a profile change request to the Registrar in respect of the change of auditors?					
8.5.2.4	Does the FSP issue written confirmation of receipts to clients when funds and/or premiums are received from clients without the mediation of a bank?					
8.5.2.5	In a separate annexure, provide a list of products (sub-categories of licence) in respect of which the FSP receives funds and/or premiums. Indicate the annexure number in column 5.					
8.5.2.6	Does the FSP have procedures in place to ensure that the client's funds and/or premiums can be readily/clearly distinguished from private assets or funds of the FSP?					



Question		Column				
		1	2	3	4	5
		Yes	No	Not applicable	Develop-mental area	Annexure number
8.5.3	Does the FSP collect short term insurance premiums from clients on behalf of product suppliers?					
8.5.4	<i>If the answer to question 8.5.3 is YES – questions 8.5.4.1 and 8.5.4.2 must be answered</i>					
8.5.4.1	Does the FSP collect premiums in accordance with section 45 of the Short -term Insurance Act, 1998?					
8.5.4.2	Does the FSP have IGF Guarantee in terms of section 45 of the Short-term Insurance Act, 1998?					
8.5.4.3	<i>If the answer to Question 8.5.4.2 is YES- Provide a copy of the IGF schedule as a separate annexure and indicate the annexure number in column 5.</i>					
8.5.5	Does the FSP have procedures in place to ensure that the client's financial products can be readily/clearly distinguished from private assets of the FSP?					
8.6	<b>Risk management</b> <i>Sections 11 and 12 of General Code of Conduct</i>					
8.6.1	Does the FSP have and employ appropriate risk management resources, procedures, systems and controls as described in sections 11 and 12 of the General Code of Conduct?					
8.6.2	Does the FSP have a documented Risk Management Plan?					
8.6.3	In a separate annexure, provide details as to how the Risk Management Plan is monitored. Indicate the annexure number in column 5.					
8.7	<b>Advertising</b> <i>Section 14 of General Code of Conduct</i>					
8.7.1	Does the FSP advertise its financial services?					
8.7.2	<i>If the answer to Question 8.7.1 is YES- questions 8.7.2.1 to 8.7.2.3 must be answered</i>					

Question		Column				
		1	2	3	4	5
		Yes	No	Not applicable	Develop - mental area	Annexure number
8.7.2.1	Does the FSP have procedures in place to ensure that advertisements and advertising communications and material comply with section 14 of the General Code of Conduct?					
8.7.2.2	If the FSP advertise any financial services by telephone during the reporting period, did the FSP maintain an electronic, voice logged record of all communications?					
8.7.2.3	Was reference to the fact that a licence is held contained in all advertisements that were placed during the reporting period?					
8.8	<b>Complaints</b> <i>Sections 16 to 19 of General Code of Conduct</i>					
8.8.1	Does the FSP have a complaints policy and resolution system in place that complies with sections 16 to 19 of the General Code of Conduct?					
8.8.2	Provide the following details on complaints referred to the FAIS Ombud during the reporting period: number of complaints referred to the FAIS Ombud, type of complaint (what the complaint was about) as well as the outcome of the complaint. Indicate the annexure number in column 5.					
8.9	<b>Termination of agreement or business</b> <i>Section 20 of General Code of Conduct</i>					
8.9.1	Does the FSP have procedures in place to ensure compliance with section 20 of the General Code of Conduct?					
8.9.2	Does the FSP have a business continuity plan and procedures in place to ensure that the clients will be serviced if the business is terminated for any reason?					
8.9.3	<i>If the answer to question 8.9.2 is NO –</i> In a separate annexure, provide an explanation as to what steps will be taken to put a plan in place. Indicate the annexure number in column 5.					
8.10	<b>Waiver of rights</b> <i>Section 21 of the General Code of Conduct</i>					
8.10.1	Does the FSP have procedures in place to ensure not requesting or inducing a client to waive					

Question		Column				
		1	2	3	4	5
		Yes	No	Not applicable	Develop - mental area	Annexure number
	any right or benefit conferred on the client by the General Code of Conduct? Provide details of any instances of non-compliance found as well as steps taken to reasonably ensure that such non-compliance does not occur again in a separate annexure and indicate the annexure number in column 5.					
8.10.2	Does the FSP have procedures in place to ensure compliance with section 21 of the General Code of Conduct?					
9	<b>Money laundering control procedures</b>					
9.1	Is the FSP an accountable institution in terms of Schedule 1 of FICA?					
9.2	<i>If the answer to question 9.1 is YES, Questions 9.3 to 9.16 must be answered-</i>					
9.3	Has the FSP registered with the Financial Intelligence Centre in terms of Section 43B of FICA?					
9.4	Does the FSP have in place all the necessary policies, procedures and systems to ensure full compliance with FICA and other applicable anti-money laundering or terrorist financing legislation as required in terms of paragraph 8(1) e of the Determination of Fit and Proper Requirements?					
9.5	Was this reporting period the FSP's first year of business?					
9.5.1	<i>If the answer to question 9.5 is YES –</i> Provide a copy of the internal rules used by the FSP as a separate annexure and indicate the annexure number in column 5.					
9.6	If this reporting period wasn't the FSP's first year of business, did the FSP amend/revise the internal rules during the reporting period?					
9.6.1	<i>If the answer to question 9.6 is YES –</i> Provide a copy of the amended rules in a separate annexure and indicate the annexure number in column 5.					
9.7	Does the FSP make use of a standard internal rules document supplied by a third party?					

Question		Column				
		1	2	3	4	5
		Yes	No	Not applicable	Develop - mental area	Annexure number
9.7.1	<i>If the answer to question 9.7 is YES –</i> Was the document modified to apply to your specific FSP?					
9.8	Does the FSP establish and verify the identity of clients as required in terms of FICA?					
9.8.1	<i>If the answer to question 9.8 is NO –</i> Provide full details of instances of non-compliance as well steps taken to reasonably ensure that such non-compliance does not occur again in a separate annexure and indicate the annexure number in column 5.					
9.9	Did the FSP provide employees with ongoing or refresher training during the reporting period as recommended by the Financial Intelligence Centre?					
9.9.1	<i>If the answer to question 9.9 is YES –</i> Did the training include an assessment to determine the employees' understanding?					
9.10	Does the FSP have procedures in place to report property associated with terrorist and related activities in terms of section 28A of FICA?					
9.11	Does the FSP have procedures in place to ensure that their staff are able to identify suspicious transactions and report it accordingly?					
9.12	Does the FSP have procedures in place to risk rate the clients in order to establish which clients pose a higher risk associated with the combating of money laundering and financing terrorism to the entity?					
9.13	Does the FSP perform identification and verification of clients on behalf of another accountable institution as envisaged in Exemption 4 under FICA?					
9.14	Does the FSP rely on a third party (any other institution) for the identification and verification of clients in terms of Exemption 4 under FICA?					
9.15	Does the FSP perform the identification and verification of clients on behalf of another accountable institution, as envisaged in Exemption 4 under FICA?					
9.16	Does the FSP have procedures in place to ensure it can submit cash threshold reports in terms of section 28 of FICA?					

Question		Column				
		1	2	3	4	5
		Yes	No	Not applicable	Develop - mental area	Annexure number
9.17	<i>If the answer to question 9.1 is NO – questions 9.17.1 to 9.17.4 must be answered</i>					
9.17.1	Is the FSP a reporting institution in terms of Schedule 3 of FICA?					
9.17.1.1	<i>If the answer to question 9.17.1 is YES-</i> Has the FSP registered with the Financial Intelligence Centre in terms of section 43B of FICA?					
9.17.2	Does the FSP have procedures in place to ensure that the staff is able to identify suspicious transactions and report it accordingly?					
9.17.3	Does the FSP have procedures in place to ensure that it remains up to date with the requirements of the Financial Intelligence Centre in respect of identifying and reporting suspicious and unusual transactions?					
9.17.4	Does the FSP have procedures in place to ensure submission of cash threshold reports in terms of section 28 of FICA?					
10	<b>Operational ability and financial soundness</b> <b>Parts VIII and IX of Determination of Fit and Proper Requirements and section 19 of Act</b>					
10.1	Did the assets of the FSP (excluding goodwill, other intangible assets and investments in related parties) at all times exceed the FSP's liabilities (excluding loans validly subordinated in favour of all other creditors) by at least R3 million (taking into account paragraph 8 of the transitional arrangements)?					
10.2	Did the FSP at all times maintain current assets which were at least sufficient to meet the current liabilities of the FSP (taking into account paragraph 8 of the transitional arrangements)?					
10.3	Did the FSP at all maintain liquid assets equal to or greater than 13/52 weeks of annual expenditure (taking into account paragraph 8 of the transitional arrangements)?					
10.4	Does the FSP prepare monthly accounting records in terms of section 19 of the Act?					
10.5	Does the FSP prepare audited financial statements on an annual basis, irrespective of the					



Question		Column				
		1	2	3	4	5
		Yes	No	Not applicable	Develop-mental area	Annexure number
	FSPs type of business entity?					
10.6	Did you (compliance officer) have unrestricted access to view the accounting records of the FSP at all times during the reporting period?					
10.6.1	<i>If the answer to question 10.6 is NO -</i> In a separate annexure, give an explanation as to the reasons for the FSP denying access to the accounting records. Indicate the annexure number in column 5.					
10.7	Does the FSP have internal procedures and controls in place to ensure that the requirements as described in section 8(3) of the Determination of Fit and Proper Requirements are complied with?					
10.7.1	<i>If the answer to question 10.7 is NO -</i> In a separate annexure, indicate the steps that will be taken to ensure that the relevant controls and procedures are put in place. Indicate the annexure number in column 5.					
11	<b>Monitoring</b> <i>Board Notice 58 of 2010</i>					
11.1	Does the FSP have an approved Compliance Officer? If yes, please indicate the type of monitoring that the compliance officer performed:					
11.1.1	Financial products in which the FSP renders financial services.					
11.1.2	Representatives under supervision.					
11.1.3	Juristic representatives					
11.1.4	Disclosure documents to check compliance with sections 4 and 5 of the General Code of Conduct.					
11.1.5	Disclosure documents to check compliance with section 7 of the General Code of Conduct.					
11.1.6	Furnishing of advice and record of advice.					