

Regulatory Exam: 1

Description: Regulatory Examination: FSPs and Key Individuals in all Categories of FSPs

Task No	Task	QC	Qualifying Criteria	Knowledge (K) or Skill (S)	Legislation Reference / Motivation
1	Demonstrate understanding of the FAIS Act as a regulatory framework.	1	Describe the FAIS Act and subordinate legislation.	K	FAIS Act - Preamble FAIS Act - Sec 1 Definitions FAIS Act - Sec 18 FSR Act – Chapter 1, Part 1 Sec(1) Code of Conduct Administrative FSPs - Definition of Administrative and Discretionary FSP
		2	Explain how the FAIS Act is integrated with other Financial Sector legislation.	K	
		3	Describe the requirements when interaction between FSPs takes place.	K	FAIS Act - Sec 7(3) & 8(3) GCOC – Sec 12 FSR Act – Chapter 1, Part 1 Sec(1)
		4	Explain in general which departments of the Financial Sector Conduct Authority office deal with which FSP matters.	K	FAIS Act - Sec 8 Licensing Conditions FSR Act – Chapter 1, Part 1 Sec(1)
		5	Interact with the Authority when and where required.	S	Licensing Conditions FAIS Act - Sec 8 FSP Licensing Forms
		6	Explain what is the correct format of communication with the Authority.	K	FAIS Act - Sec 4(4) Licensing Conditions FAIS Act - Sec 8
		7	Explain what processes are required to remain updated with regards to published changes to legislation that will affect the FSP.	K	FAIS Act - Sec 17(1)
2	Define financial products and financial services.	1	Provide an overview of the financial services and different types of financial products a FSP can deal with.	K	FAIS Act - Sec 1 Definition of Financial Product FAIS Act - Sec 1 Definition of Intermediary Services
		2	Apply knowledge of the financial products within the financial services environment.	S	FAIS Act - Sec 1 Definition of Financial Product FSCA FAIS Notice 86 of 2018 – Exemption of Services under Supervision BN 194 of 2017 – Annexure Three Table 1
		3	Explain the different financial products with examples of products in each category.	K	FAIS Act - Sec 1 Definition of Financial Product BN 194 of 2017 – Sec 1 Definition of Retail Pension Benefits BN 194 of 2017 – Sec 1 Definition of Assistance Policy

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3	Maintain the licence of the FSP.	1	Describe the requirement for licensing of a FSP.	K	FAIS Act – Sec 1 Definition of Intermediary Services FAIS Act – Sec 1 Definition of Advice FAIS Act - Sec 7 FAIS Act - Sec 8 FAIS Act - Sec 8(10) FAIS Act - Sec 8(10)(a)(i)
		2	Apply for a FSP licence.	S	FAIS Act - Sec 7 FAIS Act - Sec 8 FAIS Act - Sec 8(1) BN 194 of 2017 - Table B
		3	Describe the requirements for changing any aspect of a FSP licence.	K	FAIS Act - Sec 7 FAIS Act - Sec 8 FAIS Act - Sec 8(10)(a)(i)
		4	Explain the impact of licensing conditions on an FSP.	K	FAIS Act - Sec 7 FAIS Act - Sec 7(3) FAIS Act - Sec 8 FAIS Act - Sec 8(4) FAIS Act - Sec 17 BN 123 of 2009
		5	Manage the licensing conditions.	S	FAIS Act - Sec 8 BN 194 of 2017 - Sec 36 Licensing Condition
		6	Describe what changes to the FSP licensing details must be communicated to the Authority.	K	Licensing Conditions Change in FSP1 details FSP Forms
		7	Confirm that the Authority is informed within the prescribed timeframes of any changes to the FSP licensing details.	S	Licensing Conditions Change in FSP1 details
		8	Describe the implications for the FSP if any of the licensing conditions are not met.	K	FAIS Act - Sec 9
		9	Discuss the requirements around the display of licences.	K	FAIS Act - Sec 8 FAIS Act - Sec 8(8)
		10	Verify that the FSP has internal controls and procedures in place to ensure that financial services are rendered within the limitations on categories and subcategories for which the licence is issued.	S	FAIS Act - Sec 7 FAIS Act - Sec 8 FAIS Act - Sec 8(4) BN 127 of 2010 - Sec 4(3)(f)
		11	Explain the implications when a Key Individual leaves the employ of the FSP.	K	FAIS Act - Sec 9 & 11 BN 194 of 2017 - Sec 36

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		12	Explain the implications for a Key Individual and/or FSP if an accreditation is suspended or withdrawn or lapsed in terms of the Medical Schemes Act, 1998, or any other enabling legislation.	K	FAIS Act - Sec 8 FAIS Act - Sec 8(7)
		13	Explain what levies are payable to the Financial Sector Conduct Authority and when they should be paid.	K	Financial Sector and Deposit Insurance Levies (ACT 11 OF 2022)
		14	Verify that there are processes in place to pay the levies within the prescribed timeframes.	S	Financial Sector and Deposit Insurance Levies (ACT 11 OF 2022)
		15	Explain the reasons why a licence can be suspended or withdrawn.	K	FAIS Act - Sec 8(8) FAIS Act - Sec 9 & 9(1) & 9(3)
		16	Describe the conditions under which suspensions, withdrawals and reinstatements of authorisation may be imposed.	K	FAIS Act - Sec 9 FAIS Act - Sec 9(2)
		17	Explain what recourse a FSP has where its licence has been suspended or withdrawn.	K	FAIS Act - Sec 9 FAIS Act - Sec 9(2) & (3)
		18	Discuss why a licence would be lapsed.	K	FAIS Act - Sec 11
		19	Describe how lapsing a licence differs from suspension or withdrawal of a licence.	K	FAIS Act - Sec 9 FAIS Act - Sec 11
		20	Discuss the effect of voluntary sequestration, winding-up or closure of a business on its licensing status.	K	FAIS Act - Sec 38
		21	Describe the requirements where business rescue or application by Financial Sector Conduct Authority for sequestration or liquidation takes place.	K	FAIS Act - Sec 38A FAIS Act - Sec 38A(3) FAIS Act - Sec 38A(4)(b) FAIS Act - Sec 38A(6) FAIS Act - Sec 38B
		22	Explain what is meant by "undesirable practices".	K	FAIS Act – Sec 34
		23	Check that there are processes in place to check whether the Authority has published notices regarding undesirable practices.	S	FAIS Act - Sec 34 FAIS Act - Sec 34(1)
		24	Verify that there are processes in place to ensure that the business is aware of declared undesirable practices and that they cease any such practices.	S	FAIS Act - Sec 34 FAIS Act – Sec 34(4)

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		25	Describe the implications for a FSP if the Authority declares a business practice to be undesirable.	K	FAIS Act - Sec 14 FAIS Act - Sec 34 FAIS Act - Sec 34(4) FAIS Act - Sec 36 FAIS Act - Sec 36(a)
		26	Explain the reparation measures available to the Authority if a FSP continues with undesirable business practices.	K	FAIS Act - Sec 34 FAIS Act - Sec 36
		27	Explain the implications where the Authority issues a directive.	K	FAIS Act - Sec 38C FAIS Act - Sec 38C(5) FAIS Act - Sec 45(1)(a)(i)
		28	Describe the process of On-site inspections by the Financial Sector Conduct Authority.	K	FAIS Act - Sec 4
		29	Describe the FAIS Act offenses.	K	FAIS Act - Sec 36 FAIS Act - Sec 41
		30	Ensure that there are processes in place to avoid actions that can be regarded as offences under the FAIS Act.	S	FAIS Act - Sec 4 FAIS Act - Sec 4(4)(b) FAIS Act - Sec 9 FAIS Act - Sec 36
		31	Define the recourse that a FSP has in the event of a decision made by the Authority.	K	FAIS Act - Sec 39
		32	Explain the process of enforcement as provided for in legislation.	K	
4	Operate as a key individual in terms of the FAIS Act.	1	Describe the roles and responsibilities of key individuals as defined in the FAIS Act.	K	FAIS Act - Sec 1 Definition of Key Individual FAIS Act - Sec 8(4) FAIS Act - Sec 17(3) FAIS Act - Sec 19 BN 194 of 2017 - Sec 34(1) & (2) BN 194 of 2017 - Sec 37 BN 194 of 2017 - Sec 39

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		2	Explain the requirements for approval of a key individual by the Financial Sector Conduct Authority.	K	FAIS Act - Sec 1 Definition of Key Individual FAIS Act - Sec 8 FAIS Act – Sec 8(1) BN 194 of 2017 BN 194 of 2017 – Definitions BN 194 of 2017 – Sec 8 BN 194 of 2017 – Sec 9 BN 194 of 2017 – Sec 15 BN 194 of 2017 – Sec 15(2) BN 194 of 2017 – Sec 17 BN 194 of 2017 – Sec 26(1) BN 194 of 2017 – Sec 28(3) BN 194 of 2017 – Sec 40 BN 194 of 2017 – Sec 42(1) BN 194 of 2017 – Sec 43(b) FSR Act – Chapter 1, Part 1 Sec(1)
		3	Describe the regulated management and oversight responsibilities of a key individual.	K	FAIS Act - Sec 1 Definition of Key Individual FAIS Act - Sec 14 FAIS Act - Sec 17 FAIS Act - Sec 17(5) FAIS Act - Sec 18 FAIS Act - Sec 19 BN 123 of 2009 BN 194 of 2017 BN 194 of 2017 – Sec 8 BN 194 of 2017 – Sec 12 BN 194 of 2017 – Sec 29 BN 194 of 2017 – Sec 30 BN 194 of 2017 – Sec 32 BN 194 of 2017 – Sec 36 BN 194 of 2017 – Sec 37(2)(g) BN 194 of 2017 – Sec 42 BN 194 of 2017 – Sec 43(b) BN 194 of 2017 – Sec 45 Licencing Conditions
		4	Perform the regulated management and oversight responsibilities of a key individual.	S	FAIS Act - Sec 1 Definition of Key Individual FAIS Act - Sec 19 FAIS Act - Sec 19(1) BN 194 of 2017 – Sec 42 BN 194 of 2017 – Sec 42(1)

					BN 194 of 2017 – Sec 46 BN 194 of 2017 – Sec 48
		5	Explain the controls required to ensure sufficient management and oversight of the financial services that are rendered.	K	FAIS Act - Sec 13 FAIS Act - Sec 13(2) GCOC - Sec 3A GCOC - Sec 16 - 19 BN 194 of 2017 – Sec 13(5) BN 194 of 2017 – Sec 37 BN 194 of 2017 – Sec 39
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		6	Explain when an individual can commence acting as a key individual.	K	FAIS Act - Sec 8 FAIS Act - Sec 8(1A) FAIS Act - Sec 8(4) FAIS Act - Sec 8(4)(b) BN 122 of 2003 - Sec 5 BN 194 of 2017 – Sec 17(2) BN 194 of 2017 – Sec 26(1)
		7	Describe the honesty, integrity and good standing requirements for a key individual.	K	GCOC - Sec 10(1) BN 194 of 2017 – Sec 4 BN 194 of 2017 – Sec 4(1) BN 194 of 2017 – Chapter 2 BN 194 of 2017 – Sec 8 BN 194 of 2017 – Sec 8(1) BN 194 of 2017 – Sec 9 BN 194 of 2017 – Sec 9(1) BN 194 of 2017 – Sec 9(3)
		8	Check whether a current/potential key individual meets honesty, integrity and good standing requirements.	S	BN 194 of 2017 – Chapter 2 BN 194 of 2017 – Sec 8 BN 194 of 2017 – Sec 9 BN 194 of 2017 – Sec 9(1) BN 194 of 2017 – Sec 9(1)(b)
		9	Explain the implications for a key individual should the key individual no longer meet the honesty, integrity and good standing requirements.	K	FAIS Act - Sec 8A FAIS Act - Sec 8(4) FAIS Act - Sec 9 BN 194 of 2017 – Chapter 2 BN 194 of 2017 – Sec 8 BN 194 of 2017 – Sec 9 BN 194 of 2017 – Sec 9(1) & (3) BN 194 of 2017 – Sec 10
		10	Take appropriate action where a current key individual no longer meets the honesty, integrity and good	S	FAIS Act - Sec 8 FAIS Act - Sec 8(1)

			standing requirements.		FAIS Act - Sec 8(2) FAIS Act - Sec 13(2) FAIS Act - Sec 14 BN 194 of 2017 – Chapter 2 BN 194 of 2017 – Sec 7(2) BN 194 of 2017 – Sec 9 BN 194 of 2017 – Sec 9(1) BN 194 of 2017 – Sec 9(3)
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		11	Explain the implications for a FSP should a key individual no longer meet the honesty, integrity and good standing requirements.	K	FAIS Act - Sec 8 FAIS Act - Sec 8(4) FAIS Act - Sec 9 FAIS Act - Sec 9(1) FAIS Act - Sec 13 FAIS Act - Sec 14 FAIS Act - Sec 19(1) FAIS Act - Sec 19(2) FAIS Act - Sec 19(4) Licence conditions BN 194 of 2017 – Sec 5 BN 194 of 2017 – Chapter 2 BN 194 of 2017 – Sec 9 BN 194 of 2017 – Sec 9(1) BN 194 of 2017 – Sec 10
		12	Describe the competence requirements for a key individual.	K	FAIS Act – Sec 6A BN 194 of 2017 BN 194 of 2017 – Definitions BN 194 of 2017 – Definition of experience BN 194 of 2017 – Chapter 3 BN 194 of 2017 – Sec 17(2) BN 194 of 2017 – Sec 23 BN 194 of 2017 – Sec 26 BN 194 of 2017 – Sec 26(1) BN 194 of 2017 – Sec 33(1) BN 194 of 2017 – Sec 41 BN 194 of 2017 – Sec 41(2) BN 194 of 2017 – Annexure One FSCA FAIS Notice 86 of 2018 – Exemption of Services under Supervision
		13	Check whether a current/potential key individual meets the competence requirements.	S	FAIS Act - Sec 8 FAIS Act - Sec 14

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					FAIS Act - Sec 44 FSCA Website - Qualifications FSCA Website - DOFA report BN 194 of 2017 – Definitions BN 194 of 2017 - Sec 12 BN 194 of 2017 - Sec 15 BN 194 of 2017 - Sec 17 BN 194 of 2017 - Sec 52 BN 194 of 2017 - Annexure One
		14	Describe the on-going training and development requirements for key individuals.	K	FAIS Act - Sec 6A FAIS Act - Sec 8A BN 194 of 2017 - Sec 1 BN 194 of 2017 - Sec 33 BN 194 of 2017 - Sec 34
		15	Verify that the record keeping required for the on-going meeting of fit and proper requirements for key individuals is in place.	S	FAIS Act - Sec 6A FAIS Act - Sec 8A BN 194 of 2017 - Sec 13(3) & (4) & (5) BN 194 of 2017 - Sec 28(3) BN 194 of 2017 - Sec 43(b)
5	Manage and oversee the operational ability of the FSP.	1	Describe the operational ability requirements prescribed in the FAIS Act.	K	GCOC - Sec 3(2) FAIS Act - Sec 8(4) BN 194 of 2017 – Chapter 5 BN 194 of 2017 – Sec 36 BN 194 of 2017 – Sec 36(1) BN 194 of 2017 – Sec 37 BN 194 of 2017 – Sec 37(2)(b) BN 194 of 2017 – Sec 38(a) - (d) BN 194 of 2017 – Sec 38(c)(ii) BN 194 of 2017 – Sec 38(d)(i) - (iii) License Conditions
		2	Confirm that there is adequate storage and filing systems for the safe keeping of records, business communications and correspondence.	S	GCOC – Sec 3(2) GCOC – Sec 3(2)(a – d) BN 194 of 2017 – Sec 36 BN 194 of 2017 – Sec 36(1)
		3	Verify that the FSP has the required bank accounts.	S	GCOC - 10(1)
		4	Implement and maintain the prescribed guarantees, professional indemnity or fidelity insurance cover.	S	BN 123 of 2009 - Sec 3 & 4
		5	Ensure that disaster recovery and business continuity plans are in place.	S	BN 194 of 2017 - Sec 37

		6	Describe the financial soundness requirements for a FSP.	K	BN 194 of 2017 - Table B BN 194 of 2017 - Sec 44
		7	Confirm that the financial soundness requirements are met.	S	BN 194 of 2017 - Chapter 6
		8	Describe the requirements when outsourcing an administration or system function relating to financial services.	K	BN 194 of 2017 – Sec 39 BN 194 of 2017 – Sec 39(2) BN 194 of 2017 – Sec 39(2)(c)
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		9	Ensure, where activities are outsourced, that written service level agreements are in place.	S	BN 194 of 2017 - Sec 39
		10	Check that there are processes in place to ensure that suitable providers are selected for any outsourced functions.	S	BN 194 of 2017 - Sec 39 FAIS ACT - Sec 7
		11	Confirm that where outsourced entities provide financial services, that they are authorised FSP's.	S	BN 194 of 2017 - Sec 39 BN 194 of 2017 - Sec 39 FAIS Act - Sec 7(3)
6	Adhere to the specific Codes of Conduct.	1	Describe the general and specific duties of a provider.	K	GCOC –Sec 2 GCOC –Sec 3 GCOC –Sec 3(3) GCOC –Sec 3(1)(c)(i)
		2	Describe the processes that need to be in place to manage conflict of interest.	K	GCOC – Sec 3A
		3	Describe what could possibly be a conflict of interest.	K	GCOC – Sec 3A GCOC – Sec 3A(1)(a) GCOC – Sec 3A(1)(a)(iv)
		4	Define what needs to be in a conflict of interest policy.	K	GCOC – Sec 3A GCOC – Sec 3A(2)(b) GCOC – Sec 3A(2)(b)(iii)
		5	Ensure that the FSP is managing potential conflicts of interest.	S	GCOC - Sec 1 Definition of Conflict of Interest GCOC - Sec 3A BN 127 of 2010 - Sec 3(2) BN 127 of 2010 - Sec 4(3)
		6	Apply the requirements of the General Code of Conduct for FSPs and Representatives.	S	GCOC - Sec 8 GCOC - Sec 8(4) GCOC - Sec 21 GCOC - Sec 7(1)(c)(vi)
		7	Explain the disclosures that need to be made before rendering a financial service.	K	GCOC - Sec 4 GCOC - Sec 4(1)(d) GCOC – 5(f) FAIS Act - Sec 13

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					FAIS Act - Sec 13(1)(b)(i)(bb) FAIS Act Sec - 14 FSCA FAIS Notice 86 of 2018
		8	Explain disclosures that must be made when rendering a financial service.	K	GCOC - Sec 2 GCOC - Sec 4 GCOC - Sec 4(1) GCOC - Sec 5 GCOC - Sec 5(e) GCOC - Sec 7 GCOC - Sec 7(1) GCOC - Sec 7(1)(d) GCOC - Sec 7(1)(c)(vi) GCOC - Sec 7A GCOC - Sec 15(6)
		9	Check that disclosures are adequate to enable client's to make an informed decision.	S	GCOC - Sec 4 GCOC - Sec 5 GCOC - Sec 7 GCOC - Sec 7A GCOC - Sec 8 GCOC - Sec 8(4)
		10	Explain the requirements for a FSP when custody of financial products and funds occurs.	K	GCOC - Sec 10 GCOC - Sec 10(1) GCOC - Sec 10(3) BN 194 of 2017 – Sec 36 BN 123 of 2009 - Sec 3(b) FAIS Act - Sec 19(3)
		11	Confirm that there is a separate bank account with a registered bank into which client monies are deposited.	S	GCOC - Sec 10 GCOC - Sec 10(1)
		12	Explain the requirements of the General Code of Conduct for FSPs and Representatives relating to risk management and insurance.	K	GCOC - Sec 11 GCOC - Sec 12
		13	Explain the requirements of the General Code of Conduct for FSPs and Representatives relating to marketing and advertising.	K	GCOC – Definition of Direct Marketing GCOC – Definition of Direct Marketer GCOC – Definition of Advertisement GCOC - Sec 14 GCOC - Sec 14(7)(b) GCOC - Sec 14(8) GCOC - Sec 14(10) GCOC - Sec 14(14)

					GCOC - Sec 14(15) GCOC - Sec 15 GCOC - Sec 15(7)
		14	Explain the manner in which complaints are to be handled by the FSP as required by General Code of Conduct for FSPs and Representatives.	K	FAIS Act - Sec 20 & 27 GCOC - Sec 16 GCOC - Sec 17 GCOC - Sec 17(1) GCOC - Sec 17(2) GCOC - Sec 17(3) GCOC - Sec 17(4) GCOC - Sec 17(4) GCOC - Sec 17(6) GCOC - Sec 17(7)(b) GCOC - Sec 17(8)(f) GCOC - Sec 18 GCOC - Sec 19 Ombud Council rules for the Ombud for Financial Services Providers, 2024
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		15	Verify that complaints procedures and processes are in place.	S	GCOC - Sec 16 GCOC - Sec 17 GCOC - Sec 18 GCOC - Sec 19 Ombud Council rules for the Ombud for Financial Services Providers, 2024
		16	Follow the complaints procedures and processes that are in place for the FSP.	S	GCOC - Sec 16 GCOC - Sec 17 GCOC - Sec 18 GCOC - Sec 19
		17	Explain the requirements of the General Code of Conduct for FSPs and Representatives relating to the termination of agreement or business.	K	GCOC - Sec 20 GCOC - Sec 20(a) GCOC - Sec 20(c)
7	Manage and oversee the compliance functions as required by the FAIS Act.	1	Describe the compliance arrangements required by the FSP.	K	FAIS Act - Sec 14 FAIS Act – Sec 17 FAIS Act – Sec 17(2)(b) FAIS Act – Sec 17(4)(a) & (b) FAIS Regulations Regulation 4
		2	Explain the requirements of the compliance function within the FSP.	K	FAIS Act - Sec 14 FAIS Act - Sec 17 FAIS Act - Sec 17(2) FAIS Act - Sec 17(3) & (4)

					BN 127 of 2010 - Sec 4(2) FAIS Regulations - Reg 5(3)
		3	Establish the compliance function within the FSP.	S	FAIS Act - Sec 17 FAIS Act - Sec 17(1)
		4	Establish and maintain compliance and reporting arrangements for the FSP.	S	FAIS Act - Sec 19 FAIS Act - Sec 19(2) FAIS Act - Sec 19(3) BN 194 of 2017 - Sec 37
		5	Check that the compliance arrangements specify frequency of monitoring and reporting.	S	FAIS Act - Sec 17 BN 127 of 2010 - Sec 4 BN 127 of 2010 - Sec 4(4)(a) FAIS Notice 119 of 2017 - Sec 2(2)(d)
		6	Implement and maintain a documented process to ensure the adequacy of the FSP's compliance and monitoring arrangements.	S	FAIS Act - Sec 18
		7	Describe when a Compliance Officer should be appointed.	K	FAIS Act - Sec 17 FAIS Act – Sec 17(1)(a) FAIS Act – Sec 17(1)(c)
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		8	Explain the criteria for approval of a Compliance Officer by the Financial Sector Conduct Authority.	K	BN 127 of 2010 - Sec 3 BN 127 of 2010 - Sec 4 FAIS Act - Sec 17
		9	Ensure that the Compliance Officer is approved by the Financial Sector Conduct Authority.	S	FAIS Act - Sec 17 FAIS Act - Sec 17(2)
		10	Describe the role and function of a Compliance Officer.	K	FAIS Act - Sec 17 FAIS Act - Sec 17(1)(c) FAIS Act - Sec 18 FAIS Act - Sec 18(d) FAIS Regulations - Reg 5 & 5(1) & 5(3) BN 127 of 2010 - Sec 4(3) GCOC – Sec 3(1) GCOC – Sec 8(1)
		11	Confirm that the compliance function / compliance practice has sufficient resources to provide an efficient compliance service.	S	BN 127 of 2010 - Sec 4 BN 127 of 2010 - Sec 4(2)
		12	Explain why it is important for the Compliance Officer to act independently from the management of the FSP.	K	BN 127 of 2010 - Sec 4 BN 127 of 2010 - Sec 4(3)
		13	Confirm that the Compliance Officer / compliance practice can function objectively and sufficiently independently of the FSP and avoids conflicts of	S	BN 127 of 2010 - Sec 4 BN 127 of 2010 - Sec 4(2) BN 127 of 2010 - Sec 4(3)

			interest.		
		14	Explain why it is important for the Compliance Officer to be able to avoid conflicts of interest during the execution of their duties.	K	BN 127 of 2010 - Sec 4 BN 127 of 2010 - Sec 4(3)
		15	Manage potential conflict of interest where there is not a specifically appointed Compliance Officer / compliance practice.	S	GCOC - Sec 3(1) GCOC - Sec 3A(2) BN 127 of 2010 - Sec 4(3)
		16	Understand the content of the compliance report(s) in order to be able to sign it off.	K	FAIS Act - Sec 17 FAIS Act - Sec 17(4)
		17	Confirm that where the Compliance Officer found any instances of non-compliance that this is addressed and rectified.	S	FSCA FAIS Notice 86 of 2018 – Exemption of Services under Supervision FAIS Act - Sec 18 FAIS Act - Sec 18(d)
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		18	Replace the Compliance Officer if he/she does not have the required approval of the Financial Sector Conduct Authority.	S	FAIS Act - Sec 17 FAIS Act - Sec 17(2)
8	Comply with regulated record keeping requirements	1	Explain the record keeping obligations as prescribed by the FAIS and FIC Acts.	K	FAIS Act - Sec 13 FAIS Act - Sec 13(3) FAIS Act - Sec 13(4) FAIS Act - Sec 18 FAIS Act - Sec 18(b) & (d) FICA - Sec 23 FICA - Sec 24 GCOC - Sec 3 GCOC - Sec 3(2) & 3(3) FSCA FAIS Notice 29 of 2023 - Form 5
		2	Verify that record keeping and retrieval of records is carried out in terms of the obligations prescribed by the FAIS and FIC Acts.	S	FAIS Act - Sec 18 BN 194 of 2017 - Sec 37
		3	Describe the requirements imposed when record keeping is outsourced to a third party.	K	GCOC - Sec 3(2) FICA - Sec 24(1)
		4	Confirm that third party outsourcing agreements are executed correctly.	S	GCOC - Sec 3(2) FICA - Sec 24(2)
		5	Explain the security requirements for record keeping in terms of confidentiality and access to records, taking into account the requirements of the Protection of Personal Information Act.	K	BN 194 of 2017 - Sec 37
9	Manage and oversee the accounting and auditing requirements	1	Describe the accounting and auditing requirements prescribed by the FAIS Act.	K	FAIS Act - Sec 19 FAIS Act - Sec 19(1) FAIS Act - Sec 19(2)

					FAIS Act - Sec 19(3)
		2	Check that the required accounting and auditing requirements are in place and carried out accurately and timeously.	S	FAIS Act - Sec 19 FAIS Act - Sec 19(1)
		3	Describe the requirements for appointing an auditor or accounting officer.	K	FAIS Act - Sec 19 FAIS Act - Sec 19(2)(a) FAIS Notice 82 of 2015
		4	Ensure that the audit report submitted to the Financial Sector Conduct Authority where funds are received meets the regulatory requirements.	S	FAIS Act - Sec 19 FAIS Act - Sec 19(1) FAIS Act - Sec 19(3) GCOC - Sec 10 BN85 of 2008 – Schedule B
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10	Manage and oversee the requirements of the FIC Act and Money Laundering and Terrorist Financing control regulations, as it applies to the FSP.	1	Explain the requirements specific to a FSP prescribed by the FIC Act.	K	FICA Schedule 1 & 3 FICA - Sec 22 & 22A FICA - Sec 23 FICA - Sec 23(a) FICA - Sec 29 FICA - Sec 42 FICA - Sec 42A FICA - Sec 43 FICA - Sec 43A & 43B FICA - Sec 45C & 45C(3)(e) FICA - Sec 62 FICA - Sec 68 FICA - Sec 68(2) FAIS Act - Sec 18 Money Laundering & Terrorist Financing Control Regulations – Chapter 4
		2	Verify that all requirements for the Compliance Risk Management Programme as required by the FIC Act are in place.	S	FICA - Sec 42
		3	Verify that the FSP has processes in place to ensure compliance with the identification, verification, record-keeping and reporting obligations under the FIC Act.	S	FICA - Sec 22 FICA - Sec 23(a) FICA - Sec 43 FICA - Sec 43A & 43B FICA - Sec 28A
		4	Check that there are processes in place to ensure that	S	FIC Act - Sec 43

		employees receive training in respect of, and are aware of, their obligation to report suspicious transactions.		
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11	Deal with complaints that have been submitted to the Ombud for FSPs.	1	Explain the role and authority of the Ombud for FSPs.	K	FAIS Act - Sec 1 Definition of Complaint FAIS Act - Sec 27 FAIS Act - Sec 27(1) FAIS Act - Sec 27(2) FAIS Act - Sec 27(3) FAIS Act - Sec 27(4) FAIS Act - Sec 28 FAIS Act - Sec 28(1) FAIS Act - Sec 28(4)(a) Ombud Council rules for the Ombud for Financial Services Providers, 2024
		2	Discuss the obligations of the FSP in respect of an investigation conducted by the Ombud for FSPs.	K	FAIS Act - Sec 1 Definition of Complaint FAIS Act - Sec 13(1) FAIS Act - Sec 20(3) FAIS Act - Sec 27 & 28 FAIS Act - Sec 31 Ombud Council rules for the Ombud for Financial Services Providers, 2024 GCOC - Sec 18
		3	Check that there are processes in place to ensure that the FSP cooperates in the case of an investigation by the Ombud.	S	FAIS Act - Sec 27(5) FAIS Act - Sec 27(6) FAIS Act - Sec 31 Ombud Council rules for the Ombud for Financial Services Providers, 2024 GCOC - Sec 18
12	Define the role of the representative in terms of the FAIS Act.	1	Describe the roles and responsibilities of representatives as defined in the FAIS Act.	K	FAIS Act - Sec 1 Definition of Advice FAIS Act - Sec 1 Definition of Representative FAIS Act - Sec 1 Definition of Intermediary Services FAIS Act - Sec 13 FAIS Act - Sec 13(1) FAIS Act - Sec 16 FAIS Act - Sec 16(1) BN 194 of 2017 – Sec 9 GCOC - Sec 2 FICA - Sec 29
		2	Explain when an individual must be appointed as a representative in terms of the FAIS Act.	K	FAIS Act - Sec 1 Definition of Representative FAIS Act - Sec 1 Definition of Intermediary Services

					FAIS Act - Sec 1 Definition of Advice FAIS Act - Sec 1 FAIS Act - Sec 13 FSP5 Form
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		3	Describe the purpose and requirements of the register of representatives.	K	FAIS Act - Sec 13 FAIS Act - Sec 13(3) FAIS Act - Sec 13(4) FAIS Act - Sec 13(5) FSCA FAIS Notice 86 of 2018 – Exemption of Services under Supervision FSP 5 Form Representative Import Spread sheet
		4	Verify that the FSP maintains a register of representatives that meets the requirements of the FAIS Act.	S	FAIS Act - Sec 13 FAIS Act - Sec 13(3) FAIS Act - Sec 13(4) FAIS Act - Sec 13(5) Representative Import Spread sheet FSCA FAIS Notice 29 of 2023 - Form 5
13	Manage and oversee the appointment of representatives.	1	Explain what needs to be in place when appointing a representative.	K	FAIS Act – Sec 13 FAIS Act – Sec 13(1) FSCA FAIS Notice 86 of 2018 – Exemption of Services under Supervision BN 194 of 2017 BN 194 of 2017 – Annexure One Table 1 & 2 BN 194 of 2017 - Sec 12 BN 194 of 2017 - Sec 16 BN 194 of 2017 - Sec 22(b) BN 194 of 2017 - Sec 24(2)(e) BN 194 of 2017 - Sec 25 BN 194 of 2017 - Sec 41 BN 194 of 2017 – Chapter 2 BN 194 of 2017 - Chapter 3
		2	Verify that there are processes that enable the FSP to check that a representative meets the fit and proper requirements and can be appointed.	S	BN 194 of 2017 BN 194 of 2017 - Sec 9 FSCA FAIS Notice 86 of 2018 – Exemption of Services under Supervision FAIS Act - Sec 1 Definition of Representative and Person
14	Manage the rendering of services under supervision.	1	Explain when representatives can act under supervision.	K	FSCA FAIS Notice 86 of 2018 – Exemption of Services under Supervision BN 194 of 2017 - Sec 12 BN 194 of 2017 - Sec 24(2)(e)
		2	Confirm that there are sufficient qualified individuals to	S	FSCA FAIS Notice 86 of 2018 – Exemption of Services under Supervision

			act in the role of supervisor.		
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Task No	Task	QC	Qualifying Criteria	Knowledge (K) or Skill (S)	Legislation Reference / Motivation
		3	Describe the requirements that must be in place when representatives act under supervision.	K	FSCA FAIS Notice 86 of 2018 – Exemption of Services under Supervision
		4	Ensure that the supervisors understand their role and have the capacity for the number of supervisees.	S	FSCA FAIS Notice 86 of 2018 – Exemption of Services under Supervision
		5	Verify that there is supervision in place to oversee representatives.	S	FSCA FAIS Notice 86 of 2018 – Exemption of Services under Supervision
		6	Perform the necessary supervision functions on representatives.	S	FSCA FAIS Notice 86 of 2018 – Exemption of Services under Supervision
		7	Explain the disclosure requirements for a representative under supervision.	K	FAIS Act – Sec 13(1)(b) FSCA FAIS Notice 86 of 2018 – Exemption of Services under Supervision GCOC - Sec 5(f)
15	Manage and oversee the representatives appointed by a FSP.	1	Describe the on-going Fit and Proper requirements for representatives.	K	BN 194 of 2017 - Chanter 2 BN 194 of 2017 - Chapter 3 BN 194 of 2017- Sec 33
		2	Verify that the record keeping required for the on-going meeting of Fit and Proper requirements for representatives is in place.	S	FAIS Act - Sec 13(2) BN 194 of 2017- Sec 13(3)
		3	Implement and maintain a documented process to ensure that all representatives are competent and will provide financial services on behalf of the FSP in accordance with the FAIS Act.	S	FAIS Act - Sec 13(2)
		4	Check that there are processes to ensure that representatives are making progress towards the Fit and Proper requirements.	S	FAIS Act - Sec 13(2)
		5	Describe the implications if a representative no longer meets the Fit and Proper requirements.	K	FAIS Act - Sec 13(2) FAIS Act - Sec 14 BN 194 of 2017 - Sec 52
16	Debar representatives that have failed to comply with any provision of the FAIS Act in a material manner.	1	Define the purpose of debarment.	K	FAIS Act - Sec 14 FSR Act – Sec 153
		2	Describe when debarment should be considered.	K	FAIS Act - Sec 13(2) FAIS Act - Sec 14 FAIS Act - Sec 44 BN 194 of 2017 - Sec 7 BN 194 of 2017 - Sec 12 FSR Act – Sec 153 Guidance Note on Debarment

Task No	Task	QC	Qualifying Criteria	Knowledge (K) or Skill (S)	Legislation Reference / Motivation
		3	Check that the employment/mandatory agreement with representatives include scope of activities as a representative and reasons for possible debarment.	S	FAIS Act - Sec 14
		4	Explain the debarment process that should be followed in the event of a possible contravention of the FAIS Act.	K	FAIS Act - Sec 14 FAIS Act - Sec 39 GCOC – Sec 20(c) BN 194 of 2017 - Sec 8 FSR Act – Sec 153 FSR Act – Sec 230 Guidance Note on Debarment 1 of 2019 FAIS Notice 17 of 2018 – Debarment notification form BN 82 of 2003 – Sec 2
		5	Confirm that all role players in the FSP are informed about the reasons why debarment would be considered, the process that would be followed and any recourse that a representative may have.	S	FAIS Act - Sec 14
		6	Verify that there are internal processes and procedures in place for the debarment of representatives.	S	FAIS Act - Sec 14 GCOC – Sec 20
		7	Explain the timeframe and process to notify the Financial Sector Conduct Authority of a debarment.	K	FAIS Act - Sec 14 FAIS Act – Sec 14(4)(d) FAIS Act - Sec 13(2) Guidance Note on Debarment 1 of 2019