

FINANCIAL SERVICES BOARD



FINANCIAL ADVISORY AND INTERMEDIARY SERVICES ACT, 2002 (“FAIS ACT”)

FAIS CIRCULAR 4/2011

DATE: 19 April 2011

Circular on Level 1 Regulatory Examinations: Language

A. BACKGROUND INFORMATION

On 8 April 2011 the Registrar of Financial Services Providers (Registrar) decided to make the Level 1 Regulatory Examination also available in Afrikaans. Subsequently, the Registrar issued the following press release:

MEDIA RELEASE BY THE FINANCIAL SERVICES BOARD ON THE ISSUE OF REGULATORY EXAMINATIONS

Following normal administrative processes it is generally known that the Financial Services Board (“FSB”) has always been willing to consult interested parties on regulatory steps it intended to take.

In conformance with this policy the FSB has interacted with industry bodies and even individuals that have approached the FSB and indicated their willingness to enter into discussions on all the issues concerning the regulatory examinations (“RE”) set to take place during 2011 with the ultimate date of 31 December 2011. The run-up to the RE commenced in 2008 with the publication of the Notice on the Determination of Fit and Proper Requirements for Financial Services Providers, 2008 (Board Notice 106 of 2008).

Following earlier meetings and workshops with the Financial Intermediaries Association of South Africa (“FIA”) on the RE, the FSB today met a delegation of the FIA on core issues affecting the FAIS regulatory framework including issues regarding the RE which have been ventilated in the public media in recent times.

Two such matters were the need for the RE to be conducted and, if so, the need to have it in Afrikaans in addition to English as lined-up.

In the interest of supporting the goal of consumer protection and the professionalisation of participants in the financial advisory and intermediary industry, the parties confirmed their support of the RE and the level at which it had been set and that candidates for the examination should be allowed to submit to write by the stated deadline of 31 December 2011. The FSB, therefore, has no intention of changing its previous position in this regard.

As far as the vexed question of the language is concerned, the FSB, in collaboration with the FIA, decided that candidates who wish to enroll for the examination in Afrikaans, should be afforded the opportunity to do so. Cost implications arising from this decision are being investigated and may prove to be substantial.

The FSB will, as soon as practicable, announce a registration process for those persons that wish to take the examination in Afrikaans in order also to determine the scope of the preparation required to set and roll out the examinations in Afrikaans. A deadline for candidates to indicate their desire in this regard will be decided upon. Thereafter the deadline for the writing of the Afrikaans RE will be determined and publicised.

DEPUTY REGISTRAR: FINANCIAL SERVICES PROVIDERS

B. PRELIMINARY REGISTRATION PROCESS

1. Those individuals that wish to write the regulatory examination in Afrikaans can now, **on or before 31 May 2011**, preliminary register with the Financial Services Board (FSB) for the Level 1 Afrikaans regulatory examination through the following methods:

▪ **Electronic registration**

The electronic registration system can be accessed via the FSB’s website (www.fsb.co.za) by clicking on the “Afrikaans Examination Registration” link.

▪ **Telephonic registration**

Afrikaans speaking individuals that do not have access to the internet can contact the FSB’s call centre to register at: 0800 110443.

2. Please ensure that you have the required registration information available (see table below) at the time of the telephonic registration.

3. The information that will be required for registration for the Level 1 Afrikaans regulatory examination(s) is:

Information required		Reason why information is required
1	Name and Surname	Identification purposes
2	ID Number	Identification purposes
3	The capacity(ies) in which you will be writing the examination(s)	To identify whether you are a key individual, representative or sole proprietor.
4	FSP Number	If you are not linked to an FSP, you will be requested to provide a reason why you need to write the examination.
5	Contact details	The FSB must be able to contact you in order to provide you with information regarding the

		examination fee and the timeframe in which the Afrikaans version of the regulatory examinations must be completed. It is therefore critical that the correct contact details are supplied.
6	An indication which level 1 regulatory examination(s) you need to write in Afrikaans	This information is important for planning and cost calculations. If you are unsure how to identify which level 1 regulatory examination(s) apply to you, please refer to FAIS Information Circular dated 17 January 2011.

4. In addition to the above, the FSB, in order to assess the cost implication of delivering the Level 2 regulatory examinations (product specific examinations) in Afrikaans, will require registrants to indicate which Level 2 product specific examination they wish to complete in Afrikaans. Should you require assistance in determining which Level 2 product specific examination applies to you please refer to “How to identify which Level 2 regulatory examination applies to me” on the Homepage of the FSB website.
5. **The deadline for the preliminary registration to write the Level 1 Afrikaans regulatory examination is 31 May 2011.**

C FINAL REGISTRATION PROCESS

1. Subsequent to the preliminary registration process, the FSB will, based on the information obtained during the aforementioned process, inform the preliminary registrants (the individuals who registered in accordance with the process referred to in paragraph B above) of the-
 - the possible cost implications associated with the timeframe (roll-out) of the regulatory examination in Afrikaans;
 - the timeframe within which such examination(s) must be written; and
 - the format of the examination.
2. Preliminary registrants will then be given **14 business days** to confirm their preliminary registration taken into consideration the information referred to in paragraph 1 above. A person who confirms his/her preliminary registration will be regarded as a final registrant.
3. An exemption from the 31 December 2011 deadline (the deadline by when the Level 1 English regulatory examination must be written) will be granted to a final registrant for a specified date (still to be determined) in which he/she must have written the Afrikaans examination. The exemption will be subject to, *inter alia*, the following conditions:

The final registrant must-

- successfully have completed the examination within the prescribed period (still to be determined);
- participate, if selected, in the trial and pilot processes of the Afrikaans examination.

D PREPARATIONS FOR THE AFRIKAANS REGULATORY EXAMINATIONS

The preparation for the Level 1 Afrikaans regulatory examination **should not be delayed**, and persons must continue to prepare for these examinations in order to enrol for the Afrikaans examination immediately when it becomes available. It is important to note that the purpose of the “extension” of the deadline of 31 December 2011 is not to allow final registrants additional time to prepare for the examinations but to allow final registrants to continue rendering financial services until such time as the examinations are available in Afrikaans.

E DEADLINE FOR THE LEVEL 1 ENGLISH REGULATORY EXAMINATIONS

The deadline of 31 December 2011 for the Level 1 English regulatory examination has not been changed and therefore, preparation, enrolment and completion of the examination must continue.