

FINANCIAL SERVICES BOARD



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

FAIS CIRCULAR 1/2011

DATE: 18 January 2011

Circular on identifying which First Level Regulatory Examination to write

FAIS Circular 8 dated **29 October 2010**, *Circular on First Level Regulatory Examinations: KI Level 1: Category I, II, IIA, II and IV (RE 1) and Representatives (RE 5)*, and **FAIS Circular 9** dated **5 November 2010**, *Circular on Preparation for the First Level Regulatory Examinations*, provided the following information:

- Who should be writing the first level regulatory examinations
- Details regarding the examination bodies where one can register for the examinations
- The pass mark of the regulatory examinations (RE1 and RE5)
- The cost of the regulatory examinations
- How to prepare for the regulatory examinations
- The format of the regulatory examinations
- The examination conditions that apply to all regulatory examinations

This circular provides you with information regarding how many first level regulatory examinations will be made available and how to identify which regulatory examinations applies to you.

The First Level Regulatory Examinations consist of the following **five (5)** examinations:

RE No	First Level Regulatory Examination	Section in BN 105	Examination body that will offer the examination			
			Moon stone	FPI	Leselo	SAIFM
RE 1	KI Level 1: Cat I, II, IIA, III and IV (General)	1	X	X	X	X
RE 2	KI Level 1: Cat 1.1 & 1.19	1&5	X	X	X	X
RE 3	KI Level 1: Cat II & IIA	2	X	X	X	X
RE 4	KI Level 1: Cat III	3	X	X	X	X
RE 5	Representatives	4	X	X	X	X

The following descriptions for each of these examinations will assist you in identifying which examination applies to you:

RE No	Regulatory Examination	Descriptor
RE1	Key Individual Level 1: Cat I, II, IIA, III and IV (General)	This is a <u>general examination</u> that applies to <u>all key individuals and sole proprietors in all the Categories</u> . This examination consists of 80 questions. All sole proprietors and key individuals who are responsible for managing and overseeing a business relating to the rendering financial services for FSPs in Category I, II, IIA, III and IV are required to write this examination.
RE2	Key Individual Level 1: Cat 1.1 & 1.19	This examination applies only to sole proprietors and key individuals who are responsible for managing and overseeing the business relating to the rendering financial services for FSPs in Category I that only deals with <u>Assistance Business Policies and Friendly Society Benefits</u> . Where sole proprietors and/or key individuals deal only with <u>Assistance Business Policies and Friendly Society Benefits</u> they will not be required to also complete the RE1 (general) examination. This examination consists of 80 questions.
RE3	Key Individual Level 1: Cat II & IIA	This is a specific examination that only applies to sole proprietors and key individuals in <u>Category II and IIA</u> . This examination consists of 30 questions. All sole proprietors and key individuals who are responsible for managing and overseeing the business relating to the rendering financial services for FSPs in Category II (Discretionary FSPs) and IIA (Hedge Fund FSPs) are required to write this examination <u>in addition to the RE1</u> .
RE4	Key Individual Level 1: Cat III	This is a specific examination that only applies to sole proprietors and key individuals in <u>Category III (Administrative FSPs)</u> . This examination consists of 30 questions. All sole proprietors and key individuals who are responsible for managing and overseeing the business relating to the rendering financial services for FSPs in Category III are required to write this examination <u>in addition to the RE1</u> .
RE5	Representatives	All <u>Representatives</u> , including those employed or mandated by an FSP, who render a financial service to a client (excluding a person rendering clerical, technical, administrative, legal, accounting or other service in a subsidiary or subordinate capacity which does not require judgment or does not lead to a specific transaction in respect of a financial product in response to general enquiries) are required to write this examination. This examination consists of 50 questions.

Example:

- If you are a key individual for a Category I FSP only, then you will only be required to write the RE 1.
- If you are a key individual for a Category II FSP, then you will be required to write the RE 1 and RE 3.
- If you are a key individual for a Category III FSP, you will be required to write the RE 1 and RE 4.
- If you are a key individual for a Category IV FSP, you will be required to write the RE 1 only.
- If you are a key individual for an FSP that only deals with Assistance Business Policies and Friendly Society Benefits, then you will only be required to write the RE 2.
- If you are a representative, you will be required to write the RE 5 with the exclusion of those representatives that only deals with Long-term Category A or Friendly Society Benefits, as these representatives are exempted from writing the regulatory examination.
- If you are a key individual for a Category I FSP and you are also a representative then you will be required to write the RE 1 and RE 5.

Please note:

Currently the RE 1 and RE 5 are available and you may register at any of the four examination bodies to write these examinations. The RE 2, RE 3 and RE 4 are not available as yet, and we will communicate their availability as soon as they are ready to roll out.

Additional information regarding the regulatory examinations is included in the preparation guide available on the FSB website under the FAIS tab. In order to complete these examinations successfully, it is critical that you prepare thoroughly. You will find guidelines in terms of how to prepare included in the preparation guide.

A three hour satellite broadcast will take place on 10 February 2011 from 09:00 to 12:00 where all aspects regarding the regulatory examinations will be discussed. More information regarding the details of this broadcast will be communicated in a brochure to the industry, and details will also be available on the FSB website.

We wish you success with your preparation for the regulatory examinations.

pp REGISTRAR FINANCIAL SERVICES PROVIDERS

Interactive Workshops with the industry

February

2011



The FSB will be hosting its second series of interactive workshops with the industry 2011.

Financial Services Board
www.fsb.co.za
0800110443/ 0800202087

The FSB is delighted to host the first series of interactive workshops between the regulator and the industry, using satellite technology.

What is an interactive workshop?

This means that we will use satellite broadcast technology to broadcast live sessions from a studio in Stellenbosch to 17 venues across South Africa. Participants can choose which venue to go to. They will then view the live broadcast at the venue, and be able to participate in the session.

Why are we using this technology?

There are approximately 14 000 authorised financial services providers in South Africa. Using satellite technology means that we can reach more than 600 people at the same time. The advantage is that there are venues in every province, bringing the sessions a bit closer to you.

Are there costs involved?

It doesn't cost you anything to attend the session. Please note that if you need to travel to a venue, the travel costs are for your own account.

What must I take to a session?

You only need some paper and a pen to take notes. There will be an administrator at each venue, who will be able to help you participate in the discussions. If you have a laptop and 3G internet connectivity, you will also be able to use that during the sessions, but it is not a requirement for attendance or participation. We will post the slides on the FSB website after each session.

What can I expect at the venue?

You can expect a TV screen, tables and chairs. The venues are used by the University of Stellenbosch for tutorial sessions with their students. The venues are thus standard classroom issue, and not smart. Please do not expect conference venue quality.

Are there refreshments at the venues?

We cannot supply any refreshments at the venues, so please take your own water and lunch bag along.

What time must I be there?

Please check the start and end time of the session carefully. Sessions will start promptly, so we recommend that you are at a venue at least 15 minutes before the start time.

10 February 2011

Time: 09:00 to 12:00

Topic for discussion: Level 1 Regulatory Examinations

Aimed at: All sole proprietors, key Individuals and Representatives.

Discussion topics:

- Overview of the regulatory examinations
- Development of the regulatory examinations
- Preparation for the examinations – specific to level 1
- Registrations
- Conducting the examinations

Discussion leaders:

Representing the FSB and the four recognised examination bodies:

Stefanie Mackenzie, Hjalmar Bekker, Eugene Vermeulen, Daphne Hamilton, Anna Bouhail

How do I book?

We have two methods to book:

1. Access the website and book on our electronic booking system – www.fsb.co.za
2. Contact the FSB call centre and ask them to book for you

You can call the call centre on 0800110443/ 0800202087, Monday to Friday between 08:00 to 17:00.

When should I book?

Please book as quickly as you can. **Bookings will open at 09:00 on Monday 17 January 2011.**

What happens if I can't attend anymore?

Please let us know as soon as you are aware that you can't attend a session anymore. You can use your confirmation reference number or your ID number, and either cancel on the website, or you can contact the Call Centre and ask them to cancel your booking for you.

Where are the venues?

This is the list of venues, their addresses and the capacity at each venue. Please note that some venues are larger than others. If you would like to attend at one of the smaller venues, we recommend that you book without delay!

Location	City	Learning Centre Manager	Number of Seats
EASTERN CAPE			
13 Amaway Centre Main Road, Ground floor (Opposite Caltex Garage) Amalinda	East London 083 324 0623 (P) 079 699 0126 (US)	Lionel Mc Gillivray	22
NG Church PE-East Cnr Mitchell and Walmer Boulevard South-End Port Elizabeth	Port Elizabeth 082 823 1762 (P) 079 699 0130 (US)	Nelia Peters	25
FREE STATE			
Medovs Building Boardroom Cnr Victoria and Ella Street Willows , Bloemfontein	Bloemfontein 083 789 8821 (P) 079 699 0077 (US)	William Britz	20
GAUTENG			
The Bright Water Commons Republic Street Shop 99 Randburg	Johannesburg 083 470 3417 (P) 079 699 0172 (US)	Thapelo Mogale	30
Brooklyn Theatre Thomas Edison Street Greenlyn Village Shopping Centre Brooklyn	Pretoria 072 314 8307 (P) 079 699 0134 (US)	Mahupa Lesufi	30
KWAZULU NATAL			
Embury Institute for Teacher Education Embury House 119 Lilian Ngoyi Road Ground Floor Morningside Durban	Durban 072 122 5113 (P) 079 699 0088 (US)	Martin Snyman	20
MPUMALANGA			
Standard Bank Centre Telematic Learning Centre 31 Brownstreet Nelspruit	Nelspruit 082 568 7256 (P) 079 699 0121 (US)	Ella Steyl	25
Town Square Building C/o Walter Sisulu & Bhimy Damane Street , Room 21 , Middelburg	Middelburg 082 563 5629 (P) 079 699 0118 (US)	Hennie Schoeman	20
NORTH WEST			
West End Building 51 Leask Street C/o Leask Str + Kock + Siddle (Enter Leask or Siddle Str or day parking at Siddle Str)	Klerksdorp 073 073 1230 (P) 079 699 0114 (US)	Eileen Mans	30

Location	City	Learning Centre Manager	Number of Seats
Room 308, 3rd Floor, Klerksdorp			
LIMPOPO			
Bongiwe Conference Centre 77 Dorp Street, Polokwane	Polokwane 076 169 4124 (P) 079 699 0142 (US)	Emmanuel Greyling	25
NORTHERN CAPE			
Jones Street Square Telematic Learning Centre Corner of Chapel & Currey Street Kimberley	Kimberley 079 699 0145 (US) 079 699 0144 (US)	Doreen (Liz) Kwon Hoo	25
Roman Catholic Church Vaal University of Technology Le Roux Street, Upington	Upington 079 699 0167 (US) 079 699 0168 (US)	Wendell Adams	21
WESTERN CAPE			
Stellenbosch University Bellville Park Campus Carl Cronje Drive Van Der Horst Building Bellville Park Campus Room 102, Bellville	Bellville 082 787 8912 (P) 079 699 0063 (US)	Fred Rheeder	85
Stellenbosch University Tygerberg Kampus Fransie van Zijl Rd Fisan building, Room F334	Tygerberg Kampus 082 310 8735 (P) 079 699 0174 (US)	Ronel Buchner Given Nkuna	42
Shamrock Place 97 York Street, Ground Floor Room 34 A, George	George 083 383 0122 (P) 079 699 0102 (US)	Lappies Labuschagne	30
Administration A Building Telematic Services Van Ryneveld Street, Stellenbosch Entrance left of Admin A main entrance Room 1070 University of Stellenbosch Stellenbosch	Stellenbosch 072 385 1435 (P) 079 699 0146 (US)	Douglas Davis	20
Institute for the Deaf 30 De La Bat Road Ou Meule Worcester	Worcester 071 114 5388 (P) 079 699 0170 (US)	Amanda vd Bergh	36