

7 MARCH 2018

FINANCE & BANKING ALERT

IN THIS ISSUE

FAIS EXAMS UPDATED – WHAT YOU NEED TO KNOW

Previously, the key individuals and representatives (as defined in the Financial Advisory and Intermediary Services Act, 2002 (FAIS)) of authorised financial services providers licensed under FAIS, were required to comply with the fit and proper requirements set out in The Determination of Fit and Proper Requirements for Financial Services Providers published under Board Notice 106 of 2008 (Old Fit and Proper Requirements). One such compulsory requirement was to write and pass the relevant regulatory examination.

FAIS EXAMS UPDATED – WHAT YOU NEED TO KNOW

On 15 December 2017, the Financial Services Board published the revised fit and proper requirements set out in the Determination of Fit and Proper Requirements for Financial Services Providers published under Board Notice 194 of 2017.

The New Fit and Proper Requirements come into force on 1 April 2018.



Previously, the key individuals and representatives (as defined in the Financial Advisory and Intermediary Services Act, 2002 (FAIS)) of authorised financial services providers licensed under FAIS, were required to comply with the fit and proper requirements set out in The Determination of Fit and Proper Requirements for Financial Services Providers published under Board Notice 106 of 2008 (Old Fit and Proper Requirements). One such compulsory requirement was to write and pass the relevant regulatory examination.

However, on 15 December 2017, the Financial Services Board (FSB) published the revised fit and proper requirements set out in the Determination of Fit and Proper Requirements for Financial Services Providers published under Board Notice 194 of 2017 (New Fit and Proper Requirements). The New Fit and Proper Requirements come into force on 1 April 2018. As a result of the New Fit and Proper Requirements, the questions in the relevant regulatory examinations need to be amended to cater for the provisions set out in the New Fit and Proper Requirements.

What does this mean for candidates required to write and pass the regulatory examinations?

On 13 February 2018, the FSB published FAIS Information Circular 1/2018 (Circular) setting out the information in respect of the arrangements and timelines which

apply to the transition from the old version of the regulatory examinations under the Old Fit and Proper Requirements to the new version of the regulatory examinations under the New Fit and Proper Requirements.

In terms of the Circular, the FSB has advised that the following two regulatory examinations are affected, namely:

- RE1: FSPs and Key Individuals in all categories of FSPs; and
- RE5: Representatives in all categories of FSPs.

The implementation of the updated regulatory examinations are as follows:

- Candidates already registered to write the regulatory examinations on or before 29 March 2018 will still write the current version of the regulatory examinations; and

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FAIS EXAMS UPDATED – WHAT YOU NEED TO KNOW

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Candidates have until close of business on 13 March 2018, to register for the current version of the regulatory examination taking place on 29 March 2018.

- Candidates who registered to write the regulatory examination on or after 3 April 2018 will write the new version of the regulatory examinations.

Candidates have until close of business on 13 March 2018, to register for the current version of the regulatory examination taking place on 29 March 2018. Any registrations after 13 March 2018 will mean that the candidate will be required

to write the new version of the regulatory examinations based on the New Fit and Proper Requirements. The implementation of the New Fit and Proper Requirements will not affect those key individuals and representative who have already written and passed the RE1 and/or RE5 exams prior to 29 March 2018.

Bridget King and Sascha Graham



CHAMBERS GLOBAL 2016 - 2018 ranked our Finance & Banking practice in Band 2: Banking & Finance.
CHAMBERS GLOBAL 2013 - 2018 ranked our Finance & Banking practice in Band 1: Capital Markets: Equity.
CHAMBERS GLOBAL 2013 - 2018 ranked our Finance & Banking practice in Band 2: Capital Markets: Debt.
Deon Wilken ranked by CHAMBERS GLOBAL 2014 - 2018 in Band 3: Banking & Finance.
Bridget King ranked by CHAMBERS GLOBAL 2017 - 2018 in Band 2: Banking & Finance: Regulatory.
Jacqueline King ranked by CHAMBERS GLOBAL 2017 - 2018 in Band 2: Capital Markets: Debt.
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