1. INTRODUCTION

1.1. On 16 January 2014 the Financial Services Laws General Amendment Act, No. 45 of 2013 (FSLGA Act), was published in the Government Gazette. The Minister of Finance determined 28 February 2014 as the date on which the provisions of the FSLGA Act came into operation, except for certain specific provisions that have a delayed commencement date. The FSLGA Act, *inter alia*, amend the Financial Advisory and Intermediary Services Act, 2002 (FAIS Act).

1.2. The purpose of this circular is to inform prospective candidates who intend to write the level 1 regulatory examinations within the next month of the impact of the amendments to the FAIS Act on the examinations.

1.3. The key factors that will be addressed in this circular are:
   - Impact on the level 1 regulatory examinations – the extent of the impact of the amended FAIS Act on the level 1 regulatory examinations and the timeframe required to update the examinations with the amended legislation;
   - Preparation for the level 1 regulatory examination - where to find the amended legislation and what other preparation materials would require updating;
   - Implementation of the updated questions and examination registrations;
   - Postponement and/or Cancelation policy for examinations.

2. IMPACT ON THE LEVEL 1 REGULATORY EXAMINATION

2.1. The amendments to the FAIS Act affect approximately 25% of the current level 1 regulatory examination questions. These questions must now be updated to reflect such amendments.
2.2. The date by which the updated examinations will be implemented is Monday, **14 April 2014**. From this date all level 1 regulatory examinations will contain the updated questions.

2.3. *Persons writing the exam on or after 14 April 2014 would therefore have to ensure that they familiarise themselves with the amendments to the FAIS Act as contained in the FSLGA Act.*

2.4. The date by which the questions will be updated for the Afrikaans examinations will be communicated in due course.

3. **PREPARATION FOR THE LEVEL 1 REGULATORY EXAMINATIONS**

3.1. **The legislation:**

In order to properly identify and contextualise the amendments to the FAIS Act, the FSGLA Act must be read in conjunction with the FAIS Act.

Reading the two Acts together may be confusing. An alternative option is to access, via the FSB website, the Sabinet version of the FAIS Act that reflects, in the text of the Act, the amendments. The amended sections are highlighted in yellow for ease of reference.

To access the Sabinet version of the FAIS Act, please go to:
- [www.fsb.co.za](http://www.fsb.co.za)
- On the Home Page, click on the “FAIS” tab
- Then select “Legislation” on the menu options listed on the left
- Select “FAIS Act, Regulations and Other Sub-ordinate Legislation”
- Select “The Act”

3.2. **Other preparation materials:**

- Other preparation material also available to persons wanting to prepare for the level 1 regulatory examinations are listed below:

<table>
<thead>
<tr>
<th>PREPARATION MATERIAL:</th>
<th>PROVIDED BY:</th>
<th>WHEN IT WILL BE UPDATED / AVAILABLE:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Preparation Guide for RE 1 and RE 5</td>
<td>FSB</td>
<td>The updated Preparation Guide will be available on the FSB website on Wednesday, <strong>2 April 2014</strong>.</td>
</tr>
<tr>
<td>INSETA Self-study Guide / Training Manual</td>
<td>INSETA</td>
<td>The updating process has commenced. The material available on the INSETA website will be updated and is currently</td>
</tr>
</tbody>
</table>
under review. The exact date on when the material will be available for download from the INSETA website (www.inseta.org.za) will be communicated by INSETA in due course.

| Other workshop materials, interventions and preparation guides offered through training providers. | Various Training Providers | FSPs making use of the training services of providers for the purposes of regulatory examination preparation must please ensure that the training provider is using updated content and materials. Due to the number of training providers conducting regulatory examination preparation workshops and other interventions, and the fact that the FSB does not have any oversight over these training providers, it is not possible to confirm by when training providers would be offering updated interventions. FSPs are cautioned to be vigilant and to ensure that the training providers that are used by them are aware of the legislative changes and that they are including these in the training interventions. |

4. **IMPLEMENTATION OF THE UPDATED QUESTIONS AND REGISTRATIONS FOR EXAMINATIONS**

4.1. Persons that have already registered to write the level 1 regulatory examination **BEFORE** Monday, **14 April 2014** will still write the current version of the level 1 regulatory examination without the updated questions included.

4.2. Persons that have registered to write the level 1 regulatory examinations **ON** or **AFTER** Monday, **14 April 2014** will write the new version of the level 1 regulatory examinations which **will include the updated questions**.

4.3. Therefore, persons writing the level 1 regulatory examinations on or after 14 April must ensure that they refer to the updated preparation materials as explained in item 3.1 and 3.2 above.

4.4. The cancelation policy included in this communication applies to all registrations for the regulatory examinations. Candidates are welcome to re-schedule their examinations subject to the cancelation policy below.
5. **POSTPONEMENT AND/OR CANCELATION POLICY FOR EXAMINATIONS**

For paper-based and electronic examinations the following apply:

5.1. If an examination is postpone 10 working days or more prior to the actual examination date then there will be no penalty and the date of the examination can be re-scheduled;

5.2. Postponing an examination less than 10 working days before the actual examination date will result in a new examination fee to be levied as the existing examination was already prepared and in some cases distributed to the relevant examination venue. A completely new examination would then have to be produced for the new date by which the candidate would like to write the examination.

5.3. Where candidates cancel their examination less that 10 working days before the actual examination date they will not be refunded the examination fee already paid, for the same reason provided in item 5.2 above.

5.4. Where candidates do not arrive for an examination, the examination fee already paid at registration will be forfeited.

5.5. Below please find the dates as it applies to the updated level 1 examinations:

<table>
<thead>
<tr>
<th>If your examination date is:</th>
<th>Then the latest date you have to request changes to your registration is 10 working days prior to date of exam, which is:</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014-04-07</td>
<td>2014-03-20</td>
</tr>
<tr>
<td>2014-04-08</td>
<td>2014-03-24</td>
</tr>
<tr>
<td>2014-04-09</td>
<td>2014-03-25</td>
</tr>
<tr>
<td>2014-04-10</td>
<td>2014-03-26</td>
</tr>
<tr>
<td>2014-04-11</td>
<td>2014-03-27</td>
</tr>
<tr>
<td>2014-04-14</td>
<td>2014-03-28</td>
</tr>
</tbody>
</table>

5.6. Please bear in mind that the preparation of the examinations for each individual person writing the examination, and all the administrative and security processes that are required to offer these examinations in a professional manner requires planning, infrastructure, resources and proper management.
5.7. Where examinations are postponed, canceled or rescheduled these processes are frustrated which could cause delays, additional management controls and often additional resources and communication processes to ensure that the examinations take place in accordance to the requirements of the candidate as well as the delivery standard set for the examinations.

5.8. This is why a specific postponement and/or cancellation policy is required in order to ensure that all examinations are conducted to the same standard and requirements by ensuring that where examinations registrations and dates are amended it is done within a specific period that will allow for the quality assurance processes to still apply.

6. CONCLUSION
The FSB is liaising with INSETA regarding the updating of the affected training materials, and will communicated more specific information in this regard, as well as the rollout date for the updated Afrikaans examinations in a follow-up communication.

We trust that the information provided in this circular will be of assistance to persons that have registered, or who are planning to register for the level 1 regulatory examinations shortly.

We wish all candidates writing the level 1 regulatory examinations all the best.