

## **FSCA Communication 18 of 2020 (FAIS)**

### **Submission of Compliance Report and FAIS Hand-over Report requirements for FSP's for 2020**

1. The purpose of this Communication is to inform stakeholders, Financial Services Providers (FSPs) and Key Individuals that, Compliance Reports and Handover Reports usually due for submission to the Financial Sector Conduct Authority in terms of section 17(4)(a) of the FAIS Act, do not need to be submitted during 2020, and to provide clarity on related aspects. No compliance reports or handover reports were published for 2019 or 2020, as the Authority is developing Conduct of Business Report (CBR) that will apply to all regulated entities and replace the Compliance Reports.
2. The following Compliance- and Handover Reports, **are not required to be submitted in 2020**:
  - a) Category I FSP with a Compliance Office
  - b) Category II and IIA FSPs (Bi-Annual Report)
  - c) Category III FSP (Bi-Annual Report)
  - d) Category IV FSP
  - e) Foreign FSP
  - f) Category I FSP without a Compliance Officer
  - g) Compliance Officer Handover Report
  - h) Key Individual / Sole Proprietor Handover Report
3. Regarding Handover Reports, the following will apply:
  - 3.1 A handover report is a version of the compliance report that applies to the category and activities of the FSP (see 2 (a) to (f) above), and is completed when there is a change in the compliance arrangements of an FSP before the reporting date of the FSP.
  - 3.2 Compliance officers/ key individuals and sole proprietors do not have to complete a handover report when they resign from an FSP (compliance officer) or when they appoint a compliance officer (key individual/ sole proprietor).

- 3.3 Compliance officers must include, in their resignation notification to the FSCA, information about the reason why they are resigning, and the effective date of resignation.
  - 3.4 Where compliance officers are aware of any material irregularity by the FSP from which they are resigning, they must complete a section 17 irregularity report to bring such material non-compliance to the attention of the FSCA.
4. Outstanding compliance reports:
    - 4.1 FSPs that have not submitted the required Compliance Reports from date of approval up to 2018, are still required to submit such outstanding reports.
    - 4.2 Please note that the failure to submit such reports can lead to regulatory action being instituted against such non-compliant FSPs.
5. This communication is available on the FSCA's website ([www.fsca.co.za](http://www.fsca.co.za)) following the path: *Home > Regulatory Frameworks > Industry Communication > FAIS*.
  6. For further information regarding this Communication please contact the FSCA by emailing [info@fsca.co.za](mailto:info@fsca.co.za).

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