

FSCA Press Release

29 June 2020

FSCA publishes final amendments under the FAIS Act

On 26 June 2020, the Financial Sector Conduct Authority (FSCA) published final amendments to the General and Short-term deposit Codes of Conduct as well as Fit and Proper requirements under the FAIS Act. The amendments are necessary to contribute to the fulfilment of the FSCA's legislated objectives and are ultimately intended to promote the fair treatment and protection of financial customers.

Some of the amendments emanated from policy processes that started as far back as 2014, such as the Retail Distribution Review. The introduction of the Insurance Act also resulted in various references to terminology and classes of insurance business in the Long-term Insurance Act and Short-term Insurance Act, as referenced in the Fit and Proper Requirements for Financial Services Providers, 2017 (Fit and Proper requirements), being outdated. Therefore, the amendments are needed to align the FAIS requirements with the current Insurance Act terminology.

The amendment notices underwent comprehensive public consultation and were also submitted to Parliament as required in terms of section 103 of the Financial Sector Regulation Act, 2017 (FSRA).

Following this process, the following documents have been published:

- The Amendment of the General Code of Conduct for Authorised Financial Services Providers and Representatives, 2003 (GCOC) and the specific code of conduct for authorised financial services providers and representatives conducting Short-term deposit business, 2004 (ST Deposit Code).
- A statement of the need expected impact and intended operation of the draft amendments to the GCOC and ST Deposit Code in terms of section 98 of the FSRA.

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- A consultation report on the draft amendments to the GCOC and ST Deposit Code in terms of section 104(1) of the FSRA.
- The amendment of the determination of Fit and Proper Requirements
- A statement of the need, expected impact and intended operation of the amendments to the Fit and Proper requirements in terms of section 98 of the FSRA
- A consultation report on the draft amendments to the Fit and Proper requirements in terms of section 104(1) of the FSRA.

These documents are available on the FSCA's website at www.fsca.co.za. For more information regarding the conduct standards please contact the FSCA's Regulatory Framework department of the FSCA at Hannelie.hattingh@fsca.co.za.

ENDS

Enquiries: Financial Sector Conduct Authority
Email address: FSCACommunications@fsca.co.za
Telephone: 0800 203 722

Transitional Management Committee:

AM Sithole (Commissioner) DP Tshidi CD da Silva JA Boyd MM du Toit LP Kekana K Gibson OB Makhubela SE Mmakau