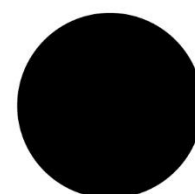




**ANNEXURE A**

**EXPLANATION OF BUDGET, ESTIMATES OF  
EXPENDITURE AND LEVIES AND FEE  
PROPOSALS**



## 1. INTRODUCTION

- 1.1 In terms of section 239(1) of the Financial Sector Regulation Act, 2017 (Act No. 9 of 2017) (FSR Act), the Financial Sector Conduct Authority (FSCA) must for each financial year prepare and adopt:
- a budget in accordance with section 248 that includes an estimate of its expenditure;
  - a proposal for the fees that will be charged and levies that will be imposed by the financial sector body; and
  - projected estimates of its expenditure for next 2 financial years.
- 1.2 In terms of section 240 of the FSR Act, Part 1 of Chapter 7 of the FSR Act applies (with the necessary changes) to the adoption of the budget, estimates of expenditure as well as the fees and levies proposals as provided for in section 239.
- 1.3 As such, in adopting the budget and determining levies, the FSCA must publish the following documents for public comment:
- The budget, including estimates of expenditure;
  - the levies proposal for the relevant financial year;
  - the fees proposal provided for the relevant financial year;
  - an explanation of the budget, estimates of expenditure and fees and levies proposals, and of the variation of the budget, estimates of expenditure and the fees and levies proposals against the budget, estimates of expenditure and the fees and levies proposals adopted for the previous financial year (section 240(2)(b) of the FSR Act).
- 1.4 The FSCA hereby provides the explanation referred to in paragraph 1.3(d) above.

## 2. BACKGROUND

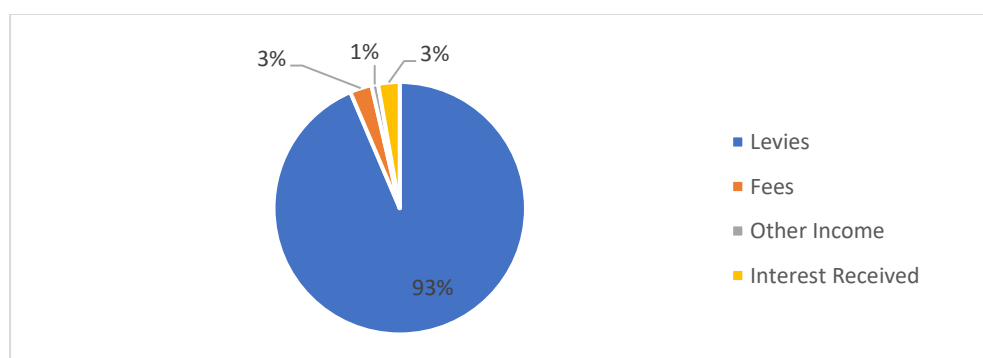
- 2.1 The FSR Act introduced important changes to the regulation and supervision of the South African financial sector. Among other things, the FSR Act created a dedicated market conduct regulator in the FSCA, who was assigned an expanded scope of responsibility when compared to its predecessor, the Financial Services Board.
- 2.2 One of the fundamental principles set out in National Treasury's document titled 'A safer financial sector to serve South Africa better released by National Treasury, 23 February 2011', is that regulators of the financial sector should be appropriately and adequately funded to enable them to effectively execute their mandates. According to this policy document, the regulated entities should ideally fund the operational budgets of regulators in a way that eliminates conflict of interest.
- 2.3 Subsequently, the Financial Sector and Deposit Insurance Levies Act, 2022 (Act No. 11 of 2022) (Levies Act) was assented to by the President on 6 December 2022 and commenced on 1 April 2023. The Levies Act provides for the imposition of financial sector levies on supervised entities for the funding of the FSCA and other financial sector bodies. Schedule 2 to the Levies Act (Schedule 2) provides for the calculation of the financial sector levy in respect of the FSCA.
- 2.4 Further, section 237(1) of the FSR Act provides that –
- the FSCA may charge fees to fund the performance of functions under the FSR Act, financial sector laws and the Levies Act; and
  - levies may be imposed in accordance with the FSR Act, read with the Levies Act, to fund the operations of the FSCA.

- 2.5 After the completion of the process prescribed in section 239 of the FSR Act, -
- (a) the FSCA must publish the fees that have been determined (Fee Determination) on its website in terms of section 237(2); and
  - (b) the Minister of Finance (Minister)–
    - (i) must amend the Schedules to give effect to the increase of the levies by the arithmetic mean of the Consumer Price Index as published by Statistics South Africa in the preceding calendar year as contemplated in section 10(4)(b) of the Levies Act; or
    - (ii) may amend the Schedules to the Levies Act as contemplated in section 10(2)(a) of that Act to give effect to a proposal for levies made by the financial sector body in terms of section 239(7)(b) of the FSR Act).
- 2.7 The FSCA’s budget, supported by levies and fees, is therefore critical to ensure the FSCA is adequately funded to effectively execute on its mandate.

**3. FUNDING MODEL**

- 3.1 The FSCA is funded by levies and fees charged to the industry it regulates. The levies are a major contributor to the FSCA revenue and as such, the costs associated with the ongoing supervision and regulation of the financial sector are funded primarily from the levies income.
- 3.2 The FSCA raises sufficient levies to cover its operational requirements and does not, as a rule, budget for a surplus/deficit unless necessary. For the financial year 2024/25 the FSCA is budgeting for gross revenue of R1.087 billion (Budget 2023/24: R977 million), operating expenditure of R1.051 billion (Budget 2023/24: R1.014 billion) and R37 million (Budget 2023/24: R46 million) transfer from the special levy to capex, resulting in a breakeven position.
- 3.3 The gross revenue budget of R1.087 million comprises mainly of levies accounting for 93% (Budget 2023/24: 94%) of the gross revenue. The levy income is charged to the supervised entities based on different levy methods and formulae and the invoices are generated annually or quarterly depending on the sector. Included in the levy budget is the special levy of R71 million (Budget 2023/24: R64 million) to cover establishment costs and other expenses that are not part of the ordinary course of the regulation and supervision of financial institutions (i.e. capex expenditure).

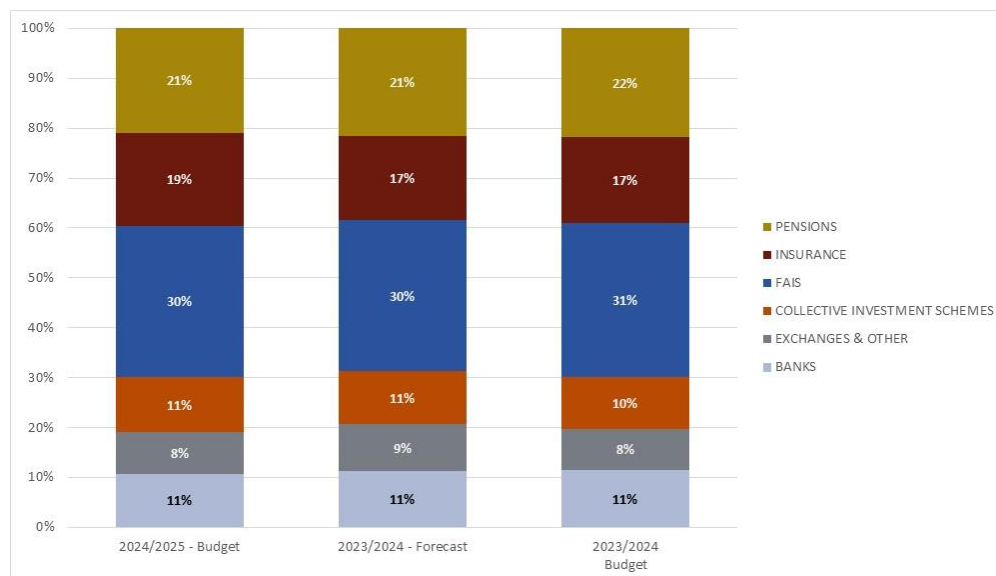
**Figure: 1: Revenue budget composition**



## BUDGET, LEVIES AND FEES PROPOSALS

- 3.4 The composition of the revenue per industry has remained constant when compared to the previous financial years.

Figure: 2: Levy distribution amongst the regulated sectors



- 3.5 Fee income contributes 3% of the gross revenue as it is currently modelled around the user-pay principle. Fee income relates to income charged to supervised entities to fund the performance of specific functions under the FSR Act and the relevant financial sector laws. The fees are payable in advance before any work commences and are modelled around the user-pay principle. (i.e., supervised entities that do not request specific functions will not pay any fee(s)).
- 3.6 The operations expenditure budget of R1.051 billion (Budget 2023/24: R1.014 billion) comprises of staff expenditure of R748 million (Budget 2023/24: R683 million) and general expenditure of R303 million (Budget 2023/24: R331 million). Staff expenses represent 71% of the total expenditure budget which is attributable to the FSCA being a service organisation with personnel costs being the main cost driver. General expenditure decreased when compared to the previous year due to various cost savings measures which were implemented.
- 3.7 To cover the budgeted operational expenditure (which include the capex expenditure) the FSCA is proposing to increase the levy variables and fees by inflation adjustments of 6%.
- 3.8 The proposed increase of 6% to the levy rates translates to an overall increase of 11% to the overall FSCA levy when compared to 2023/24 budget. This is as a result of new entrants and fluctuations in the levy data which are used to calculate levies. Due to fees being applied on the user-pay principle, the budget is based on historic data as well as the anticipated levels of activity.
- 3.9 The 6% proposed increase for the levy and fee income is below the last reported CPI of 6.9% as at December 2022, to reduce the impact of levy increase to regulated entities.
- 3.10 For detailed information on the budget and explanatory notes refer to **Annexure B: FSCA Budget Template 2024/25**.

**4. LEVIES PROPOSAL**

- 4.1 The financial sector levy payable by a supervised entity to the FSCA as contemplated in Part A of the Levies Act, read with Schedule 2 of that Act, in respect of the 2024/2025 levy year, is an amount equal to the sum of the amounts specified in or calculated in accordance with Table B in Schedule 2, in relation to that supervised entity, in the Levies Proposal as per **Annexure C**. The amount specified is determined by matching a supervised entity with a type of supervised entity listed in the column "Type of supervised entity" in the Table in **Annexure C** and applying the formula in the corresponding line of the column "Formula" in the Table.
- 4.3 The FSCA levy proposal for the 2024/2025 financial year as per **Annexure C** illustrates the proposed increase in the base amount for each supervised entity in the column "**Proposed Base Amount**", the proposed change to the variable amount in the column "**Proposed Variable Amount**" and the proposed increase in the maximum amount applicable to each supervised entity as contemplated in section 4(2) and (3) of the Levies Act in the column "**Proposed Maximum**". The percentage increase for each of these items is shown in the column directly next to the mentioned columns and represents a **6%** increase.
- 4.4 Section 10(4)(b) of the Levies Act provides that the levies in the Schedules to that Act must be increased by the arithmetic mean of the Consumer Price Index (CPI) as published by Statistics South Africa in the preceding calendar year. Statistics South Africa published a CPI of 6.9% in December 2022.
- 4.5 The levy variables for 2024/2025 must therefore automatically increase by 6.9%. However, the FSCA propose to apply 6% increase in line with its projected expenditure. The Minister may, in terms of section 10(4)(b) of the Levies Act, by notice in the *Gazette*, determine that there must be no increase or an increase less than the reported CPI increase.
- 4.6 Section 10(4)(a) of the Levies Act provides that a Schedule may be amended by the Minister by notice in the *Gazette* to give effect to an increase referred to in paragraph 4.4, and does not require submission to Parliament for approval, but a copy of the notice must be tabled in Parliament for information purpose. An amended Schedule takes effect on the date of publication of the notice in the *Gazette*.

**5. FEE PROPOSAL**

- 5.1 Before the commencement of the Levies Act on 1 April 2023, the Minister or the FSCA (and its predecessor the Financial Services Board as represented by the various Registrars), was enabled in terms of the various pieces of applicable sectoral laws to prescribe fees to fund certain functions of the FSCA.
- 5.2 The table below contains the details regarding the Fee Notices that are currently applicable:

**BUDGET, LEVIES AND FEES PROPOSALS**

<b>Financial sector law</b>	<b>Empowering section in most recent Fee Notice</b>	<b>Most recent Fee Notice</b>	<b>Prescribed by</b>	<b>Effective date</b>
Pension Funds Act, 1956 (Act No. 24 of 1956)	Section 36(1)(bA)	Government Notice R. 73 of 04 February 2009	Minister <i>(in regulations)</i>	04 February 2009
Friendly Societies Act, 1956 (Act No. 25 of 1956)	Section 47(1)(bA)	Government Notice No. R. 239 of 17 March 2006	Minister <i>(in regulations)</i>	01 February 2006
Long-term Insurance Act, 1998 (Act No. 52 of 1998)	Sections 3(2)(b)(i) and 3(4)	Insurance (LT) Notice 1 of 2018 of 09 March 2018	Registrar of Long-term Insurance*	01 April 2018
Short-term Insurance Act, 1998 (Act No. 53 of 1998)	Sections 3(2)(b)(i) and 3(4)	Insurance (ST) Notice 2 of 2018 of 09 March 2018	Registrar of Short-term Insurance*	01 April 2018
Financial Advisory and Intermediaries Services Act, 2002 (Act No. 37 of 2002)	Section 41(1)(a)	Notice 89 of 09 February 2018	Minister	09 March 2018
Collective Investment Schemes Control Act, 2017 (Act No. 45 of 2002)	Section 114(3)(d)	Board Notice 71 of 2015 of 01 April 2015	Registrar of Collective Investment Schemes*	01 April 2015
Financial Markets Act, 2012 (Act No. 19 of 2012)	Section 108(1)	Board Notice 137 of 2015 of 17 July 2015	Registrar of Securities Services*	17 July 2015
Credit Rating Services Act, 2012 (Act No. 24 of 2012)	Section 28(1)	Board Notice 169 of 2013 of 02 August 2013	Registrar of Credit Rating Agencies: *	02 August 2013

\* As it then was.

- 5.3 The empowering provisions referred to in column 2 of the table above have been amended or repealed by the FSR Act. Section 301(8) of the FSR Act provides that a determination of fees in terms of a financial sector law remains in force for the purposes of the FSR Act and that financial sector law, despite the repeal of the empowering provision in the financial sector law, and they may be amended or revoked in terms of a new determination of fees made by the financial sector body in terms of section 237(2).
- 5.4 The Fee Proposal as per **Annexure D** is intended to be the Fee Determination of the FSCA contemplated by section 237(1) and (2) of the FSR Act and will revoke all the Notices referred to in the table. The amounts indicated under the column “**Fees payable**” in the table in Annexure D are the current applicable

## BUDGET, LEVIES AND FEES PROPOSALS

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fees prescribed in terms of the Notices listed in the table above, the proposed fees for the 2024/2025 financial year are indicated in the column “**Proposed fees**” and the percentage increase is indicated in the column titled “**Increase**”.

- 5.5 As set out in the table above, the Fee Notices currently applicable were determined between the years 2006 and 2018 and the fees determined in the Notices have not been increased since the promulgation of the Notices.
- 5.6 In addition, various functions performed by the FSCA in terms of the financial sector laws or the FSR Act do not reflect in the current Fee Notices. The Fee Proposal makes provision for these functions. The new fee provisions are indicated in bold and underlined in the table in Annexure D.
- 5.7 Section 239(7)(a) of the FSR Act provides that in respect of the fees proposals for the first financial year following the commencement of this section, the Minister must approve the proposals for all the financial sector bodies. Section 239 commenced on 1 June 2023 in respect of the financial sector bodies other than the Corporation for Deposit Insurance in preparation of the 2024/2025 financial year. The Minister must therefore approve the Fee Proposal.

# ANNEXURE B

## FINANCIAL SECTOR CONDUCT AUTHORITY BUDGET FOR 2024/25 AND ESTIMATES OF EXPENDITURE FOR 2025/26 AND 2026/27

The Financial Sector Conduct Authority, in terms of section 239(1)(a) and (c) of the Financial Sector Regulation Act, 2017 (Act No. 9 of 2017), hereby proposes its budget for 2024/25 and estimates of expenditure for 2025/26 and 2026/27.

### 1 INTRODUCTION

The FSCA's mandate is to enhance the efficiency and integrity of financial markets; promote fair customer treatment by financial institutions; provide financial education and promote financial literacy; and assist in maintaining financial stability. The FSR Act extended the jurisdiction of the FSCA to include market conduct of the banking sector and other sectors. It also dictated a shift in approach to being proactive, pre-emptive, risk-based and outcomes focused.

The FSR Act included financial inclusion and transformation of the financial sector in its objects. The scale of change is significant, impacting on how the FSCA is structured, resourced, skilled and how regulatory and supervisory frameworks are designed, to empower the organisation to deliver on its mandate. This needed to be achieved whilst maintaining supervision over the non-banking financial institutions in terms of existing laws as well as identifying emerging risks, new technologies and enabling a transformed and inclusive sector that caters and includes all South Africans.

The FSCA recognises the dynamic nature of the environment in which it operates and the impact on its supervisory and advisory roles. The FSCA's relevance and effectiveness as a regulator is underpinned by the success to anticipate and respond to emergent issues.

The FSCA has identified five strategic objective priorities, as follows:

- Improve industry practices to achieve fair outcomes for financial customers;
- Act against misconduct to support confidence and integrity in the financial sector;
- Promote the development of an innovative, inclusive and sustainable financial sector;
- Empower households and small businesses to be financially resilient;
- Accelerate the transformation of the FSCA into a socially responsible, efficient, and responsive conduct regulator.

The consolidated budget for the 2023/24 financial year as presented is drawn from the business objectives of the various divisions within the FSCA derived from the broader longer-term Strategic Objectives.

The FSCA no longer funds the operational and capital budgets requirements of the offices of the Ombud for Financial Services Providers (FAIS Ombud), the Pension Funds Adjudicator (PFA) and the Financial Sector Tribunal in line with chapter 16 of the FSR Act and the Levies Act effective from 1 April 2023.



## BUDGET, LEVIES AND FEES PROPOSALS

The FSCA is budgeting for gross revenue of R1.087 billion, operating expenditure of R1,051 billion and a R36.978 million transfer from the special levy to capex, resulting in a breakeven position for the year ending 31 March 2024.

## 2 FSCA BUDGET 2024/25

### 2.1 Principal Budget Assumptions

#### 2.1.1 General budget assumptions applied– Economic Indicators

MTEF budgeting guidelines	Where practical budgeting is aligned to MTEF guidelines in reducing costs overall.
CPI	Annual CPI inflation 6%.
Interest on investments	The current yield on Corporation of Public Deposits (CPD) is 8.25%

#### 2.1.2 Staff Expenses

Cost to Employer (CTE)	Actual as at July 2023, with budgeted increase of 6% from 1 January 2024.
Contractors	Actual cost adjusted for CPI increase on renewal of contracts.
Outsourcing	Specialist skills as required on ad-hoc basis by business units.
Staff Training	As budgeted by HR based on user department requirements.
UIF	1% of CTE for employees earning up to R212,544 per annum. The maximum contribution per month is R177.12.
SETA levy	1.101% of CTE

#### 2.1.3 General Expenses

Bank Charges	Amount budgeted in terms of fee structure of banks.
Computer software licenses	Based on OEM Software packages in use.
Depreciation	Based on Capex budget and the current assets on the register.
Legal fees	Budget according to current legal cases in progress, historical information and probabilities.
Professional fees	As required by business units.
Rent	Based on existing lease agreement plus rates, taxes, water and electricity.
Short term insurance	As per latest quote obtained from insurance brokers.
Telephone	Telephone costs based on actual costs and new data cards.

## BUDGET, LEVIES AND FEES PROPOSALS

**2.2 Abridged Budget Income Statement for the 2024/25 financial year**

The table below depicts the Abridged Budget Income Statement for the year ending 31 March 2025; the detailed Budget Income Statement is contained in Annexure A.

Table 1: Abridged Budgeted Income Statement for the 2024/25 financial year.

Description	Notes	Budget - 2024/2025	Previous Budget 2023/24 - ZAR	VAR %	Forecast 2023/2024	Budget - 2025/2026	Budget 2026/27
LEVIES	2.3.1.1 - 2.3.1.3	1,017,609,239	917,051,194	11%	932,386,874	999,832,671	1,077,641,311
FEES	2.3.1.4	31,308,000	31,308,000	0%	22,476,377	31,308,000	31,308,000
OTHER INCOME	2.3.1.5	9,183,483	9,374,000	-2%	9,944,035	4,389,483	4,395,883
INTEREST RECEIVED	2.3.1.6	29,821,631	19,392,334	54%	22,737,356	27,593,077	22,650,781
<b>GROSS REVENUE</b>		<b>1,087,922,353</b>	<b>977,125,528</b>	<b>11%</b>	<b>987,544,642</b>	<b>1,063,123,231</b>	<b>1,135,995,975</b>
<b>STAFF EXPENSES</b>	<b>2.3.2.1</b>	<b>- 748,185,607</b>	<b>- 682,954,601</b>	<b>10%</b>	<b>- 656,274,172</b>	<b>- 800,613,003</b>	<b>- 848,439,283</b>
<b>GENERAL EXPENSES</b>	<b>2.3.2.2</b>	<b>- 302,758,869</b>	<b>- 331,383,950</b>	<b>-9%</b>	<b>- 263,640,903</b>	<b>- 345,556,342</b>	<b>- 377,461,613</b>
<b>OPERATING EXPENDITURE</b>		<b>- 1,050,944,476</b>	<b>- 1,014,338,550</b>	<b>4%</b>	<b>- 919,915,075</b>	<b>- 1,146,169,345</b>	<b>- 1,225,900,895</b>
<b>OPERATING (DEFICIT)/SURPLUS</b>		<b>36,977,877</b>	<b>- 37,213,022</b>	<b>-199%</b>	<b>67,629,568</b>	<b>- 83,046,114</b>	<b>- 89,904,920</b>
<b>TRANSFER TO CAPEX</b>		<b>- 36,977,877</b>	<b>- 45,980,000</b>	<b>-20%</b>	<b>- 67,629,568</b>	<b>-</b>	<b>-</b>
<b>(DEFICIT) / SURPLUS FOR THE YEAR</b>		<b>-</b>	<b>- 83,193,022</b>	<b>-100%</b>	<b>-</b>	<b>- 83,046,114</b>	<b>- 89,904,920</b>

The transfer to capex of R37 million (Budget 2023/24: R46 million) refers to the special levy income to roll out the ICT capital expenditure. An inflation linked increase was applied for the determination of the 2025/26 and 2026/27 outer year budgets.

**2.3 Operational Budget**
**2.3.1 Gross revenue budget**

Table 2: Gross Revenue Budget

Description	Notes	Budget - 2024/2025	Previous Budget 2023/24 - ZAR	VAR %	Forecast 2023/2024	Budget - 2025/2026	Budget 2026/27
LEVIES	2.3.1.1 - 2.3.1.3	1,017,609,239	917,051,194	11%	932,386,874	999,832,671	1,077,641,311
FEES	2.3.1.4	31,308,000	31,308,000	0%	22,476,377	31,308,000	31,308,000
OTHER INCOME	2.3.1.5	9,183,483	9,374,000	-2%	9,944,035	4,389,483	4,395,883
INTEREST RECEIVED	2.3.1.6	29,821,631	19,392,334	54%	22,737,356	27,593,077	22,650,781
<b>GROSS REVENUE</b>		<b>1,087,922,353</b>	<b>977,125,528</b>	<b>11%</b>	<b>987,544,642</b>	<b>1,063,123,231</b>	<b>1,135,995,975</b>

**2.3.1.1 Levy budget**

The gross revenue budget of R1.087 billion (Budget 2023/24: R977 million) comprises mainly of levies accounting for 93% (Budget 2022/23: 94%) of gross revenue.

**2.3.1.2 FSCA Levies R1.018 billion (Budget 2023/24: R917.051 million)**

The levy budget is based on the rates as determined in line with the Levies Act. The overall FSCA levy increased by 9% compared to the 2023/2024 forecast. The FSCA raises sufficient levies to cover its operational requirements and does not, as a rule, budget for a surplus/deficit unless necessary.

**2.3.1.3 Special Levy R70.996 million (Budget 2023/2024: R63.980 million)**

The Levies Act allows the FSCA to raise a special levy in the first two years of its enactment to cover establishment costs. The levy is calculated at 7.5% of the amount to be invoiced as is included in the overall FSCA levy .

**2.3.1.4 Fees R31.308 million (Budget 2023/24: R31.308 million)**

Fees are charged for processing license applications and client requests for profile changes. Fees budget is based on historical information as well as anticipated levels of activity.

**2.3.1.5 Other income R9.183 million (Budget 2023/24: R9.374 million)**

The budgeted amount is for the ICT and Prudential Authority cost recoveries.

**BUDGET, LEVIES AND FEES PROPOSALS**
**2.3.1.6 Interest received R29.822 million (Budget 2023/24: R19.392 million)**

Interest received is calculated based on the average capital balance of investments at an average return rate of 3.6% and expected future cash balances. FSCA does not budget for interest on outstanding levies, interest on PRM and discretionary funds.

**2.3.2 Operational expenditure budget**
**2.3.2.1 Staff expenditure budget**

Table 4: Staff Expenditure Budget

Description	Notes	Budget - 2024/2025 - ZAR	Previous Budget 2023/24 - ZAR	VAR %	Forecast 2023/2024
SALARIES	2.3.2.1.1	690,231,681	636,002,826	9%	623,773,048
RELIEF STAFF	2.3.2.1.1 (a)	120,000	80,000	50%	53,333
CONTRACTORS	2.3.2.1.1 (b)	14,815,511	10,215,888	45%	6,406,744
REGISTRATION AND MEMBERSHIP FEES	2.3.2.1.1 (c)	599,173	820,101	-27%	496,117
STAFF & GROUP LIFE SKILLS TRAINING	2.3.2.1.1 (d)	13,566,769	7,909,188	72%	5,034,608
SEMINARS AND CONFERENCES	2.3.2.1.1 (e)	4,032,456	3,505,649	15%	1,791,726
LONG SERVICE AWARDS		2,226,000	984,000	126%	984,000
STUDY AMORTISATION		2,121,126	3,696,863	-43%	2,033,027
EMPLOYEE BENEFIT - DISABILITY		7,595,647	6,772,049	12%	5,489,743
SETA LEVY		6,329,706	5,837,973	8%	4,689,459
<b>OPERATING (DEFICIT)/SURPLUS</b>		<b>741,638,071</b>	<b>675,824,537</b>	<b>10%</b>	<b>650,751,805</b>
OTHER STAFF EXPENSES	2.3.2.1.1 (f)	6,547,536	7,130,064	-8%	5,522,367
<b>TOTAL STAFF EXPENSES</b>	<b>2.3.2.1</b>	<b>748,185,607</b>	<b>682,954,601</b>	<b>10%</b>	<b>656,274,172</b>

**2.3.2.1.1 Salaries R690.232 million (Budget 2023/24: R636.003 million)**

Salaries represent 92% (Budget 2023/24: 93%) of the staff expenditure budget and 66% (Budget 2023/24: 63%) of the total expenditure budget. The high ratio of salaries to total expenditure is attributable to the FSCA being a service organisation with personnel costs being the main cost driver.

Salaries are budgeted to increase by an average of 6% effective from 1 January 2025 aligned mainly to the forecasted SA consumer price index.

**a) Relief staff R0.120 million (Budget 2023/24: R0.080 million)**

Relief staff are utilised in critical positions when the need for temporary resources arise.

**b) Contractors R14.816 million (Budget 2023/24: R10.216 million)**

Included in the budget for the contractors is an amount of R7.4 million for developers, R4.8 million and data engineers and program manager, R2 million for the market regulators advisor and the balance for Board Secretariat department.

**c) Registration and membership R0.599 million (Budget 2023/24: R0.820 million)**

This budget covers professional registration and membership fees for the FSCA staff.

**d) Staff and group life skills training R13.567 million (Budget 2023/24: R7.909 million)**

The FSCA encourages staff to keep abreast with developments within their fields of expertise and to address identified gaps in individual staff performance through relevant training. Departments are required to submit their training requirements in accordance

## BUDGET, LEVIES AND FEES PROPOSALS

with the staff personal development plans. The training is to also align staff to the FSCA strategic objectives in building the new organisation, new ways of doing things and disruptive technologies.

**e) Seminars and conferences R4.032 million (Budget 2023/24: R3.506 million)**

The budget is for FSCA to participate in various conferences and seminars to keep abreast with local, regional, and international regulatory trends and standards as per divisional business plans.

**f) Other staff expenses R6.547 million (Budget 2023/24: R7.130 million)**

Other staff expenses comprise, inter alia, internship fees, employee funeral policy, UIF, employee wellness and workmen's compensation.

### 2.3.3 General expenditure budget

Table 5: General Expenditure Budget

Description	Notes	Budget - 2024/2025 - ZAR	Previous Budget 2023/24 - ZAR	VAR %	Forecast 2023/2024
ADVERTISING AND RECRUITMENT	2.3.2.2 (a)	- 7,470,465	- 6,098,020	23%	5,058,620
ADVISORY COMMITTEE EXPENDITURE	2.3.2.2 (b)	- 952,626	- 1,072,740	-11%	669,597
COMPUTER SUPPORT AND MAINTENANCE	2.3.2.2 (c)	- 10,317,740	- 9,676,832	7%	6,149,494
CALL CENTRE		- 5,472,360	- 5,982,000	-9%	3,273,491
DIESEL, CLEANING AND CONSUMABLES		- 6,150,000	- 5,697,012	8%	4,609,996
LEGAL FEES	2.3.2.2 (d)	- 17,816,232	- 14,605,000	22%	12,466,539
OUTSOURCING	2.3.2.2 (e)	- 13,446,443	- 7,500,001	79%	4,557,788
PRINTING AND STATIONERY	2.3.2.2 (f)	- 3,725,243	- 3,352,829	11%	2,085,604
PROFESSIONAL FEES	2.3.2.2 (g)	- 37,339,983	- 35,930,500	4%	28,875,930
PROMOTIONS	2.3.2.2 (h)	- 11,601,915	- 4,743,000	145%	3,671,069
TELEPHONE		- 4,017,240	- 3,420,567	17%	2,162,577
LOCAL TRAVEL	2.3.2.2 (i)	- 12,387,199	- 9,605,311	29%	5,911,617
FOREIGN TRAVEL	2.3.2.2 (j)	- 13,849,399	- 10,816,263	28%	7,417,795
SUBSISTENCE AND TRAVEL ALLOWANCE	2.3.2.2 (k)	- 2,549,067	- 2,234,377	14%	1,390,994
EXTERNAL AUDIT FEES		- 5,037,403	- 4,820,870	4%	4,820,870
INTERNAL AUDIT FEES		- 1,451,096	- 2,018,718	-28%	2,018,718
DEPRECIATION	2.3.2.2 (l)	- 23,576,735	- 26,681,000	-12%	26,681,253
SHORT TERM INSURANCE		- 4,303,736	- 4,060,128	6%	3,324,404
GOVERNANCE COMMITTEE FEES AND EXPENSES		- 2,858,556	- 2,736,780	4%	2,425,002
COMPUTER LICENSES AND SERVICES	2.3.2.2 (m)	- 62,769,891	- 47,909,620	31%	30,852,510
FSCA MEMBERSHIP FEES	2.3.2.2 (n)	- 7,914,668	- 7,703,958	3%	7,703,958
OFFICE RENTAL	2.3.2.2 (o)	- 29,069,768	- 87,382,290	-67%	71,111,444
PUBLICATIONS	2.3.2.2 (p)	- 7,646,495	- 6,425,453	19%	5,959,474
REPAIRS AND MAINTENANCE		- 1,384,000	- 2,887,000	-52%	2,887,000
SECURITY		- 4,866,443	- 2,181,016	123%	2,181,016
CREDENTIAL VERIFICATIONS	2.3.2.2 (q)	- 4,342,702	- 9,442,665	-54%	8,830,745
		- 297,450,962	- 326,223,950	-9%	258,011,892
OTHER GENERAL EXPENSES		- 5,307,907	- 5,160,000	3%	5,629,011
<b>TOTAL GENERAL EXPENSES</b>	<b>2.3.2.2</b>	<b>- 302,758,869</b>	<b>- 331,383,950</b>	<b>-9%</b>	<b>263,640,903</b>

**(a) Advertising and recruitment million R7.470 (Budget 2023/24: 6.098 million)**

The budget is for advertising and recruitment fees for positions to be filled in the 2023/24 financial year. The costs include response handling and psychometric assessment tests.

**(b) Advisory committees R0.952 million (Budget 2023/24: R1.073 million)**

The budget comprises the Trustees' fees for the Financial Services Consumer Education foundation as well as the fees for the Consumer Advisory Panel.

**BUDGET, LEVIES AND FEES PROPOSALS**

- (c) **Computer support and maintenance R10.318 million (Budget 2023/24: R9.677 million)**  
 Computer support and maintenance budget is for computer applications and user support costs. The variance to previous budget is mainly due to the implementation of new technologies and support for old technologies.
- (d) **Legal fees R17.816 million (Budget 2023/24: R14.605 million)**  
 The budget comprises of legal fees for various FSCA departments for external legal services and debtors' collection. The variance to previous budget is mainly due to increase in anticipated cases as result of implementation of new legislation and current legal disputes.
- (e) **Outsourcing R13.446 million (Budget 2023/24: R10.921 million)**  
 The budget comprises of outsourcing fees for the Investigation and Enforcement department, security and canteen services.
- (f) **Printing and stationery R3.725 million (Budget 2023/24: R3.353 million)**  
 The budget includes rental for photocopying machines, printing, annual reports, government gazettes and stationery.
- (g) **Professional fees R37.340 million (Budget 2023/24: R35.931 million)**  
 Included in the budget of professional fees is an amount of R14.8 million for change management interventions, business continuity and reputational management including media monitoring, R8.7 million for ICT related services, R4.8 million for regulatory instruments publications and sustainable finance study services. The balance of professional fees budget is shared between various departments.
- (h) **Promotions R11.602 million (Budget 2023/24: R4.743 million)**  
*The promotion budget includes budget for industry workshops and conferences.*
- (i) **Local travel R12.387 million (Budget 2023/24: R9.605 million)**  
 The local travel budget includes budget for local travel and accommodation for onsite visits; attendance of local seminars, conferences and meetings.
- (j) **Foreign travel R13.849 million (Budget 2023/24: R10.816 million)**  
 Foreign travel is for various FSCA departments for the attendance of various regulatory and supervision meetings/forums and industry specific conferences.
- (k) **Subsistence and travel allowance R2.549 million (Budget 2023/24: R2.234 million)**  
 Subsistence for various FSCA departments for onsite visits and business-related travels.
- (l) **Depreciation R23.577 million (Budget 2023/24: R26.681 million)**  
 The depreciation budget includes R18.979 million for the existing assets and R4.598 million for acquisitions as detailed per capital expenditure budget (pages 24 & 25).
- (m) **Computer Licences R62.770 million (Budget 2023/24 R47.909 million)**  
 The budgeted amount relates to the annual renewal of ICT licenses for existing and new software packages.
- (n) **FSCA membership fees R7.914 million (Budget 2023/24: R7.704 million)**  
 The budget covers FSCA membership fees to various organisations.
- (o) **Office rental R29.070 million (Budget 202: R87.382 million)**  
 The decrease in rental is primarily as a result of FSCA EXCO decision not to renew the lease agreement for Office Block C.
- (p) **Publications R7.646 million (Budget 2023/24: R6.425 million)**  
 Subscription to local and international publications and reports such as Juta, Lexis Nexis, RiskNet and others. Provision has also been made for Sentiments Analysis.
- (q) **Credential Verification R4.343 (Budget 2023/24: R9.443 million)**

## BUDGET, LEVIES AND FEES PROPOSALS

The budget relates to background checks for investigation purposes as well as bulk criminal verification of regulated key persons and beneficial owners. The decrease compared to the 2023/24 budget is due to the bulk completion of the verifications which has now stabilised.

### 2.4 Capital Expenditure Budget

Table 6: Capital Expenditure Budget

Asset Category	BUDGET 2024/25	BUDGET 2023/24	BUDGET 2025/26	BUDGET 2026/27
	Total	Total	Total	Total
	R'000	R'000	R'000	R'000
Computer software	99,825	138,909	67,005	60,006
Computer equipment	18,387	7,039	11,499	7,565
Leasehold improvement	16,459	15,000	16,489	-
Office equipment	4,128	4,960	4	10
Office furniture & fittings	1,711	1,173	-	-
Motor Vehicles	-	900	-	-
	<b>140,509</b>	<b>167,980</b>	<b>94,997</b>	<b>67,581</b>

Capex budget is mainly to refresh and upgrade ICT infrastructure in line with the digital strategy.

# ANNEXURE C

## LEVIES PROPOSAL IN TERMS OF SECTION 239(1)(b) OF THE FINANCIAL SECTOR REGULATION ACT

The Financial Sector Conduct Authority, in terms of section 239(1)(b) of the Financial Sector Regulation Act, 2017 (Act No. 9 of 2017), hereby proposes levies as reflected below in the form of proposed amendments to Schedule 2 of the Financial Sector and Deposit Insurance Levies Act, 2022 (Act No. 11 of 2022).

### SCHEDULE 2

#### FINANCIAL SECTOR LEVY CALCULATION FOR SUPERVISED ENTITIES IN RESPECT OF FINANCIAL SECTOR CONDUCT AUTHORITY

*(Section 4(1)(a))*

#### Application

1. Table B must be applied to calculate the levy payable by a supervised entity that is—

- (a) a bank or a branch;
- (b) a co-operative bank;
- (c) a mutual bank;
- (d) a non-life insurer;
- (e) a life insurer;
- (f) a microinsurer that conducts life insurance business only, non-life insurance business only, both life insurance business and non-life insurance business or reinsurance business;
- (g) an exchange;
- (h) a central securities depository;
- (i) an independent clearing house;
- (j) an associated clearing house;
- (k) a central counterparty;
- (l) a trade repository;
- (m) an over-the-counter derivative provider;
- (n) a credit rating agency;
- (o) a pension fund: occupational fund;
- (p) a pension fund: preservation fund;
- (q) a pension fund: provident preservation fund;
- (r) a pension fund: retirement annuity fund;
- (s) a pension fund administrator;
- (t) a collective investment scheme in securities;
- (u) a collective investment scheme in hedge funds;
- (v) a foreign collective investment scheme;
- (w) a collective investment scheme in property;
- (x) a collective investment scheme in participation bonds;
- (y) a category I or IV financial services provider;
- (z) a category II, IIA or III financial services provider;
- (zA) a category I or category IV financial services provider in respect of only the following financial products subcategories:
  - (i) Long-term insurance subcategory A; or
  - (ii) friendly society benefits; or

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(zB) a financial services provider (authorised in multiple categories).

**Alleviation of double levy payment in respect of clearing house**

2. A clearing house that is approved in terms of section 110(6) of the Financial Markets Act to perform the functions of a central counterparty or a licensed independent clearing house who is also licensed as a central counterparty is liable to pay the levy applicable to a central counterparty, but is not liable to pay the levy applicable to an associated clearing house or an independent clearing house.

**Levy payment in respect of reinsurer**

3. A reinsurer that is licensed under the Insurance Act to conduct both life insurance business and non-life insurance business must be levied separately for its life insurance business and non-life insurance business.



TABLE B

Type of supervised entity	Number of payments per levy year	Base Amount (Rands)	Proposed Base Amount (Rands)	% Change	Variable Amount(s) (Rands)	Proposed Variable Amount (s) (Rands)	% Change	Description of Variable	Formula	Maximum (Rands)	Proposed Maximum (Rands)	% Change
Bank or branch	One	50 000	53 000	6%	0.00165% x A	0.001749% x A	6%	A = total liabilities as at 30 June of the preceding levy year as reported in the BA100, or liabilities as reported in the previous financial statements published in terms of IFRS (if first not available)	Levy = Base amount + Variable amount	20 000 000	21 200 000	6%
Co-operative bank	One	1 000	1 060	6%	0.00125% x A	0.001325% x A	6%	A = total liabilities as at 30 June of the preceding levy year as reported in terms of section 22 of the Co-operative Banks Act, 2007, or in previous financial statements (if first not available)	Levy = Base amount + Variable amount No levy is charged if A does not exceed R2 000 000	5 000	5 300	6%
Mutual bank	One	2 000	2 120	6%	0.00125% x A	0.001325% x A	6%	A = total liabilities as at 30 June of the preceding levy year as reported in terms of section 53 of the Mutual Banks Act, 1993, or in previous financial statements (if first not available)	Levy = Base amount + Variable Amount No levy is charged if A does not exceed R3 000 000	100 000	106 000	6%
Non-life insurer	One	12 500	13 250	6%	V1 = 0.155% x B V2 = 0.047% x C	V1 = 0.164% x B V2 = 0.050% x C	6% 6%	B = gross written premiums below R60 million C = gross written premiums above R60 million Gross written premiums as stated in the most recent annual Quantitative Return Template submitted to the Prudential Authority in respect of the year preceding the levy year, in accordance with the	Levy = Base amount + V1 + V2	5 000 000	5 300 000	6%

Type of supervised entity	Number of payments per levy year	Base Amount (Rands)	Proposed Base Amount (Rands)	% Change	Variable Amount(s) (Rands)	Proposed Variable Amount(s) (Rands)	% Change	Description of Variable	Formula	Maximum (Rands)	Proposed Maximum (Rands)	% Change
Life insurer	One	50 000	53 000	6%	0.0025% x A	0.0027% x A	6%	D = gross best estimate liabilities or technical provisions as a whole, adjusted to an absolute value per line of business as reported in the most recent annual Quantitative Return Template submitted to the Prudential Authority in respect of the year preceding the levy year, in accordance with the prescribed requirements	Levy = Base amount + Variable amount	10 000 000	10 600 000	6%
Microinsurer (life insurance business only, non-life insurance business only, both life insurance business and non-life insurance business or reinsurance business)	One	5 000	5 300	6%	V1= 0.1016 % x E V2= 0.0308 % x F	V1= 0.1077% x E V2= 0.0326% x F	6% 6%	E = Gross written premiums below R60 million as stated in the most recent annual Quantitative Return Template submitted to the Prudential Authority in respect of the year preceding the levy year, in accordance with the prescribed requirements F = Gross written premiums above R60 million as stated in the most recent annual Quantitative Return Template submitted to the Prudential Authority in respect of the year preceding the levy year, in accordance with the prescribed	Levy = Base amount + V1+V2	500 000	530 000	6%
Exchange	Four	125 000	132 500	6%	0.0001 1% x F	0.000116 6% x F	6%	F = turnover value of trades for the quarter preceding the levy period	Levy = Base amount + Variable amount	11 000 000	11 660 000	6%

**BUDGET, LEVIES AND FEES PROPOSALS**

Type of supervised entity	Number of payments per levy year	Base Amount (Rands)	Proposed Base Amount (Rands)	% Change	Variable Amount(s) (Rands)	Proposed Variable Amount (s) (Rands)	% Change	Description of Variable	Formula	Maximum (Rands)	Proposed Maximum (Rands)	% Change
Central securities depository	Four	125 000	132 500	6%	0.000011% x G	0.0000117% x G	6%	G = value of trades settled for the quarter preceding the levy period	Levy = Base amount + Variable	900 000	954 000	6%
Independent clearing house	Four	125 000	132 500	6%	0.00011% x H	0.0001166% x H	6%	H = value of trades cleared for the quarter preceding the levy period	Levy = Base amount + Variable	1 500 000	1 590 000	6%
Associated clearing house	Four	125 000	132 500	6%	0.000007% x I	0.0000074% x I	6%	I = value of trades cleared for the quarter preceding the levy period	Levy = Base amount + Variable	750 000	795 000	6%
Central counterparty	Four	125 000	132 500	6%	0.00011% x J	0.0001166% x J	6%	J = value of trades cleared for the quarter preceding the levy period	Levy = Base amount + Variable	3 750 000	3 975 000	6%
Trade Repository	One	500 000	530 000	6%	Not applicable				Levy = Base amount	Not applicable		
Over-the-counter derivative	One	100 000	106 000	6%	Not applicable				Levy = Base amount	Not applicable		
Credit rating agency	One	Not applicable			$Ln = (Rn/R) * A$			Ln = Levy to be paid by the specific credit rating agency Rn = Revenue generated by the specific credit rating agency during the previous financial year R = Total Revenue generated by all registered credit rating agencies during the previous financial year A = Annual supervisory levy based on the estimated supervisory cost to be incurred by the department for the current financial year	Levy = Variable amount	Not applicable		

**BUDGET, LEVIES AND FEES PROPOSALS**

Type of supervised entity	Number of payments per levy year	Base Amount (Rands)	Proposed Base Amount (Rands)	% Change	Variable Amount(s) (Rands)	Proposed Variable Amount (s) (Rands)	% Change	Description of Variable	Formula	Maximum (Rands)	Proposed Maximum (Rands)	% Change
Pension fund— occupational fund	One	2 000	2120	6%	16.20 x L	17.17 x L	6%	L = number of members and every other person who receives regular periodic payments from such a fund (excluding any member or such person, whose benefit remained unclaimed and beneficiaries of members of pension funds) as reflected in the latest annual financial statements furnished to the Authority as at 28 February of	Levy = Base amount + Variable amount	5 000 000	5 300 000	6%
Pension fund— pension preservation fund, provident preservation fund and retirement annuity fund	One	2 000	2120	6%	16.20 x L	17.17 x L	6%	L = number of members and every other person who receives regular periodic payments from such a fund (excluding any member or such person, whose benefit remained unclaimed and beneficiaries of members of pension funds) as reflected in the latest annual financial statements furnished to the Authority as at 28 February of the preceding	Levy = Base amount + Variable amount	R15 000 000	15 900 000	6%

Type of supervised entity	Number of payments per levy year	Base Amount (Rands)	Proposed Base Amount (Rands)	% Change	Variable Amount(s) (Rands)	Proposed Variable Amount (s) (Rands)	% Change	Description of Variable	Formula	Maximum (Rands)	Proposed Maximum (Rands)	% Change
Pension fund administrator	One	8 162.33	8 652.07	6%	V1 = 870 x M V2 = 1.05 x L	V1 = 922.20 x M V2 = 1.11 x L	6% 6%	M = number of pension funds under administration as at 28 February of the levy year L = number of members and every other person who receives regular periodic payments from such a fund (excluding any member or such person, whose benefit remained unclaimed and beneficiaries of members of pension funds under administration) as reflected in the latest annual financial statements furnished to the Authority as at 28 February of	Levy = Base amount + V1 + V2	Not applicable		
Collective investment scheme in securities	Four	12 916	13 690.96	6%	V1 = 2 067 x N V2 = 0.00052% x O	V1 = 2 191.02 x N V2 = 0.000551% x O	6% 6%	N = number of portfolios or funds at end of previous quarter O = total amount of assets managed at end of	Levy = Base amount + V1 + V2	Not applicable		
Collective investment scheme in hedge funds	Four	12 916	13 690.96	6%	V1 = 2067x P V2 = 0.00465% x Q	V1 = 2 191.02 x P V2 = 0.0049290% x Q	6% 6%	P = number of portfolios, funds or sub-schemes, at end of previous quarter Q = total amount of assets managed at end of	Levy = Base amount + V1 + V2	Not applicable		
Foreign collective investment scheme	Four	12 916	13 690.96	6%	V1 = 7 150x R V2 = 0.000354% x S	V1 = 7 579 x R V2 = 0.0003752% x S	6% 6%	R = number of portfolios, funds or sub-funds at end of previous quarter S = total net amount of assets managed on behalf of South African investors at end of previous quarter	Levy = Base amount + V1 + V2	Not applicable		

BUDGET, LEVIES AND FEES PROPOSALS

Type of supervised entity	Number of payments per levy year	Base Amount (Rands)	Proposed Base Amount (Rands)	% Change	Variable Amount(s) (Rands)	Proposed Variable Amount(s) (Rands)	% Change	Description of Variable	Formula	Maximum (Rands)	Proposed Maximum (Rands)	% Change
Collective investment scheme in	One	12 916	13 690.96	6%	100 000 x T	106 000 x T	6%	T = number of portfolios	Levy = Base amount +	Not applicable		
Collective investment scheme in participation bonds	Levy determined four times per levy year, but total amount of the levy due for the levy year is paid once	12 916	13 690.96	6%	V1 = 2 067 x U V2 = 0.00005 2% x V	V1 = 2 191,02 x U V2 = 0.0000551 % x V	6% 6%	U = number schemes at end of previous quarter V = aggregate amount owing by	Levy = Base amount + V1 + V2	Not applicable		
Category I or IV financial services Provider	One	3600	3 816	6%	520 x W	551.20 x W	6%	W = Average total number of key individuals plus average total number of representatives, calculated over the period 1 September	Levy = Base amount + Variable amount	2 500 000	2 650 000	6%
Category II, IIA or III financial services provider	One	7500	7 950	6%	V1 = 520 x W V2 = 0.0018 595% x X	V1 = 551.20 x W V2 = 0.0019711 % x X	6% 6%	W = Average total number of key individuals plus average total number of representatives, calculated over the period 1 September of the preceding levy year to 31 August of the levy year X = the total value of investments managed or administered on behalf of clients in terms of the authorisation as a financial services provider on 31 August of the levy year: Provided that investments under management or	Levy = Base amount + V1 + V2	2 500 000	2 650 000	6%

**BUDGET, LEVIES AND FEES PROPOSALS**

Type of supervised entity	Number of payments per levy year	Base Amount (Rands)	Proposed Base Amount (Rands)	% Change	Variable Amount(s) (Rands)	Proposed Variable Amount(s) (Rands)	% Change	Description of Variable	Formula	Maximum (Rands)	Proposed Maximum (Rands)	% Change
Category I or Category IV financial services provider in respect of only the following financial products sub-categories: Long-term insurance subcategory A or Friendly Society Benefits	One	3600	3 816	6%	250 x W	250 x W	0%	W = Average total number of key individuals plus average total number of representatives, calculated over the period 1 September of the preceding levy year to 31 August of the levy year	Levy = Base amount + Variable amount	2 500 000	2 650 000	6%

Type of supervised entity	Number of payments per levy year	Base Amount (Rands)	Variable Amount (s) (Rands)	Description of Variable	Formula	Maximum (Rands)
Financial Services Provider (authorized in multiple Categories)	One			<p>A person that is authorized for multiple categories is liable for a single levy calculated as follows:</p> <p>(1) = the most onerous of the base amounts applicable to the different categories for which the person is authorised.</p> <p>(2) = the average total number of key individuals plus average total number of representatives, under the different categories, calculated over the period 1 September of the preceding levy year to 31 August of the levy year: Provided that that the key individuals and representatives who are approved or appointed under multiple categories are counted once for the purposes of the calculation.</p> <p>(3) = the total value of investments managed or administered on behalf of clients under the different categories on 31 August of the levy year: Provided that investments under management or administration held in foreign currency must be included at the exchange rate published in the press at that date.</p> <p>(4) = the most onerous of the maximum amounts applicable to the different categories for which the person is authorised.</p>		



# ANNEXURE D FEE PROPOSAL

## DRAFT FSCA NOTICE [-] OF 2023 (GENERAL)

### DRAFT DETERMINATION OF FEES CHARGED BY THE FINANCIAL SECTOR CONDUCT AUTHORITY

#### 1. Interpretation

In this Notice any word or expression to which a meaning has been assigned in the Acts listed below has that meaning, and unless the context otherwise indicates-

**“Authority”** means the Financial Sector Conduct Authority as defined in section 1 of the Financial Sector Regulation Act;

**“Collective Investment Schemes Control Act”** means the Collective Investment Schemes Control Act, 2002 (Act No. 45 of 2002);

**“Credit Rating Services Act”** means the Credit Rating Services Act, 2012 (Act No. 24 of 2012);

**“Determination of Fit and Proper Requirements for FSPs”** means the Determination of Fit and Proper Requirements for FSPs, 2017 published under Board Notice 194 of 2017 in Government Gazette No. 41321 of 15 December 2017;

**“Financial Advisory and Intermediary Services Act”** means the Financial Advisory and Intermediary Services Act, 2002 (Act No. 37 of 2002);

**“Financial Markets Act”** means the Financial Markets Act, 2012 (Act No. 19 of 2012);

**“Financial Markets Act Regulations”** means the Financial Markets Act Regulations, 2018 published under GN. R98 in Government Gazette 41433 of 9 February 2018;

**“Financial Sector Levies Act”** means the Financial Sector and Deposit Insurance Levies Act, 2022 (Act No. 11 of 2022);

**“Financial Sector Regulation Act”** means the Financial Sector Regulation Act, 2017 (Act No. 9 of 2017);

**“Friendly Societies Act”** means the Friendly Societies Act, 1956 (Act No. 25 of 1956);

**“Long-term Insurance Act”** means the Long-term Insurance Act, 1998 (Act No. 52 of 1998);

**“Notice 778 of 2011”** means the Determination of the Limits and Conditions for Third Party Named Portfolios of Collective Investment Schemes published under Notice 778 of 2011 in Government Gazette 34719 of 2011;

**“Pension Funds Act”** means the Pension Funds Act, 1956 (Act No. 24 of 1956);

“**Pension Funds Regulations**” means the Pension Funds Regulations, 1962, published under GN R98 in Government Gazette 162 of 26 January 1962;

“**Regulations under the Long-term Insurance Act**” means the Regulations under the Long-term Insurance Act, 1998, published under GN R1492 in Government Gazette 19495 of 27 November 1998;

“**Regulations under the Short-term Insurance Act**” means the Regulations under the Short-term Insurance Act, 1998, published under Government Notice R1493 in Government Gazette 19495 of 27 November 1998;

“**Short-term Insurance Act**” means the Short-term Insurance Act, 1998 (Act No. 53 of 1998); and

“**umbrella fund**” means a fund as defined in section 1(1) of the Pension Funds Act established for the benefit of employees of various employers which are not subsidiaries of a single holding company.

## 2. Determination of Fees

The fee specified in a paragraph of this Notice is hereby imposed in respect the functions of the Authority and the financial institution referred to in the table below.

TABLE OF FEES				
FUNCTIONS		FEES PAYABLE	PROPOSED FEES	% INCREASE
<b>PENSION FUNDS ACT</b>				
<b>1</b>	<b>LICENSING APPLICATIONS AND MATTERS INCIDENTAL THERETO</b>			
1.1	Application for the registration and registration of a pension fund in terms of section 4 (regulation 8(1)(v)).	1,230	1,304	6%
1.2	Application for the registration of special rules under an umbrella fund in terms of section 4 (regulation 8(1)(v)).	405	429	6%
1.3	Application for approval in terms of section 13B(1) to act as benefit administrator.	4,110	4,357	6%
1.4	Application for approval in terms of section 13B(1) of the Act to act as a benefit administrator.	690	731	6%
1.5	Application for approval of a nominee company in terms of section 5(2).	4,515	4,786	6%
<b>2</b>	<b>EXTENTIONS AND EXEMPTIONS APPLICATIONS</b>			
<b>2.1</b>	<b><u>Application for exemption from the asset spreading requirements in terms of regulation 28(9) of the Pension Fund Regulations.</u></b>	-	<b><u>1,856</u></b>	<b><u>100%</u></b>

TABLE OF FEES				
FUNCTIONS		FEEES PAYABLE	PROPOSED FEES	% INCREASE
<u>2.2</u>	<u>Application for consolidation of financial statements year-ends in term of section 15(1).</u>	-	<u>1,856</u>	<u>100%</u>
<u>2.3</u>	<u>Application for exemption from provisions where practicalities impede the strict application thereof in terms of section 2(5)(a).</u>	-	<u>1,856</u>	<u>100%</u>
<u>2.4</u>	<u>Application for exemption from section 7A in terms of section 7B(1).</u>	-	<u>1,856</u>	<u>100%</u>
<u>2.5</u>	<u>Application to deduct any amount for any purpose approved by the Authority in terms of section 37D(1)(c)(iii).</u>	-	<u>1,856</u>	<u>100%</u>
<u>2.6</u>	<u>Application for valuation exemptions under sections 9A (requirement to appoint a valuator) and 16 (requirement to submit a actuarial valuation report) in terms of section 2(5).</u>	-	<u>1,856</u>	<u>100%</u>
<u>2.7</u>	<u>Application for exemption from default regulation provisions (regulation 37,38 and 39) in terms of section 2(5).</u>	-	<u>1,856</u>	<u>100%</u>
<u>2.8</u>	<u>Application for partial exemption from advertising Liquidation and Distribution account in terms of section 28(7A) in terms of section 2(5).</u>	-	<u>1,856</u>	<u>100%</u>
<u>2.9</u>	<u>Application for full exemption from liquidation process in terms of section 28(17) (Notice 75/2009).</u>	-	<u>1,856</u>	<u>100%</u>
<u>2.10</u>	<u>Application for extension for the submission of financial statements under section 15(1) in terms of section 279(1) of the Financial Sector Regulation Act.</u>	-	<u>1,856</u>	<u>100%</u>
<u>2.11</u>	<u>Application for granting of extensions from responding within specified time frames referred to in section 24 in terms of section 279(1) of the Financial Sector Regulation Act.</u>	-	<u>1,856</u>	<u>100%</u>
<u>2.12</u>	<u>Application for an extension the 180-day period required for the submission of a section 14 application referred to in section 14(5) in terms of section 279(1) of the Financial Sector Regulation Act .</u>	-	<u>1,856</u>	<u>100%</u>
<u>2.13</u>	<u>Application for an extension of the 60-day period required for the payment of transfer amounts in terms referred to in section 14(2)(b) in terms of section 279(1) of the Financial Sector Regulation Act .</u>	-	<u>1,856</u>	<u>100%</u>
<u>2.14</u>	<u>Application for an extension of the 180-day period required for the transfer of members in terms of</u>	-	<u>1,856</u>	<u>100%</u>

TABLE OF FEES				
FUNCTIONS		FEE PAYABLE	PROPOSED FEES	% INCREASE
	<u>section 14(8)(b)(iii) in terms of section 279(1) of the Financial Sector Regulation Act .</u>			
<b>2.15</b>	<b><u>Application for an extension of the 12 months period to submit a statutory actuarial valuation report referred to in section 16(2) in terms of section 279(1) of the Financial Sector Regulation Act .</u></b>	-	<b><u>1,856</u></b>	<b><u>100%</u></b>
<b>3</b>	<b>APPLICATIONS</b>			
3.1	Application for an amalgamation or transfer in terms of section 14(1): <b>Single transfer - per individual member transferred.</b>	210	223	6%
3.2	Application for an amalgamation or transfer in terms of section 14(1): <b>Single transfer - with a maximum per transfer of ....</b>	1,020	1,081	6%
3.3	Application for an amalgamation or transfer in terms of section 14(1): <b>Single transfer -Transfer in respect of "agterskot"</b>	1,020	1,081	6%
3.4	Application for an amalgamation or transfer in terms of section 14(1): <b>Multiple Transfer</b>	4,100	4,346	6%
3.5	Application for an amalgamation or transfer in terms of section 14(1) (: In the case where the transferor fund is an Umbrella Fund: <b>Single transfer- Per individual member transferred.</b>	210	223	6%
3.6	Application for an amalgamation or transfer in terms of section 14(1): In the case where the transferor fund is an Umbrella Fund: <b>Single transfer- With maximum per participating employer.</b>	1,020	1,081	6%
3.7	Application for an amalgamation or transfer in terms of section 14(1)): In the case where the transferor fund is an Umbrella Fund: <b>Multiple transfer - per participating employer.</b>	4,100	4,346	6%
3.8	Application for the alteration or rescission of or an addition to the rules of a fund: <b>Per resolution [</b>	415	440	6%
3.9	Application for the alteration or rescission of or an addition to the rules of a fund: <b>Per resolution to amend special rules of an umbrella fund.</b>	410	435	6%

TABLE OF FEES				
FUNCTIONS		FEES PAYABLE	PROPOSED FEES	% INCREASE
3.10	Application for services rendered by the Authority in case of the consolidation or revision of the rules of a registered fund in terms of section 12(5) or a scheme to change the funding basis of a fund: <b>Per consolidation/ conversion.</b>	1,235	1,309	6%
3.11	Application for services rendered by the Authority in case of the consolidation or revision of the rules of a registered fund in terms of section 12(5) or a scheme to change the funding basis of a fund: <b>Per revision.</b>	1,210	1,283	6%
3.12	Application for services rendered by the Authority in case of liquidation of a fund in terms of section 28, whether the liquidation has been completed or not, a fee of 20% of the liquidation fee: <b>with a minimum of-</b>	690	731	6%
3.13	Application for services rendered by the Authority in case of liquidation of a fund in terms of section 28, whether the liquidation has been completed or not, a fee of 20% of the liquidation fee: <b>but not more than-</b>	6,770	7,176	6%
3.14	Application for approval of the apportionment of surpluses to stakeholders in terms of section 15B, 15F and 15K: <b>Professional fee per senior official per hour or part thereof.</b>	1,020	1,081	6%
3.15	Application for approval of the apportionment of surpluses to stakeholders in terms of section 15B, 15F and 15K: <b>With a minimum fee per application of (or such lesser fee as agreed to)</b>	12,815	13,584	6%
3.16	Application for transfer in terms of section 15E	1,020	1,081	6%
<b>3.17</b>	<b><u>Application for approval to terminate a participating employer (withdrawal of special rules) in terms of section 12.</u></b>	-	1,200	<b>100%</b>
<b>3.18</b>	<b><u>Application for new liquidations (principal employers exempted from section 28) in terms of section 28(17).</u></b>	-	900	<b>100%</b>
<b>3.19</b>	<b><u>Application for a fund cancellation in terms of section 27(1).</u></b>	-	1,530	<b>100%</b>
<b>3.20</b>	<b><u>Notifications in terms of section 8(3) of appointment of principal officer .</u></b>	-	1,500	<b>100%</b>
<b>3.21</b>	<b><u>Application to approve an auditor in terms of section 9(2)(b).</u></b>	-	900	<b>100%</b>
<b>3.22</b>	<b><u>Advising of a authorised person in terms of section 13A(6)(b).</u></b>	-	1,000	<b>100%</b>

TABLE OF FEES				
FUNCTIONS		FEES PAYABLE	PROPOSED FEES	% INCREASE
<b>3.23</b>	<b><u>Application for change of administrator in terms of section 13B(6)(b)(ii).</u></b>	-	1,000	<b><u>100%</u></b>
<b>4</b>	<b>MISCELLANEOUS APPLICATIONS</b>			
4.1	Request for the inspection of one or more of the documents referred to in section 35 relating to a specific fund.	30	32	6%
4.2	Request for a photostatic copy made by the Authority of any document or register, per A4 page or part thereof.	3.60	4.00	6%
4.3	Request for a double-spaced typewritten copy or an extract of or from any document or register made by the Authority, per A4 page or part thereof.	17.70	19.00	6%
4.4	Request for the authentication by the Authority or a copy made or an extract taken as contemplated in paragraph 4.2 or 4.3 above, per A4 page or part thereof.	12.10	13.00	6%
4.5	Request for certifying or confirming that a fund is registered under section 4(3) of (4), or that its name has been changed or its rules amended. (except for purposes of paragraph 3.8 and 3.9 above).	35.20	37.00	6%
4.6	Request for a search fee per fund for services rendered in respect of 4.1, 4.2 or 4.3 above.	12.10	13.00	6%
4.7	Request for the perusal of documents for the purposes of paragraph 4.4 above, per A4 page or part thereof.	12.10	13.00	6%
4.8	Request for a list of names and addresses of funds in an electronic format: <b>for privately administered fund.</b>	390	413	6%
4.9	Request for a list of names and addresses of funds in an electronic format: <b>for funds exempted in terms of section 2(5)(a).</b>	1,930	2,046	6%
4.10	Request for a customised printer report of information from the Authority's database: <b>Per entry contained on the printer report.</b>	1.20	1.30	6%
4.11	Request for a customised printer report of information from the Authority's database: <b>Minimum cost per customised report.</b>	180	191	6%
<b>4.12</b>	<b><u>Application to withdraw or amend a certificate issued in terms of section 14(1)(e) where information provided was inaccurate as contemplated section 14(6)(a) and (b).</u></b>	-	<b><u>1,000</u></b>	<b><u>100%</u></b>
<b>4.13</b>	<b><u>Application to withdraw or amend a certificate issued in terms of subsection 14(1)(e) as a result of</u></b>	-	<b><u>1,000</u></b>	<b><u>100%</u></b>

TABLE OF FEES				
FUNCTIONS		FEES PAYABLE	PROPOSED FEES	% INCREASE
	<b><u>amendments to legislation as contemplated in section 14(6)(c).</u></b>			
<b>FRIENDLY SOCIETIES ACT</b>				
<b>1</b>	<b>LICENSING APPLICATIONS AND INCIDENTAL MATTERS THERETO</b>			
1.1	Application for the registration of a friendly society in terms of section 5. [	175	186	6%
<b>2</b>	<b>APPLICATIONS</b>			
2.1	Application for an amalgamation or transfer in terms of section 21 (regulation 26(c)).	88	93	6%
2.2	Application for the alteration or rescission of or addition to the rules of a society, per alteration, rescission or addition.	66	70	6%
<b>3</b>	<b>MISCELLANEOUS APPLICATIONS</b>			
3.1	Request for the inspection of one or more of the documents referred to in section 46, read with regulation 27(a) relating to specific society.	9.00	9.00	6%
3.2	Request for a photostatic copy made by the Authority of any document or register, per A4 page or part thereof	2.00	2.00	6%
3.3	Request for a double-spaced type written copy of or an extract from any document or register made by the Authority, per A4 page or part thereof	9.00	9.00	6%
3.4	Request for the authentication by the Authority of a copy made or an extract taken under paragraphs 3.2 or 3.3 per A4 page or part thereof.	4.00	5.00	6%
3.5	Request for certifying or confirming that a society is registered under section 5(3) or (4), or that its name has been changed or its rules amended (except for the purposes of paragraphs 2.2)	22.00	23.00	6%
3.6	Request for a search fee per society for services rendered in respect of paragraph 3.1, 3.2, or 3.3 above.	4.00	5.00	6%
3.7	Request for the perusal of documents for the purposes of paragraph 3.4 above, per A4 page or part thereof.	4.00	5.00	6%
<b>LONG-TERM INSURANCE ACT</b>				
<b>1</b>	<b>APPLICATIONS</b>			

<b>TABLE OF FEES</b>				
<b>FUNCTIONS</b>		<b>FEES PAYABLE</b>	<b>PROPOSED FEES</b>	<b>% INCREASE</b>
1.1	Application for approval to render services in relation to a long-term policy in terms of section 8(3)(b).	2, 850	3.021	6%
1.2	Application from an insurer to pay a binder holder a fee in excess of the fees referred to in regulation 3.21(2) in terms of regulation 3.21(3) of the Regulations under the Long-term Insurance Act.	14,000	14,840	6%
1.3	Application in terms of regulation 6.5 from an insurer referred to in regulation 6.2(2) or (3) or an insurer that is the holding company or associate of more than one person referred to in regulation 6.2(2) or (3) to be exempted from regulation 6.2(2) or (3) of the Regulations under the Long-term Insurance Act.	21,050	22,313	6%
<b>SHORT-TERM INSURANCE ACT</b>				
<b>1</b>	<b>APPLICATIONS</b>			
1.1	Application for approval to render services in relation to a short-term policy in terms of section 8(2)(d).	1,450	1,537	6%
1.2	Application from an insurer to pay a binder holder a fee in excess of the fees referred to in regulation 5.8(2) in terms of regulation 5.8(3). of the Regulations under the Short-term Insurance Act.	14,000	14,840	6%
1.3	Application in terms of regulation 6.5 from an insurer referred to in regulation 6.2(2) or (3) or an insurer that is the holding company or associate of more than one person referred to in regulation 6.2(2) or (3) to be exempted from regulation 6.2(2) or (3) of the Regulations under the Short-term Insurance Act.	21,050	22,313	6%
<b>FINANCIAL ADVISORY AND INTERMEDIARY SERVICES ACT</b>				
<b>1</b>	<b>LICENSING APPLICATIONS AND MATTERS INCIDENTAL THERETO</b>			
1.1	Application for authorisation as a Category I FSP.	2,544	2,697	6%
1.2	Application for authorisation as a Category II FSP.	15,390	16,313	6%
1.3	Application for authorisation as a Category IIA FSP.	15,390	16,313	6%
1.4	Application for authorisation as a Category III FSP.	46,241	49,015	6%
1.5	Application for authorisation as a Category IV FSP.	2,544	2,697	6%
<p>A discount of 10% will apply to the fee applicable to an application referred to in paragraph 1.1, 1.2, 1.3 or 1.5 and a 20% discount will apply to the fee applicable to an application referred to in paragraph 1.4 provided-</p> <p>(a) such application is in addition to any other application referred to in paragraph 1.1 to 1.5: or</p> <p>(b) the applicant is currently authorised as an FSP in respect of any of the Categories referred to in paragraph 1.1 to 1.5.</p>				



<b>TABLE OF FEES</b>				
<b>FUNCTIONS</b>		<b>FEES PAYABLE</b>	<b>PROPOSED FEES</b>	<b>% INCREASE</b>
1.6	Application for approval of key individual.	1,377	1,460	6%
1.7	Application for approval of an auditor/ accounting officer/ independent reviewer.	379	402	6%
1.8	Application for approval of a nominee company of a Category II, IIA and III FSP.	8,290	8,787	6%
1.9	Application for approval of a clearing firm or foreign forex services provider.	1,459	1,547	6%
1.10	Application for Phase I approval as a compliance officer.	1,576	1,671	6%
1.11	Application for Phase II approval by a compliance officer.	817	866	6%
<b>2</b>	<b>EXEMPTION APPLICATIONS</b>			
2.1	Application for exemption from any provision of the Act other than an application contemplated in paragraph 2.2 or 2.3.	7,333	7,773	6%
2.2	Application for exemption by an individual from the qualification requirement and/or the regulatory examination requirements as contemplated in the Determination of Fit and Proper Requirements for FSPs.	1,751	1,856	6%
2.3	Application for exemption by a FSP on behalf of 10 or more key individuals or representatives of that FSP from qualification requirement and/or regulatory examination requirements as contemplated in the Determination of Fit and Proper Requirements for FSPs.	1,211 per person	1,284 per person	6%
2.4	Application for extension of submission of financial statements under section 19(2).	605	641	6%
A person applying simultaneously for an exemption from a requirement referred to in 2.1 and 2.2 must only pay the onerous fee.				
<b>3</b>	<b>APPLICATIONS</b>			
3.1	Application for the amendment of the category/ies or subcategory/ies of financial product/s or financial service/s in respect which the applicant is authorised to render financial services.	1,505	1,595	6%
3.2	Application for the amendment of a condition or restriction as contemplated in section 8(4) other than an application referred to in paragraph 3.1.	1,202	1,274	6%

<b>TABLE OF FEES</b>				
<b>FUNCTIONS</b>		<b>FEES PAYABLE</b>	<b>PROPOSED FEES</b>	<b>% INCREASE</b>
3.3	Application for change of the name of a financial services provider.	770	816	6%
3.4	Application for the reprinting of licence certificate.	595	631	6%
3.5	Application for an additional certified copy of a licence certificate.	232	246	6%
3.6	Application for approval of an amendment to an approved mandate or an application for approval of an additional approved mandate.	4,251	4,506	6%
<b>4</b>	<b>RECOGNITION OF QUALIFICATIONS</b>			
4.1	Recognition of qualification	2,568	2,722	6%
<b>5</b>	<b>REGULATORY EXAMINATIONS</b>			
5.1	Examination fee per regulatory examination conducted in South Africa.	1,226	1,300	6%
5.2	Examination fee per regulatory examination conducted in a country other than South Africa.	£210	£223	6%
5.3	Application for the remark of a regulatory examination	384	407	6%
5.4	Application for an appeal against a maximum of three questions per appeal.	384	407	6%
<b>COLLECTIVE INVESTMENT SCHEMES CONTROL ACT</b>				
<b>1</b>	<b>LICENSING APPLICATIONS AND MATTERS INCIDENTAL THERETO</b>			
1.1	Application to conduct business other than administration in terms of section 86.	12,600	13,356	6%
1.2	Application by a manager of an additional collective investment scheme in securities (including one portfolio).	40,740	43,184	6%
1.3	Application by a manager of a collective investment scheme in securities for approval of a supplemental deed constituting an additional portfolio in terms of section 42.	18,900	20,034	6%
1.4	Application for approval of a change in the controlling shareholding in terms of section 43.	11,450	12,137	6%
1.5	Application by a manager for approval of a nominee company in terms of section 52(1).	9,100	9,646	6%
1.6	Application for approval of a foreign collective investment scheme (including one portfolio) in terms of section 65(1).	73,560	77,974	6%
1.7	Application under the conditions of approval imposed by the Authority, by a foreign collective investment scheme for an alteration of or addition to a portfolio or product of such scheme, other than an application for an additional portfolio or product or rescission of a scheme or a portfolio or product of such scheme in terms of section 65(1)(c).	11,660	12,360	6%

<b>TABLE OF FEES</b>				
<b>FUNCTIONS</b>		<b>FEES PAYABLE</b>	<b>PROPOSED FEES</b>	<b>% INCREASE</b>
1.8	Application under the conditions imposed by the Authority, by a foreign collective investment scheme for the rescission of a scheme or portfolio or product of such scheme in terms of section 65(1)(c). <b>(Payable per scheme/portfolio or product of such scheme)</b>	5,720	6,063	6%
1.9	Notification under the conditions imposed by the Authority, by a foreign collective investment scheme for a change of a scheme or portfolio or product of such scheme in terms of section 65(1)(c). (Payable per scheme or portfolio or product)	5,720	6,063	6%
1.10	Application under the conditions imposed by the Authority, by a foreign collective investment scheme for an amendment to a representative agreement entered in to by the scheme in terms of section 65(1)(c).	8,690	9,211	6%
1.11	Application under the conditions imposed by the Authority, by a foreign collective investment scheme for an amendment to a representative office representing the scheme in terms of section 65(1)(c).	8,690	9,211	6%
1.12	Application under the conditions imposed by the Authority, by a foreign collective investment scheme for a change of name of a scheme or portfolio or product of such scheme in terms of section 65(1)(c). <b>(Payable per name change of a scheme or portfolio or product of such scheme).</b>	5,720	6,063	6%
1.13	Application for the conversion of a collective investment scheme in terms of section 78.	37,750	40,015	6%
1.14	Application for suspension by notice in the <i>Gazette</i> of a provision of any deed in terms of section 97(3).	34,000	36,040	6%
1.15	Application for the approval of a conversion of a collective investment scheme in property to a loan stock company in terms of section 114(3)(d).	32,750	34,715	6%
1.16	Application for the approval of the acquisition by a collective investment scheme in property to a loan stock company in terms of section 114(3)(d).	32,750	34,715	6%
1.17	Application for registration as a manager of a collective investment scheme in securities (including one portfolio) in terms of section 42.	58,200	61,692	6%
1.18	Application for registration as a manager of a collective investment scheme in property (including one portfolio) in terms of section 48 read with section 42.	58,200	61,692	6%
1.19	Application for registration as a manager of a collective investment scheme in participation bonds in terms of section 53.	58,200	61,692	6%

TABLE OF FEES				
FUNCTIONS		FEES PAYABLE	PROPOSED FEES	% INCREASE
1.20	Application for registration as a manager of a collective investment scheme in hedge funds (including one portfolio) in terms of section 84 read with section 42.	58,200	61,692	6%
<b>2</b>	<b>EXEMPTIONS APPLICATIONS</b>			
2.1	Application for exemption from the provisions of Act in terms of section 22	34,000	36,040	6%
2.2	Application for exemption from the provisions of section 88.	34,000	36,040	6%
2.3	Application for exemption by notice in the <i>Gazette</i> of a particular type or category of collective investment schemes from the provisions of section 97(1).	34,000	36,040	6%
<b>3</b>	<b>VARIOUS APPLICATIONS</b>			
3.1	Application for registration as a trustee or custodian of a collective investment scheme in terms of section 69(2).	37,750	40,015	6%
3.2	Application by a manager of a collective investment scheme in property for approval of a supplemental deed constituting an additional portfolio in terms of section 48.	18,900	20,034	6%
3.3	Application by a manager of a collective investment scheme in hedge funds for approval of a supplemental deed constituting an additional portfolio in terms of section 64 read with section 42.	20,980	22,239	6%
3.4	Application for the delegation of a function listed in the definition of administration in terms of section 4(5)(a). <b>(Payable per delegated function)</b>	5,720	6,063	6%
3.5	Application by manager of a collective investment scheme in securities for approval of a supplemental deed constituting a portfolio administered on behalf of a third party in terms of Notice 778 of 2011 in terms of section 42. <b>(For the first portfolio)</b>	21,750	23,055	6%
3.6	Application by manager of a collective investment scheme in securities for approval of a supplemental deed constituting a portfolio administered on behalf of a third party in terms of Notice 778 of 2011 in terms of section 42. <b>(For each additional portfolio subsequent to the first portfolio)</b>	18,900	20,034	6%
3.7	Application by manager of a collective investment scheme in securities to co-name one of its existing portfolios in terms of Notice 778 of 2011 and section 42. <b>(For the first portfolio)</b>	21,750	23,055	6%

TABLE OF FEES				
FUNCTIONS		FEES PAYABLE	PROPOSED FEES	% INCREASE
3.8	Application by manager of a collective investment scheme in securities to co-name one of its existing portfolios in terms of Notice 778 of 2011 and section 42. <b>(For each additional portfolio subsequent to the first portfolio)</b>	18,900	20,034	6%
3.9	Application by a manager of a collective investment scheme in securities to incubate one of its existing portfolios in terms of Notice 778 of 2011 and section 42. <b>(For the first portfolio)</b>	21,750	23,055	6%
3.10	Application by a manager of a collective investment scheme in securities to incubate one of its existing portfolios in terms of Notice 778 of 2011 and section 42. <b>(For each additional portfolio subsequent to the first portfolio)</b>	18,900	20,034	6%
3.11	Application for the change of a third-party agreement in respect of a third-party agreement entered into in terms of Notice 778 of 2011 and section 42.	3,180	3,371	6%
3.12	Application by a manager of a collective investment scheme in hedge funds for approval of an amendment of a deed or supplemental deed, which amendment includes the change of a custodian, an independent administrator or a depository but excludes an application for an additional portfolio in terms of section 64 read with section 98(2).	11,870	12,582	6%
3.13	Application under conditions imposed by the Authority, by a foreign collective investment scheme in respect of any additional portfolio or product in such scheme in terms of section 65(1)(c).	20,980	22,239	6%
3.14	Application under the conditions of approval imposed by the Authority, by a foreign collective investment scheme for an alteration of or addition to such scheme, other than application for an additional portfolio or product or rescission of a scheme or a portfolio or product of such scheme in terms of section 65(1)(c).	29,680	31,461	6%
3.15	Application for the approval of a ballot paper to be submitted to investors for their consent, in respect of each portfolio in terms of section 98(2)(a).	5,720	6,063	6%
3.16	Application by a manager for approval of an amendment of a deed or supplemental deed, other than an application for an additional portfolio in terms of section 98(2).	11,870	12,582	6%
3.17	Application for the approval of a ballot paper to be submitted to investors for their consent, payable in respect of each portfolio in terms of section 99(1)(a).	5,720	6,063	6%
3.18	Application for the winding-up of a portfolio, payable in respect of each portfolio in terms of section 102.	32,000	33,920	6%
3.19	Application for the approval of the sale of :- (a) a collective investment scheme in property; or	32,750	34,715	6%

TABLE OF FEES				
FUNCTIONS		FEES PAYABLE	PROPOSED FEES	% INCREASE
	(b) the property shares or immovable property included in a portfolio of such a scheme. Where such sale requires the approval of an exchange on which the participatory interests of such portfolio are listed or the approval of investors in terms of section 114(3)(d).			
3.20	Application for approval of change in the minority shareholding in terms of section 43.	1,380	1,463	6%
3.21	Application for the appointment of a director in terms of section 43.	3,180	3,371	6%
3.22	Application for the resignation of a director in terms of section 43.	1,060	1,124	6%
3.23	Application for the change of the position of a director in terms of section 43.	1,380	1,463	6%
3.24	Application for the use of another name or an abbreviation or derivative of its registered name in terms of section 43.	1,380	1,463	6%
3.25	Application for a change in the constituting documents of the manager in terms of section 43.	3,180	3,371	6%
3.26	Application for the issue of a certificate of registration of conversion in terms of section 82.	1,380	1,463	6%
<b>4</b>	<b>MISCELLANEOUS</b>			
4.1	Request for a copy of any document, per A4 sheet, or part thereof .	9.00	10.00	6%
4.2	Request for a certified copy of an approved deed or supplemental deed, per A4 sheet, or part thereof .	9.00	10.00	6%
<b>FINANCIAL MARKETS ACT</b>				
<b>1</b>	<b>LICENSING APPLICATIONS AND INCIDENTAL MATTERS THERETO</b>			
1.1	Application for a market infrastructure (sections 7, 27, 47, and 54).	450,000	477,000	6%
1.2	Application for an external market infrastructure licence (section 49A and 56A).	450,000	477,000	6%
<b>1.3</b>	<b><u>Application for recognition of foreign jurisdictions in terms of section 6A.</u></b>		<b><u>53,000</u></b>	<b><u>100%</u></b>
1.4	Application for the authorisation of an over-the-counter derivative provider in terms of section 2(1) of the Financial Market Act Regulations.	50,000	53,000	6%

<b>TABLE OF FEES</b>				
<b>FUNCTIONS</b>		<b>FEES PAYABLE</b>	<b>PROPOSED FEES</b>	<b>% INCREASE</b>
<b>2</b>	<b>EXEMPTIONS APPLICATIONS</b>			
2.1	Application for exemption under section 6(3)(m) of the Act.	100,000	106,000	6%
<b>3</b>	<b>VARIOUS APPLICATIONS</b>			
3.1	Application for the approval of a nominee in terms of section 76(3)(a).	4,300	4,558	6%
3.2	Application for the approval of demutualisation of an exchange, central securities depository, or independent clearing house.	48,400	51,304	6%
3.3	Application for the approval of an amalgamation, merger, transfer, or disposal of the business of market infrastructures.	48,400	51,304	6%
3.4	Application for the approval of an acquisition of shares or any other interest in a market infrastructure in terms of sections 67(3), 68(4) or 68(5).	5,000	5,300	6%
3.5	Application for the registration of a change of name, or for the amendment of the terms and conditions of licence of a market infrastructure.	550	583	6%
3.6	Application for the registration of a change of name or the amendment of the terms and conditions of registration of an over-the-counter derivative provider.	550	583	6%
<b>3.7</b>	<b><u>Notification of an appointment of a member of the controlling body of a market infrastructure in terms of section 66(3) (fee payable per appointment)</u></b>	-	<b><u>1,000</u></b>	<b><u>100%</u></b>
<b>3.8</b>	<b><u>Application for an amendment to the exchange listing requirements in terms of section 11(6)(b).</u></b>	-	<b><u>1,000</u></b>	<b><u>100%</u></b>
<b>3.9</b>	<b><u>Application for amendments to the market infrastructure rules in terms of section 71(3)(a).</u></b>	-	<b><u>1,000</u></b>	<b><u>100%</u></b>
<b>4</b>	<b>MISCELLANEOUS</b>			
4.1	Request for a certified copy of a document evidential of the licensing of a market infrastructure, or authorisation of an over-the-counter derivative provider, or evidential of the matters referred to in 1.2 above.	550	583	6%
4.2	Approval of inclusion of securities issued by an exchange in its own list, payable by the applicant concerned, a listing and documentation inspection fee in terms of the listing requirements of the exchange.			

TABLE OF FEES				
FUNCTIONS		FEES PAYABLE	PROPOSED FEES	% INCREASE
4.3	Where an exchange has included securities issued by it in its own list, the exchange must pay the annual listing fee in terms of the listing requirements of the exchange.			
<b>CREDIT RATING SERVICES ACT</b>				
<b>1</b>	<b>LICENSING APPLICATIONS AND MATTERS INCIDENTAL THERETO</b>			
1.1	Application under section 5(1) for registration as a credit rating agency.	300,000	318,000	6%
<b>2</b>	<b>EXEMPTIONS APPLICATIONS</b>			
2.1	Application under section 27(1) for exemption from provisions of the Act.	15,000	15,900	6%
2.2	Application under section 5(3) for exemption by an applicant whose holding company is registered, authorised or approved by a foreign regulatory authority as a credit rating agency.	15,000	15,900	6%
<b>3</b>	<b>MISCELLANEOUS</b>			
3.1	Application for a withdrawal or an amendment of a condition of registration of a registered credit rating agency.	15,000	15,900	6%
3.2	Application for the registration of a change of name of a registered credit rating agency.	1,000	1,060	6%
3.3	Application for the amendment of the terms and conditions of registration of a registered credit rating agency.	1,000	1,060	6%
3.4	Application for the approval of a compliance unit in terms of section 16(1).	5,000	5,300	6%
3.5	Application to update any of the registration details of the registered credit rating agency.	15,000	15,900	6%
<b>3.6</b>	<b><u>Notification of the appointment of a new director in terms of section 8(1).</u></b>		<b><u>1,000</u></b>	<b><u>6%</u></b>
<b>4</b>	<b>MISCELLANEOUS APPLICATIONS</b>			
4.1	Request of a certified copy of a certificate or registration of a credit rating agency.	1000	1,060	6%
4.2	Request of a certified copy of a document of evidential of the matters referred to in 3.2, 3.3 and 3.4 above.	1000	1,060	6%



TABLE OF FEES				
FUNCTIONS		FEES PAYABLE	PROPOSED FEES	% INCREASE
<b>FINANCIAL SECTOR REGULATION ACT</b>				
<u>1</u>	<u>Application for a licence in terms of section 111(2).</u>		<u>53,000</u>	<u>100%</u>
<u>2</u>	<u>Application for approval to become a significant owner of a financial institution in terms of section 158(2).</u>		<u>12,317</u>	<u>100%</u>
<u>3</u>	<u>Application to increase or decrease extent of significant ownership in terms of section 158(4)(a).</u>		<u>12,317</u>	<u>100%</u>
<u>4</u>	<u>Application in terms of section 173 to remit an administrative penalty.</u>		<u>1,000</u>	<u>100%</u>
<u>5</u>	<u>Application in terms of section 245(1) to be exempted from the payment of a fee, or a part of a fee.</u>		<u>1,000</u>	<u>100%</u>
<u>6</u>	<u>Application for consent to apply to a company, body, business or undertaking a name or description that reasonably signifies or implies some connection between the company, body, business or undertaking and the Authority as contemplated in section 275</u>		<u>1,000</u>	<u>100%</u>
<u>7</u>	<u>Application for an extension of a period for compliance with, or a period prescribed by, a provision of a financial sector law,</u>		<u>641</u>	<u>100%</u>
<u>8</u>	<u>Application for an exemption in terms of section 281(1).</u>		<u>1,856</u>	<u>100%</u>
<b>FINANCIAL SECTOR LEVIES ACT</b>				
<u>1</u>	<u>Application by a supervised entity to be exempted from the payment of all or a part of the financial sector levy specified in Schedules 2 to 5, or the special levy referred to in section 8(2)(a), in respect of a levy year or a part of a levy year.</u>		<u>10% of the Levy Assessment to a maximum of R1,500</u>	<u>100%</u>

### 3. Payment of Fees

The payment of a fee referred to in this Determination by a person to the Authority must be by way of a money transfer (in which case proof of the transfer must be provided) at the time specified in the relevant section of the financial sector law.

### 4. Short title and commencement

(1) This Determination is called the Determination of Fees, 2024 and comes into operation -

(a) on the date of publication; or

(b) on a later date as determined by the FSCA, by notice on its website.

(2) For purposes of subparagraph (1)(b), the FSCA may determine different dates for the coming into effect of different provisions in this Determination of Fees.