



COMPLIANCE MANAGEMENT FRAMEWORK

FINANCIAL ADVISORY AND INTERMEDIARY SERVICES ACT

OAKHAVEN CAPITAL (PTY) LTD

FSP 43738

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Last Reviewed: 01 August 2023 (ICS)
Approved by: Bruce Thistlewhite
Signed by:

LEGISLATIVE REQUIREMENT	ACTION TO BE TAKEN BY FSP	ACTION TO BE TAKEN BY ICS
AUTHORISATION OF FSP		
<ul style="list-style-type: none"> An FSP or representative may only render financial services, if that person has been issued with a licence for the rendering of financial services and the conditions and restrictions of the licence authorises the rendering of those financial services, or if that person is a representative as contemplated in FAIS. 	<ul style="list-style-type: none"> The FSP must obtain confirmation that the person with whom the FSP is conducting financial services is properly licensed by obtaining a certified copy of the license issued in terms of FAIS and taking note of any relevant conditions and restrictions. The FSP must obtain written confirmation of the authority of the representative to act on behalf of the other person where the FSP conducts financial services with a representative. 	
FSP SCOPE OF LICENSING		
<ul style="list-style-type: none"> The FSP must have internal controls and procedures in place to ensure that the financial services being rendered are within 	<ul style="list-style-type: none"> The FSP must ensure that all KIs and representatives are familiar with the scope of its license category, classes and sub classes of business, and financial 	

<p>the required scope and limitations of the category, classes and sub classes of business (“COB”), and financial products for which the FSP is authorised by the FSCA.</p>	<p>products.</p> <ul style="list-style-type: none"> • The FSP must inform ICS if there are any changes in the mentioned areas. 	
<p>COMPLIANCE AGREEMENT</p>		
<ul style="list-style-type: none"> • An FSP is required to have a signed service level agreement in place with its compliance provider, whether internal or external. 	<ul style="list-style-type: none"> • The FSP must sign a written compliance agreement with ICS. • The FSP must have a signed copy of the compliance agreement on file. 	<ul style="list-style-type: none"> • ICS must sign a written compliance agreement with the FSP. • ICS must have a signed copy of the compliance agreement on file.

APPOINTMENT OF REPRESENTATIVES		
<ul style="list-style-type: none"> • A person may not act as a representative of an FSP, unless such person prior to rendering a financial service, provides confirmation, certified by the FSP, to clients that a service contract or other mandate, to represent the FSP, exists; and that the FSP accepts responsibility for those activities of the representative performed within the scope of, or in the course of implementing, any such contract or mandate. 	<ul style="list-style-type: none"> • The FSP must appoint a representative either in terms of an employment contract or mandate. 	
KEY INDIVIDUALS		
<ul style="list-style-type: none"> • A KI may not take part in or conduct management and oversight of the FSP, unless such a person has been approved as a KI by the FSCA. • The FSP must have at least one KI per COB in respect of which the FSP is authorised. • Should any changes occur in the personal 	<ul style="list-style-type: none"> • The FSP must inform ICS when the KI is to be replaced or resigns as the KI of the FSP. • An FSP must notify the FSCA immediately after it becomes aware or has information which reasonably suggests that a KI does not comply or no longer complies with any of the fit and proper requirements. 	<ul style="list-style-type: none"> • ICS must forward the relevant FSP application forms and the required information to the FSP for the appointment of a replacement KI and/or subsequent removal of a KI. • ICS must review a candidate’s CV, qualifications and other required supporting documentation in terms of FAIS and make any recommendations to

<p>circumstances of a KI that affects the fit and proper status of such individual, he/she may not take part in or conduct management and oversight of the FSP in relation to the rendering of financial services.</p>		<p>this effect to the FSP.</p> <ul style="list-style-type: none"> ICS must submit the completed forms and information to the FSCA on behalf of the FSP.
<p>FIT & PROPER REQUIREMENTS: HONESTY, INTEGRITY AND GOOD STANDING</p>		
<ul style="list-style-type: none"> The FSP must always be satisfied that the representatives and the KIs of juristic representatives rendering financial services on behalf of the FSP comply with the fit and proper requirements of honesty, integrity and good standing as set out in BN 194. 	<ul style="list-style-type: none"> The FSP must ensure that all its KIs and representatives complete the fit and proper declaration and forward it to ICS on a bi-annual basis. 	<ul style="list-style-type: none"> ICS must on a bi-annual basis provide the FSP with a fit and proper declaration to be completed by all KIs and representatives, indicating whether they comply with the personal character qualities of honesty, integrity and good standing set out in BN 194.

<p>FIT & PROPER REQUIREMENTS: COMPETENCE OF REPRESENTATIVES AND KIS</p>		
<ul style="list-style-type: none"> The FSP must always be satisfied that the representatives and the KIs of juristic representatives rendering financial services on behalf of the FSP are competent to act as set out in BN 194. 	<ul style="list-style-type: none"> The FSP must establish, maintain and update a Competence Register in which all qualifications, successfully completed regulatory examinations, COB training, product specific training (if applicable) and CPD of the FSP, its KIs and representatives are recorded. The FSP must within 30 days after the expiry of each CPD cycle, record the CPD activities of the FSP, its KIs and representatives, and submit a copy to ICS. 	<ul style="list-style-type: none"> ICS to provide a template Competence Register to the FSP. ICS must review the Competence Register of the FSP on an annual basis.
<p>FIT & PROPER REQUIREMENTS: REPRESENTATIVE EXPERIENCE</p>		
<ul style="list-style-type: none"> The FSP and a representative must have adequate and appropriate experience in the rendering of a particular financial service in respect of a particular financial product and particular category of FSP for which it is authorised or appointed or in respect of which 	<ul style="list-style-type: none"> The FSP must assess the fit and proper status of potential representatives prior to appointment to ensure the requirements in terms of experience are met. 	<ul style="list-style-type: none"> ICS to provide the FSP with the requirements for a representative appointment.

<p>authorisation or appointment is sought.</p>		
<p>REPRESENTATIVES UNDER SUPERVISION</p>		
<ul style="list-style-type: none"> • If the FSP appoints an individual who does not comply with BN 194 relating to qualifications or experience, such person must be appointed by the FSP as a representative under supervision. • Supervision may include one or more of the following: <ul style="list-style-type: none"> ○ Sign-off by a supervisor on the advice given to a client; ○ Pre-transaction sign-off by a supervisor where intermediary services are rendered; ○ Attending meetings with the supervisee and clients where the 	<ul style="list-style-type: none"> • A supervision agreement needs to be in place between the supervisor and the supervisee. • The supervisor must keep records of all mentoring and supervisory activities in relation to the supervisee. • The supervisor must retain copies of all mentoring and supervisory documentation in relation to the supervisee. • The supervisor must issue a quarterly report to ICS at submissions@complianceservices.co.za on or before the last day of each month, indicating the progress of the supervisory process. • The supervisor must prepare quarterly signed off supervision reports for all representatives under their supervision, indicating the progress of the supervisory process. 	<ul style="list-style-type: none"> • ICS will provide the FSP with a specimen supervision agreement. • ICS to review all documentation related to the supervisory process annually.

<p>purpose of the meeting is the rendering of financial services;</p> <ul style="list-style-type: none"> ○ Appropriate post-transaction sampling; Follow-up calls to clients after the rendering of financial services by the supervisee to confirm certain aspects of the interaction with the client; ○ Any other activity that enables the supervisor to scrutinise the activities of the supervisee in respect of rendering of financial services. 	<ul style="list-style-type: none"> • The supervisor must make available to ICS all documentation related to the supervisory process. • The supervisor must disclose to ICS any significant interruption of 6 consecutive weeks (or longer) in the supervisory process. • The FSP must list all the representatives that are acting under supervision in its Disclosure Document, Competence Register and Representative Register. 	
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Debarment of representatives		
<ul style="list-style-type: none"> • The FSP must ensure that any representative who no longer complies with the requirements referred to in section 13(2)(a) of FAIS, is prohibited from rendering any financial services. The representative’s authority to act on behalf of the FSP should be withdrawn. • The FSP must ensure that the representative’s name and the names of the KIs of juristic representatives are removed from the FSP register of representatives. The FSP must immediately take steps to ensure that the debarment does not prejudice the interest of clients of the representative, and that any un-concluded business of the representative is properly concluded. • The FSP must have a debarment policy on file that will address and set out the debarment procedure of a representative as per section 14 of FAIS. 	<ul style="list-style-type: none"> • If the FSP concluded that any representative does not comply with section 13(2)(a) of FAIS, the FSP must instruct ICS to remove the representative after ensuring that the business of the representative is properly concluded. • An FSP must debar a representative from rendering financial services if the FSP is satisfied that the representative does not meet or no longer complies with the fit and proper requirements as set out in the FAIS Act. • The debarment policy of the FSP must be strictly adhered to. • The FSP must, in the form and manner determined by the FSCA, notify the FSCA within 5 days of the debarment and provide the FSCA with the grounds and reasons for the debarment in the format that the FSCA may require within 15 days of the debarment. The FSP must notify their compliance officer at ICS within 2 days of the debarment and Cc ics@complianceservices.co.za in the email to allow ICS 	<ul style="list-style-type: none"> • ICS must notify the FSCA of the debarment as soon as it is notified of the debarment by the FSP.

	to notify the FSCA timeously.	
FIT & PROPER REQUIREMENTS: KI EXPERIENCE		
<ul style="list-style-type: none"> A KI must have adequate and appropriate experience to manage or oversee the rendering of a particular financial service in respect of a particular category of FSP for which it is approved or in respect of which approval is sought. 		<ul style="list-style-type: none"> ICS must provide the FSP with the requirements for a KI appointment.
FIT & PROPER REQUIREMENTS: QUALIFICATIONS		
<ul style="list-style-type: none"> The FSP, its KIs and representatives must have a qualification recognised by the FSCA. 	<ul style="list-style-type: none"> The FSP must assess the fit and proper status of potential KI's and representatives prior to appointment to ensure the requirement in terms of qualifications are met. 	<ul style="list-style-type: none"> ICS must provide the FSP with the requirements for a KI and/or representative appointment.

FIT & PROPER REQUIREMENT: EXAMINATIONS		
<ul style="list-style-type: none"> The FSP, its KIs and representatives must successfully pass the applicable regulatory examinations. 	<ul style="list-style-type: none"> KIs should complete the applicable RE 1 and RE 3 examination prior to applying for approval to the FSCA. Representatives should complete the relevant RE 5 examination within two years from date of first appointment with the FSCA. 	
FIT & PROPER REQUIREMENT: OPERATIONAL ABILITY		
<ul style="list-style-type: none"> A KI must have the required operational ability to effectively manage and oversee the financial services and related activities of an FSP or its juristic representative. 		

PROFILE CHANGES		
<ul style="list-style-type: none"> The FSP must inform the FSCA in writing, within 15 calendar days after a change of business information has taken place. 	<ul style="list-style-type: none"> The FSP must inform ICS within 48 hours of any changes relating to its business information i.e. business name, company auditor, compliance officer (if also appointed internally), contact details, directorship, financial year end, KIs, representatives, scope of licensing and shareholding. 	<ul style="list-style-type: none"> ICS must forward the relevant FSP application forms FSP1, FSP2, FSP3, FSP4A, FSP4B, FSP4D, FSP5, FSP6, FSP7 and FSP9 and the required information to the FSP. ICS must submit completed forms and information to FSCA on behalf of the FSP. ICS must follow up with the FSCA to ensure a profile change is implemented. ICS notifies the FSCA of any profile changes (changes to the profile of the FAIS licence of the FSP) on behalf of its clients. It is imperative that ICS be notified timeously of any profile changes, so that the necessary documents/completed forms can be obtained before notifying the FSCA within the required 15-day period. ICS is obliged to submit irregularity reports to the FSCA if made aware of a material breach of the 15-day period or if ICS is not being made aware of

		profile changes.
RISK MANAGEMENT		
<ul style="list-style-type: none"> • An FSP must always have and effectively employ the resources, procedures and appropriate technological systems that can reasonably be expected to eliminate as far as reasonably possible, the risk of financial loss through theft, fraud, other dishonest acts, poor administration, negligence, professional misconduct or culpable omissions by clients, products suppliers and other FSPs or representatives. • An FSP, excluding representatives, must structure the internal control procedures to provide reasonable assurance that: <ul style="list-style-type: none"> ○ the relevant business can be carried on in an orderly and efficient manner; ○ financial and other information used or provided by the FSP will be 	<ul style="list-style-type: none"> • The FSP must have a documented risk management plan in place, which must be updated on a regular basis. • The risk management plan should define and monitor amongst other market risk, regulatory risk, operational risk and counterparty risk. • If the FSP makes use of a prime broker or external risk management company to monitor mandate compliance for its portfolios, then ICS will need to be informed hereof in writing. 	<ul style="list-style-type: none"> • ICS will review the risk management plan if changes are to be made by the FSP.

<p>reliable; and</p> <ul style="list-style-type: none"> ○ all applicable laws are complied with. 		
MONTHLY COMPLIANCE REPORTS		
<ul style="list-style-type: none"> • Monthly compliance reports must be completed. 	<ul style="list-style-type: none"> • Management of the FSP must review the compliance report and provide ICS with the necessary feedback. • The FSP must keep record of all the compliance reports as required in terms of FAIS. 	<ul style="list-style-type: none"> • ICS will provide the FSP with access to written monthly compliance reports detailing the profile of the FSP as well as all issues related to FAIS compliance. • ICS must keep record of all the compliance reports as required in terms of FAIS.

MAINTENANCE OF RECORDS		
<ul style="list-style-type: none"> • An FSP must have appropriate procedures and systems in place to — <ul style="list-style-type: none"> ○ Ensure adequate access to storage and filing systems for the safe keeping of records, business communications and correspondence; ○ record verbal and written communications relating to a financial service rendered to a client as contemplated in FAIS; ○ store and retrieve such records and any other material documentation relating to the client or financial service rendered to the client; and ○ keep such client records and documentation safe from destruction and have relevant backup procedures in place. 	<ul style="list-style-type: none"> • The FSP must ensure that if advice is given to a client, it is always documented. • All such records must be kept for a period of 5 years after termination, to the knowledge of the FSP, of the product concerned or, in any other case, after the rendering of the financial services concerned. • The FSP must have a Disaster Recovery Plan which must include how and when backups are done and stored, and when backups are tested. 	<ul style="list-style-type: none"> • ICS must review the FSPs procedures and systems for the maintenance of its records on an annual basis.

<ul style="list-style-type: none"> • FSPs are not required to keep the records themselves but must ensure that they are available for inspection within seven days after a request by the FSCA. • Records may be kept in an appropriate electronic or recorded format, which needs to be accessible and readily reducible to written or printed form. 		
<p>SUITABILITY OF ADVICE</p>		
<ul style="list-style-type: none"> • The FSP must obtain from the client such information regarding the client's needs and objectives, financial situation, risk profile and financial product knowledge and experience as is necessary for the provider to provide the client with appropriate advice. 	<ul style="list-style-type: none"> • Prior to rendering advisory services, the FSP must perform a financial needs analysis on the client considering the following – <ul style="list-style-type: none"> ○ the client's ability to financially bear any costs or risks associated with the financial product; ○ the extent to which the client has the necessary experience and knowledge in order to understand the risks involved in the transaction; and ○ where the client is a pension fund, medical 	

	<p>scheme, friendly society, employer or other entity that is being advised on entering into a financial product or transaction aimed at providing benefits for its members, employees or other underlying natural persons, the reasonably identified collective needs and circumstances of such members, employees or other natural persons;</p>	
<p>RECORD OF ADVICE</p>		
<ul style="list-style-type: none"> The FSP must maintain a Record of Advice furnished to a client, which record must reflect the basis on which the advice was given. 	<ul style="list-style-type: none"> When the FSP renders advisory financial services, the FSP must ensure that it keeps a Record of Advice as set out in the General Code of Conduct. The FSP must ensure that the Record of Advice is signed/ acknowledged by the client. The client must be given a copy of the Record of Advice as proof of acceptance of the advice given. 	<ul style="list-style-type: none"> ICS must on a regular basis sample a list of clients to whom advice was given. ICS will provide a specimen Record of Advice to clients.

CONFLICT OF INTEREST		
<ul style="list-style-type: none"> • The FSP and its representative must avoid (or mitigate where avoidance is not possible) any conflict of interest between the FSP and a client or its representative and a client. • The FSP or its representatives may only receive or offer financial interest from/or to a third party as envisaged in the FAIS General Code of Conduct. 	<ul style="list-style-type: none"> • The FSP must have a Conflicts of Interest Management Policy in place. • The FSP must have mechanisms in place for avoiding, mitigating, identifying and resolving conflict of interest scenarios. • The FSP and its representative must, in writing, disclose to a client any conflict of interest in respect of that client. • The FSP and its representative must, in writing, inform a client of the Conflict of Interest Management Policy and how it may be accessed (e.g. published on website). • The FSP must, <ul style="list-style-type: none"> ○ confirm to ICS that every client and staff member has access to a copy of the Conflict of interest Management Policy; ○ supply ICS with an updated Gifts Registry; 	<ul style="list-style-type: none"> • ICS must review the processes, procedures and internal controls of the FSP to ensure compliance with the Conflict of Interest Management Policy. • ICS will provide a specimen Conflicts of Interest Management Policy to clients.

	<ul style="list-style-type: none"> ○ confirm to ICS that the FSP and its representatives only receive or offer financial interest from or to a third party as determined by the Commissioner. 	
FIT & PROPER REQUIREMENTS: FINANCIAL SOUNDNESS		
<ul style="list-style-type: none"> • A Category II A FSP and its juristic representatives must always maintain financial resources that are adequate both as to the amount and quality to carry out its activities and supervisory arrangements and to ensure that liabilities are met as they fall due. 	<ul style="list-style-type: none"> • The FSP must have effective processes and systems in place to assess, monitor and adhere to the financial soundness requirements on an ongoing basis. • The FSP must adhere to the 10% early warning requirements and inform the FSCA if the 10% early warning requirements scenarios are reached. • The FSP must ensure that <ul style="list-style-type: none"> ○ its assets at all times exceed its liabilities by at least R3 million; ○ its current assets exceed its current liabilities; ○ its liquid assets are equal to or greater than 	<ul style="list-style-type: none"> • ICS will confirm compliance with the required early warning requirements as well as compliance with the required financial soundness requirements on a regular basis. • ICS to inform the FSCA of the 10% early warning requirement in the prescribed form and manner once the FSP has informed ICS of the potential 10% early warning limit breach. • ICS to submit the completed Form A in Annexure Six of BN 194 to the FSCA.

	13/52 weeks of annual expenditure of the FSP.	
INVESTMENTS UNDER MANAGEMENT DECLARATIONS		
<ul style="list-style-type: none"> • The FSCA imposes levies on the institutions it supervises to cover the costs of supervision of FSPs. • Levies payable by FSPs are calculated annually, based on the market value of investments under the discretionary management of discretionary FSPs. • The FSCA requires an investments under management declaration to be completed and submitted to the FSCA in the prescribed manner and format on an annual basis. 	<ul style="list-style-type: none"> • The FSP to complete and sign the investments under management declaration. 	<ul style="list-style-type: none"> • ICS will arrange for the submission thereof to the FSCA.

LIQUIDITY CALCULATION		
<ul style="list-style-type: none"> • A Category II A FSP must submit Form A in Annexure Six of BN 194 on a half- yearly basis. • A juristic representative of a Category IIA FSP must submit to its FSP, on a half-yearly basis calculated in terms of the representative's financial year, Form A in Annexure Six of BN 194. 	<ul style="list-style-type: none"> • The FSP must within 45 days after every half year-end of the FSP, submit to the FSCA Form A (Liquidity Calculation) in Annexure Six of BN 194, calculated in terms of the FSP's financial year. 	<ul style="list-style-type: none"> • ICS will submit Form A to the FSCA on behalf of the client.
ANNUAL FINANCIAL STATEMENTS		
<ul style="list-style-type: none"> • An FSP is required to submit a signed copy of its Annual Financial Statements to the FSCA within 4 months after its financial year end. 	<ul style="list-style-type: none"> • FSP must send a copy of its signed Annual Financial Statements to ICS before the cut-off date to avoid penalties from the FSCA. • Extension requests may be submitted to the FSCA at least 15 days prior to the submission deadline date, after which it will be considered by the FSCA based on the merits thereof. 	<ul style="list-style-type: none"> • ICS to submit extension requests and Annual Financial Statements to the FSCA upon receipt thereof from the client. • ICS to remind clients to duly submit their Annual Financial Statements.

FAIS SECTION 19(3) REPORT		
<ul style="list-style-type: none"> • Where a FSP holds, controls or has access to client assets or that collects, holds or receives premiums or other monies in respect of a financial product must, together with its Annual Financial Statements, submit a Section 19(3) auditors report, containing the following information: <ul style="list-style-type: none"> ○ the amount of money and financial products at year end held by the provider on behalf of clients. ○ that such money and financial products were throughout the financial year kept separate from those of the business of the authorised financial services provider, and report any instance of noncompliance identified in the course of the audit and the extent thereof; and 	<p>If the FSP qualifies as an FSP described in the left column, the FSP must send a copy of the Section 19(3) report to ICS before the cut-off date to avoid penalties from the FSCA.</p>	<p>ICS to remind clients to duly submit their Section 19(3) report, if applicable.</p>

<ul style="list-style-type: none"> ○ any other information required by the registrar. 		
ADVERTISING AND PROMOTIONAL MATERIAL		
<ul style="list-style-type: none"> • All advertisements and promotional material must comply with the requirements of Section 14 of the FAIS General Code of Conduct. 	<ul style="list-style-type: none"> • The FSP must ensure that all advertising and promotional material complies with the requirements of Section 14. • The FSP to forward all advertising and promotional material to ICS for review and approval prior to publication. • The website of the FSP as well as other promotional material should contain the relevant disclaimers. 	<ul style="list-style-type: none"> • ICS must review advertising and promotional material sent to it by the FSP and check that the disclaimers used by the FSP comply with the regulatory requirements.

COMPLAINTS		
<ul style="list-style-type: none"> • The FSP must have procedures and maintain an internal complaint resolution system based on the following: <ul style="list-style-type: none"> ○ A comprehensive complaints policy outlining the FSP's commitment to a procedure for the internal resolution of complaints; ○ transparency and visibility for clients to have full knowledge of the complaints handling process; ○ accessibility of facilities and ease of access to such procedures at any office or branch of the FSP either through postal, telephone or electronic helpdesk support; and ○ A resolution of a complaint through the FSP resolution process must be fair to clients, the FSP and its staff. 	<ul style="list-style-type: none"> • The FSP must have a Complaints Resolution Procedure. • The FSP must keep a Complaints Register. • The FSP must notify ICS of any complaints received. 	<ul style="list-style-type: none"> • ICS to provide the FSP with templates for both a Complaints Resolution Procedure and a Complaints Register. • ICS must review the FSPs Complaints Resolution Procedure annually.

FIT & PROPER REQUIREMENT: CPD TRAINING		
<ul style="list-style-type: none"> • The FSP must ensure that it, its KIs and representatives complete annual CPD training. • Each CPD cycle lasts 12 months, commencing on 1 June every year and ending on 31 May the subsequent year. • “CPD activity” means an activity that is— <ul style="list-style-type: none"> (a) accredited by a Professional Body that confirmed that the activity is verifiable; and (b) allocated an hour value or a part thereof by that Professional Body, and excludes— <ul style="list-style-type: none"> - an activity performed towards a qualification; and - product specific training 	<ul style="list-style-type: none"> • The FSP, KI and representatives must complete the following minimum hours of CPD activities per CPD cycle: - <ul style="list-style-type: none"> ○ in respect of a single subclass of business within a single COB: 6 hours ○ in respect of more than one subclass of business within a single COB: 12 hours ○ in respect of more than one class of business: 18 hours • The FSP must within 30 days after the expiry of each CPD cycle record the training done in the Competence Register of the FSP. 	<ul style="list-style-type: none"> • Various CPD-approved online courses are available on the ICS Academy platform.

CLASS OF BUSINESS TRAINING		
<ul style="list-style-type: none"> • The FSP and its representatives must, prior to rendering any financial services in respect of a particular financial product, complete the COB training relevant to that financial product and for which they are authorised or appointed or in respect of which authorisation or appointment is sought. • A KI must, prior to managing or overseeing the rendering of financial services, complete the COB training in respect of the COB it manages or oversees and for which it is approved to act as KI or for which approval is sought. • A KI and a representative authorised, approved or appointed prior to 1 April 2018 are deemed to have completed COB training. • Representatives working under supervision from 1 February 2019 onwards must complete their COB training within 12 months from their date of first appointment. 	<ul style="list-style-type: none"> • The FSP must ensure that it, its KIs and representatives are proficient in respect of, understand, and have completed adequate and appropriate COB training. • The FSP must within 15 days after the relevant training record the training in the FSP's Competence Register. • The FSP must retain all documentation and information relating to the training for a period of not less than 5 years after the KI has ceased to manage or oversee the rendering of financial services by the FSP in respect of a particular COB. 	

<ul style="list-style-type: none"> • COB training may be undertaken separately from or in conjunction with product specific training; or a recognized qualification. 		
<p>PRODUCT SPECIFIC TRAINING</p>		
<ul style="list-style-type: none"> • If applicable, the FSP and its representatives must, prior to rendering any financial services in respect of a particular financial product, complete the Product Specific Training relevant to that financial product and for which they are authorised or appointed or in respect of which authorisation or appointment is sought. • A FSP and its representatives (excluding representatives under supervision) appointed prior to 1 April 2018 are deemed to have completed product specific training. 	<ul style="list-style-type: none"> • The FSP must within 15 days after the relevant training has occurred record same in the FSP competence register. • The FSP must retain all documentation and information relating to the training for a period of not less than 5 years after the FSP or the representative on behalf of the FSP has ceased to render financial services in respect of a particular financial product. • The FSP must retain all documentation and information relating to the training for a period of not less than 5 years after the KI has ceased to manage or oversee the rendering of financial services by the FSP in respect of a particular financial product. 	

DISCLOSURE DOCUMENT		
<ul style="list-style-type: none"> • A FSP must provide clients with a disclosure document which discloses the following information: <ul style="list-style-type: none"> ○ Information on product suppliers; ○ information on the FSP; ○ information on the FSP's scope of license; ○ information of the compliance officer; ○ information about insurance; and ○ provide confirmation of the status of representatives including representatives under supervision. 	<ul style="list-style-type: none"> • The FSP must make full disclosure to its clients by way of its FSCA approved investment mandate, which all clients must sign. • The FSP must ensure that all clients get a copy of the Disclosure Document at the initial meeting with clients and the FSP must keep a signed copy on record. 	<ul style="list-style-type: none"> • ICS to provide the client with a template Disclosure Document. • ICS to monitor whether clients are duly provided with Disclosure Documents.

TERMINATION OF AGREEMENTS		
<ul style="list-style-type: none"> • A FSP must, subject to any contractual obligations, give immediate effect to a request of a client who voluntarily seeks to terminate any agreement with the FSP or relating to a financial product or advice. • Where the client makes the request on the advice of the FSP, the FSP must take reasonable steps to ensure that the client fully understands all the implications of the termination. 	<ul style="list-style-type: none"> • A FSP, other than a representative who ceases to operate as such, must immediately notify all affected clients accordingly and take, where reasonably necessary or appropriate in consultation with the clients and product suppliers concerned, reasonable steps to ensure that any outstanding business is completed promptly or transferred to another FSP. • When a representative ceases to operate as a representative of an FSP, the FSP must immediately take, where reasonably necessary or appropriate in consultation with the clients and product suppliers concerned, reasonable steps to notify all affected clients accordingly and ensure that outstanding business is completed or transferred to such FSP or another representative of that FSP. • The FSP must ensure that termination of the agreement is addressed in its “Terms of Business.” • The FSP must ensure that it has an updated Business Continuity Plan on file. 	

<p>WAIVER OF RIGHTS</p>		
<ul style="list-style-type: none"> No FSP may request or induce in any manner a client to waive any right or benefit conferred on the client by or in terms of any provision of the Code. The FSP may not recognise, accept or act on any such waiver provided by the client, as such waiver is null and void. 	<ul style="list-style-type: none"> The FSP must ensure that any 'waiver of rights' is addressed in the 'Terms of Business'. 	
<p>OPERATIONAL ABILITY OF JURISTIC REPRESENTATIVES</p>		
<ul style="list-style-type: none"> The FSP must ensure that when it appoints a juristic representative, the juristic representative has sufficient financial resources to perform the activities for which it is appointed. A juristic representative must always have at least one KI responsible for managing and overseeing the financial services rendered by 	<ul style="list-style-type: none"> The FSP must sign a mandate of representative agreement with its juristic representative. 	<ul style="list-style-type: none"> ICS will provide the FSP with the required application forms and documentation to appoint a juristic representative.

<p>the juristic representative.</p> <ul style="list-style-type: none">• The FSP must ensure that any juristic representative that operates under its license complies with the following:<ul style="list-style-type: none">○ A mandate of representative which regulates the relationship between the FSP and the juristic representative;○ a fixed business address;○ adequate access to communication facilities, including a full-time telephone or cell phone service;○ adequate storage and filing systems for the safe keeping of records, business communications and correspondence;○ a bank account with a registered bank including, where required, a separate bank account for client funds;○ adequate and appropriate KIs to		
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<p>effectively manage or oversee the activities of the juristic representative; and</p> <ul style="list-style-type: none"> ○ at all times comply with the financial soundness requirements applicable to that juristic representative. 		
DISCRETIONARY MANDATE		
<ul style="list-style-type: none"> • The discretionary FSP must obtain a signed mandate from a client, before rendering any intermediary service to that client. • The requirements for a discretionary mandate in terms of section 5 of the Code of Conduct for Discretionary FSPs are as follows: <ul style="list-style-type: none"> ○ The correct name of the FSP on the mandate. ○ Ensure that sub-categories of licences are correct. ○ Does the mandate authorise the FSP to act on behalf of the client? Does 	<ul style="list-style-type: none"> • The FSP must ensure that client mandates are managed by making use of their own internal risk programs, or by making use of outsourced risk managers or prime brokers. • Management must ensure that it has signed mandates with all clients. • Management must ensure that ICS receives a signed copy of all client mandates. • Should any material amendments be made to the FSPs specimen mandate, the new mandate needs to be submitted to the FSCA for approval together with a detailed business plan and proof of payment of the 	<ul style="list-style-type: none"> • ICS will ensure that all specimen mandates used by the FSP adheres to section 5 of the Code of Conduct. • ICS shall ensure that both new or amended mandates are submitted to the FSCA for approval.

<p>the discretionary FSP have full or specified limited discretion?</p> <ul style="list-style-type: none"> ○ Investment objectives of the client, including jurisdiction restrictions that apply to rendering of intermediary services in relation to the financial product involved. ○ Risk disclosure (local & foreign). ○ Registration of investments. Ensure that Nominee Company is approved by the Registrar (if applicable). ○ Trust account details (Bank name, account name, account number). ○ Intervals at which cash accruals are to be paid; Re-investing of cash accruals. ○ Remuneration – basis on which remuneration is determined, way remuneration is determined and intervals of remuneration. ○ Disclosure of soft commission. 	<p>prescribed fee.</p>	
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<ul style="list-style-type: none">○ Option of electronic reports and statements.○ Termination notice period.○ Does the mandate state whether the FSP may vote on the clients' behalf?○ Obtaining and transmitting legally prescribed documents.○ Statement that the discretionary FSP may, to render an intermediary service to client, utilise the services of its own staff or that of another approved FSP.○ Mandate must address the fact that all cash, assets and documents of title are returned to the client on termination of the mandate.○ The mandate will set out where client funds are paid into.		
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REPORTING TO CLIENTS		
<ul style="list-style-type: none"> • A discretionary FSP must furnish a written report to a client which complies with FAIS: <ul style="list-style-type: none"> ○ Upon request; and ○ at regular intervals, which may not exceed three months at a time, unless the client consents in writing not to receive the report because such client is able to access the information made available by the discretionary FSP through electronic means, such as the internet. 		
PROHIBITIONS AND DUTIES		
<ul style="list-style-type: none"> • A discretionary FSP may not directly or indirectly without the relevant client's prior written approval: <ul style="list-style-type: none"> ○ sell to or provide a third party with a 		

<p>client's details, unless obliged by, or in terms of, any law;</p> <ul style="list-style-type: none">○ exercise a vote in a ballot conducted by a unit trust management company;○ exercise voting rights on behalf of clients to gain control of a listed or unlisted company, except where such voting rights are exercised to protect the interests of clients on whose behalf the financial products involved are held as investments or on the instructions of such clients. <ul style="list-style-type: none">● A discretionary FSP may not directly or indirectly engage in the netting of transactions.● A discretionary FSP may not directly or indirectly:<ul style="list-style-type: none">○ sell any financial products owned by the discretionary FSP to any client;○ buy for own account any financial		
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products owned by any client.		
FUND STRUCTURES & CONTRACTUAL ARRANGEMENTS		
<ul style="list-style-type: none"> Ensuring sound legal agreements and fund structures, including a Debenture issuing company & underlying trusts for Debenture Structures. 	<ul style="list-style-type: none"> The FSP must ensure that it has signed agreements in place to create its fund structures, and that signed discretionary mandates are in place with all its discretionary clients. 	