

FINANCIAL SERVICES BOARD



**FINANCIAL ADVISORY AND INTERMEDIARY SERVICES ACT, 2002 (“FAIS ACT”)
FAIS CIRCULAR 6/2010
DATE: 13 June 2010**

Circular on overdue / outstanding FSB levies, compliance reports and financial statements by Financial Services Providers

Financial Services Providers (providers) who are authorised in terms of section 8 of the FAIS Act are required to pay annual levies in terms of section 15A of the Financial Services Board Act, 97 of 1990. In addition such providers are required to submit financial statements and compliance reports on an annual basis.

Providers were levied / invoiced for the first time for a full year in October / November 2005 and annually thereafter. A large number of providers have failed to pay their annual levies and / or to submit prescribed annual financial statements and compliance reports despite repeated reminders in this regard and monthly statements in respect of levies.

The Registrar of Financial Services Providers (Registrar) is empowered to take regulatory action in the form of suspension or withdrawal of their licenses against providers who have failed to comply with the provisions of the FAIS Act (including outstanding penalties) or are liable for payment of their annual levy under section 15A of the FSB Act. A provider whose license has been suspended or withdrawn is not permitted to render financial advice and authorised providers and product suppliers are prohibited from conducting financial services related business with such providers.

The Registrar has embarked on the process of taking regulatory action in the form of suspensions against affected providers and many providers' licenses have been suspended. The process is ongoing and a large number of providers are affected. Providers who have not paid their levies or have not submitted annual financial statements and compliance reports are requested to rectify these omissions as a matter of urgency in order to avoid that their licenses are suspended.

REGISTRAR OF FINANCIAL SERVICES PROVIDERS