

KEY INDIVIDUALS

Instructions:

A Key individual is defined in the Act as:

“Key individual”, in relation to an authorised financial services provider, or a representative, carrying on business as –

- a) *a corporate or unincorporated body, a trust or a partnership, means any natural person responsible for managing or overseeing, either alone or together with other so responsible persons, the activities of the body, trust or partnership relating to the rendering of any financial service; or*
- b) *a corporate body or trust consisting of only one natural person as a member, director, shareholder or trustee, means any such natural person;...”*

If an FSP intends to render various financial services, the key individual (see also guidance note for further explanation) or individuals responsible for managing or overseeing the various financial services must be listed.

The key individual is responsible for managing or overseeing the activities of the FSP and that individual must comply with the Fit and Proper requirements as published in the Gazette, in the Determination of Fit and Proper Requirements for Financial Services Providers, 2003.

GUIDANCE NOTE:

Sub-paragraph (b) of the definition requires little or no explanation, in that it deals with entities (persons), which are managed, owned or governed by one natural person only. In this scenario it is clear that this natural person is the key individual as defined.

Sub-paragraph (a) of the definition will be broken down into the two functions mentioned in this sub-paragraph, that is the function of managing and the function of overseeing.

Reference is made to the Concise Oxford Dictionary for definitions of the terminology.

Managing is defined as *“having executive control or authority (Managing Director).”*.

Overseeing or oversee is defined as *“officially supervise (workers, work, etc.)”*.

It is therefore clear from these definitions that a key individual mentioned in sub-paragraph (a) would include persons in executive control such as directors and other persons performing a managerial function over activities relating to the rendering of a financial service.

In a life insurance company, for example, key individuals may therefore include, directors, provincial managers, and depending on the structure of a particular entity, any other individual whom in the opinion of the controlling body is also engaged in overseeing the activities of a representative, in rendering a financial service regulated by the Act. However, it is not the intention to include every person in a supervisory capacity, or indeed, every director.

Explanatory notes (*The number next to the note refers to the relevant fields that must be completed.*)

- A. Provide the initials and surname of all key individuals as indicated on the form.
- B. Provide the key individual's details.
- C. Provide the relevant contact details of the key individual.
- D. Give a description of what best describes the key individual's role in the organisation.
- E. All of the questions numbered 1 to 6 must be answered. If any questions are answered with a “YES”, full details must be attached to the application form. Indicate on *Form – FSP 14A* what documentation is attached.
- F. All questions numbered 1 to 11 must be answered. If any questions are answered with a “YES”, full details must be attached to the application form. Indicate on *Form - FSP 14A* what documentation is attached.
- G. List all qualifications obtained relevant to the financial services that the key individual intends to oversee or manage, if he or she has no post school qualifications, list highest schooling qualification. Refer to Fit and Proper requirements as published in the Gazette, in the Determination of Fit and Proper Requirements for Financial Services Providers, 2003. Attach certified copies for the relevant qualifications. Indicate on *Form FSP 14A* what documentation is attached.
- H. List the relevant experience that the person has gained within the last 5 years. Full details of the responsibilities must be provided to illustrate that the experience is relevant to the financial services and products being offered / rendered.
- I. Indicate the categories and sub-categories of financial services that the person will be overseeing, refer to *Form - FSP2*. The periods of relevant experience obtained in the different categories and sub-categories of financial services and products that the person will be overseeing or managing must be indicated in the table. Refer to the competency requirements in the Determination of Fit and Proper Requirements for Financial Services Providers, 2003.

KEY INDIVIDUAL

FSP Name

FSP No

A. Full Names of Key individual

B. Details of Key individual

Title

Initials

First Name

Surname

ID/Passport Number

Date of Birth

Date of appointment to current position

C. Contact details:

Physical Address

Postal Code

Postal Address

Postal Code

Telephone Number

Fax Number (if applicable)

Mobile Phone Number (if applicable)

E-mail Address (if applicable)

D. Role in the organization:

- Company director
- Member of a close corporation
- Trustee of a trust
- Partner in a partnership
- Manager
- Other

(If "other", provide a short description of the key individual's role)

E. Fit and Proper Requirements – Character qualities of honesty and integrity questions

If the answer to any of the questions is YES, provide full details and attach to the application form

Questions	Yes	No
1 Has an adverse finding been made against you within a period of five years preceding the date of application in any civil or criminal proceedings by a court of law (whether in the Republic of South Africa or elsewhere) in which you were found to have acted fraudulently, dishonestly, unprofessionally, dishonourably or in breach of a fiduciary duty?	<input type="checkbox"/>	<input type="checkbox"/>
2 Have you within a period of five years preceding the date of application been found guilty by any professional or financial services industry body (whether in the Republic or elsewhere), of an act of dishonesty, negligence, incompetence or mismanagement?	<input type="checkbox"/>	<input type="checkbox"/>
3 Have you within a period of five years preceding the date of application been denied membership of any body referred to in paragraph 2 on account of an act of dishonesty, negligence, incompetence or mismanagement?	<input type="checkbox"/>	<input type="checkbox"/>
4 Have you within a period of five years preceding the date of application been found guilty by any regulatory or supervisory body (whether in the Republic or elsewhere) of an act of dishonesty, negligence, incompetence or mismanagement?	<input type="checkbox"/>	<input type="checkbox"/>
5. Have you within a period of five years preceding the date of application been found guilty by any regulatory or supervisory body (whether in the Republic or elsewhere), recognised by the Board, or has an authorisation to carry on business has been refused, suspended or withdrawn by any such body on account of an act of dishonesty, negligence, incompetence or mismanagement?	<input type="checkbox"/>	<input type="checkbox"/>
6. Have you at any time prior to the date of application been disqualified or prohibited by any court of law (whether in the Republic or elsewhere) from taking part in the management of any company or other statutorily created, recognised or regulated body, irrespective whether such disqualification has since been lifted or not?	<input type="checkbox"/>	<input type="checkbox"/>

F. Section 8(2)(a) of the Act – Additional Information

If the answer to any of the questions is YES, provide full details and attach to the application form

Questions	Yes	No
1 Have you been refused the right to carry on or restricted from carrying on a trade, business or profession for which a specific license, registration or other authority is required by law in any country?	<input type="checkbox"/>	<input type="checkbox"/>
2 Have you been issued with a prohibition order under any Act administered by the Financial Services Board or been prohibited by other regulatory bodies from operating in the financial services industry?	<input type="checkbox"/>	<input type="checkbox"/>
3 Have you been involved with a corporation, which has been censured, disciplined, suspended or refused membership or registration by a stock exchange, futures exchange, other market or regulatory authority?	<input type="checkbox"/>	<input type="checkbox"/>
4 Have you had any judgment (including a finding of fraud, misrepresentation or dishonesty) given against you in any civil proceedings, in South Africa or elsewhere or are there any proceedings now pending which may lead to such a judgment?	<input type="checkbox"/>	<input type="checkbox"/>
5 Have you knowingly or negligently aided or abetted other persons in the breaching of any laws, regulations, exchange rules and/or codes of conduct?	<input type="checkbox"/>	<input type="checkbox"/>
6 Have you been the subject of any investigation or disciplinary proceedings by any regulatory authority (whether in the Republic or elsewhere) or exchange, professional body or government body or agency?	<input type="checkbox"/>	<input type="checkbox"/>
7 Has your estate ever been sequestrated?	<input type="checkbox"/>	<input type="checkbox"/>
8 Have you ever been a controlling shareholder, director of a company or member of a close corporation at the time it was placed under judicial management or in provisional or final liquidation?	<input type="checkbox"/>	<input type="checkbox"/>
9 Have you ever been refused a licence or registration in any place under any law, which requires licensing or registration in relation to securities, futures, leveraged foreign exchange or insurance activities?	<input type="checkbox"/>	<input type="checkbox"/>
10 Have you ever been refused authorisation to carry on business by any regulatory body (whether in the Republic or elsewhere), recognised by the Financial Services Board or has such authorisation ever been suspended or revoked by any such body, because of negligence, incompetence or mismanagement?	<input type="checkbox"/>	<input type="checkbox"/>
11 Do you have any additional information, which should be brought to the Registrar's attention, which may have an impact on the evaluation, by the Registrar of your good character and integrity?	<input type="checkbox"/>	<input type="checkbox"/>

G. Qualifications

Institution that issued the qualification	Qualification	Year obtained

H. Employment history

Dates of Employment (dd/mm/yyyy- dd/mm/yyyy)	Employer	Position held	Details of responsibilities

I. Experience, categories and sub-categories of financial services and products

			A. Months experience - Advice		B. Months experience - Intermediary Service
1	CATEGORY I	<input type="checkbox"/>		<input type="checkbox"/>	
1.1	Long-term Insurance: Category A	<input type="checkbox"/>		<input type="checkbox"/>	
1.2	Short-term Insurance: Personal Lines	<input type="checkbox"/>		<input type="checkbox"/>	
1.3	Long-term Insurance: Category B	<input type="checkbox"/>		<input type="checkbox"/>	
1.4	Long-term Insurance: Category C	<input type="checkbox"/>		<input type="checkbox"/>	
1.5	Retail Pension Benefits	<input type="checkbox"/>		<input type="checkbox"/>	
1.6	Short-term Insurance: Commercial Lines	<input type="checkbox"/>		<input type="checkbox"/>	
1.7	Pension Fund Benefits (excluding Retail Pension Benefits)	<input type="checkbox"/>		<input type="checkbox"/>	
1.8	Securities and Instruments: Shares	<input type="checkbox"/>		<input type="checkbox"/>	
1.9	Securities and Instruments: Money market instruments	<input type="checkbox"/>		<input type="checkbox"/>	
1.10	Securities and Instruments: Debentures and securitised debt	<input type="checkbox"/>		<input type="checkbox"/>	
1.11	Securities and Instruments: Warrants, certificates and other instruments acknowledging	<input type="checkbox"/>		<input type="checkbox"/>	
1.12	Securities and Instruments: Bonds	<input type="checkbox"/>		<input type="checkbox"/>	
1.13	Securities and Instruments: Derivative instruments	<input type="checkbox"/>		<input type="checkbox"/>	
1.14	Participatory interests in Collective Investment Schemes	<input type="checkbox"/>		<input type="checkbox"/>	
1.15	Foreign currency denominated investment instruments	<input type="checkbox"/>		<input type="checkbox"/>	
1.16	Health Service Benefits	<input type="checkbox"/>		<input type="checkbox"/>	
1.17	Deposits defined in the Banks Act – exceeding 12 months	<input type="checkbox"/>		<input type="checkbox"/>	
1.18	Deposits defined in the Banks Act – 12 months or less	<input type="checkbox"/>		<input type="checkbox"/>	
1.19	Friendly Society Benefits	<input type="checkbox"/>		<input type="checkbox"/>	