


COMPLI-SERVE GUIDANCE NOTE "G-Note"		
Subject	LEVIES ON FINANCIAL INSTITUTIONS 2020/2021	
Document	CS Guidance Note	
Date Issued	1 July 2020	

The Financial Sector Conduct Authority (FSCA) has finalised the annual levies for Financial Institutions for 2020/2021 subject to .

The 2020 FSCA levy invoices will be mailed by 30 September 2020 and will be payable by no later than 31 October 2020. Please note that all authorised FSP's, in other words active FSP's on record at the Commissioner's office as at 31 August 2020, will be legally liable to pay levies.

It is important for you to do the following before 31 August 2020

- Update your representative register on the central register.
- Inform the FSCA in writing if you have discontinued your business, merged with another company, work for somebody else and stopped doing business and would like to lapse the license.

1. SUMMARY: Levies on Authorised Financial Services Providers 2020/2021

Should the levy referred to in this paragraph not be paid; the license of the authorized financial services provider may be withdrawn in terms of section 9 of the Financial Advisory and Intermediary Services Act. Last year's comparable figures are in (brackets)

FSCA FAIS Levy

Category I and IV FSP's:

A base amount of R3,718 (R3,575) plus R593 (R570) for each key individual, plus R593 (R570) for each representative, to a maximum of R1,917,909;

Category I FSP's (Who renders financial services only in connection with financial products belonging to long-term insurance Category A only/Friendly Societies):

A base amount of R3,718 plus R250 for each key individual, plus R250 for each representative, subject to a maximum of R1,917,909.

Category II, II A and III FSP's:

Basic levy of R7,491 (R7,203), plus R593 for each key individual and representative (less KIs that are also appointed as representatives), plus 0.0000191979 (0.0000184595) of total value of investments managed, to a maximum of R1,917,909. (Funds under management will be based as at the end of June 2020 for calculation purposes) Investments held in foreign currency

must be included at the exchange rate published in the Press as at 30 June 2020.

FAIS OMBUD Levy-

A basic levy of R1,149 (R1,105), plus R438 (R421) for each Key Individual, plus R438 for each representative, with a maximum of R311,123.

2. Multiple licence holders

The FSCA has decided to maintain the decision to charge only one levy per legal entity which holds multiple licences, as has been the normal practice.

3. Payment of Levies

Levies must be made payable to the FSCA by means of a cheque, postal order or money order, or a money transfer.

If levies are overdue, interest will be charged at a current rate equal to the prime overdraft rate of Standard Bank prevailing at the time.

All payments must be made on or before the 31 October 2020, **but only after having received an invoice from the FSCA.**

4. Application for Exemption

Exemption requests can be made in writing to the Executive Officer, Financial Sector Conduct Authority, PO Box 35655, Menlo Park, 0102.

If such a request is made the application must contain full details of the authorised FSP and set out concisely the reasons for any exemption sought.

5. Collective Investment Schemes Levies

5.1 Levy on collective investment schemes in securities

Total amount of R17,298,658 (R16,633,325) for schemes administered by a manager registered in terms of section 42 of Cisca. Amount payable in four quarterly installments on or before 31 July, 30 September, 31 December and 31 March of the levy year. (Apportionment- 10% apportioned equally amongst all managers; 60% according to no. of portfolios administered by each manager; 30% in proportion to the total assets administered by each manager) The quarterly amounts are calculated on the basis of statistics as at the end of the preceding quarter and are apportioned among all managers registered at that date.

5.2 Levy on foreign collective investment schemes

Payable in four quarterly instalments on or before 31 July, 30 September, 31 December and 31 March of the levy year. (Amounts calculated on basis of statistics as at the end of the preceding quarter, which statistics must be furnished to the Commissioner within 30 days after the end of such quarter- must also contain details of all sales and redemptions or buy-backs in SA)

Amount of R12,058 (R11,594), in respect of each scheme.

Amount of R6,540 (R6,288), in respect of each portfolio, fund or sub-scheme. AND
0.00031231% (unchanged) of the net amount of assets managed on behalf of SA investors.

5.3 Levy on foreign collective investment schemes in hedge funds

The levy, in respect of hedge funds schemes declared in terms of section 63 of the Collective Investment Schemes Control Act, is payable in four quarterly instalments, with each instalment consisting of -

Amount of R12,898, in respect of each scheme.

Amount of R1,929, in respect of each portfolio, fund or sub-scheme; AND
0,0045% of the net amount of assets managed. (unchanged)

The amounts are calculated on the basis of statistics as at the end of the preceding quarter, which statistics must be furnished to the relevant Commissioner within 30 days after the end of such quarter.

Levies are payable in respect of all months falling within any relevant quarter.

5.4 Levy on collective investment schemes in property- refer Notice

5.5 Levy on collective investment schemes in participation bonds- refer Notice

6. OTHER FEES- LEVIES ON FINANCIAL INSTITUTIONS

Please refer to the Notice regarding the other fees imposed by the FSCA for 2020/2021.

Other fees include:

Levy on pension funds

Levy for Pension fund Adjudicator

Levy on Administrators

Levy on retirement annuity funds

Levy on friendly societies

Special SAM levy on short-term insurers and underwriters at Lloyd's

Levy on short term insurers and Lloyd's underwriters

Levy on Long Term insurers

Special SAM levy on long-term insurers

Levy on collective investment schemes in securities

Levy on foreign collective investment schemes

Levy on foreign collective investment schemes in hedge funds

Levy on collective investment schemes in property

Levy on collective investment schemes in participation bonds

Levy on exchanges

Levy on central Securities Depositories

Levy on financial markets in respect of market abuse

Levy on credit rating agencies