ANNEXURE A

ANNUAL RETURN FOR EXEMPTION OF ELIGIBLE FSPs AND ELIGIBLE FSPs LIMITED BY PRODUCT FROM REQUIREMENTS PERTAINING TO AUDITED FINANCIAL STATEMENTS

Name of FSP	
FSP number	

1. DEFINITIONS

"Exemption Notice" means the Notice on the Exemption of Eligible FSPs and Eligible FSPs limited by product from Requirements pertaining to Audited Financial Statements, 2015, published by FAIS Notice No. 82 of 2015; and

"the Exemption" means the exemption granted in terms of the Exemption Notice.

2. IMPORTANT NOTE

2.1. Failure by a financial services provider (provider) to meet the requirements and conditions of the Exemption will result in the Exemption not being applicable to that provider.

2.2. Acceptance by the Registrar's Office of unaudited financial statements based on the information contained in this return is not a confirmation or validation that the Exemption applies to the provider or that the provider meets the requirements and conditions of the Exemption. It is the duty and responsibility of the provider to ensure that it meets and continues to meet the requirements and conditions of the Exemption.

3. FREQUENCY OF SUBMISSION

A provider must annually, in addition and simultaneously with its financial statements, submit this return to the Registrar in order for the Exemption to be applicable.

4. CATEGORY OF EXEMPTION

	Indicate by ticking the appropriate box in respect of which type of provider exemption is sought.	X
4.1	**"eligible FSP"** as defined in section 1 of the Exemption Notice *[**"eligible FSP"** means an authorised Category I FSP who does not receive or holds premiums (contemplated in the Short-term Insurance Act, 1998, and the Long-term Insurance Act, 1998) or otherwise receive or hold clients' money or other assets.]*	
4.2	An **eligible FSP limited by product** as defined in section 1 of the Exemption Notice *[**"eligible FSP limited by product"** means a Category I FSP authorised to render financial services in respect of financial products belonging to Long-term Insurance subcategory A and/or friendly society benefits only and who receives or holds premiums as contemplated in the Long-term Insurance Act, 1998, or otherwise receive or hold clients' money or other assets.]*	

5. EXEMPTION CRITERIA

***Table A** must be completed by a provider referred to in paragraph 4(1) above.*

TABLE A EXEMPTION APPLICABLE TO AN ELIGIBLE FSP			
	Criteria	**Yes**	**No**
5.1	Is the provider authorised as a Category I FSP only?		
If the answer to the above question is "no", the Exemption does not apply.			
5.2	Does the provider receive or hold premiums (as contemplated in the Short-term Insurance Act, 1998, and/or the Long-term Insurance Act, 1998) or otherwise receive or hold clients' monies or other assets?		
If the answer to the above question is "yes", the Exemption does not apply.			

***Table B** must be completed by a provider referred to in paragraph 4(2) above.*

TABLE B EXEMPTION APPLICABLE TO AN ELIGIBLE FSP LIMITED BY PRODUCT			
	CRITERIA	**Yes**	**No**
5.4	Is the provider authorised as a Category I FSP only?		
If the answer to the above question is "no", the Exemption does not apply.			
5.5	Is the provider authorised to render financial services in respect of financial products belonging to Long-term Insurance subcategory A and/or friendly society benefits only?		
If the answer to the above question is "no", the Exemption applicable to a FSP limited by product does not apply.			
5.6	Does the provider receive or hold premiums or otherwise receive or hold clients' monies or other assets?		
If the answer to the above question is "no", the Exemption applicable to a FSP limited by product does not apply.			
***Note:** A provider authorised as a Category I FSP only and who renders financial services limited to financial products belonging to Long-term Insurance subcategory A or friendly society benefits and who **does not** hold or receive clients' money or assets is regarded, for purposes of the Exemption, as an* eligible *FSP as referred to in paragraph 5.1 above.*			

6. GENERAL

6.1. Is the provider required by any other law to have its financial statements audited, independently reviewed, or otherwise reported on?

Yes ☐ No ☐

6.2. If the answer to the question in paragraph 6.1 is "yes", please state the law in terms of which the provider must submit such financial statements.

6.3. If the answer to the question in paragraph 6.1 is "yes", please indicate whether the financial statements must be-

(a) audited ☐

(b) reviewed by an independent reviewer ☐

(c) certified and reported on by an accounting officer ☐

(d) other ☐

The exemption does not apply where the provider is required to have its financial statements audited.

6.4. Is the provider required by an agreement in terms of which the provider is a party to cause its financial statements to be audited and reported on?

Yes ☐ No ☐

If the answer to the above question is "yes", the exemption does not apply.

SECTIONS 7 TO 10 MUST ONLY BE COMPLETED BY A PROVIDER THAT IS A COMPANY OR A CLOSE CORPORATION (CC)

[Sections 7 to 10 consist of certain indicators that, if present, may require a provider to prepare audited financial statements under the Companies Act. These sections should not be seen as an exhaustive list of indicators and it remains the responsibility of the provider to determine whether it is required to prepare audited financial statements or cause its financial statements to be independently reviewed and reported on in terms of the Companies Act.]

7.1. **Please indicate the type of company / CC**

Profit company ☐
Profit CC ☐
Non-profit company ☐
Non-profit CC ☐
External company ☐

7.2. **If profit company, please indicate the type of profit company / CC**

State owned company / CC ☐
Public company ☐
Private company ☐
Personal liability company ☐

The exemption does not apply if the provider is a state owned company, a state owned CC or a public company.

7.3. **If non-profit company / CC, please indicate whether the company / CC was incorporated-**

(a) Directly or indirectly by the state, an organ of state, a state-owned company, an international entity, a foreign state entity or a foreign company. ☐

(b) Primarily to perform a statutory or regulatory function in terms ☐

of any legislation, or to carry out a public function at the direct or indirect initiation or direction of an organ of the state, a state-owned company, an international entity, or a foreign state entity, or for a purpose ancillary to any such function.

If any of the above is applicable to the provider, the exemption does not apply.

7.4. **Is the company / CC (profit or non-profit) required by its Memorandum of Incorporation, Founding statement, a shareholder's / member's resolution, a determination by the company's board / CC's members or the Companies Act, to have its financial statements audited?**

Yes ☐ No ☐

If the answer to the above question is "yes", the exemption does not apply.

7.5. **Please indicate whether the company / CC (profit or non-profit), in the ordinary course of its primary activities, holds assets in a fiduciary capacity for persons who are not related to the company, and the aggregate value of such assets held at any time during the financial year exceeds R5 million.**

Yes ☐ No ☐

If the answer to the above question is "yes", the exemption does not apply.

8. PUBLIC INTEREST SCORE

8.1. **Please provide the provider's public interest score**

8.2. **Calculation of public interest score**

Please provide the basis of the provider's calculation of its public interest score by completing the Table below. Every company / CC must calculate its public interest score (PIS) at the end of each financial year.

CALCULATION OF PUBLIC INTEREST SCORE		
PIS Criteria	**Bases for Public interest points**	**Public interest points**
Number of points equal to the average *number of employees* of the company / CC during the financial year		
One point for every R 1 million (or portion thereof) in *third party liability* of the company / CC, at the financial year end		
One point for every R 1 million (or portion thereof) in *turnover* during the financial year		
One point for every individual who, at the end of the		

financial year, is known by the company / CC — (i) in the case of a profit company / CC, to directly or indirectly have a beneficial interest in any of the company's issued securities; or (ii) in the case of a non-profit company / CC, to be a member of the company, or a member of an association that is a member of the company		
Total Public Interest Score		

8.3. **Does the company / CC have a public interest score-**

(a) of 350 or more — Yes ☐ No ☐

(b) of between 100 and 349 and its annual financial statements for the particular financial year were internally compiled — Yes ☐ No ☐

If the answer to any of the above questions is "yes", the Exemption does not apply.

9. COMPILATION OF FINANCIAL STATEMENTS

Please indicate whether the provider's financial statements were independently or internally compiled.
(See definition of "independently compiled and reported" and meaning of internally compiled in regulation 26 (1)(e) and regulation 27(2) of the Companies Regulations, 2011, respectively.)

Independently compiled ☐ Internally compiled ☐

In terms of the Companies Act, if the PIS of the provider is between 100 and 349 and the financial statements were internally compiled, the financial statements must be audited.

10. COMPANIES ACT EXEMPTION

This paragraph must only be completed by a provider that is a company.

10.1. **Is the provider exempted under section 30(2A) of the Companies Act from having to audit or independently review its financial statements?**

Yes ☐ No ☐

10.2. **If the answer to paragraph 10.1 is "yes", does the provider meet the requirements of the exemption referred to in section 30(2A) of the Companies Act?**

Yes ☐ No ☐

11. DECLARATION

The declaration must be signed by the key individual of the provider or the provider in the case of a provider that is a sole proprietor.

I, ..., (name of provider/key individual) declare that the information provided in this form is true and correct.

I am aware that the information provided may be subject to verification by the Registrar of Financial Services Providers, and should I submit false, incorrect or misleading information to the Registrar, this may impact on my compliance with the fit and proper requirements contemplated in section 6A of the Act.

.....
Signature

.....
Date