



## KEY INDIVIDUALS / SOLE PROPRIETOR

### **Instructions:**

This form must be completed by an applicant that is a sole proprietor and any key individual of an applicant. A sole proprietor means an FSP that is a natural person.

The expression 'key individual' is defined in section 1(1) of the Act as follows:

*'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 applicant 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 such individual must comply with the requirements in the Determination of Fit and Proper Requirements for Financial Services Providers, 2008.

### **GUIDANCE NOTE:**

Subparagraph (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.

Subparagraph (a) of the definition will be broken down into the two functions mentioned in this subparagraph, that are 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 subparagraph (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 separate Form FSP 4 must be completed for each Key Individual.**

- A. Provide the initials and surname of the sole proprietor or key individual.
- B. Provide the sole proprietor's and key individual's details.
- C. Provide the relevant contact details of the sole proprietor and 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. Sole proprietors and key individuals must comply with the qualification requirements set out in the Determination of Fit and Proper Requirements for Financial Services Providers, 2008. In terms of the aforementioned Determination qualifications must be recognised by the Registrar and must be listed on the List of Recognised Qualifications. Please refer to the List of Recognised Qualifications to determine whether the qualifications listed under section G.1. are recognised. If the qualifications are not recognised you must, **prior** to submitting this application, apply in the prescribed



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form and manner to the Registrar for recognition of the qualifications.

If the qualifications are recognised, indicate under 'Qualification Code' in column two of the Table under section G.1. the qualification ID number as reflected on the List of Recognised Qualifications.

Attach certified copies of the qualifications and 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 person's responsibilities must be provided to illustrate that the person's experience is relevant to the category of financial services and subcategory of financial products being offered / rendered.
  - I.** Indicate under section I.1. the sole proprietor's and key individual's experience in the management or oversight of the activities of a business or part thereof. Indicate under section I.2. the name(s) of the person(s) providing the required reference(s). The reference letter(s) must accompany the application and must be indicated on FSP Form 14A.
  - J.** Indicate under question J.1. the sole proprietor's and key individual's experience for the categories of financial services and the subcategories of financial products in respect of which the sole proprietor will be rendering financial services and the key individual will be managing or overseeing.  
  
Indicate under section J.2. the name(s) of the person(s) providing the required reference(s). The reference letter(s) must accompany the application and must be indicated on FSP Form 14A.
  - K.** The key individual and sole proprietor must have the operational ability to fulfill the responsibilities imposed on the licensee and its key individuals by the Act.
  - L.** Indicate whether the key individual will be rendering financial services as a representative.
  - M.** A certified copy of the key individual's and sole proprietor's identification document (e.g. identity document for SA Citizens and passports for non-SA Citizens) must accompany the application.
  - N.** Where the key individual (refer to note below) will also be rendering financial services as a representative (s)he must complete FSP Form 5.
  - O.** An indemnity form must be completed by the sole proprietor and all key individuals.
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**KEY INDIVIDUALS / SOLE PROPRIETOR**

FSP No

**A. Full Names of Key Individual/ Sole Proprietor**

Indicate type of identification:

Identity Number:

Passport Number:

Other:

If other, please specify:

**B. Details of Key individual/ Sole Proprietor**

Title

Initials

First Name

Surname

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

E-mail Address (if applicable)



**D. Role of Key individual in the organisation:**

- Company director
  - Member of a close corporation
  - Trustee of a trust
  - Partner in a partnership
  - Manager
  - Secretary General
  - Other
- (If "other", provide a short description of the key individual's role)

**E. Fit and Proper Requirements –honesty and integrity questions**

*If the answer to any of the questions is **YES**, provide full details in a separate document signed by the key individual 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 anybody 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 Financial Services Board 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 in a separate document signed by the key individual 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 licence, 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 law 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 breach 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 sequestered?	<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.1. Qualifications**

*Please note that only qualifications listed on the List of Recognised Qualifications will be considered.*

Institution that issued the qualification	Qualification code	Qualification	Year obtained

**G.2. Regulatory Examinations**

Regulatory Examination completed	Examination Code	Date obtained



**H. Employment history**

Provide a detailed CV of the experience of the sole proprietor or key individual. The CV must include sufficient detail to enable the Registrar to ascertain that the person comply with the required experience requirements.

Dates of Employment (dd/mm/yyyy - dd/mm/yyyy)	Employer	Position held	Details of responsibilities Provide detailed information on responsibilities

**I. Evidence of experience obtained in the management or oversight of the activities of a business.**

I.1. Indicate the type and months of experience obtained.

Management / Oversight	Months experience

I.2. References

At least one reference letter must be provided. The reference(s) must specifically refer to the key individual's and sole proprietor's employment history and experience (s)he had obtained with specific reference to the management or oversight of a business or part thereof.

Names of persons providing reference	Company employed

**J. Evidence of experience obtained in the rendering of financial services in respect of the categories of financial services and the subcategories of financial products.**

**Note:**

- (i) A sole proprietor must demonstrate that (s)he has the relevant qualifications and experience relating to the category of financial services and subcategory of financial products in respect of which authorisation is sought.
- (ii) An FSP must at all times ensure that at least one or more of the key individuals meet the same experience, qualifications and regulatory examination requirements as would apply to an FSP who is a sole proprietor in respect of any one or more categories of financial services and subcategories of financial products in respect of which authorisation is sought.

**J.1. Indicate experience obtained in the rendering of financial services in respect of the categories of financial services and the subcategories of financial products.**

			A. Months experience advice		B. Months experience intermediary service
1	<b>CATEGORY I</b>				
1.1	Long-term Insurance subcategory 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 subcategory B1	<input type="checkbox"/>		<input type="checkbox"/>	
1.4	Long-term Insurance subcategory 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 conferring or creating rights to subscribe to, acquire, dispose of, or convert securities and instruments referred to in subcategory 1.8, 1.9 and 1.10 above.	<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 excluding warrants	<input type="checkbox"/>		<input type="checkbox"/>	
1.14	Participatory interests in Collective Investment Schemes	<input type="checkbox"/>		<input type="checkbox"/>	
1.15	Forex Investment Business	<input type="checkbox"/>		<input type="checkbox"/>	
1.16	Health Service Benefits	<input type="checkbox"/>		<input type="checkbox"/>	
1.17	Long-term deposits	<input type="checkbox"/>		<input type="checkbox"/>	
1.18	Short-term deposits	<input type="checkbox"/>		<input type="checkbox"/>	
1.19	Friendly Society Benefits	<input type="checkbox"/>		<input type="checkbox"/>	
1.20	<b>Long-term Insurance subcategory B2</b>	<input type="checkbox"/>		<input type="checkbox"/>	

			Months experience
2	<b>CATEGORY II – DISCRETIONARY FSP</b>		
2.1	Long-term Insurance subcategory B1	<input type="checkbox"/>	
2.2	Long-term Insurance subcategory C	<input type="checkbox"/>	
2.3	Retail Pension Benefits	<input type="checkbox"/>	



2.4	Pension Fund Benefits (excluding retail pension benefits)	<input type="checkbox"/>	
2.5	Securities and Instruments: Shares	<input type="checkbox"/>	
2.6	Securities and Instruments: Money market instruments	<input type="checkbox"/>	
2.7	Securities and Instruments: Debentures and securitised debt	<input type="checkbox"/>	
2.8	Securities and Instruments: Warrants, certificates and other instruments acknowledging conferring or creating rights to subscribe to, acquire, dispose of, or convert securities and instruments referred to in subcategories 2.5, 2.6 and 2.7 above.	<input type="checkbox"/>	
2.9	Securities and Instruments: Bonds	<input type="checkbox"/>	
2.10	Securities and Instruments: Derivative instruments excluding warrants	<input type="checkbox"/>	
2.11	Participatory interests in Collective Investment Schemes	<input type="checkbox"/>	
2.12	Forex Investment Business	<input type="checkbox"/>	
2.13	Long-term deposits	<input type="checkbox"/>	
2.14	Short-term deposits	<input type="checkbox"/>	
2.15	Long-term Insurance subcategory B2	<input type="checkbox"/>	

			<b>Months Experience</b>
<b>2A</b>	<b>CATEGORY IIA – HEDGE FUND FSP</b>	<input type="checkbox"/>	

			<b>Months Experience</b>
<b>3</b>	<b>CATEGORY III – ADMINISTRATIVE FSP</b>		
3.1	Long-term Insurance subcategory B1	<input type="checkbox"/>	
3.2	Long-term Insurance subcategory C	<input type="checkbox"/>	
3.3	Retail Pension Benefits	<input type="checkbox"/>	
3.4	Pension Fund Benefits (excluding retail pension benefits)	<input type="checkbox"/>	
3.5	Securities and Instruments: Shares	<input type="checkbox"/>	
3.6	Securities and Instruments: Money market instruments	<input type="checkbox"/>	
3.7	Securities and Instruments: Debentures and securitised debt	<input type="checkbox"/>	
3.8	Securities and Instruments: Warrants, certificates and other instruments acknowledging conferring or creating rights to subscribe to, acquire, dispose of, or convert securities and instruments referred to in subcategories 3.5, 3.6 and 3.7 above.	<input type="checkbox"/>	
3.9	Securities and Instruments: Bonds	<input type="checkbox"/>	
3.10	Securities and Instruments: Derivative instruments excluding warrants	<input type="checkbox"/>	
3.11	Participatory interests in Collective Investment Schemes	<input type="checkbox"/>	
3.12	Forex Investment Business	<input type="checkbox"/>	
3.13	Long-term deposits	<input type="checkbox"/>	
3.14	Short-term deposits	<input type="checkbox"/>	
3.15	Long-term Insurance subcategory B2	<input type="checkbox"/>	

			<b>Months Experience</b>
<b>4</b>	<b>CATEGORY IV – ASSISTANCE BUSINESS FSP</b>	<input type="checkbox"/>	



**J.2. References**

At least one reference letter must be provided. The reference(s) must specifically refer to the key individual's and sole proprietor's employment history and experience he/she had obtained with specific reference to the category of financial services and subcategory of financial products in respect of which authorisation are sought.

Names of persons providing reference	Designation	Company employed

**K. Operational ability**

Are you able to maintain the operational ability to fulfil the responsibilities imposed on the licensee by the Act, including the management and oversight of representatives (where applicable) rendering financial services on behalf of the licensee?

YES  NO

**L. Indicate whether the key individual will be rendering financial services as a representative?**

YES  NO

If yes, FSP Form 5 must also be completed.

**M. A certified copy of the key individual's identification document** must accompany the application form.

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

.....  
Signature

.....  
Date



**N. Indemnity form**

I, ..... (full name of sole proprietor / key individual)

Identity / passport number ..... hereby authorise the Financial Services Board, and its duly authorised verification agent, to request or confirm any personal information as well as any other information that I have provided in support of my application to any personal data holders (including but not limited to the South African Police Service, the Government of the RSA, industry bodies and associations, employers and any educational, training, credit bureau and fraud prevention organisations) for the purpose of verifying my personal credentials and records.

Credential verification types include, but are not limited to, educational qualifications, professional membership, employment history, employment references including industry employment registers, consumer credit, criminal records, driver's licence, and fraud prevention checks.

I authorise the personal data holders (including but not limited to the aforesaid institutions) to furnish information regarding my credentials, whether claimed or not, to the Financial Services Board and its duly authorised verification agent. I unconditionally indemnify the Financial Services Board, its verification agent and the personal data holders against any liability that may result from furnishing information in this regard.

.....  
Signature

.....  
Date