

FINANCIAL SERVICES BOARD

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OUR REF:	CISCA Circular NO. 29	FAX:	012 3466533
DATE:	12 April 2017	E-MAIL:	Udesh.Naicker@fsb.co.za

CISCA CIRCULAR NO 29 TO MANAGERS OF LOCAL AND FOREIGN COLLECTIVE INVESTMENT SCHEMES IN HEDGE FUNDS

SERVICE LEVEL COMMITMENT

1. Purpose

- 1.1 This Circular is intended to address service delivery in a transparent, cost effective and accountable manner.
- 1.2 The objective of the service level commitments (SLC) is to provide guidelines regarding turnaround times and the roles and responsibilities of all parties with regard to the services rendered by the Hedge Funds Business Unit ("the Department") to the Hedge Funds industry ("Hedge Funds").

2. Agreed periods

- 2.1 The provisions of this SLC shall apply to any applications received and onsite reviews initiated by the Registrar of Collective Investment Schemes ("the Registrar") on or after 01 May 2017.
- 2.2 The turnaround times relevant to the SLC are set out in **Annexure A**.
- 2.3 Upon receipt of a response to queries raised or additional information requested by the Registrar, or where an application lapsed, the turnaround times contained in the SLC shall apply with effect from the date of the response.
- 2.4 Separate arrangements must be made in relation to existing backlogs, bulk applications, special projects and any other extra-ordinary requests. These will not form part of this SLC.

3. Applications and accompanying prescribed fees

- 3.1 It is the responsibility of each applicant to ensure that all applications are properly completed and free of error and/or omissions and all issues are addressed to the satisfaction of the Registrar.
- 3.2 No application will be considered unless payment of the prescribed fee as published by the Registrar from time to time has been made and received. An application fee is payable by the applicant at the time of lodging of an application. Please note that FSB will not issue an invoice in respect of the prescribed fee.
- 3.3 All applications, accompanied by proof of payment of the prescribed fees, must be submitted to the following central email

Hedgefunds.application@fsb.co.za
- 3.4 Incomplete applications will be returned to the applicant with correspondence in whatever form, indicating the documentation and/or information (other than information as required in paragraph 3.5 below) required. The applicant must furnish the Registrar with the information and/or documentation within 25 business days of receipt of the request, failing which the application will lapse.
- 3.5 The Registrar may request additional information from the applicant which will assist in considering the application. The additional information must be provided within the period stipulated in paragraph 3.4 above, failing which the application will lapse.
- 3.6 An application that lapsed in terms of paragraph 3.4 or 3.5 above is considered closed and the prescribed fee paid in respect thereof will not be refundable in any way or form.
- 3.7 A manager may not submit an application for an additional third party named portfolio whilst an initial application for such a third party is pending approval.
- 3.8 If a portfolio(s) that has been approved is not launched within six months of the date of approval, the manager must provide the registrar with reasons why the approval should not be withdrawn.

If the Registrar is satisfied with the reasons provided, the manager must launch the portfolio within three months of the expiration of the initial six month period. Where the manager fails to launch the portfolio(s) prior to the

expiration of the additional three month period, then the approval of the portfolio(s) will lapse and the manager will be required to lodge a cessation supplemental deed(s) in respect of that portfolio(s) against payment of the prescribed fee.

3.9 For purposes of measuring performance against the SLC, the final day of the process is regarded as either:

- a. the day on which an applicant receives communication of the decisions to approve or decline an application;
- b. the day on which an applicant withdraws an application;
- c. the day on which the applicant receives communication that the application has been lapsed; or
- d. the day on the manager receives feedback on the onsite review.

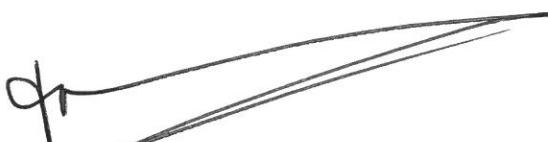
3.10 Please note that if any other department within the FSB or an external party has to be consulted in relation to the application, the timeframes in annexure A will be affected.

NOTE

This SLC serves as a commitment by the Department to the Hedge Funds industry. It is not intended, and should not be construed in any manner or form, to be a legally binding prescription or regulation. This SLC is not legally enforceable and does not create any legal rights, substantive or procedural, nor does it impose any legally binding obligations on the FSB. The Department expressly reserves the right to vary the periods stipulated in this SLC at its sole discretion.

Kindly complete the attached acknowledgement of receipt and submit it to my office.

J.A. BOYD

A handwritten signature in black ink, appearing to read "J.A. BOYD", is written over two parallel diagonal lines.

REGISTRAR OF COLLECTIVE INVESTMENT SCHEMES

ANNEXURE A

Service rendered by Hedge Funds Business Unit	Agreed Turnaround time
1. Application for registration of a new scheme	70 business days
2. Application for registration of a foreign collective investment scheme	90 business days
3. Application for an additional portfolio other than the first third party named portfolio mentioned in par 5 below.	25 business days
4. Application for more than one additional portfolio up to a maximum of 10 portfolios submitted simultaneously (applications in excess of 10 portfolios need to be arranged separately in terms of paragraph 2.4 of this Circular.)	40 business days
5. Application for the first third party named portfolio	35 business days
6. Application for an additional portfolio of foreign collective investment schemes	45 business days
7. Application for more than one additional portfolio of foreign collective investment schemes up to a maximum of 10 portfolios submitted simultaneously (applications in excess of 10 portfolios need to be arranged separately in terms of paragraph 2.4 of this Circular.)	60 business days
8. Application for any amendments to local and foreign schemes	45 business days
9. Closure of existing portfolio that has not been launched	25 business days
10. Applications for winding up of one portfolio in terms of section 102	25 business days
11. Applications for winding up of more than one portfolio submitted simultaneously in terms of section 102 (applications in excess of 10 portfolios need to be arranged separately in terms of paragraph 2.4 of this Circular.)	40 business days
12. Application for amalgamations of schemes/portfolios	70 business days
13. Major change in direct/indirect shareholding of the local manager	45 business days

14. Minor change in direct/indirect shareholding of the local manager	25 business days
15. Application for approval of appointment of directors	25 business days
16. Feedback to manager after an onsite review	70 business days
17. Feedback to manager after post registration onsite review	70 business days
18. Response to complainants	10 business days
19. Application for exemption in terms of section 22	25 business days
20. Acknowledgement of receipt of applications	1 business day
21. Acknowledgement of receipt of complaints	1 business day

USE THE BELOW E-MAILS FOR CORRESPONDENCES

Query Type	Email
Hedge Fund Application	HedgeFunds.application@FSB.co.za
Hedge Fund Marketing Materials	Hedgefunds.marketing@FSB.co.za
Hedge Fund queries	FSB.HedgeFundqueries@FSB.co.za
Monthly reports	Hedgefunds.monthlyreports@FSB.co.za
Quarterlies reports	Hedgefunds.quarterlies@FSB.co.za
Capital Adequacy reports (CAR)	Hedgefunds.cars@FSB.co.za
Complaints	Hedgefunds.complaints@FSB.co.za
Trustees reports	Hedgefunds.trustees@FSB.co.za
Financials	Hedgefunds.Financials@FSB.co.za



ACKNOWLEDGEMENT OF RECEIPT

I acknowledge receipt of a copy of CISCA Circular No 29.

Signature

Name of Manager

Date

Kindly return to:

**Registrar of Collective Investment Schemes
Financial Services Board
P O Box 35655
Menlo Park
0102**