



FSCA COMMUNICATION 10 OF 2021 (CIS)

Publication of Guidance Notice on the Net Asset Valuation Calculation and Pricing Best Practice Guidelines for Collective Investment Scheme Portfolios in terms of sections 44(1) and 94(1) of the Collective Investment Schemes Control Act

1. PURPOSE

The purpose of this Communication is to inform stakeholders that today the Financial Sector Conduct Authority ("FSCA") published in terms of section 141 of the Financial Sector Regulation Act, 2017 (No. 9 of 2017) ("the FSR Act") a Guidance Notice on the Net Asset Valuation Calculation and Pricing Best Practice Guidelines for Collective Investment Scheme Portfolios ("Guidance Notice") in terms of sections 44(1) and 94(1) of the Collective Investment Schemes Control Act ("CISCA").

2. BACKGROUND

- 2.1 On 19 May 2020, the FSCA published the NAV Conduct Standard which prescribes the requirements applicable to the calculation and pricing of the NAV of a portfolio of a CIS.
- 2.2 Since the publication of the NAV Conduct Standard, the FSCA has identified a need to provide guidance on the application of sections 44(1) and 94(1) of CISCA, and the NAV Conduct Standard.
- 2.3 In this context the Guidance Notice may also be applied in the valuation of instruments by regulated entities other than collective investment schemes.

3. AVAILABILITY OF INFORMATION AND ENQUIRIES

- 3.1 The Guidance Notice is available on the FSCA's website at www.fsca.co.za.
- 3.2 For more information regarding the Guidance Notice and/or this Communication please contact the Regulatory Frameworks Department of the Authority at Marius.DeJongh@fsca.co.za.

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