

## LEPPARD LEGISLATION WATCH

**MARCH 2018**

This month we remind you of some matters that are about to come into operation. We first drew your attention to these issues late last year, and by now you should have familiarised yourselves with them. If you haven't and this newsletter is a wake-up call for you, then speak to your compliance officer as soon as possible.

### **What to watch – selected recent developments**

#### **Financial Zone**

- ❖ Financial Advisory and Intermediary Services Act: Another reminder that the amended determination of fit and proper requirements for financial service providers will commence on 1 April 2018, although certain parts of the regulations have different commencement dates (see parts of regulation 13, 29, 31 to 34, 38, 44, 45, 48 and 49). The Fit and Proper requirements provide for, amongst other things, the standards to be observed in order to comply with
  - i. Honesty, Integrity and Good standing requirements,
  - ii. Competence requirements (for example, the duty on the FSP to maintain a competence register from 1 May 2018; experience requirements which will mean that some experience could lapse if not used in a particular category for 5 consecutive years; Qualification requirements; changes to the Regulatory Examinations; as well as the requirements for Class of Business training and specific product training),
  - iii. Continuous Professional Development (CPD) requirements,
  - iv. Requirements relating to Operational ability, and
  - v. Financial soundness.
- ❖ Short-term Insurance Act: Draft Policyholder Protection Rules (PPRs). Further amendments have been proposed to the draft PPRs, with the aim of dovetailing with the Insurance Act (which is expected to commence on 1 July 2018), taking over certain conduct requirements from the Short-term Insurance Act (which sections will be repealed by the Insurance Act), and adding certain micro insurance product standards. A copy of the proposals

can be found on the FSB's website and the comment deadline is 13 April 2018.

- ❖ Income Tax Act: New daily amounts in respect of meals and incidental costs apply as from 1 March 2018, and new rates per kilometre for motor vehicles also apply for years of assessment commencing 1 March 2018.
- ❖ Value-Added Tax Act: A reminder that the VAT rate increases to 15% as from 1 April 2018.

*Leppard Legislation Watch is a monthly newsletter providing selected updates on legislation which could have an impact on the business of Leppard Underwriting and its clients. **Leppard Legislation Watch** is not intended as legal or professional advice and is published for general information purposes only. This newsletter is not a substitute for legal or other professional advice.*