

FAIS FIT & PROPER

FACT SHEET



FAIS Fit & Proper: What Every Financial Advisor Should Know



The Financial Advisory and Intermediary Services (FAIS) Act is essential for maintaining high standards among financial professionals in South Africa. It ensures that advisors are competent, ethical, and accountable.

Key FAIS Compliance Requirements:

1. **Honesty & Integrity:** Advisors must exhibit strong ethical principles.
2. **Competency:** Advisors should possess the necessary skills and knowledge.
3. **Operational Ability:** Efficient and effective operational practices are required.
4. **Financial Soundness:** Advisors must maintain stable financial practices.

Additional Compliance Obligations:

- Adherence to the FAIS Act and the Code of Conduct.
- Proper licensing and ongoing supervision.
- Maintaining accurate records and transparent complaints handling.
- Engagement with a qualified Compliance Officer.
- Timely and accurate reporting.

Compliance Checklist for Advisors:

- Evaluate if you are "FAIS Fit & Proper."
- Ensure ethics and integrity are upheld.
- Confirm licensing and supervision are in place.
- Maintain competency and accurate record-keeping.

Compliance not only builds trust but also empowers financial professionals to achieve ethical excellence. For further support and tailored compliance guidance, financial advisors are encouraged to contact compliance experts.