



New Recruits and FAIS requirements

It has become apparent that employment into the market is very challenging for both employers and job seekers.

Being registered FSP's (Financial Services Providers) employers appear to be insistent that new recruits must have a minimum of 30 or 60 credits before they are considered for employment, and job seekers without these skills programmes or credits, are struggling to find employment.

The 30/60 credit requirement was a transitional arrangement the FSB allowed for those in the market during the drafting and implementation period of the FAIS requirements, and we have now passed that transitional period.

The current entry requirement for any new entrant to the market as per Board Notice 106 of 2008, requires that a new entrant to the market, needs a Matric Certificate to enter. They can then gain their Qualification, Regulatory Exams as well as Experience competency requirements, whilst working for an FSP. During this time, the new entrant would need to operate under *indirect* supervision, as any new entrant would have in the past.

The only time that employers would have a legal obligation to ensure that a new employee has their 30/60 credits before they are employed, would be if the individual has been on a representatives register with another employer. Either having been appointed on a representatives register between 2004 and 2007, or still requiring the 30/60 credits if the person was appointed on the representatives register in 2008 or 2009. Any other new entrant to the market can be employed with only a Matric Certificate, and gain their competency requirements whilst working in the industry.

Material Updates

During the first quarter of 2010, the IISA released the 2010 Short Term COP set of material.

COP Personal Lines

This COP specifically focuses on the personal lines product category with focus on Houseowners, House Contents, Motor, All Risks, and Personal Accident, a look at the regulatory framework from the Short Term Insurance Act to FAIS and Disclosure, as well as sales and claims. It would serve as a useful training tool for all new recruits in the personal lines environment from sales to claims to obtain a good grounding on the product and regulatory environment.

COP Commercial Lines

This programme contains a closer look on how to underwrite a commercial risk, reinsurance, the regulatory framework from the Short Term Insurance Act to FAIS and Disclosure, as well as sales and claims. An individual starting out in commercial lines would benefit from this programme, no matter which role they fulfill in the commercial environment.

COP Short Term Basic

This COP is specifically focused on individuals who have an involvement in Short Term Insurance but are not directly working with any specific products, and therefore focuses on the regulatory and legal environment and includes Motor as an example product category for association purposes, as well as the sales process.

All of the above programmes are available through the Academy of Learning and they can be contacted for further information at insurancehelpdesk@academyoflearning.co.za or insurance@academyoflearning.co.za