

REPUBLIC OF SOUTH AFRICA

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**DRAFT**  
**FINANCIAL SECTOR LEVIES BILL,**  
**2017**

**6 June 2017**

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*(As introduced in the National Assembly as a Money Bill)*  
*(The English text is the official text of the Bill)*

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(MINISTER OF FINANCE)

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# **BILL**

**To provide for the imposition and collection of levies for the benefit of the Prudential Authority, the Financial Sector Conduct Authority, the Financial Services Tribunal, the Ombud Council, the Office of the Pension Funds Adjudicator and the Office of the Ombud for Financial Services Providers; to provide for exemption from levies under certain circumstances; and to provide for matters connected therewith.**

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**B**E IT ENACTED by the Parliament of the Republic of South Africa, as follows:—

## Definitions

1. (1) In this Act, unless the context indicates otherwise—

“**assistance business**” means the business of providing or undertaking to provide policy benefits under assistance policies as defined in section 1(1) of the Long-term Insurance Act, 1998 (Act 52 of 1998) by insurers registered to provide assistance policies only, and after the effective date of the Insurance Act, 2017, means an insurer licensed to conduct microinsurance business only under that Act;

“**bank**” means—

- (a) a bank as defined in section 1(1) of the Banks Act, 1990 (Act No. 94 of 1990);
- (b) a mutual bank as defined in section 1(1) of the Mutual Banks Act, 1993 (Act No. 124 of 1993); or
- (c) a co-operative bank as defined in section 1(1) of the Cooperatives Banks Act, 2007 (Act No. 40 of 2007);

“**central counterparty**” means a central counterparty as defined in section 1(1) of the Financial Markets Act, 2012 (Act No. 19 of 2012);

“**central securities depository**” means a central securities depository as defined in section 1(1) of the Financial Markets Act, 2012 (Act No. 19 of 2012);

“**credit rating agency**” means a credit rating agency as defined in section 1(1) of the Credit Rating Services Act, 2012 (Act No. 24 of 2012) that is registered in terms of section 5 of that Act;

“**collective investment scheme in hedge funds**” means a collective investment scheme declared in terms of section 63 of the Collective Investment Schemes Control Act, 2002 (Act No. 45 of 2002);

“**collective investment scheme in participation bonds**” means a collective investment scheme of a kind referred to in Part VI of the Collective Investment Schemes Control Act, 2002 (Act No. 45 of 2002);

“**collective investment scheme in property**” means a collective investment scheme of a kind referred to in Part V of the Collective Investment Schemes Control Act, 2002 (Act No. 45 of 2002);

“**collective investment scheme in securities**” means a collective investment scheme of a kind referred to in Part IV of the Collective Investment Schemes Control Act, 2002 (Act No. 45 of 2002);

“**commercial umbrella fund**” means a fund as defined in section 1(1) of the Pension Funds Act, 1956 (Act No. 24 of 1956) established for the benefit of employees of various employers which are not subsidiaries of a single holding company;

“**clearing house**” means a clearing house as defined in section 1(1) of the Financial Markets Act, 2012 (Act No. 19 of 2012);

“**exchange**” means an exchange as defined in section 1(1) of the Financial Markets Act, 2012 (Act No. 19 of 2012);

“**financial sector body**” means each of the following:

- (a) The Prudential Authority;
- (b) the Financial Sector Conduct Authority;
- (c) the Tribunal;
- (d) the Ombud Council;
- (e) the Office of the Pension Funds Adjudicator; and
- (f) the Office of the Ombud for Financial Services Providers;

“**financial sector law**” means a financial sector law as defined in section 1(1) of the Financial Sector Regulation Act;

“**Financial Sector Conduct Authority**” means the authority established in terms of section 56 of the Financial Sector Regulation Act;

“**Financial Sector Regulation Act**” means the Financial Sector Regulation Act, 2017;

“**financial services provider**” means a financial services provider as defined in section 1(1) of the Financial Advisory and Intermediary Services Act, 2002 (Act No. 37 of 2002), and a reference to a specific category of financial service provider means the category determined in terms of section 6A of that Act;

“**foreign collective investment scheme**” means a collective investment scheme of the type referred to in Part VIII of the Collective Investment Schemes Control Act, 2002 (Act No. 45 of 2002);

“**levy period**” means the period from 1 April to 31 March;

“**levy**” means a levy imposed by this Act;

“**long-term insurer**” means a long-term insurer as defined in section 1(1) of the Long-term Insurance Act, 1998 (Act No. 52 of 1998), and after the effective date of the Insurance Act, 2017, means an insurer licensed to conduct life insurance business under that Act;

“**occupational fund**” means a fund as defined in section 1(1) of the Pension Funds Act, 1956 (Act No. 24 of 1956) established by an employer to provide pension benefits to employees;

“**Office of the Pension Funds Adjudicator**” means the Office established in terms of section 30B of the Pension

Funds Act, 1956 (Act No. 24 of 1956);

“**Office of the Ombud for Financial Services Providers**” means the Office established in terms of section 20(1) of the Financial Advisory and Intermediary Services Act, 2002 (Act No. 37 of 2002);

“**Ombud Council**” means the Ombud Council established in terms of section 175 of the Financial Sector Regulation Act;

“**over-the-counter derivative provider**” means an over-the-counter derivative provider declared by the Minister as a regulated person in terms of section 5(1)(b) of the Financial Markets Act, 2012 (Act No. 19 of 2012);

“**pension fund**” means a pension fund organisation as defined in section 1(1) of the Pension Funds Act, 1956 (Act No. 24 of 1956);

“**pension fund administrator**” means a person approved by the Financial Sector Conduct Authority as an administrator of a pension fund in terms of section 13B of the Pension Funds Act, 1956 (Act No. 24 of 1956);

“**pension preservation fund**” means a pension preservation fund as defined in section 1(1) of the Pension Funds Act, 1956 (Act No. 24 of 1956);

“**provident preservation fund**” means a provident preservation fund as defined in section 1(1) of the Pension Funds Act, 1956 (Act No. 24 of 1956);

“**Prudential Authority**” means the authority established in terms of section 32 of the Financial Sector Regulation Act;

“**representative**” means a representative as defined in section 1(1) of the Financial Advisory and Intermediary Services Act, 2002 (Act No. 37 of 2002);

“**retirement annuity fund**” means a retirement annuity fund as defined in section 1 of the Income Tax Act, 1962 (Act No. 58 of 1962);

“**short-term insurer**” means a short-term insurer and a Lloyd’s underwriter, both as defined in section 1(1) of the Short-term Insurance Act, 1998 (Act No. 53 of 1998), and after the effective date of the Insurance Act, 2017, means an insurer licensed to conduct non-life insurance business under that Act;

“**supervised entity**” means a financial institution that is licensed in terms of a financial sector law.

“**trade repository**” means a trade repository as defined in section 1(1) of the Financial Markets Act, 2012 (Act No. 19 of 2012); and

“**Tribunal**” means the Financial Services Tribunal established in terms of section 219(1) of the Financial Sector Regulation Act.

(2) Unless the context otherwise indicates, words and expressions not defined in subsection (1) have the same meaning ascribed to them in terms of the Financial Sector Regulation Act.

## **Administration of Act**

2. The Minister is responsible for the administration of this Act.

## **Levies**

3. (1) A separate levy is charged, levied and collected, in accordance with this Act, for the benefit of each of the financial sector bodies.

(2) A levy is payable by each supervised entity that is licensed in terms of a financial sector law and specified in the Schedules to this Act.

(3) The amount of levies that are payable by a supervised entity in respect of a levy period is determined in accordance with the levy formulae set out in—

- (a) Schedule 1 in respect of the Prudential Authority;
- (b) Schedule 2 in respect of the Financial Sector Conduct Authority;
- (c) Schedule 3 in respect of the Tribunal;
- (d) Schedule 4 in respect of the Ombud Council; and
- (e) Schedule 5 in respect of the Office of the Pension Funds Adjudicator and the Office of the Ombud for Financial Services Providers.

(4) Where a supervised entity is licensed during a levy period, or if a supervised entity’s licence is withdrawn during a levy period (at the request of the supervised entity, or resulting from regulatory action of a financial sector body), the levy payable by that supervised entity must be proportional to the remainder of the levy period during which it is licensed or no longer licensed.

## **Implementation special levy**

4. (1) An implementation special levy is payable by supervised entities that are liable to pay a levy in terms of section 3, in the first two levy periods following the commencement of this Act, to provide for the initial costs associated with the establishment of the Prudential Authority, the Financial Sector Conduct Authority, the Financial Services Tribunal and the Ombud Council.

(2) The implementation special levy that is payable by a supervised entity is a maximum of 15 per cent of the levy that is payable by that supervised entity in terms of section 3(3)(a) to (d), in respect each of the

first two levy periods following the commencement of this Act.

### **Adjustment of amounts and levy formulae**

5. (1) A financial sector body may, subject to sections 239 and 240 of the Financial Sector Regulation Act, annually adjust any amount or percentage of the levy formulae, including the base or maximum amounts, that are set out in the relevant Schedule for a levy that is imposed for the benefit of that financial sector body.

(2) When preparing levy estimates and determining the levy for a levy period in accordance with section 239 of the Financial Sector Regulation Act, the financial sector body must –

- (a) specify the meaning of any terms referred to in the levy formulae set out in the Schedules; and
- (b) take into account any over-collection or under-collection of levies in the previous levy period in relation to the actual expenditure of the financial sector body during that levy period.

(3) If this Act commences during a levy period, a financial sector body may impose a pro rata levy for the remainder of that levy period.

### **Exemption from levy**

6. (1) A financial sector body may, on application from a supervised entity, exempt that supervised entity from the payment of a levy or a part of a levy.

(2) An application referred to in subsection (1) must include the particulars determined by the financial sector body.

(3) A financial sector body may only exempt a supervised entity from the payment of a levy or a part of a levy, if the financial sector body is of the opinion that—

- (a) the imposition of the levy will cause the supervised entity or its financial customers undue financial or other hardship or prejudice;
- (b) the exemption will not conflict with the public interest; or
- (c) it is necessary for developmental, financial inclusion and transformation objectives to facilitate progressive or incremental compliance with the Financial Sector Regulation Act or a financial sector law.

(4) A financial sector body, in respect of the first two levy periods following the commencement of this Act, may exempt a type of supervised entity referred to in the Schedules from the payment of a levy or a part of a levy, if it is necessary to facilitate the affordability of the levy for the type of supervised entity.

### **Short title and commencement**

7. (1) This Act is called the Financial Sector Levies Act, 2017, and comes into effect on a date determined by the Minister by notice in the *Gazette*.

(2) Different dates may be determined by the Minister in respect of the coming into effect of different—

- (a) provisions of this Act;
- (b) Schedules to this Act; and
- (c) items in the Schedules to this Act.

**SCHEDULE 1**  
**PRUDENTIAL AUTHORITY**  
**(Section 3(3)(a))**

| Type of supervised entity                    | Levy Frequency | Base Amount | Variable Amount(s)                      | Description of variable   | Formula  | Maximum    |
|--|----------------|-------------|---|---|--|------------|
| Bank   | Annual         | 50 000      | 0.005% x A                              | A= total liabilities as at 30 June of the levy year as reported in the BA100, or liabilities as reported in the previous financial statements published in terms of IFRS (if first not available)       | Levy= Base amount + Variable amount  | 45 000 000 |
| Co-operative bank                            | Annual         | 1 000       | 0.005% x A                              | A= total liabilities as at 30 June of the levy year as reported in terms of section 22 of the Co-operative Banks Act, 2007, or previous financial statements (if first not available);                  | Levy= Base amount + Variable amount<br><br>No levy is charged if A does not exceed 2 000 000 | 5 000      |
| Mutual bank                                  | Annual         | 2 000       | 0.005% x A                              | A= total liabilities at 30 June of the levy year as reported in terms of section 53 of the Mutual Banks Act, 1993, or previous financial statements (if first not available);                           | Levy= Base amount + Variable Amount<br><br>No levy is charged if A does not exceed 3 000 000 | 10 000     |
| Short-term Insurer                           | Annual         | 12 500      | V1 = 0.1016% x B<br><br>V2= 0.0281% x C | B=Gross premiums below 60 million<br><br>C=Gross premiums above R60 million<br><br>Gross premiums as stated in the most recent audited annual statutory return of the insurer preceding the levy period | Levy= Base amount + V1 +V2   | 15 000 000 |
| Long-term Insurer (assistance business only) | Annual         | 5 000       | 0.005% x D                              | D = gross liabilities as stated in the most recent audited annual statutory return of the insurer preceding the levy period   | Levy= Base amount + Variable amount  | 1 000 000  |

| Type of supervised entity     | Levy Frequency | Base Amount | Variable Amount(s)       | Description of variable  | Formula                             | Maximum        |
|-------------------------------|----------------|-------------|--------------------------|--|-------------------------------------|----------------|
| Long-term insurer (other)     | Annual         | 50 000      | $0.006\% \times D$       | D = gross liabilities as at stated in the most recent audited annual statutory return of the insurer preceding the levy period | Levy= Base amount + Variable amount | 30 000 000     |
| Exchange                      | Quarterly      | 100 000     | $0.0010.0001\% \times E$ | E = gross value of trades over the quarter preceding the levy run  | Levy= Base amount + Variable amount | 7 000 000      |
| Central Securities Depository | Quarterly      | 100 000     | $0.00001\% \times F$     | F = gross value of trades settled over the quarter preceding the levy run  | Levy= Base amount + Variable amount | 10 000 000     |
| Clearing House                | Quarterly      | 100 000     | $0.00001\% \times G$     | G= gross value of trades cleared over the quarter preceding the levy run   | Levy= Base amount + Variable amount | 3 000 000      |
| Central Counterparty          | Quarterly      | 100 000     | $0.00001\% \times H$     | H= gross value of open orders cleared over the quarter preceding the levy run  | Levy= Base amount + Variable amount | 3 000 000      |
| Trade Repository              | Annual         | 100 000     | Not applicable           |  | Levy= Base amount                   | Not applicable |
| Road Accident Fund            | Annual         | 100 000     | Not applicable           |  | Levy= Base amount                   | Not applicable |

**SCHEDULE 2**  
**FINANCIAL SECTOR CONDUCT AUTHORITY**  
**(Section 3(3)(b))**

| Type of supervised entity        | Levy Frequency | Base Amount | Variable Amount(s) | Description of Variable   | Formula   | Maximum        |
|----------------------------------|----------------|-------------|--------------------|---|---|----------------|
| Bank                             | Annual         | 50 000      | 0.0012% x A        | A= total liabilities as at 30 June of the levy year as reported in the BA100, or liabilities as reported in the previous financial statements published in terms of IFRS (if first not available)   | Levy = Base amount + Variable amount  | 15 000 000     |
| Co-operative bank                | Annual         | 1 000       | 0.0012% x A        | A= total liabilities as at 30 June of the levy year as reported in terms of section 22 of the Co-operative Banks Act, 2007, or previous financial statements (if first not available)   | Levy = Base amount + Variable amount<br><br>No levy is charged if A does not exceed 2 000 000 | 5 000          |
| Mutual bank                      | Annual         | 2 000       | 0.0012% x A        | A= liabilities at 30 June of the levy year as reported in terms of section 53 of the Mutual Banks Act, 1993, or previous financial statements (if first not available)  | Levy = Base amount + Variable Amount<br><br>No levy is charged if A does not exceed 3 000 000 | 10 000         |
| Pension Fund - Occupational Fund | Annual         | 2 000       | 14 x I             | I= number of members and in respect of every other person who receives regular periodic payments from such a fund (excluding any member or such person, whose benefit remained unclaimed or a beneficiary of members of pension funds) as reflected in the latest annual financial statements furnished to the registrar as at 30 June of the levy period | Levy = Base amount + Variable amount  | 2 750 000      |
| Pension Fund –                   | Annual         | 2 000       | 14 x I             | I= number of  | Levy = Base   | Not applicable |



| Type of supervised entity  | Levy Frequency | Base Amount | Variable Amount(s)                      | Description of Variable   | Formula                     | Maximum        |
|--|----------------|-------------|---|---|-----------------------------|----------------|
| Pension Preservation fund, Provident Preservation Fund, Retirement Annuity Fund and Commercial Umbrella Fund |                |             |   | members and in respect of every other person who receives regular periodic payments from such a fund (excluding any member or such person, whose benefit remained unclaimed and beneficiaries of members of pension funds) as reflected in the latest annual financial statements furnished to the registrar as at 30 June of the levy period   | amount + Variable amount    |                |
| Pension Fund Administrator   | Annual         | 7 500       | V1= 840 x J<br><br>V2= 1.01 x I         | J= number of pension funds, under administration as at 30 June of the levy period<br><br>I= aggregate number of members and in respect of every other person who receives regular periodic payments from such a fund (excluding any member or such person, whose benefit remained unclaimed and beneficiaries of members of pension funds) of pension funds under administration as reflected in the latest annual financial statements furnished to the registrar as at 30 June of the levy period | Levy = Base amount +V1 +V2  | Not applicable |
| Short-term Insurer   | Annual         | 12 500      | V1 = 0.1016% x B<br><br>V2= 0.0234% x C | B= gross premiums below R60 million<br><br>C= gross premiums above R60 million<br><br>Gross premiums as stated in the most  | Levy = Base amount + V1 +V2 | 5 000 000      |

| Type of supervised entity                    | Levy Frequency | Base Amount   | Variable Amount(s)            | Description of Variable  | Formula                             | Maximum        |
|--|----------------|---------------|-------------------------------|--|-------------------------------------|----------------|
|  |                |               |                               | recent audited annual statutory return of the insurer preceding the levy period.   |                                     |                |
| Long-term Insurer (assistance business only) | Annual         | 5 000         | 0.005% x D                    | D = gross liabilities as stated in the most recent audited annual statutory return of the insurer preceding the levy period          | Levy= Base amount + Variable amount | 1 000 000      |
| Long-term Insurer (other)                    | Annual         | 50 000        | 0.005% x D                    | D = gross liabilities as at stated in the most recent audited annual statutory return of the insurer preceding the levy period       | Levy= Base amount + Variable amount | 10 000 000     |
| Exchange                                     | Quarterly      | 125 000       | 0.0001% x E                   | E = gross value of trades over the quarter preceding the levy run  | Levy= Base amount + Variable amount | 8 750 000      |
| Central Securities Depository                | Quarterly      | 125 000       | 0.00001% x F                  | F = gross value of trades settled over the quarter preceding the levy run  | Levy= Base amount + Variable amount | 1 250 000      |
| Clearing House                               | Quarterly      | 125 000       | 0.0001% x G                   | G = gross value of trades cleared over the quarter preceding the levy run  | Levy= Base amount + Variable amount | 3 750 000      |
| Central Counterparty                         | Quarterly      | 125 000       | 0.0001% x H                   | H = gross value of trades cleared over the quarter preceding the levy run  | Levy= Base amount + Variable amount | 3 750 000      |
| Trade Repository                             | Annual         | 500 000       | Not applicable                |  | Levy= Base amount                   | Not applicable |
| Over- the - Counter Derivative Provider      | Annual         | 100 000       | Not applicable                |  | Levy= Base amount                   | Not applicable |
| Credit rating Agency                         | Annual         | 3 200 000 / K | Not applicable                | K = number of registered credit rating agencies at start of levy Year  | Levy= Base amount                   | Not applicable |
| Collective Investment Scheme in Securities   | Quarterly      | 11 300        | V1= 1 750 x L<br>V2= 0.00005% | L= number of portfolios, funds or subschemes, at end of previous quarter<br><br>M= total amount of assets managed at end of previous | Levy= Base amount + V1 + V2         | Not applicable |

| Type of supervised entity                           | Levy Frequency | Base Amount | Variable Amount(s)                    | Description of Variable  | Formula                             | Maximum        |
|---|----------------|-------------|---------------------------------------|--|-------------------------------------|----------------|
|   |                |             | x M                                   | quarter  |                                     |                |
| Collective Investment Scheme in Hedge funds         | Quarterly      | 11 300      | V1= 1 750 x L<br><br>V2= 0.0045% x M  | L = number of portfolios, funds or sub-schemes, at end of previous quarter<br><br>M = total amount of assets managed at end of previous quarter  | Levy= Base amount + V1 +V2          | Not applicable |
| Foreign Collective Investment Scheme                | Quarterly      | 11 300      | V1= 6 900 x L<br><br>V2= 0.00035% x M | L = number of portfolios, funds or sub-schemes, at end of previous quarter<br><br>M = total net amount of assets managed on behalf of South African investors at end of previous Quarter | Levy= Base amount + V1 +V2          | Not applicable |
| Collective Investment Scheme in Property            | Quarterly      | 11 300      | 100 000 x N                           | N =number of portfolios  | Levy= Base amount + Variable amount | Not applicable |
| Collective Investment Scheme in Participation Bonds | Quarterly      | 11 300      | V1= 1750 x L<br><br>V2= 0.00005% x O  | L = number of portfolios, funds or sub-schemes, at end of previous quarter<br><br>O = aggregate amount owing by mortgagers at end of previous quarter                                    | Levy= Base amount + V1 + V2         | Not applicable |
| Category I or IV financial services provider        | Annual         | 3 700       | 600 x P                               | P = Average total number of key individuals plus average total number of representatives, calculated over the period 1 September to 31 August  | Levy= Base amount + Variable amount | 2 000 000      |
| Category II, IIA or III financial services provider | Annual         | 7 400       | V1= 600 x P                           | P = Average total number of key individuals plus average total   | Levy= Base amount + V1 +V2          | 2 000 000      |

| Type of supervised entity  | Levy Frequency | Base Amount | Variable Amount(s)                                  | Description of Variable   | Formula                             | Maximum   |
|--|----------------|-------------|---|---|-------------------------------------|-----------|
|  |                |             | $V2 = 0.0019\% \times Q$                            | number of representatives, calculated over the period 1 September to 31 August<br><br>Q = the total value of investments managed or administered on behalf of clients in terms of the authorisation as a financial services provider on 31 August of the levy period: Provided that investments under management or administration held in foreign currency must be included at the exchange rate published in the press at that date |                                     |           |
| Category I and/or Category IV financial service provider in respect of only the financial products subcategories: Long-term insurance subcategory A and/or Friendly Society Benefits | Annual         | 3 700       | $270 \times P$                                      | P = Average total number of key individuals plus average total number of representatives, calculated over the period 1 September to 31 August   | Levy= Base amount + Variable amount | 2 000 000 |
| Financial Service Provider (other)   | Annual         | 7 400       | $V1 = 600 \times P$<br><br>$V2 = 0.0019\% \times Q$ | P = Average total number of key individuals plus average total number of representatives, calculated over the period 1 September to 31 August<br><br>Q = the total value of investments managed or administered on behalf of clients in terms of the authorisation as a financial services provider on 31   | Levy= Base amount + V1 + V2         | 2 000 000 |

| Type of supervised entity                                       | Levy Frequency | Base Amount | Variable Amount(s) | Description of Variable  | Formula | Maximum |
|---|----------------|-------------|--------------------|--|---------|---------|
|   |                |             |                    | August of the levy period: Provided that investments under management or administration held in foreign currency must be included at the exchange rate published in the press at that date   |         |         |
| Financial Services Provider (authorised in multiple Categories) | Annual         |             |                    | <p>A person that is authorised for multiple categories is liable for a single levy calculated as follows:</p> <p>(1) = the most onerous of the base amount applicable to the different categories for which the person is authorised.</p> <p>(2) = the average total number of key individuals plus average total number of representatives, under the different categories, calculated over the period 1 September to 31 August, provided that the key individuals and representatives who are approved or appointed under multiple categories are counted once for purposes of the calculation.</p> <p>(3) = the total value of investments managed or administered on behalf of clients under the different categories on 31 August of the levy period: Provided that investments under management or administration held in foreign currency must be included at the exchange rate published in the press at that date.</p> <p>(4) = the most onerous of the maximum amount applicable to the different categories for which the person is authorised.</p> |         |         |

**SCHEDULE 3**  
**TRIBUNAL**  
**(Section 3(3)(c))**

| Type of supervised entity  | Variable Amount          | Description of Variable   | Formula                |
|--|--------------------------|---|------------------------|
| All supervised entities that pay levies referred to in Schedules 1 and 2 | $2.5\% \times (S1 + S2)$ | <p>S1= amount of levy payable by the supervised entity in terms of Schedule 1</p> <p>S2= amount of levy payable by the supervised entity in terms of Schedule 2</p> | Levy = Variable amount |

**SCHEDULE 4**  
**OMBUD COUNCIL**  
**(Section 3(3)(d))**

| Type of supervised entity   | Variable Amount   | Description of Variable  | Formula                |
|---|-------------------|--|------------------------|
| All supervised entities that pay levies referred to in Schedule 2 | $2.5\% \times S2$ | S2= amount of levy payable by the supervised entity in terms of Schedule 2 | Levy = Variable amount |

**SCHEDULE 5**  
**STATUTORY OMBUD SCHEMES**  
(Section 3(3)(e))

| Statutory Ombud Scheme                                      | Type of supervised entity   | Base Amount    | Variable Amount(s)    | Description of Variable   | Formula  |
|---|-----------------------------|----------------|-----------------------|---|--|
| <b>Office of the Pension Fund Adjudicator</b>               | Pension Fund                | Not applicable | 5.85 x I              | I= number of members and in respect of every other person who receives regular periodic payments from such a fund (excluding any member or such person, whose benefit remained unclaimed) as reflected in the latest annual financial statements furnished to the registrar as at 30 June of the levy period                              | Levy= Variable Amount  |
| <b>Office of the Ombud for Financial Services Providers</b> | Financial Services Provider | 885            | R x 337<br>R=(T+U) -W | T= represents the number of key individuals of the financial services provider approved by the Financial Sector Conduct Authority;<br><br>U= the number of representatives appointed by the financial services provider; and<br><br>W= the key individuals that are also appointed as representatives, as at 31 August of the levy period | Levy = Base Amount + Variable Amount, up to a maximum of 255 000 |