

## **As deadline closes in, INSETA assists in FAIS exam preparations**

The FAIS Act has come under fire recently, as many of those in the finance sector required to pass the regulatory exams, have advised that the deadlines imposed are too short, and that the questions asked in the exams themselves are overcomplicated.

In response to this, the Insurance Sector Education and Training Authority (INSETA) recently held nine seminars across South Africa to help people in the insurance industry prepare for the FAIS exams; and to make the training material available to all interested stakeholders.

“We hope that the seminars encourage people who have not registered for the examinations to do so. The entry level standards for the industry are currently very low, and regulatory exams are necessary for advisors to know what exactly the FAIS Act requires of them,” said Sandra Dunn, CEO of INSETA.

In order to assist people in the industry in their preparations, when the Financial Services Board (FSB) initially announced the regulatory exams, INSETA commissioned a provider to prepare learning material on all the FAIS regulatory examinations. This material is available through both the INSETA and FSB websites.

“The seminars have proven a useful opportunity for INSETA to make the legislation and training material available to stakeholders who have not been able to access it from the websites, as well as proving useful in spreading awareness of the material. INSETA is doing everything it can to assist stakeholders to pass the exam,” said Dunn.

The learning material has been designed in a user-friendly manner, and is based on the Specified Qualifying Criteria. It went through a rigorous quality assurance process which included input from insurance industry subject matter experts and associations. Thousands of brokers have already downloaded the material.

The seminars included instructions to delegates on how to read and interpret legislation and a presentation on examination preparation techniques. They also discussed the structuring of the exam questions, as well as the various types of questions that might come up in the exam.

“The FAIS Act falls under financial law and while in some instances, over-complication may occur, there is no reason that this should impede passing the exams; it just requires the proper application on every student’s part,” said Professor Daleen Millard, Associate Professor at the University of Johannesburg and co-author of “The FAIS Act Explained”.

An online survey to determine brokers’ experiences in using the INSETA learning material revealed that time spent studying the INSETA learning material was one of the top two contributors to successfully passing the exams.

The feedback from the seminars has also been positive. Brenda Green of Peter Dirksen Insurance Brokers said that attending the workshop held at the Elangeni Hotel in Durban enabled her to pass her exams. “It was a fantastic workshop; I found the INSETA books so much easier to understand and to follow than all the others that are available in the market. I am

now going to attempt the exam for Key Individuals and will definitely be using the INSETA material,” she said.

“There are approximately 140 000 representatives and key individuals that must write the exams, but thus far only 44 000 delegates have written. We must all work together as an industry to ensure that regulation is integrated easily and successfully; so that we remain a responsible industry that offers only the best services,” said Dunn.

Multiple venues, as well as different methods of writing the exam, including an electronic exam option, have been put in place to help ensure that all those required are able to complete the exams to the best of their abilities.

New deadlines have also recently been put in place for the FAIS exams, allowing for further study time. Regulator Exam (RE) 1 has a new deadline of 30 June 2012; and the deadline for rewrite is 30 September 2012. The new deadline for RE3 and RE4 is 30 September 2012; deadline for rewrite is 31 December 2012. RE5 has a new deadline 30 June 2012, and the deadline for rewrite for this is 30 September 2012.

The deadline for RE2 Level 1 regulatory examination for sole proprietors and key individuals has been pushed back to 31 December 2013.

Due to popular demand INSETA will be rolling out further FAIS seminars in 2012.

*The INSETA FAIS learning material is available on the INSETA and FSB website and can be downloaded free of charge to anyone wanting to make use of it.*

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