



CIRCULAR NO: 5/2016

ADDRESSED TO: ALL CAPITAL MARKETS REGULATED ENTITIES.

SUBJECT: ADVERTISING AND COMMUNICATION STANDARDS

EFFECTIVE DATE: 1 DECEMBER 2016

STATUTORY REFERENCE: SECTION 38, 48, 73, AND 88 OF THE SECURITIES ACT, 2010

By issuing this circular, the FSRA hereby declares the practice of issuing out advertisements inviting the public to become or offer to become participants in a scheme, including advertisements containing information calculated to lead directly or indirectly to members of the public becoming or offering to become, participants in a scheme to be an undesirable practice.

With effect from 1 December 2016, all Collective Investment Scheme Managers, Dealers and Investment Adviser licence holders must request authorisation from the FSRA when issuing an oral or direct or indirect advertisements, brochures or similar documents inviting or advising any person to become or offer to become a participant in a scheme, this includes public invitation or public announcement. All Capital Markets regulated entities shall file with the FSRA an application containing all the information to be communicated on advertisements, brochures or similar documents, this includes oral advertisements. The FSRA prohibits the use of misleading or deceptive advertisement by regulated entities or its representatives.

SANDILE DLAMINI
CHIEF EXECUTIVE OFFICER