



MORCSA

Mortgage Origination Regulatory Council of South Africa

ACCREDITATION RULES

(referred to in the MOI at 1.2.1, 1.2.17, 1.2.23, 1.2.33, 3.2.3, 4.10.3, 5.1.5, 5.1.6, 5.3.1.3. 14.1.3)

DOCUMENT MANAGEMENT	
Policy Manager	Board
Implementer	Board / CEO
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1. ELIGIBILITY CRITERIA

The criteria below must be met to qualify for the respective Membership Types.

1.1 Corporate Member

The Corporate Member must at date of application:-

- 1.1.1 be rendering or anticipate rendering Mortgage Origination Services within 12 (twelve) months;
- 1.1.2 be duly registered as a company or close corporation with CIPC or an established Trust with the Master of the High Court or a partnership or a sole proprietor;
- 1.1.3 have nominated or appointed a Key Individual;
- 1.1.4 agree to be bound by the provisions of the Memorandum of Incorporation of MORCSA, the Code of Good Practice and any other applicable codes, frameworks, policies or guidelines which may be prescribed or recommended from time to time by MORCSA or any appointed industry regulator;
- 1.1.5 ensure that all information provided when applying for Membership is true and accurate; and
- 1.1.6 meet the Good Standing Criteria as set out in Clause 2.3 and Clause 3 hereinbelow.

1.2 Key Individual

The Key Individual must, at date of application of the Corporate Member's membership with MORCSA which he/she represents and/or at the date of application to be a Key Individual for an existing Corporate Member:-

- 1.2.1 be an executive director, officer, trustee or member of a Corporate Member or sole proprietor which satisfies the criteria for Membership set out in 1.1 above;
- 1.2.2 agree to be personally bound by the provisions of the Memorandum of Incorporation of MORCSA, the Code of Good Practice and any other applicable codes, frameworks, policies or guidelines which may be prescribed or recommended from time to time by MORCSA or any appointed Industry Regulator;
- 1.2.3 ensure that all information provided when applying for Membership is true and accurate; and
- 1.2.4 meet the Good Standing Criteria as set out in Clause 2.2 and Clause 3 hereinbelow.

1.3 Practitioner Member

A Practitioner Member must at date of application:-

- 1.3.1 render or anticipate rendering Mortgage Origination Services, including as an intern should they not previously have rendered such services;
- 1.3.2 agree to be personally bound by the provisions of the Memorandum of Incorporation of MORCSA, the Code of Good Practice and any other applicable codes, policies or guidelines which may be prescribed or recommended from time to time by MORCSA or any appointed Industry Regulator;
- 1.3.3 ensure that all information provided when applying for Membership is true and accurate; and
- 1.3.4 meet the Good Standing Criteria as set out in Clause 2.2 and Clause 3 hereinbelow.

2. GOOD STANDING CRITERIA

- 2.1 Any Practitioner Member or Key Individual must be and remain in good standing for duration of their membership with MORCSA, which shall include, *inter alia*, compliance with the Governance Framework and more especially being honest, having integrity and being of good standing.
- 2.2 The existence of any of the following shall constitute *prima facie* evidence that a Key Individual or Practitioner Member, who is a natural person, may lack honesty, integrity or good standing:
 - 2.2.1 the person has been convicted (and that conviction has not been expunged) of a financial crime as defined in section 1 of the Financial Sector Regulation Act or an offence similar to financial crime in a foreign country;
 - 2.2.2 the person has been convicted (and that conviction has not been expunged) of –
 - (i) an offence under a law relating to the regulation or supervision of a financial institution as defined in the FSR Act involving theft, fraud, forgery, uttering a forged document, perjury or an offence involving dishonesty; or
 - (ii) an offence similar to an offence referred to in subparagraph (i) above under the law of a foreign country;

where the penalty for the offence was, or may be, imprisonment or a fine;
 - 2.2.3 the person has been convicted (and that conviction has not been expunged) of any other offence committed after the Constitution of the Republic of South

Africa, 1996 took effect, where the penalty imposed for the offence was imprisonment without the option of a fine;

- 2.2.4 the person has been convicted of a criminal offence which may lead to a conviction for theft, fraud, forgery, uttering a forged document, misrepresentation or dishonesty under any law of any jurisdiction;
- 2.2.5 the person has accepted civil liability for, or has been the subject of a civil judgment in respect of, theft, fraud, forgery, uttering a forged document, misrepresentation or dishonesty under any law of any jurisdiction;
- 2.2.6 the person has been the subject of frequent or severe preventative, remedial or enforcement actions by a designated authority (as defined in the FSR Act);
- 2.2.7 the person has been removed from an office of trust for theft, fraud, forgery, uttering a forged document, misrepresentation or dishonesty;
- 2.2.8 the person has breached a fiduciary duty;
- 2.2.9 the person has an impaired ability to discharge his or her duties in respect of the business of the financial institution because of a conflict of interest or any other reason;
- 2.2.10 the person has seriously or persistently failed to, or is failing to, manage any of his or her financial obligations (including debts) satisfactorily, including –
 - (i) having been the subject of a civil judgment in respect of an unpaid debt and which debt remains unpaid; or
 - (ii) having been sequestrated under the Insolvency Act, 1936 (Act No. 23 of 1936) or a corresponding law of a foreign country, and has not been rehabilitated in terms of that Act or law;
 - (iii) being an unrehabilitated insolvent;
 - (iv) subject to any pending proceedings which may lead to an outcome referred to in paragraphs (i) to (iii);
- 2.2.11 the person has been suspended, dismissed or disqualified from acting as a key person under any law;
- 2.2.12 the person has been refused a registration, authorisation or licence to carry out a trade, business or profession, or has had that registration, authorisation or licence revoked, withdrawn or terminated by a designated authority because of matters relating to honesty, integrity or poor business or professional conduct;
- 2.2.13 the person has been refused registration or membership of any professional body or has had that registration or membership revoked, withdrawn or terminated by a professional body because of matters relating to honesty, integrity, or poor business or professional conduct;

- 2.2.14 the person has been disciplined, disqualified or removed in relation to matters relating to honesty, integrity or poor business conduct by a professional body or a designated authority;
 - 2.2.15 the person has knowingly been untruthful or provided false or misleading information to, or been obstructive in any dealings with, the responsible authority or a designated authority;
 - 2.2.16 the person, as a result of a court order, is listed on the register of excluded persons in terms of section 14 of the National Gambling Act, 2004 (Act No.7 of 2004);
 - 2.2.17 the person, as a result of a court order, is declared to be mentally unfit or disordered;
 - 2.2.18 the person has been found to not be fit and proper by the responsible authority or another designated authority in any previous assessments of fitness and propriety, and the reasons for being found not fit and proper have not been remedied; and
 - 2.2.19 the person was or is involved as a member of the governing body or senior management of a business that was or is subject to any matter referred to in subsection 2.3.2 and 2.3.3 while the person was connected with that business, or within one year of that connection.
- 2.3 The existence of any of the following constitutes *prima facie* evidence that a Corporate Member may lack honesty, integrity or good standing:
- 2.3.1 any of the members of its governing body fails to meet any of the criteria referred to in 2.2 above;
 - 2.3.2 it has been placed under statutory management, business rescue or curatorship, or is the subject of any pending action to place it into statutory management, business rescue or curatorship;
 - 2.3.3 it has been placed in liquidation, provisional liquidation or entered into, or is entering into, a scheme of arrangement with creditors within the meaning of the Companies Act, 2008 (Act No. 71 of 2008), or a corresponding law of a foreign country; or
 - 2.3.4 it is subject to any pending proceedings which may lead to an outcome referred to in paragraphs 2.3.2 or 2.3.3.

3. FINANCIAL INTELLIGENCE CENTRE ACT SEARCHES / SCREENING

- 3.1 MORCSA acknowledges the role and efforts of the Financial Intelligence Centre. The Centre was established to identify proceeds of crime and combat money laundering and the financing of terrorism and in so doing has a primary role to protect the integrity of South Africa's financial system. The Centre develops and provides financial intelligence to a range of agencies supporting the investigation and prosecution of criminal activity by helping to identify the proceeds of crime, combat money laundering and the financing of terrorism. The FIC Act is a key component of the regulatory architecture that protects the integrity of the South African financial system and (together with legislation such as the Prevention of Organised Crime Act, 1998 (Act No. 121 of 1998) and the Prevention of Constitutional Democracy against Terrorism and Related Activities Act, 2004 (Act No. 32 of 2004) of the legal framework that supports the administration of the criminal justice system.
- 3.2 In so far as MORCSA is not considered an "accountable institution" as defined in the FIC Act, it remains imperative that MORCSA for anti-money laundering and combating the financing of terrorism (AML/CTF). conduct the necessary due diligence and screening of its Members to reduce any inherent money laundering (ML), terrorist financing (TF) and proliferation of weapons of mass destruction (PF) risk.
- 3.3 **Practitioner Members and Key Individuals** may be subjected to the following searches / screening as recommended by the FIC and/or the Industry Regulator and/or the Nominations Committee and/or Conduct Committee and approved by the Board:
- 3.3.1 Verification of South African ID number authenticity, which will include status, name, date of birth and vital status.
 - 3.3.2 Individual's presence on a regulatory enforcement list
 - 3.3.3 Politically Exposed Person (PEP) status
 - 3.3.4 Any associated adverse media
 - 3.3.5 Any reputational risk exposure
 - 3.3.6 Insolvency status
 - 3.3.7 Disqualified director status
 - 3.3.8 Status as "Profile of Interest"
 - 3.3.9 Address Verification
 - 3.3.10 SAFPS records
 - 3.3.11 Under SAFPS protective registration
 - 3.3.12 Debt review status
 - 3.3.13 Credit Defaults
 - 3.3.14 Credit Judgements
 - 3.3.15 Trace Locator
 - 3.3.16 Indigent Status

- 3.4 **Corporate Members** may be subjected to the following searches / screening as recommended by the FIC and/or the Industry Regulator and/or the Nominations Committee and/or Conduct Committee and approved by the Board:

Companies or Close Corporations:

- 3.4.1. Company registration date and duration of registration
- 3.4.2 Enterprise name
- 3.4.3 Tax number
- 3.4.4 VAT number (if applicable)
- 3.4.5 All current and past director details
- 3.4.6 Company's presence on a regulatory enforcement list
- 3.4.7 Politically Exposed Person (PEP) associations
- 3.4.8 Any reputational risk exposure (adverse media)
- 3.4.9 Insolvency status
- 3.4.10 Associated disqualified directors
- 3.4.11 Status as "Profile of Interest"
- 3.4.12 State Owned Enterprise status

Trusts:

- 3.4.13 Trust name
- 3.4.14 Associated individuals and their personal information
- 3.4.15 Date of incorporation
- 3.4.16 Entity type
- 3.4.17 Active/inactive status

- 3.5 MORCSA shall have the unfettered right to refuse or terminate membership of any person or entity that, in its sole discretion, poses any inherent money laundering (ML), terrorist financing (TF) and proliferation of weapons of mass destruction (PF) risks and shall be entitled to report its findings to the FIC, or any other industry stakeholder it deems appropriate, and may divulge any information received or disclosed pursuant to these searches / screening for the purposes of evaluating honesty, integrity and good standing.

- 3.6 The searches / screening referred to in this Clause 3 may be conducted by MORCSA in respect of any Corporate Member, Practitioner Member or Key Individual:

- 3.6.1 upon receipt of any application for membership or any subsequent renewal of membership application; and
- 3.6.2 at any time during the subsistence of membership with MORCSA; and
- 3.6.3 if required as part of any investigation or hearing conducted in terms of the Disciplinary Rules.

4. APPLICATION PROCESS

The following process is applicable to membership applications:

- 4.1 the applicant must complete and lodge a Membership Application in accordance with the Accreditation Rules, as set out in Annexure “A” and/or “B” hereto and provide legible copies of any supporting documentation required by MORCSA;
- 4.2 upon receipt and after favourable consideration of the application, which shall include the conducting of the screening / searches referred to in Clause 3 above, the applicant shall be admitted into Membership by resolution of the Nominations Committee in accordance with its Terms of Reference.
- 4.3 duly admitted applicants shall be recorded as a Member in the Members’ Register.
- 4.4 any applicant whose application for initial membership or any subsequent renewal is declined, will be advised thereof in writing. The grounds for refusal, as well as any rights, if aggrieved, to direct written representations to the Nominations Committee and/or the Board and/or the Ombud and/or the Industry Regulator will be provided.

5. MEMBERSHIP RETENTION AND GOOD STANDING

The following requirements must continue to be met by Members and Key Individuals to remain so registered and in good standing with MORCSA:

- 5.1 have rendered Mortgage Origination Services or served as a Key Individual within the preceding 24 (twenty four) calendar month period;
- 5.2 complete such renewal application forms as may be required from time to time for a specific membership category, together with required supporting documentation;
- 5.3 pay or have paid any required Member’s Contribution as defined in the MOI or any other fees, levies or fines which may be due, owing and payable to MORCSA;
- 5.4 ensure that all information provided when applying for or renewing Membership remains true and accurate and should such information change, immediately notify MORCSA of such change;
- 5.5 abide by the provisions of the Memorandum of Incorporation of MORCSA, the Code of Good Practice, the Accreditation Rules and any other applicable codes, policies or guidelines which may be prescribed or recommended from time to time by MORCSA or any appointed Industry Regulator.

6. INITIAL MEMBERSHIP INTAKE / ACCEPTANCE

- 6.1 Notwithstanding anything to the contrary herein contained, it is recorded that from date of incorporation of MORCSA, all persons or entities (including their key individuals) that rendered Mortgage Origination Services and paid the Member's Contribution (or on whose behalf the Member's Contribution was paid to the Company in respect of transactions in which they provided Mortgage Origination Services) were entitled to become Members of the Company.
- 6.2 Should any Member of the Company as contemplated in Clause 6.1, subsequent to the implementation of these Accreditation Rules (or any subsequent amendment thereof) fail to meet the requirements to be or remain a Member of the Company in accordance with these Accreditation Rules, the Company shall be entitled to terminate such Member's Membership by resolution of the Nominations Committee.
- 6.3 Any Member of the Company whose membership is terminated by MORCSA pursuant to Clause 6.2 above, will be advised thereof in writing. The grounds for termination, as well as any right(s), if aggrieved, to direct written representations to the Nominations Committee and/or the Board and/or the Ombud and/or the Industry Regulator will be provided.

7. COMPETENCY REQUIREMENTS

These Accreditation Rules do not currently provide for any experience, qualification, training or continuous professional development requirements. In due course, it is anticipated that these will be included into these Accreditation Rules, after allowing for an appropriate and well-communicated transitional period or alternatively, as directed by the Industry Regulator.



PRACTITIONER & KEY INDIVIDUALS MEMBERSHIP APPLICATION FORM

(completed electronically or submitted manually)

Membership Category	Practitioner <input type="checkbox"/> Key Individual <input type="checkbox"/>
Associated Corporate Member	
Practitioner Role (if applicable)	Practitioner <input type="checkbox"/> Intern <input type="checkbox"/>
Key Individual Role (if applicable)	Executive Director <input type="checkbox"/> General Manager <input type="checkbox"/> Managing Member <input type="checkbox"/> Trustee <input type="checkbox"/> Sole Proprietor <input type="checkbox"/>
First Names	
Surname	
SA Identity Number or Passport Number	
Birth Date	
Gender	Male <input type="checkbox"/> Female <input type="checkbox"/> Other <input type="checkbox"/> (for reporting purposes only)
Race	African <input type="checkbox"/> Coloured <input type="checkbox"/> Indian/Asian <input type="checkbox"/> White <input type="checkbox"/> (for reporting purposes only)
Email Address	
Cellphone Number	



Physical Address	
Highest Qualification	None <input type="checkbox"/> Matric <input type="checkbox"/> Certificate <input type="checkbox"/> Diploma <input type="checkbox"/> Degree <input type="checkbox"/> Post Graduate <input type="checkbox"/>
Years in Industry	<input type="checkbox"/> 0-1 year (intern) <input type="checkbox"/> 1-5 years <input type="checkbox"/> 5-10 years <input type="checkbox"/> 10+years
Date of Joining Current Employer / Corporate Member (dd/mm/yy)	
Previous Employer's Name	
Period of Previous Employment (yy/mm)	

I, the abovementioned Applicant, hereby:

1. confirm that the information provided herein is true and correct.
2. agree to be bound by and undertake to abide by the provisions of the Memorandum of Incorporation of MORCSA, the Code of Good Practice, the Accreditation Rules and any other applicable codes, policies or guidelines which may be prescribed or recommended from time to time by MORCSA or any appointed industry regulator;
3. warrant that no factors exist, specifically those set out in Clause 2 of the Accreditation Rules relating to honesty, integrity or good standing are applicable to me, which would potentially disqualify me from membership;
4. give permission to MORCSA to conduct any FIC screening / checks as set out in Clause 3 of the Accreditation Rules.

Signed at _____ on this _____ day of _____ 20__

Applicant

FOR OFFICE USE ONLY:

Membership Number		
Initial Intake	Yes <input type="checkbox"/>	No <input type="checkbox"/>
Voting Member	Yes <input type="checkbox"/>	No <input type="checkbox"/>
Application Approved	Yes <input type="checkbox"/>	No <input type="checkbox"/>





CORPORATE MEMBERSHIP APPLICATION FORM

(completed electronically or submitted manually)

Associated Corporate Member	
Registered Name	
Trading Name (if different)	
Registration Number	
Registered Address	
Telephone Number/s	
Email Address	
VAT Number	
Key Individuals	
Name & Surname	
Identity Number	
Email Address	
Role	
Name & Surname	
Identity Number	
Email Address	
Role	



Name & Surname	
Identity Number	
Email Address	
Role	
Name & Surname	
Identity Number	
Email Address	
Role	
Name & Surname	
Identity Number	
Email Address	
Role	
<i>Provide additional Key Individuals' details on a separate page(s) if necessary</i>	

I, the undersigned, duly authorised to act on behalf of the abovementioned applicant, hereby:

1. confirm that the information provided herein is true and correct.
2. agree that the Corporate Member will be bound by and undertake to abide by the provisions of the Memorandum of Incorporation of MORCSA, the Code of Good Practice, the Accreditation Rules and any other applicable codes, policies or guidelines which may be prescribed or recommended from time to time by MORCSA or any appointed industry regulator;
3. warrant that no factors exist, specifically those set out in Clause 2 of the Accreditation Rules relating to honesty, integrity or good standing are applicable to the Corporate Member or any of its Key Individuals, which would potentially disqualify it or them from membership; and
4. give permission to MORCSA to conduct any FIC screening / checks as set out in Clause 3 of the Accreditation Rules.

Signed at _____ on this _____ day of _____ 20__

Applicant
(duly authorised)

FOR OFFICE USE ONLY:

Membership Number		
Initial Intake	Yes <input type="checkbox"/>	No <input type="checkbox"/>
Voting Member	Yes <input type="checkbox"/>	No <input type="checkbox"/>
Application Approved	Yes <input type="checkbox"/>	No <input type="checkbox"/>

