



Reference: Annexure B
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Circular 8 of 2021: Categorisation of assets in terms of Annexure B to the Regulations

The Council for Medical Schemes (CMS) has finalised the Guidelines on the categorisation of assets in terms of Regulation 30 of the Medical Schemes Act, No. 131 of 1998 (the Act) read in conjunction with Annexure B to the Regulations. The classification of assets is based on information available to CMS.

Kindly refer to the [Explanatory Memorandum](#) issued as an appendix to Circular 13 of 2015 for considerations taken into account in the classification of assets in terms of Annexure B. This Explanatory Memorandum has also been incorporated in the Help File to the Annual Statutory Return.

Guideline name	Description of the guideline
Registered banks as at 31 December 2020	<p>The Guideline provides a listing of all registered banks; mutual banks; local branches of foreign banks; and foreign banks with approved local representative offices as per the South African Reserve Banks' Banks Supervision Unit. The Guideline further sub-categorises these banks in terms of Category 1 of Annexure B to the Regulations.</p> <p>Click here to access the Guideline.</p>
Bonds listed on the JSE's debt market as at 31 December 2020*	<p>This Guideline provides a detailed listing of all listed instruments on the Johannesburg Stock Exchange's (JSE) debt market as at 31 December 2020.</p> <p>The Guideline further categorises these instruments in the different sub-categories, i.e. category 2 (bonds), category 3 (property), category 4 (exchange traded funds), and category 7 (other) of Annexure B to the Regulations.</p>

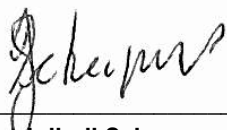
Guideline name	Description of the guideline
	<p><i>It is important to note that the Guideline makes use of the issuer name (and not the reference asset) in the classification of these instruments.</i></p> <p>Click here to access the Guideline.</p>
<p>Securities listed on the JSE as at 31 December 2020*</p>	<p>The Guideline provides a detailed listing of all listed instruments on JSE as at 31 December 2020.</p> <p>It further categorises these securities according to the requirements of Annexure B to the Regulations in the different sub-categories, i.e. category 3 (property), category 4 (shares), category 5 (debentures), and category 7 (other assets).</p> <p>Click here to access the Guideline.</p>
<p>ASISA's list of Collective Investment Schemes as at 30 September 2020*</p>	<p>The Guideline seeks to provide guidance on when a collective investment scheme (CIS) should be classified as a category 4(a)(iv) asset, and when it should be broken down in its underlying assets as required by Explanatory Note 8.</p> <p>It is important to note that the guidance is based on ASISA's classification of CIS.</p> <p>Click here to access the Guideline.</p>
<p>Registered insurers as at 31 December 2020</p>	<p>The Guideline provides a listing of all registered insurers as at 31 December 2020 as per the Financial Sector Conduct Authority (FSCA) website.</p> <p>Schemes should refer to this guideline when investing in and accounting for policies of insurance (category 6 to Annexure B).</p> <p>Click here to access the Guideline.</p>
<p>Registered Financial Service Providers (FSPs) as at 31 December 2020</p>	<p>This Guideline provides a comprehensive list of registered financial service providers (FSPs) as at 31 December 2020 per the FSCA's website.</p> <p>As only Financial Advisory and Intermediary Services (FAIS)-registered entities are allowed to manage investments on behalf of a medical scheme, schemes should refer to the FSCA's website (and this guideline) to ensure the registration of their asset managers.</p> <p>Investments managed by these registered entities should be accounted for in such entities' registered names in Part 9(b) to the Annual Statutory Return.</p> <p>Click here to access the Guideline.</p>

Guideline name	Description of the guideline
Administrators and holding companies as at 31 December 2020	<p>This Guideline provides a list of all accredited administrators with details regarding their holding companies. The purpose of this Guideline is to aid in the identification of non-compliance in terms of Section 35(8).</p> <p>Click here to access the Guideline.</p>
Administrators and its accredited managed care organisations as at 31 December 2020	<p>This Guideline provides a list of accredited administrators with details regarding their accredited managed care organisations. The purpose of this Guideline is to aid in the identification of non-compliance in terms of Section 35(8).</p> <p>Click here to access the Guideline.</p>

**It should be noted that the purpose of these Guidelines is to provide guidance on the categorisation of assets in accordance with Annexure B to the Regulations, and not to highlight any non-compliance matters. Schemes should ensure compliance with not only the limitations imposed by Annexure B, but also the various Sections of the Act.*

Supporting documentation attesting to the new classification must be submitted in the event where a scheme categorises any investment in Part 9 differently from the categorisation provided for in the above guidelines.

Yours sincerely,



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