

**COMPLIANCE AND
ENFORCEMENT DIVISION
LICENSING DEPARTMENT
GUIDELINES**

**PROPERTY PRACTITIONERS REGULATORY
AUTHORITY (PPRA)**

TABLE OF CONTENTS

- BACKGROUND
- PURPOSE
- TRANSITIONAL PROVISIONS
- DEFINITIONS
- TYPES OF CERTIFICATES ISSUED
- VALIDITY OF THE CERTIFICATE
- REQUIRED DOCUMENTATION, VERIFICATION AND APPLICABLE
- STATUTORY MANDATORY PERIODS FOR ISSUING FFC' NON-COMPLAINT APPLICATION
- DISQUALIFICATION TO BEING ISSUED WITH AN FFC

BACKGROUND

▶ BACKGROUND

- One of the core functions of the Property Practitioners Regulatory Authority is to issue Fidelity Fund Certificates for Property P’
- Practitioners in terms of Section 47 and Regulation 17 of the Property Practitioner Act No.22 of 2019 (PPA).
- In terms of Section 47 of the Act, Every property practitioner, excluding a property practitioner referred to in paragraph (g) of the definition of “property practitioner” in section 1, must, within the prescribed period and in the prescribed manner, every three years apply to the Authority for a Fidelity Fund certificate, and such application must be accompanied by the fees contemplated in section 34.

TRANSITIONAL PROVISIONS

- These Procedures also apply to all pending licensing applications received by the Authority before the effective date of the Property Practitioners Act and regulations. Any person holding a FFC under the previous Act shall be entitled to continue acting as a property practitioner using it until the end of the year. Regulation 41.44
- We confirming that we will processing new application as from the 01 April 2022
- Section 75 (6) All regulations made in terms of the Estate Agency Affairs Act remain in full force and effect as if they had been made in terms of or under this Act.
- Repeal Section (76) The Estate Agency Affairs Act 112 of1976 is hereby repealed.

DEFINITIONS OF A PROPERTY PRACTITIONER

- Any natural or juristic person who or which for the acquisition of gain on his, her or its own account or in partnership, in any manner holds himself, herself or itself out as a person who or which, directly or indirectly, on the instructions of or on behalf of any other person–
- Principal property practitioners
- Candidate property practitioners
- Non – Principal property practitioners
- Auctioneers
- Bond Originators and bridging Finance
- Managing agents
- Home owners Association
- Attorney employees other than attorney and candidate attorney

TYPES OF CERTIFICATES ISSUED

- The licensing department issues two types of certificates, a fidelity fund certificate and a registrations certificate.
- Fidelity fund certificates are issued to the property practitioners listed above,
- Registration certificates are issued to Attorney Employee Property Practitioners.

- **VALIDITY OF THE CERTIFICATES**
- The licensing officer must process and issue a fidelity fund or registrations certificate which is valid for a period of 3 years expiring the 31st December of the year to which such application relates as per Section 47 (1) of the Act.

- **Regulation Section 26 (2)** A property practitioner shall hold a separate Fidelity Fund Certificate in respect of each different industry in which such property practitioner operates and a separate application shall be lodged by such property practitioner with the Authority in respect of each such required Fidelity Fund Certificate.

REQUIRED DOCUMENTATION, VERIFICATION AND APPLICABLE FEES

New Property Practitioner firm registration.	The Principal Property Practitioner has to reserved a name on the PPRA website and after such name has been verified if it is not similar to an existing agency firm name it gets approved then the following documents are required:		
Documents required when registering a new firm are listed in the table below:			
SOLE PROPRIETER	CLOSE CORPORATION	PARTNERSHIP	COMPANY (Pty) LTD
ID COPY	ID COPY	ID COPY	ID COPY
Bank Letter of confirmation that the Trust A/C has been opened for the Firm in terms section 51(1) of the PPA	Bank Letter of confirmation that the Trust A/C has been opened for the Firm in terms section 54 (1) of the PPA in terms.	Bank Letter of confirmation that the Trust A/C has been opened for the Firm in terms section 54(1) of the PPA	Bank Letter of confirmation that the Trust A/C has been opened for the Firm in terms section 54 (1) of the PPA.

Continuation of required documents

Firm application form	Firm application form	Firm application form	Firm application form
Application form for the Principal	Application form for all acting members	Application form for all acting partners	Application form for all acting directors
	Company registration certificate (CK1 documents)	Letter of partnership agreement between the partners	Company registration certificate (CM29)
Proof of payment for each principal property practitioner, fees subject to applicable fees	Proof of payment for each principal property practitioner, fees subject to applicable fees	Proof of payment for each principal property practitioner, fees subject to applicable fees	Proof of payment for each principal, fees subject to current applicable fees
BEE Certificate Tax Clearance Certificate	Resolution form for non active members		
<p>Link(s) to PPRA's website: https://www.eaab.org.za/myffc/login</p> <p>Schedule of Fees 2021–2022 PPRA –The Property Practitioners Regulator Authority</p>			

Firm name change

The same set of documents are required as per 1 above and in addition, the following amounts are payable:

- Proof of payment to effect the name change
- Proof of payment to link the existing principal to the new firm

Candidate Property Practitioner

- Certified ID copy valid within 6 months from date of certification;
- Letter of employment on a company letterhead duly signed by both the principal and property practitioner addressed to Property Practitioner Regulatory Authority (PPA),(Pro forma letter available on the website)
- Proof of payment of R400 (fund contribution) + R380 X 2 years + R780 (3rd YEAR) = R 1 940,00. (Subject to change when new schedule of fees are effected);
- Work or business permit (If non RSA resident);
- Passport (If non RSA resident – Visitors/relative permits not acceptable) and
- A letter from the Department of Home Affairs confirming permanent residency.

NB: The following shall not be accepted as letters of employment:

- Employment contracts;
- Letters signed by any other person other than the principal and
- Letters not addressed to the Property Practitioner Regulatory Authority

Continuation of required documents

<p>Candidate Property Practitioner re-registration</p>	<ul style="list-style-type: none"> • The same documents as in 1. above except that a manual individual application form is required as the de-registered candidate cannot log onto EAAB's website and register, this might change subject to future system development. • Proof of payment R2 340,00 Fees payable <p>NB: Candidate' reregistration refers to Candidate's who were previously registered but either did not renew their Fidelity Fund Certificates (FFCs) for more than three years and they were automatically deregistered or they requested the Regulatory Authority to deregister them.</p>
<p>Non Principal Property Practitioner re-registration</p>	<ul style="list-style-type: none"> • Certified ID copy valid within 6 months from date of certification; • Letter of employment signed by both the principal and non-principal addressed to PPRA ;(Pro forma letter available on the website); • Proof of payment for an amount of R2 340,00 (Subject to change when new schedule of fees are effected); • Passport and work permit if non RSA resident; • Individual application form and • Meet the educational requirements: <ul style="list-style-type: none"> ○ Must have acquired NFQ 4 (or met NQF 4 exemption requirements) and PDE 4 (or qualified for statutory exemption against PDE 4 - Must have had an FFC for 5 years or more prior to the 15th of July 2008). <p>NB: Non Principal Property Practitioner re-registration refers to property practitioners who were previously registered but either did not renew their Fidelity Fund Certificates (FFCs) for more than three years and they were automatically deregistered or they requested PPRA to deregister them for the said period.</p>

Principal property practitioner reregistration

Certified ID copy;

- Proof of payment for an amount of R2 340,00 (Subject to change when new schedule of fees are gazetted);
- Passport and work permit if non RSA resident;
- Individual application form
- Business application form
- Meet the educational requirements
- Must have acquired NFQ 5 (or met NQF 5 exemption requirements) and PDE 4 (or qualified for statutory exemption against PDE 4 – Must have had an FFC for 5 years or more prior to the 15th of July 2008).

NB: principal agents' re-registration refers to agents who were previously registered but either did not renew their Fidelity Fund Certificates (FFCs) for more than three years and they were automatically deregistered or they requested PPRA to deregister them for the said period.

Attorney employees Property Practitioner's	<ul style="list-style-type: none"> • Certified copy of a valid ID book or both sides of smart card; or • Foreign Nationals – Certified copy of valid Passport and certified copy of work or business permit issued by the South African Department of Home Affairs; • Letter of Employment signed by both the attorney of the law firm, confirming employment of the applicant; and • Payment of the relevant application fee of R2 340,00 (Subject to change when new schedule of fees are gazetted).
Individual surname change.	<ul style="list-style-type: none"> • Divorce decree (court stamp essential) • Marriage certificate if remarried and new ID copy and • Proof of payment (Subject to change when new schedule of fees are gazetted).
Employment change	<ul style="list-style-type: none"> • Letter of employment on a company letterhead duly signed by the principal and addressed to Regulatory Authority and • Proof of payment (Subject to change when new schedule of fees are gazetted).

Deregistration

Deregistration of candidate and non principal property practitioner	<ul style="list-style-type: none">• Letter of deregistration duly signed by the intern or full status agent and addressed to Regulatory Authority; <p>Link(s) to PPRA's website: https://www.eaab.org.za/myffc/login</p>
Deregistration of firm.	<ul style="list-style-type: none">• Signed, stamped and dated Bank trust account letter confirming closure of trust account and the date when the trust account was actually closed and• Letter from the principal instructing the Regulatory Authority to deregister firm.• Winding up audit report (if applicable)
Banking details	<p>All payment for the above transactions for the above should be paid into the following account number;</p> <p>ABSA ACCOUNT NAME: Estate Agency Affairs Board ACCOUNT NO.: 405 203 3310 BRANCH NAME: Universal BRANCH CODE: 632005 REFERENCE: SEVEN (7) DIGIT REFERENCE NUMBER</p>

▶ RECEIPT OF APPLICATION BY THE LICENSING DEPARTMENT

- The Authority no longer accepts hard copies of licence applications. All application must be submitted online and all required documentation uploaded onto the portal. Application will also be processed on the APP (Property Practitioner Act at your fingertips) PPA .

▶ STATUTORY MANDATORY PERIODS FOR ISSUING FFC'S

- Section 49 (1) The Authority must, within 30 working days, consider any application submitted to it which fully meets the prescribed requirements, unless the Authority, on good grounds in writing, informs the applicant of the reasons why that period is to be extended, provided that such extension may not exceed 20 working days.
- Section 49 (2) the period of 30 working days commences afresh if the Authority requests the applicant to submit additional information or to correct the said application.
- Section 49 (3) If the Authority has failed to comply with subsection (1), the application is deemed to have been approved and the Authority must, upon written request by the applicant within 10 working days, issue the applicant with the relevant certificate.

DISQUALIFICATION TO BEING ISSUED WITH A FIDELITY FUND CERTIFICATE

- ▶ Section 50 contains disqualification from being issued with a Fidelity Fund Certificate.
- ▶ A Licensing officer shall therefore not process and issue a fidelity fund certificate to any person who:
 - Is not a South African Citizen and lawfully resides in the Republic;
 - Has at any time in the preceding five years, been found guilty of contravening the Property Practitioners Regulatory Act, or any similar legislation.
 - Has been found in any civil or criminal proceedings by a court of law, in the Republic or elsewhere, to have acted fraudulently, dishonestly, unprofessionally, dishonourably, or has been sentenced to imprisonment without the option of a fine;
 - Is of unsound mind;
 - has, at any time in the five years by reason of improper conduct, been dismissed from a position of trust;
 - Is an unrehabilitated insolvent;

CONTINUATION OF DISQUALIFICATION

- Is not in possession of a valid tax clearance certificate;
- has been prohibited by any legislation from practicing as a property practitioner or from occupying a position of trust,
- has been found guilty by a court of law of unfairly differentiating, distinguishing or excluding anyone on the basis of race, gender, sex, pregnancy, marital status, ethnic or social origin, colour, sexual orientation, age, disability, religion, conscience, belief, culture, language and birth;
- is not in possession of a valid BEE certificate;

CONTINUATION OF DISQUALIFICATION

- in the preceding five years has been found guilty of contravention of this Act or the Estate Agency Affairs Act, 1976;
- does not comply with the prescribed standard of training;
- does not have the practical experience determined by the Authority; or
- has at any time been guilty of any act or omission in respect of which any person had to be compensated pursuant to the provisions of section 38 from the Fund, unless the property practitioner has repaid the relevant amount in full to the Authority, or the Authority is of the opinion that satisfactory arrangements for the settlement of such amount have been made and has confirmed such arrangements;
- any property practitioner contemplated in paragraph (a) of the definition of “property practitioner” in section 1, if such property practitioner carries or intends to carry on business as a property practitioner under a trade name which is identical or confusingly similar to the trade name of another property practitioner—

CONTINUATION OF DISQUALIFICATION

- already issued with a Fidelity Fund certificate; or
- whose Fidelity Fund certificate is suspended or has lapsed or been withdrawn in terms of this Act; or
- any property practitioner who is a director of a company, or who is a member referred to in paragraph (b) of the definition of “property practitioner” in section 1 of a close corporation—
- of which the Fidelity Fund certificate was withdrawn by the Authority in terms of section 52; or
- which was prohibited in terms of section 48 from operating in any way on its trust, savings or other interest-bearing accounts referred to in terms of that section.
- which was prohibited in terms of section 48 from operating in any way on its trust, savings or other interest-bearing accounts referred to in terms of that section.