



**PROPERTY PRACTITIONERS
REGULATORY AUTHORITY**

HOW TO AVOID HEFTY PENALTIES AS A PROPERTY PRACTITIONER

If you are a property practitioner, who has left or is about to leave the industry or planning on closing your property practitioner firm, you **MUST** notify the PPRA of your intention to do so.

WHY? - BECAUSE IT IS THE LAW!

First Scenario – Leaving as an individual

The onus is on **YOU**, the property practitioner, **NOT YOUR** Firm, to notify us when you leave their employment!

If you do not do this, then **PENALTIES** will be charged.

In terms of Regulation 23.1, if a property practitioner **FAILS** to renew his or her fidelity fund certificate (FFC), when you are required to do so by the 31 October of the third year of your FFC, otherwise you are liable to pay a penalty!

The penalty amount is currently charged at R 134.00 for every month for which you do not renew! (Remember this amount will be increased annually by the PPRA).

This amount will then be charged for a period of 3 years, and you will be liable to pay it.

Why is this important?

Say you want to come back as a property practitioner after a few years and you did not notify us, then you will be liable to pay the penalties, or else you will not be issued with a new FFC.

If you cannot pay the entire amount, we will give you an Acknowledgment of Debt (AOD) to sign, where you can pay off the amount over a period of 6 months.

Once you paid the first instalment, we will issue you with a new FFC, HOWEVER, if you default on the payment instalments, we will withdraw the FFC, and you will not be allowed to practice as a property practitioner.

REMEMBER: The penalties are paid between the date you should have renewed your FFC and the date you actually applied for your FFC.

What we need from you when you leave your current firm:

1. A signed letter that you have resigned and are no longer within the employ of the said firm.

Second Scenario – Closing down your firm

If you are in the process of closing your firm you **MUST** wind up the trust account and **NOTIFY** us, if not, it will remain open on our system, and you will be liable for penalties as indicated above.

What we need from you when you are closing down your firm:

1. Bank closure letter (stating that your trust account is closed and the date of closure)
2. Winding up report from the auditor
3. Any arrear audit reports which were not submitted on time.
4. A signed request from the principal requesting deregistration of the firm.

PLEASE NOTE!

All the above (1 – 4) should be sent in one email to avoid repeat submissions.

Please avoid penalties by following these prescriptive guidelines!

If you want to get in touch with us, please give us a call, and remember to follow us on social media.

Johlene Wasserman
Published 1st May 2023