



ESTATE AGENCY AFFAIRS BOARD  
OF SOUTH AFRICA

### **CPD DISQUALIFICATION APPLICATION PROCESS FLOW**

1. Section 27 of the Estate Agents Affairs Act 112/1976 (The Act) provides that agents are disqualified from being issued with an FFC if...

(vi) (The agent)... does not comply with the prescribed standard of training;

The Regulation, Standard of Training of Estate Agents, 2008, requires that agents comply with CPD programs instituted by the board.

2. In terms of the CPD program implemented by the EAAB, all principal and full status agents who are enrolled as such with the EAAB and who have not become deregistered in terms of section 4(1) of the Regulation on Fidelity Fund and Registration Certificates, 2006, read with section 3.1 of Regulation on Trust Accounts, 1977.
3. Agents who do not so comply, are blocked from being issued with an FFC until the alleged non-compliance has been investigated and regularised in terms of s16(3) of the Act.
4. Disqualified participants who have failed to pay the CPD contribution each year of the 3 year cycle, or have failed to obtain the required number of points, both verifiable and non-verifiable, may submit a disqualification application to regularise their status in terms of section 27 of the Act read with the relevant Board resolution.
5. Such application process is empowered by EAAB Board resolution: *Resolution of the EAAB: CPD Compliance*, dated 22 May 2018 (the resolution) setting out the powers and authority of the Chief Executive Officer and his delegated authority in respect hereof.
6. The CEO has delegated such authority to the Manager, Disqualifications department.

## 7. Process in terms of Resolution: CPD Compliance.

- i. Agent applies online via the Section 27 CPD disqualification link on the EAAB website, or via the online query management system (OQMS), using the “lodge a query” drop down list, choosing the “Section 27 CPD Disqualification” option, and obtains a query reference number.
- ii. The application so lodged is forwarded to the designated supervising administrator via the OQMS as an activity system on the SAP system, who updates the activity to “in progress”, and allocates the applications via activities, to administrators.
- iii. On receipt of an application:
  - a. The administrator enters his / her name in the remarks field of the activity.
  - b. The administrator checks that the section 27 process is applicable, and assists with any other related queries, after which the activity may be referred to the appropriate department.
  - c. Where a section 27 application is required, the administrator immediately generates a case number, selecting “special application” under “legal case file”, for the CPD violation on the SAP system.
  - d. The administrator enters “CPD” as the “short description”.
  - e. The administrator sends a standard letter containing the application procedure and requirements to the agent via the “no- reply” mail box for CPD disqualifications.
  - f. The agent submits a substantive application with the required documentation via the OQMS using the same query reference number, attaching the supporting documents and affidavits requested, to the application.
  - g. The application with documents is received by the supervising administrator as an activity, who allocates it to the correct administrator, via activity sending.
  - h. The administrator locates the documents sent, by using the OQMS reference number, in the “online queries” cabinet, and moves and indexes them to the “Section 27 CPD” cabinet. Such documents are indexed using the activity number and the agent’s 7 digit reference number.
  - i. The administrator assesses the application for compliance and requests further compliance where required, via the no reply mailbox.
  - j. Where an applicant is, prima facie, a candidate for a special dispensation in accordance with the criteria in the resolution, the administrator advises such applicant of such option and, should an applicant elect to apply for such special dispensation, the process flow for such application is followed.
  - k. Agents who have not completed PDP’s for the 3 years are requested to do so before paying any outstanding CPD fees so that the payments will be automatically allocated by the SAP system.

- l. The administrator generates a penalty notice in line with the resolution, setting out the agent's status in regard to non-compliance (points and CPD fee payment), the extension period granted, and the penalty payment required, and generates an invoice on the SAP system for the penalty, using the "fine" generation button under legal case file.
- m. The administrator uses the SAP and / or the CPD systems to access the CPD information for inclusion in the notice.
- n. The penalty notice is sent to the participant via the no reply mailbox, and contains:
  - i. Penalty payable
  - ii. Agent's pin number to be used as a reference for payment
  - iii. The case number generated by the SAP block for office use only.
  - iv. The query reference number under which the application was submitted.
  - v. EAAB banking details.
  - vi. CPD fees outstanding and payable.
  - vii. Instruction to attach and return proof of payment online using the same query reference number.
  - viii. The number of CPD points outstanding.
- o. Penalty notice is uploaded and indexed in the Section 27 CPD cabinet.
- p. The administrator receives proof of payment via the same online activity, via the supervising administrator.
- q. Administrators request finance clerks to allocate payments by way of SAP activity, where required, especially where CPD payment allocation is require for access to the CPD portal.
- r. The unblocking check list is completed by the administrator, specifying receipt of the documents in question, name and signature of the administrator, the document ID number under which each document was filed, the firm and agent pins and codes, the OQMS reference, and attaches copies of the LOD, proof of payment and the affidavit.
- s. When appropriate, the authority unblocks the agent and files the unblocking check list.
- t. The administrator updates the activity and closes it or escalates to another department, where further action is required by such department. The words "extension granted" are to be used under "remarks" and contents, to signify a successful application.
- u. The administrator updates the system under "legal case file" and closes the case, entering details of the outcome, fine and conditions. The words "extension granted" are to be entered in the case number update details.
- v. The agent is automatically blocked by the SAP system if he fails to obtain the required points within the required extension of time. (pending)
- w. Once the unblocking and updating has been finalised the agent is advised via the activity that the application for extension has been granted on the

terms and conditions specified, disqualification has been lifted, the CPD portal is accessible for remediation, and the agent is eligible for an FFC to be issued when next applied for.

- x. Agents are advised that failure to comply with the terms of approval will result in the agent being re-disqualified at the expiry of the extension period, and the FFC issued in terms of the extension, being declared null void and withdrawn in terms of the s27 proviso.
- y. Agents are reminded to complete their PDP online as soon as they have access to the CPD portal so that they can obtain points.
- z. All correspondence is sent via the [no-reply@eaab.org.za](mailto:no-reply@eaab.org.za) mailbox, and is received via SAP activities, on the document storage system.
  - aa. The CPD portal is accessible to agents for remediation as soon as they have paid their CPD fees for the given year.
  - bb. The disqualification is only removed after full payment of CPD fees, penalties, submission of affidavits and conditional approval of extension.

## 8. Walk-in agents

The same process flow applies to walk in agents, who will be assisted by an administrator to log a query via the OQMS, and will address the resulting activities expeditiously.

## 9. Special Dispensation Applications

In terms of the board resolution, agents to whom extraneous circumstances, as set out in the resolution, may make application for a special dispensation in respect of CPD compliance.

## 10. Process Flow

- i. A special dispensation applicant submits an application online via the agent's portal /CPD disqualification.
- ii. Special dispensation applications are identified electronically on SAP under "Legal Case File," for statistical purposes, by inserting SDCPD under "short description."
- iii. On receipt of an application via the OQMS:
  - a. The administrator assesses the application for compliance and requests further evidence / information / documentation where required, via the no reply mailbox.
  - b. On receipt of all documentation via the OQMS, the application is referred to the departmental manager for consideration at a weekly meeting.
  - c. The departmental secretary records minutes of the meeting reflecting the manager's findings on each application and the proceedings.
  - d. The secretary prepares a record of findings for each application and submits it to the manager for signature.
  - e. The authority unblocks the agent.

- f. The administrator:
  - i. Uploads and indexes the record in the Section 27 CPD cabinet.
  - ii. Updates the SAP activity and closes it or escalates it to another department, where further action is required by such department.
  - iii. Updates the SAP system under “Legal Case File”, including identifying the application as a special dispensation application, and closes the case, entering details of the outcome and conditions.
- g. The SAP system reflects an exempted applicant as such on the agent’s profile.
- h. Once the unblocking and updating has been finalised the agent is advised via the SAP activity of the outcome of the application, that the disqualification has been lifted (where applicable) and the agent is eligible for an FFC to be issued when next applied for.

#### 11. General Notes:

- a. The provisions applicable to applications in general are mutatis mutandis applicable to special dispensation applications.
- b. Applicants correspond with administrators via the OQMS, and administrators correspond with applicants via the departmental no reply mail box, using their initials to identify the sender.
- c. Where applicants are again blocked for failure to comply with the terms on which extension was granted, a new application is required and the same process is repeated, although the agent may now fall into a different category, to be assessed by the administrator, on receipt.
- d. All documentation not received via the OQMS, is to be uploaded and indexed using the SAP activity number into the Section 27 CPD cabinet of the document filing system.
- e. Documentation received via the OQMS is moved by administrators from the “online query” cabinet to the Section 27 CPD disqualifications cabinet.
- f. CPD department is to send out monthly reminders to agents who have received a limited extension.
- g. CPD is to run a monthly block against agents to re-block agents whose extensions have expired and they have not remediated in full.
- h. The authority for unblocking is the Section 27 manager or any other MANCO manager who is available to assist, on production of the check list and specified documents.