

# Company Law Today

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Graeme Fraser & Vel Fraser

Body of selected Ombud decisions  
2019 - 2020 thus far

# Ombud

for Financial Services

## Legislative Framework

- "FAIS" Financial Advisory and Intermediary Services Act 37 of 2000
- "FSOS" Financial Services and Ombud Scheme Act 37 of 2004
- "STIA" Short Term Insurance Act 53 of 1998
- "FSP" Financial Services Provider
- "GCC" General Code of Conduct
- Rules on Proceedings of Office of FSP Ombud

## General Code of Conduct s2

The Financial Services Provider at all times must render financial services honestly, fairly with due skill and diligence in the interests of clients and with the integrity of the Financial Services Industry.

## General Code of Conduct s 3(1)(a)(i)

The FSP must at all times render adequate and appropriate advice to a client in the circumstances of the particular financial service a factually and reasonably assumed level of knowledge by the client.

65 %

- Comprehensive Cover
- Misled, Failure to disclose materiality of ownership
- Inappropriate advice
- No due diligence
- Conflict of interest

70 %

- Misrepresentation
- Claim re-directed into syndicate with capital loss
- Non-compliance ito Financial Provider FSP
- FAIS + GCC

45 %

- Unlicensed FSP
- Unregistered FSP
- No record adduced
- Unauthorised FSP
- General Code breach

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0800 111 509 to report fraud to the Ombud