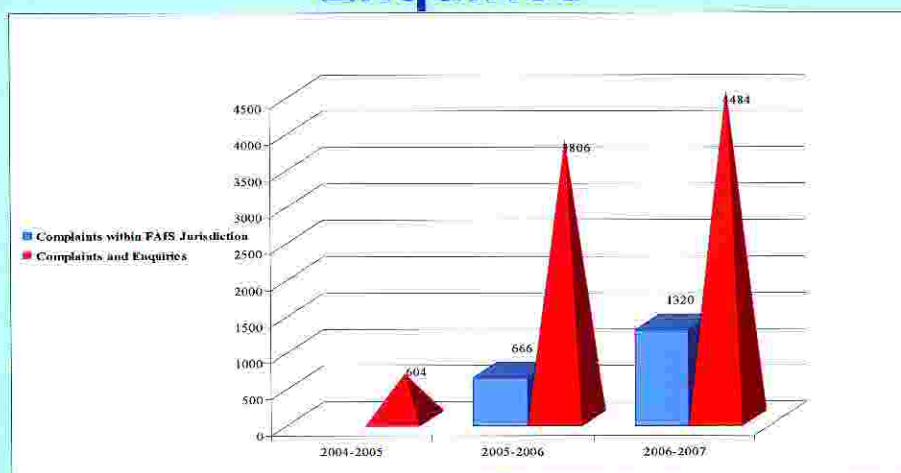
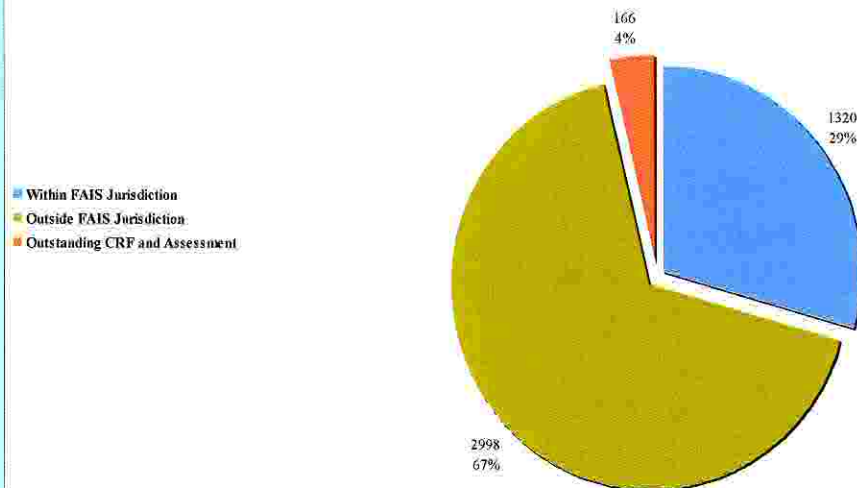




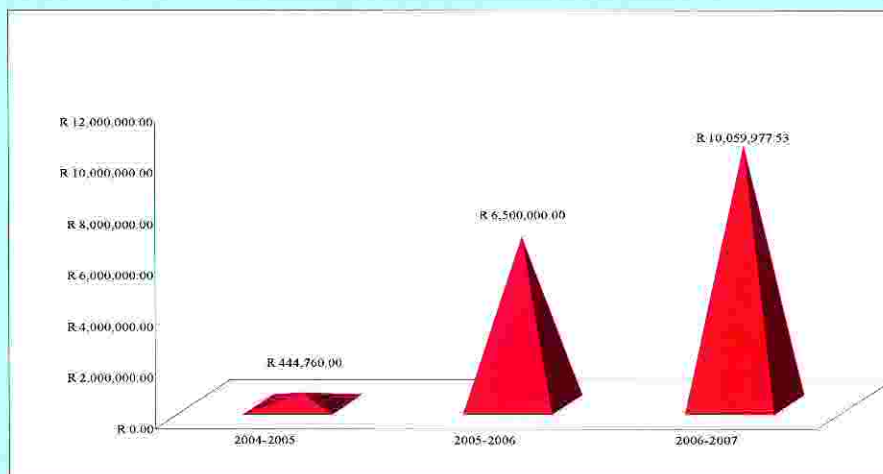
## Growth in Complaints & Enquiries



## Overview



## Quantifiable Settlements and Determinations



## ***Trevor A Manuel, MP***

### ***-Forward, Page 3 of the Report-***

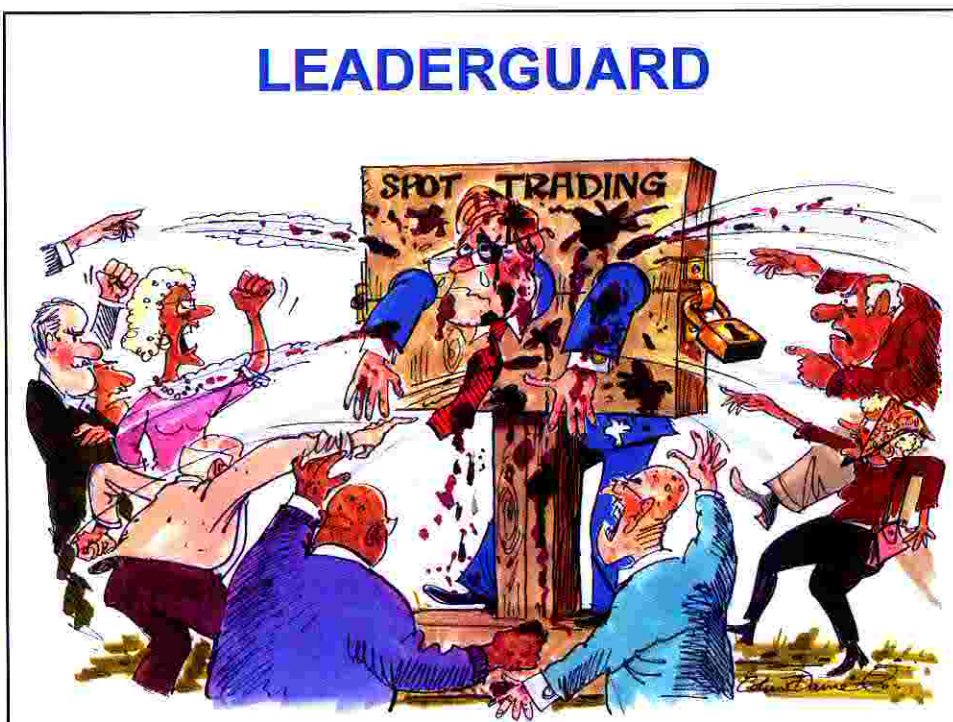
- Their work is of enormous benefit to the financial services industry, which cannot be quantified by simple addition of the value of determinations made in favour of complainants, but have significantly broader effects as the practices of those non-compliant are brought in line with the FAIS Act;
- All legitimate claims by investors will be paid in full.

## ***Trevor A Manuel, MP***

### ***-Page 2 of the Report-***

- 'A challenge remains in that those not financially literate are often seen as a soft target. The FAIS Ombud has noted that many complaints relate to illegal or sham investment schemes. Not only should the regulatory and prosecuting authorities deal harshly with vendors of such schemes, but a collective responsibility exists to promote consumer awareness'

# LEADERGUARD



## Key Areas of Non-Compliance

### – LEADERGUARD –

- The product was wholly inappropriate to the needs and circumstances of the client;
- In almost all the cases, the provider was not licensed in terms of the FAIS Act to render services in forex investment instruments and failed to disclose this to the client;
- The providers did not understand the product they were recommending and thus communicated incorrect information;
- The foreign forex services provider was not authorised in SA;
- The SA marketing arm was operating in terms of an exemption which could be withdrawn at any time;
- The key driver was higher than normal commissions;
- There was failure to display due skill, care and diligence by the providers, who also failed to appreciate the nature of the investment into which they placed their clients.



## WARRANTIES

Are you sure you're licenced  
to sell policies?

Don't worry, you're covered!



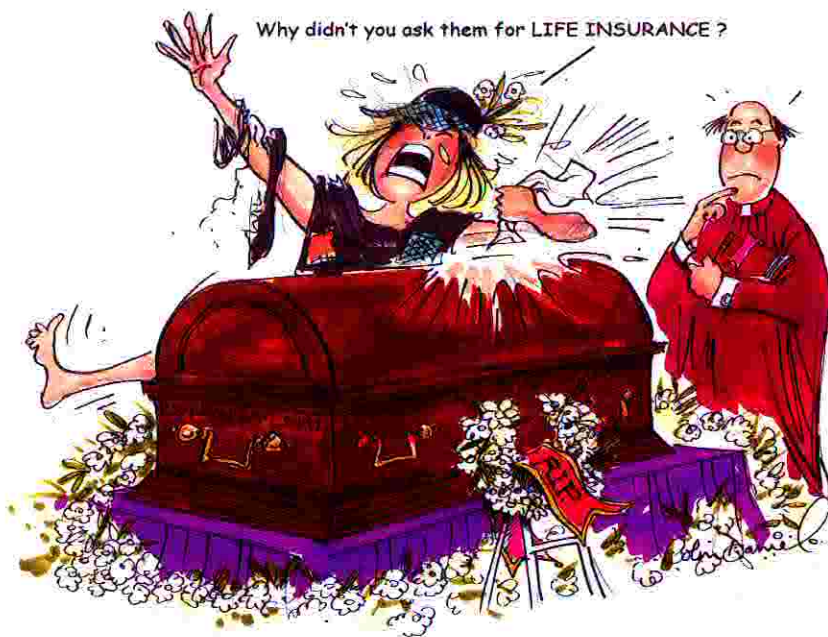
## FAILURE TO EXPLAIN MATERIAL TERMS/EXCLUSIONS etc.

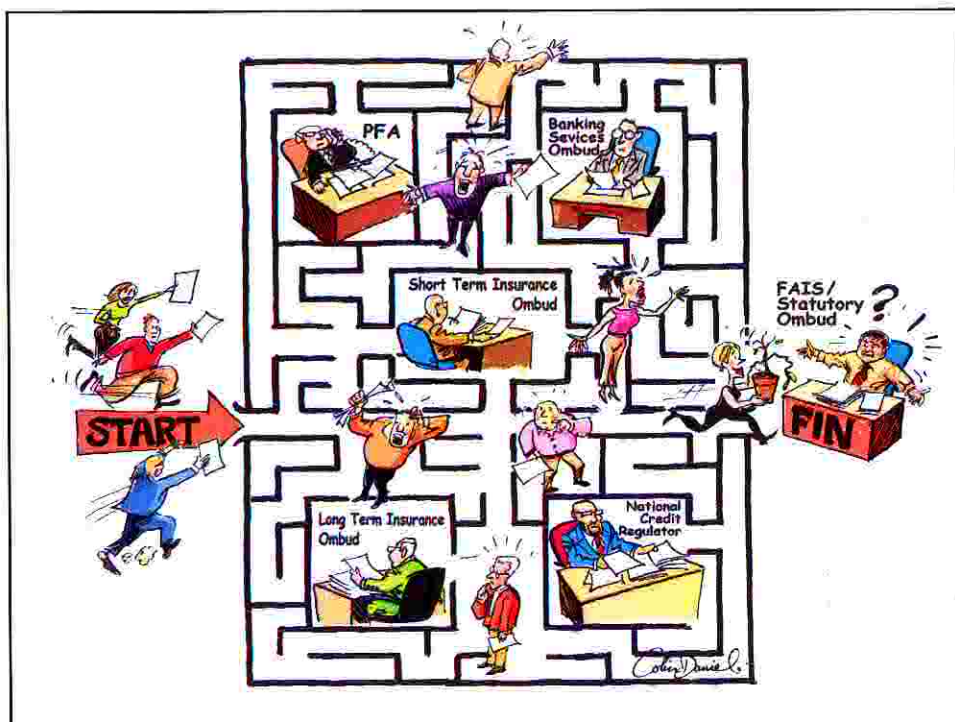
Oh the rest is just the usual small print,  
nothing to worry about ...

**INSURANCE SALES**



## UNAUTHORIZED POLICIES





TO: OFFICE OF THE OMBUD

DATE: 3 APRIL 2007

DAMAGES TO MY PLANTS DUE  
TO COMPOST MIXED WITH MY SOIL

I SHALL BE PLEASED IF YOU WILL  
ADVISE IF I MAY CALL ON YOU FOR  
ASSISTANCE AS I AM FACING A SUBSTANTIAL  
LOSS TO MY INCA LILLY PLANTS WHICH  
HAVE DIED AFTER ADDING COMPOST  
TO THE SOIL

*O.R. Joubert*



Die Ombudsman van Korttermynversekering het my gevra om die saak na u te stuur.

My klagte as volg:

1. Polis datum 1 Mei 1982 - R4.61 per maand  
Sien afskrif van oorspronklike polis. "A"

Sedertdien het AIG die polis premie verander sonder my goedkeuring en sonder om te sê wat die verbeterde voordele is. Sien korrespondensie met verhogings. "B"

2. Ek kry geen antwoord van hulle kliënte diens af nie.
3. Die saak was meer as 'n jaar by die Langtermyn Ombudsman en hy kon nie 'n rede of afskrif van enigiets kry om te bewys waarom die polis verhoog is nie.
4. Na 1 jaar sê AIG aan die Langtermyn Ombudsman die val nie onder hulle nie maar wel onder die Ombudsman van Korttermyn. Soos reeds vermeld verwys hy my na u.
5. Uit moedeloosheid vra ek om die polis te kanselleer – weereens het hulle dit geignoreer en nooit gekanselleer nie. Sien hul antwoord hierby aangeheg. "C"

My hoop is nou op u - ek voel dat aangesien al my eise oor al die jare afgekeur word ek graag al die geld wat ek betaal het wat meer is as wat die kontrak sê terug wil hê plus rente. Help asseblief – ek is al raadop en moedeloos.

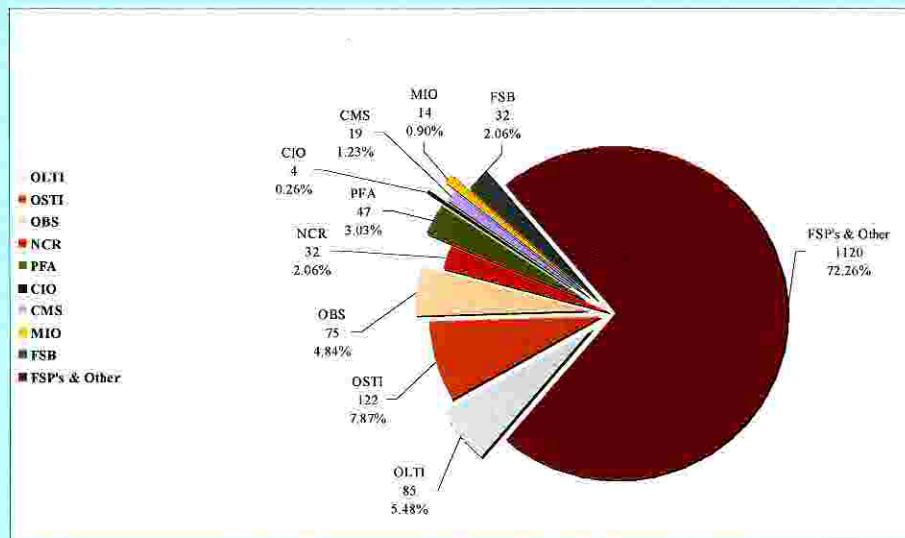
Byvoorbaat my dank.

Die uwe,

MNR D G C KAPP  
SEL: 083 330 7359

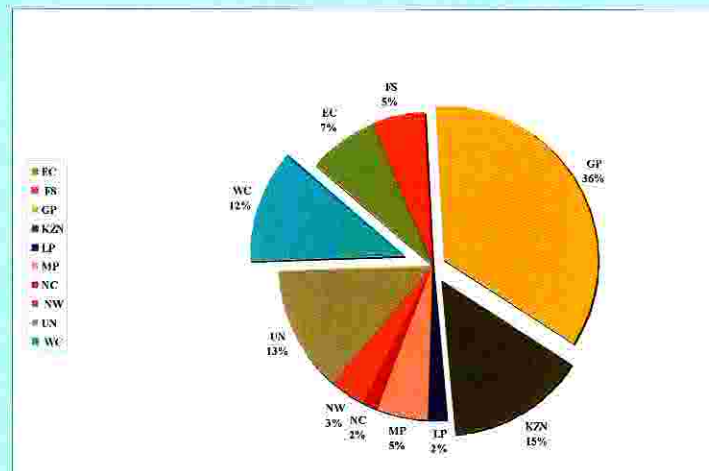


## How Complaints were Referred to Other Forums

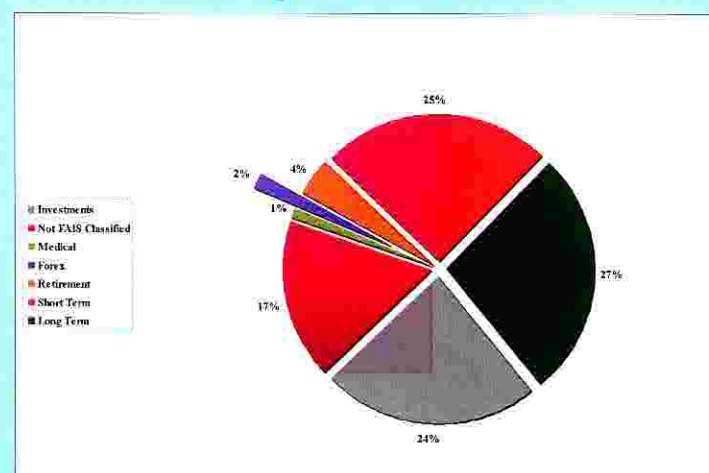


- 'Until there is a common independent platform for the resolution of disputes, the public will continue to suffer confusion in what can only be described as a jurisdictional labyrinth or Ombud market place';
- The impetus to reach the goal of a simple, easily accessible, dispute resolution forum that enjoys widespread trust and credibility must come from within the financial services industry;
- It is only by doing so that the industry can demonstrate commitment to the ethic of consumer protection and integrity in the financial services industry.

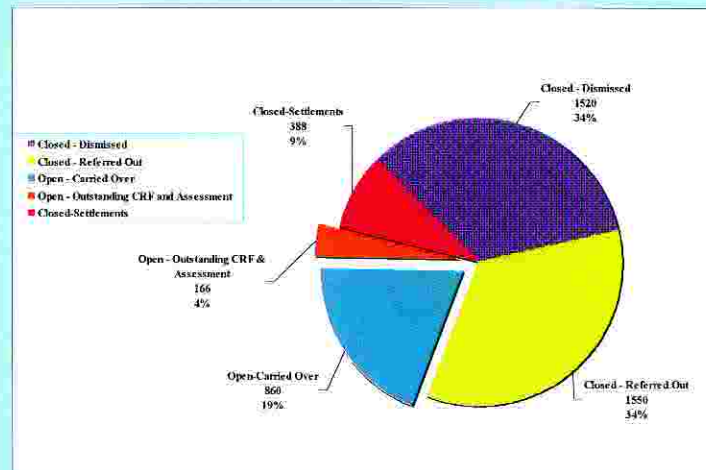
## Where do our complaints come from



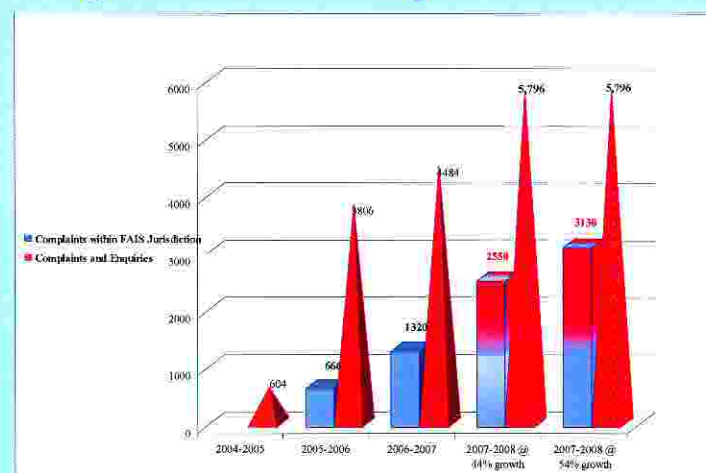
## What products do people complain about

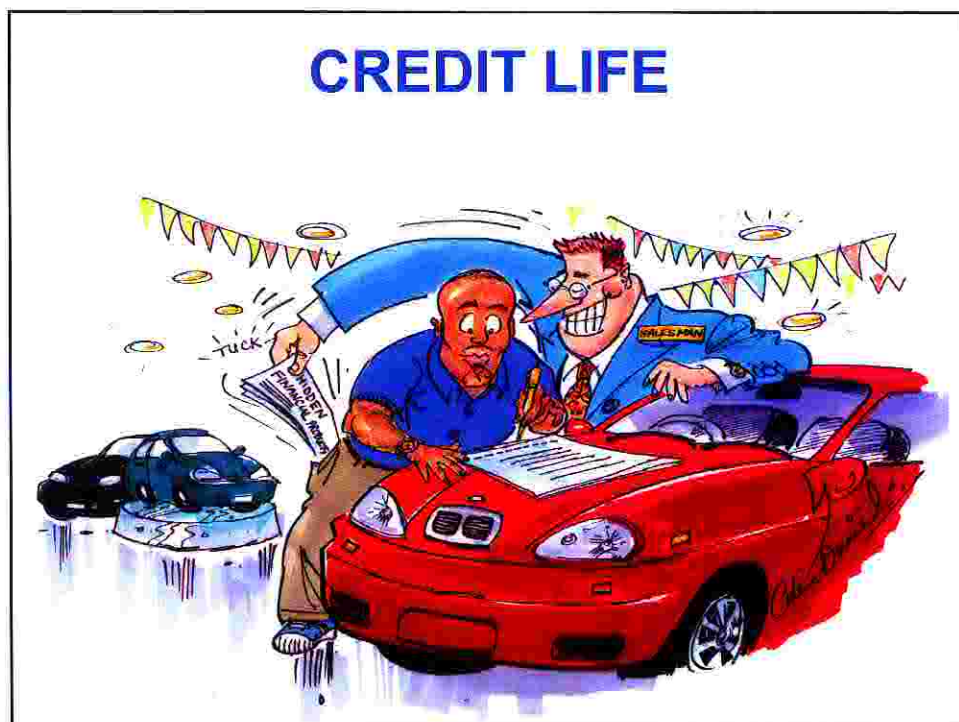
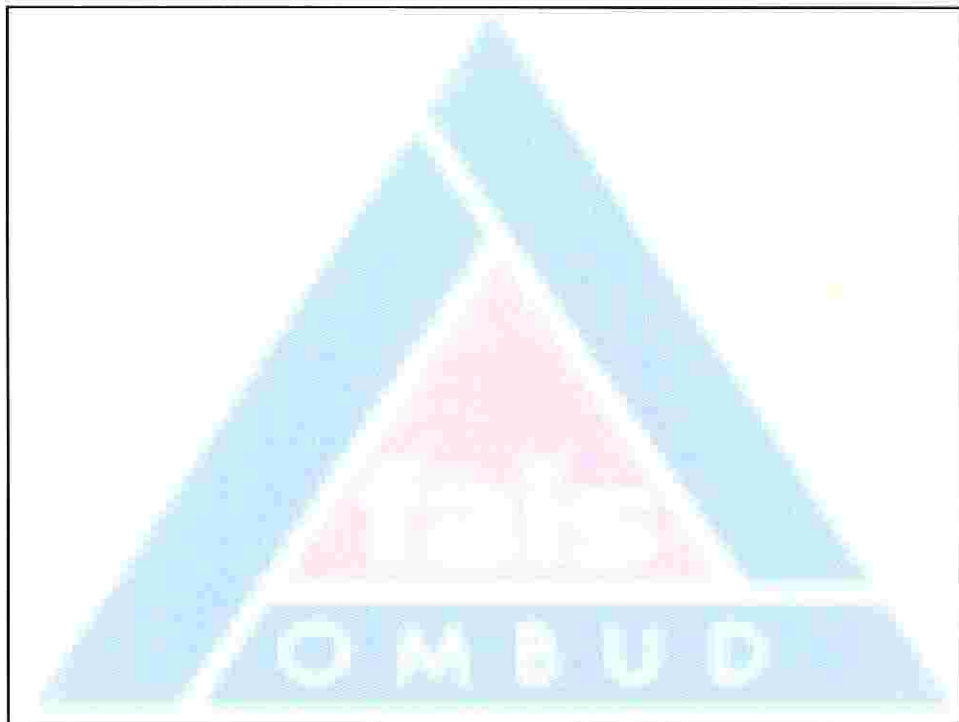


## How new complaints were processed



## Expected growth based on previous experience









Office of the Ombud for Financial Services Providers



**THANK YOU!**

**0860 FAISOM (324766)**

[www.faisombud.co.za](http://www.faisombud.co.za)

[\*\*info@faisombud.co.za\*\*](mailto:info@faisombud.co.za)