

**APPEAL BOARD OF THE FINANCIAL SERVICES BOARD**

Case No: A41/2016

In the matter between:

**NAOMI NAIDOO & ASSOCIATES CC T/A IN  
TOUCH INSURANCE BROKERS AND NAOMI  
ELIZABETH NAIDOO**

Appellant

And

**THE REGISTRAR OF FINANCIAL SERVICES  
PROVIDERS**

Respondent

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**DECISION**

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**INTRODUCTION**

- [1] The Appellant was an authorised Financial Service Provider ("FSP") until the respondent, on the 10<sup>th</sup> of October 2016, issued a notification in terms of the provisions of Section 9 (2) read with Section 9 (1) of the Financial Advisory and Intermediary Services Act, 37 of 2002 ("the FIAS Act"), advising the appellant of her decision to withdraw the authorisation. In the same notification and in terms of Section 14 (A) of FIAS, a debarment was encapsulated<sup>1</sup>. The effect of the notification is that the appellant and Ms Naomi Elizabeth Naidoo ("Naidoo") are prohibited from acting as a FSP and

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<sup>1</sup> See page 3 of the record- notification dated 10<sup>th</sup> October 2016.

cannot render any financial advice or intermediary services to clients, and from rendering any financial services on behalf of a registered FSP.

- [2] The debarment is to be in place for a period of five years.
- [3] The primary reason for the withdrawal of the license was due to the appellant's failure to comply with the Act, in that she failed to file a compliance report and has not sat and passed the RE.1 exam, and the grounds for the debarment was that the appellant contravened the Act by conduction financial advisory and / or intermediary services without being licensed thereto,<sup>2</sup>thus, no longer met the requirements contemplated in Section 8 of the FIAS Act relating to qualities of honesty and integrity.
- [4] The appellant noted this appeal on the 6<sup>th</sup> of February 2017.<sup>3</sup>
- [5] Before us, Naidoo a key individual of the appellant represented Naomi Naidoo & Associates CC,T/A In Touch Insurance Brokers ("ITI Brokers") and Mr Bredenkamp, appeared on behalf of the Registrar. The appeal document does not state the grounds succinctly and also fails to provide explicit particulars of grounds of appeal as is required by the Appeal Board Practice Directive.
- [6] The first four paragraphs of the appellant's "grounds of appeal", Naidoo makes various statements in connection with

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<sup>2</sup> See para 10 pg 6 of the record.

<sup>3</sup> Page 298 of the record, Appeal against the decision of the Registrar – Case No. A41/2016

past transgressions that form the basis for ITI brokers' suspension on 27<sup>th</sup> March 2016 and some remedial actions taken in response thereto (e.g. reference to the RE1 examination). These transgressions and remedial actions are not the subject of this appeal and are irrelevant to the question whether the Registrar was right or wrong in respect of the impugned decision.

- [7] In the fifth paragraph of the appellant's "grounds of appeal", we are merely referred to all the previous correspondence between Naidoo and the FSB regarding her responses and her reasons as to why the withdrawal of the license's authorisation should not be effected and why she should not be debarred. The "*previous correspondence*" referred to, are amongst others, those that I shall deal with hereunder. At the outset, it is common cause that ITI Brokers was suspended on the 27<sup>th</sup> March 2015 but it continued to render unauthorized financial services for more than one year after its suspension.

#### **RELEVANT FACTUAL BACKGROUND**

- [8] Naidoo is the controlling mind of the appellant and her defence to the Registrar's case as to her knowledge of ITI Brokers' suspension is constructed around the following factors:
- [a] according to her, she did not intentionally continue to carry on conducting financial services after ITI Brokers suspension as she was not aware of the suspension,
  - [b] her secretary failed to inform her about ITI Brokers suspension, and

[c] the office manager, being her daughter was hospitalized on the 10<sup>th</sup> of March 2015 *“with an illness”*. She also suffered an eye injury on the 21<sup>st</sup> of March 2015 resulting in both of them being absent from the office. As a result, Naidoo was *“in an emotional turmoil in March and April 2015”*.<sup>4</sup>

[9] In order to fully comprehend the defence raised by the appellant, the correspondence between Naidoo and FSB and the argument pursued by Naidoo during the hearing are of relevance.

[10] In a notice dated the 10<sup>th</sup> of March 2015<sup>5</sup>, the Registrar informed the appellant of her intention to suspend its license to act as a financial service provider due to reasons that the appellant does not meet or no longer meets the fit and proper requirements applicable to the licensee or key individual and has failed to comply with the provisions of the Act.<sup>6</sup>

[11] The facts point to the compliance reports being subsequently submitted to FSB but, Naidoo has failed to rectify the contraventions of the Act as she, as the key individual, did not complete the RE.1 exam. She submits that she knew that RE.1 exam was a requirement and could not conduct any new business until she had complied.

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<sup>4</sup> See pg 173 of the record.

<sup>5</sup> FSB’s letter dated the 11<sup>th</sup> of August 2016 pg 123 – 127, para 5.2 refers to the applicable correspondence.

<sup>6</sup> See notice of intention to suspend authorisation, pg128 of the record – dated 10 March 2015.

- [12] The appellant failed to respond to the notice referred to in the preceding paragraph, which notice informed appellant that should it fail to rectify the contravention on or before 24<sup>th</sup> March 2015, the Registrar would proceed with the suspension of the license. The suspension of the license was issued by the Registrar on the 27<sup>th</sup> of March 2015.
- [13] In the appellant's letter of the 22<sup>nd</sup> April 2015 to FSB, Naidoo mentions that she became aware of the suspension around March 2015<sup>7</sup>.
- [14] During the hearing, Naidoo jettisoned a letter of the 22<sup>nd</sup> April 2015 and submitted that she did not know anything about the letter as she did not author the letter.
- [15] In the letter of the 11<sup>th</sup> August 2016, the Registrar referred Naidoo to an unrelated investigation regarding the non-submission of a compliance report, during the course of that investigation, Naidoo forwarded a letter to the Registrar wherein Naidoo made the following statement:

*"Towards the later ('sic') of March 2015, I tried to do an astute and an error appeared saying, my FSB license was suspended. Upon checking with my office, I was told due to my compliance reports and RE.1 exam, the license was suspended", and  
"I was told by my secretary (Ms Govender) that my license has been suspended..."*

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<sup>7</sup> See a letter dated the 22<sup>nd</sup> April 2015 on the letterhead of ITI Brokers.

- [16] And at the hearing, Naidoo argues that in the light of the fact that she did not know that the appellant's license was suspended, she continued to practice as a financial adviser and she appealed to the Registrar and now to the Appeal Board that the withdrawal of her license or authorisation and her debarment be set aside. As she will comply with all the requirements, going forward. These submissions do not address the question as to whether the Registrar's decision was correct or wrong, and are in my view of no assistance to the Appeal Panel.
- [17] It is however necessary to scrutinize closely the factors that are dealt with in paragraph 8 above and to comment on them. We find the explanation given by Naidoo to be somewhat convoluted. The versions proffered regarding her knowledge of ITI Brokers suspension are self-contradictory and we proceed to deal with those hereunder.
- [18] In addition to the letter of the 22<sup>nd</sup> April 2015 Naidoo issued a letter dated the 24<sup>th</sup> August 2016 to FSB and acknowledged in that letter that the letter of the 22<sup>nd</sup> April 2015, was from her. The paragraph reads:

*"For reasons as stated in my previous letter to the FSB (dated 12<sup>th</sup> July 2016), I was in an emotional turmoil in March and April 2015. The correspondence from me to the FSB (dated 26-04-2015)(*"my own underlining and emphasis"*) is based on what I was verbally told by my secretary during this period of personal and emotional turmoil..."*

- [19] It is evident Naidoo was informed about the suspension of the appellant's licence but she simply continued to render financial services as an FSP without authorisation and in contravention of the Act. In any event, she knew that when her continued practicing as an FSP without having completed the RE.1 exam will lead to the withdrawal of the license on the 27<sup>th</sup> March 2015, due to her non compliance with Section 17 (4) and Section 10 of the Determination of Fit and Proper Requirement for FSP.
- [20] The withdrawal of the appellant's license was as a result of two reasons: Firstly, non-compliance with the Act, and Secondly, not possessing the character qualities of honesty and integrity.
- [21] The first one, i.e. not complying with the Act, was because the appellant through, or rather the broker, ITI Broker, conducted unauthorised business for more than a year. The second ground is giving a defence which was not true, in other words, the defence that she did not know about the suspension.
- [22] On the first ground, failure to comply with the Act, and conducting unregistered business; there is no submission that was made by Naidoo in this regard. It therefore remains common cause that appellant or Naidoo conducted unregistered business for more than a year. Mr Bredenkamp argued that this is a serious misconduct and submitted that the withdrawal and the debarment was warranted. In this regard, the appellant has an insurmountable problem on the non-compliance with the FAIS Act and the legislature sees the

rendering of unauthorised financial services business in a serious light. We shall revert to this issue later in our decision on the fairness of sanction of debarment for five years.

**NAIDOO'S GROUNDS BASED ON HER "EMOTIONAL TURMOIL IN MARCH AND APRIL 2015"**

[23] In an attempt to give credence to her version that she was not aware of the suspension, Naidoo puts the blame squarely on her secretary who she asserts failed to inform her about the suspension, and her daughter who was the office manager was hospitalised on the 10<sup>th</sup> of March 2015. She also suffered an eye injury on the 12<sup>th</sup> of March 2015 and this resulted in both the office manager and herself being absent from office. This is what Naidoo refers to as "*an emotional turmoil in March and April 2015*" in which she found herself.

[24] It has been pointed to us by Mr Bredenkamp, and this emanates from the facts, that during the period of more than a year appellant had written policies that are reflected in the table drawn from Discovery Insurance<sup>B</sup>. The extensive business that the appellant wrote as an unauthorised FSP yielded her a commission generated in a total sum of R88 292.08 in March 2015 and R71 511.28 in April 2015.<sup>9</sup>

[25] It is therefore significant to note that the "*emotional turmoil*" could not have been so severe or as dire as the appellant is

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<sup>8</sup> See Discovery records from pg 177 – 284 showing the extensive business the appellant wrote.

<sup>9</sup> See intermediary summary page for commission and for March 2015, pg 186 of the record and for April 2015 pg 194 of the record.



trying to depict, if you look at the extensive nature of the business she was able to write. In comparison to the amount of work that she was able to do during the period of "*emotional turmoil*" and to pick up a phone and enquired from the Registrar as to the status of the appellant as the FSP, more so, following the issuing of the notification dated the 10<sup>th</sup> of March 2015 which Naidoo on her own version was aware of, could not have been so onerous and overbearing on her "*emotional turmoil*".

- [26] Naidoo has provided no explanation why she could do certain things during her time of "*emotional turmoil*" but not others. She was for instance, able to attempt to write a RE.1 in April 2015 as this appears in her letter dated the 12<sup>th</sup> of July 2016.<sup>10</sup> Naidoo was also able to engage the Registrar regarding non submission of a compliance report on the 22<sup>nd</sup> April 2015.<sup>11</sup> Most notably, she was able to continue her business as usual in that she continued to render financial services as the only representative of ITI Brokers for more than a year after March / April 2015.<sup>12</sup>
- [27] It is evident that Naidoo failed to follow up on the status of the Registrar's notice of intention to suspend ITI Brokers dated the 10<sup>th</sup> of March 2015.

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<sup>10</sup> See record pg 138 the third and fourth paragraph, wherein Naidoo states that she sat for the RE.1 exam in April 2015 but could not pass the exam. And again made another attempt at writing the RE.1 exams in June and July 2015 but could not pass the exams. As she also confirmed during the cause of her oral submissions.

<sup>11</sup> See pg 173 of the record ( appellant's confirmation of this) and pg 177 – 284 (commission payment by Discovery)

<sup>12</sup> See pages 177 – 184 (the commission payments by Discovery Insurance).

- [28] If Naidoo's version is followed to its logical conclusion, she has failed to enquire from her secretary as to what had happened to the notice of intention to suspend and has left the appeal panel in the dark as to her explanation of having failed to enquire from her secretary or at least to enquire from the office of the Registrar by simply logging onto the FSB website to check the status of the letter of 10<sup>th</sup> March 2015.
- [29] Mr Bredenkamp argued that if the appeal panel accepts Naidoo's version that her secretary failed to inform her of ITI Brokers suspension, her failure to lodge positive enquiries herself in response to a notice of intention to suspend ITI Brokers for more than a year amounts to wilful abstention. Mr Bredenkamp's argument in this regard cannot be faulted. Naidoo conceded during her oral submission that it is her duty to contact and establish the attitude of FSB with regards to the suspension of the appellant's license as against the information that had to be supplied (i.e. the compliance report, as well as the fact that she still had to sit for the RE.1 exam). She conceded that it is her duty to contact FSB but she did not do that as she thought that FSB was still waiting for the issue of the RE.1 exams to be sorted out. Of course as I have mentioned above, Naidoo also conceded that she knew that it was a requirement to pass the exam as she could not have proceeded to conduct business without having fulfilled the exam requirement.<sup>13</sup>

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Pg 49 of the appeal hearing, questions raised with Ms Naidoo by Mr Damons:

"From my side, I have just got two issues that I want to deal with. The first one is, I think you've tried to explain the failure to submit the 2014 report. You tried to explain the issues around providing financial services when you not authorized to

[30] Indisputably Naidoo wilfully abstained from lodging any enquiries with FSB as she knew what the answer to her enquiries would be. She knew that she will be informed that ITI Brokers was suspended. In *Pickvest Investments (Pty) Ltd vs The Registrar of FSB*, Judge Howie, the erstwhile chairperson of the board, found that if you fail to make diligent enquiries where common sense basically tells you something and you do not act in accordance with the cognitive appreciation of what common sense tells you, the only inference that can be drawn from that, is that you doing so in a dishonest capacity. You not asking the questions because you know the answer. And in the same parenthesis, Naidoo's wilful abstention amounts to dishonesty on her part as this conduct was found in *Pickvest* to be warranting a finding of dishonesty and lack of integrity.

[31] Naidoo provided contradictory versions to the Registrar regarding her knowledge of ITI Brokers suspension. On 22<sup>nd</sup> April 2015, she engaged with the Registrar regarding the non submission of the compliance report and she confirmed having had knowledge of ITI Brokers' suspension since March 2015 already. Yet, on 12 July 2016 she maintained that she was not aware of the suspension and blamed her secretary for not informing her of this.

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do that. Just with regard to the exam, before you received all of these correspondence, were you aware that the RE.1 exam was a requirements?

Ms Naidoo : Yes

Mr Damons : So even before the correspondence you were aware that that was a requirement?

Ms Naidoo: Yes

- [32] Naidoo's attempt to jettison the letter of the 22<sup>nd</sup> April 2015 whilst in the letter of the 24<sup>th</sup> August 2015 she confirms to have written that letter can clearly not succeed.
- [33] The conclusion to which we are driven on this aspect is that the Registrar was justified to find that the explanation proffered by Naidoo on the 12<sup>th</sup> July 2016 was an unsuccessful attempt by her to create a defence to the allegation that ITI Brokers conducted unauthorised financial services. Naidoo consciously closed her mind to pursuing any lines of enquiry which could have informed her that the Registrar had suspended the appellant's license and her failure to do so leaves us drawing an inference, as the most probable one, that she knew that her enquiries would lead to the direct answer, that ITI Brokers was suspended. We reach this conclusion obviously, by also having accepted Naidoo's other version that she knew about the suspension of the appellant's license in March 2015. And we reject her defence that she did not author the letter of the 22<sup>nd</sup> of April 2015.
- [34] The next question that requires our attention is Naidoo's legal duties as an FSP and ITI Brokers individual key person. On Naidoo's version, ITI Brokers' secretary merely fulfilled administrative functions. Both herself and the office manager who is her daughter were absent from office due to injury to herself and illness to her daughter, during the period FSB sent the letter on 27<sup>th</sup> March 2015 advising her about the suspension.

- [35] In terms of paragraph 1 of part (VIII) of the Determination of Fit and Proper Requirements, an FSP must be able to maintain the operational ability to fulfill the responsibilities imposed by the Act on unauthorised financial service providers and, must ensure that internal control structures, procedures and controls are in place, which means that Naidoo had to maintain access to ITI Brokers communication not only during her *“emotional turmoil in March and April 2015”* but before and thereafter. Naidoo had to make arrangements that ITI Brokers could function properly in her absence. It is apparent from Naidoo’s version that she abdicated all oversight duties to her secretary instead of appointing a new key individual to take over that oversight functions at ITI Brokers during her absence. She failed to explain why she did not appoint a key individual during her time of *“emotional turmoil”*.
- [36] The delegation of her responsibilities to her secretary did not absolve her from her duties, in that, she remained the appointed key individual of ITI Brokers at all relevant times. There is no provision in the FAIS Act that allows a key individual to abdicate his/her responsibilities to another person. *“Key individual”* is defined in the FIAS Act as a natural person responsible for the managing or overseeing of activities of the appellant. In terms of Section 8(7)(c ) of the FAIS Act, Naidoo as a key individual became bound by the provisions of the FAIS Act. Most importantly, Section 17(3) of the FAIS Act makes it clear that the responsibility to establish and maintain procedures to be followed in order to ensure compliance with the Act remains that of ITI Brokers, through Naidoo as its key individual. A remark made by the Appeal Board in this regard, is of relevance, in the matter between

Coetzee and the Registrar of July 2016, the Appeal Board stated that: *"Needless to say, trust is indeed not restored in a non compliant FSP who places the responsibility on others to keep close watch over her/him, ensuring that they remain compliant. That would amount to shifting the responsibility for one's own actions on others and in this case, it does not inspire confidence that Mr Coetzee can by himself earn the trust for purposes of reinstatement."* On this aspect still, there is a clear emphasis that FIAS Act requires a key individual to be positioned internally within the FSP to oversee the activities of the FSP. In a recent decision of the Appeal Board between WD Jonker vs The Registrar of Financial Services of November 2016, the Appeal Board stated the following in respect of key individuals: *"[165]... A key individual therefore plays a critical oversight role which must be performed with utmost good faith. That it shall and must protect its clients interests, serving with due care, skill and diligence is imperative. He/she is responsible for managing and/or exercising oversight over all activities of the FSP and the people who serve as representatives of the particular licensee. The key individual therefore has a legal duty to ensure that financial services are performed with standards of conduct similar to those of a trustee in relation to the interests of a trust."*

- [37] In paragraph 179 of the same decision, the following is stated: *"[179]... Like is the case with any other key individual of an FSP, who like Mr Jonker also deals with clients, serving their financial interests and their financial wellbeing, that legal duty is an onerous one."*

- [38] Although the Jonker matter dealt with the key individuals lack of oversight over a representative who committed dishonest acts, the remark is equally relevant to this matter as Naidoo delegated the responsibility to her secretary who seem to have handled some of the correspondence on behalf of ITI Brokers but Naidoo still had to account for the actions (omissions) of ITI Brokers. Even if Naidoo's version is accepted that her secretary did not inform her about ITI Brokers' suspension, she still had a duty to see to it that ITI Brokers was compliant with the FAIS Act at all times, in particular, that the FSB's notice dated the 10<sup>th</sup> of March 2015, she on her version received, has been complied with, failing which she had the responsibility to engage with the FSB about the intention to suspend as contained in that letter. Had she done so, she would have noticed that ITI Brokers was suspended. Naidoo proffered no explanation as to why she did not make a simple enquiry over a period of more than a year about fallout of her failure to comply with the notice dated the 10<sup>th</sup> March 2015.
- [39] We conclude that Naidoo's time of "*emotional turmoil*" in March/April 2015 did not incapacitate her to such an extent that, for a period of more than a year, she could not raise a simple enquiry with the office of the Registrar as to the ITI Brokers status during her time of turmoil. It remained her responsibility to appoint a key individual or at the very least ITI Brokers had to cease to conduct any new business after the 27<sup>th</sup> of March 2015. Naidoo's attempt to blame her secretary and attribute her delegation of duties to her having suffered emotional turmoil is a further unsuccessful attempt to avoid taking responsibility for her actions and omissions.

## SANCTION

[40] The Appeal Board has previously found that a person lacked the necessary honesty and integrity from statutory contraventions alone, in the absence of evidence of a dishonest state of mind. In the matter of I. Bekker vs Registrar of FSB, (unreported, referred to as [2015] ZASCA 96, 1 June 2015) the Registrar debarred the appellant for among other things fraud perpetrated towards client as well as contravention of Section 7 of the FAIS Act and Section 7 of the Short Term Insurance Act. Both these contraventions relate to conducting unregistered financial service business as well as short term insurance business. On appeal, the Appeal Board found in favour of the appellant that she did not commit fraud but held that by not upholding the statutory requirements the appellant lacked the required honesty and integrity.

[41] It is significant to note that the legislature deems the rendering of unauthorized financial services business in an extremely serious light. This serious consideration has resulted in criminalizing such a conduct in terms of Section 36 of the FAIS Act which section states that the person who is guilty of an offence of conducting unauthorized financial services may be liable to a fine not exceeding R10million rand or imprisonment. It is common cause that ITI Brokers conducted unauthorised business for more than a year with Naidoo at the helm. Naidoo deliberate provision of contradictory versions has not made matters any better for her in any form or shape. As stated above, the letter of the 22<sup>nd</sup> April 2015<sup>14</sup> when she engaged the Registrar regarding the non- submission of the compliance

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<sup>14</sup> See pg 75 of the record



report, she confirmed having had knowledge of ITI Brokers suspension since March 2015 already. Yet on the 12<sup>th</sup> on July 2016 she maintained that she was not aware of the suspension and blamed her secretary for not informing her of the suspension. This evidently was an attempt from her to create a defence for ITI Brokers' conducting of unauthorised business. Her version that she did not know about ITI Brokers' suspension demonstrated a lack of honesty and integrity on her part. With those character traits lacking from her, she continued to conduct unauthorised financial services business intentionally.

- [42] It is so that, in the past the Appeal Board referred to the need to draw a distinction between negligence and dishonesty and in *Pieter Labuschagne vs The Registrar of Financial Services* where the Appeal Board found that dishonesty merits a severe sanction. We conclude that Naidoo's actions when acting on behalf of the appellant were by no means negligent but her conduct demonstrated dishonesty. With Naidoo continuing to practice as an FSP, poses a thread or potential harm to the public. The risk to the public is manifest when dealing with a person who has been shown to have acted in dishonesty. In the Supreme Court of Appeal matters between the Financial Services Board and *Barthram and Another*, the SCA dealt with the debarment of a representative by an FSP. The statement emanating from the court, applies equally to a sanction of debarment, when it comes to the need to protect the unsuspecting members of the public when dealing with persons who have being shown to be dishonest:

*The court stated "The debarment of the representative by a FSB is evident that it no longer regards the representatives as having either the fitness and properness or competency requirements. A representative who does not meet those requirements lacks the character qualities of honesty and integrity or lacks competency and thereby poses a risk to the investing public generally. Such a person ought not to be unleashed on unsuspecting public and it must therefore follow that any representative debarred in terms of Section 14(1) must per force be debarred on an industry wide basis from rendering financial services to the investing public."*

- [43] We are not satisfied that Naidoo has accepted that she has the duty or responsibility of not conducting unauthorised business and she attempted to blame her secretary. This in our view, is a result of lack of cognitive appreciation on her part of the seriousness of her conduct to the extent that it points to dishonesty on her part, cannot simply be ignored and dismissed as a mere act of negligence as Naidoo seems to suggest. In paragraph 74 of the Labuschagne– decision, reference is made to Swartzberg vs Law Society, Northern Provinces 2008 (5) SA 322 SCA at p330 B-C and importance of the transgressor appreciation of his or her wrong doing:

*"It is thus crucial for a court confronted with an application of this kind to determine what the particular defect or character or attitude was. More importantly it is for the appellant himself to first properly and correctly identify the defect of character attitude involved and thereafter to act in accordance with that appreciation. For, until and unless there is such a cognitive appreciation on the part of the appellant, it is difficult to see*

*how the defect can be cured or corrected. It seems to me that any true and lasting information necessity depends upon such appreciation."*

[44] The factors referred to in the Swartzberg judgment directly speak to the prospects of rehabilitation of the person found to no longer possess the personal character qualities of honesty and integrity. It is therefore apposite to mention that the penalty imposed by the Registrar was a well-considered penalty after making a value judgment on Naidoo's character, attitude and palpable lack of cognitive appreciation of any wrong doing on her part. There are no compelling reasons that we should interfere with the Registrar's findings and the sanction of debarment. In our view, the sanction imposed was not inappropriate and any submissions to the contrary made by Naidoo in this regard, fall to be rejected. The conclusion, to which we are driven, is that, the appellant's non-compliance with the Act, including the seriousness of Naidoo's failure to exercise her statutory duties as key individual within the appellant as well as her show of lack of honesty and integrity, all amounted to contravention of the FAIS Act and the code. Accordingly, the Registrar's disqualifying of Naidoo's continuing to serve as FSP and key individual of the appellant is justified and the debarment imposed on her on the grounds as determined by the Registrar is appropriate and there are no any other factors placed before the Appeal Panel that suggests there was any misdirection on the part of the Registrar.

[45] We conclude that the Registrar was justified to withdraw the authorisation of ITI Brokers and to debar Ms Naidoo for a

period of five years. It therefore follows that the appellant's appeal cannot succeed and the principle that costs should follow the results should apply.

**ORDER**

[46] The appellant's appeal is dismissed with costs.

Dated the 27<sup>th</sup> June 2017.



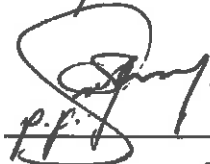
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AT NCOMGWANE SC, CHAIR



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J. DAMONS



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G. MADLANGA