

## **Press Release: 3 July 2019**

### **Settled Complaint**

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The Office of the FAIS Ombud is committed to resolving complaints in a procedurally fair, informal, economical and expeditious manner, with reference to what is equitable in all circumstances. In this vain, the FAIS Ombud always explores every available avenue to resolve a complaint between the parties on an informal basis, without the need to formally resolve the matter by way of a determination.

The complaint detailed below is one such matter where this Office was able to facilitate the successful resolution thereof by way of a conciliated settlement. Appreciating the fact that all matters settled by this Office are done on a without prejudice basis, this matter does address a few significant issues that this Office believes need to be highlighted.

The complaint below deals with a complaint against a bank where the complainant had approached this Office after having approached various entities and exhausted all available avenues. During the period 31 January 2018 and 26 February 2018, the complainant was the victim of Internet-fraud, committed by an entity behind a web trading platform. The complainant claims that he had been misled by the entity that it was appropriately regulated, that his funds would be kept in a segregated account and that he would participate in real-time trading. All information provided turned out to be false, and the complainant sustained losses as a result of the capital invested.

The complainant had prior to approaching this Office asked the respondent for assistance in providing information about the name of the acquiring bank and/or financial institution for the transactions concluded, so that the complainant and his legal representatives could enter into direct communication with it. The respondent was unwilling to assist the complainant and the complainant approached this Office as he believed that the respondent's refusal to provide the required information has hindered the possibility of him adequately protecting his interests

Before officially accepting this matter for investigation this Office contacted the respondent and implored it to consider, in the spirit of treating customers fairly, to utilise its significant resources to assist the complainant with the required information. Information that the average man in the street would not have access to, and which would allow the complainant to further his attempts at reclaiming his funds.

The respondent to its credit agreed that assisting the complainant with his request, would be in the spirit of treating customers fairly, and so agreed to investigate the matter on his behalf. Additional information was requested from the complainant and after a thorough investigation by its fraud investigation unit, the respondent was able to provide the complainant directly with the details of the merchant's details. The complainant let this Office know that the respondent had adequately assisted him and confirmed that the matter had been resolved to his satisfaction.

This Office receives numerous complaints where individuals have either been the subject of a fraudulent transaction or where the complainant has merely transferred funds into the incorrect bank account. Whilst this Office does appreciate that it may not always be possible to facilitate compensation for such matters, financial institutions such as banks, with the resources at their disposal, could offer assistance in empowering the complainant with information that will allow the affected individual to further attempts to rectify the situation. This can only be done where these institutions fully commit to the essence of treating customers fairly as detailed above, something that this Office is committed to fostering in a cooperative manner.