



**Financial Services
Tribunal**

THE FINANCIAL SERVICES TRIBUNAL

Case Number: FSP80/2025

In the matter between:

MOTLALEPULE SARTJIE KGOBE

APPLICANT

and

ASSUPOL LIFE

RESPONDENT

Tribunal panel: FD Kgomo (Chair), Adv KD Magano SC and Ms K. E Moloto-Stofile

For the applicant: Unrepresented

For the respondent: Ms A Mkhize

Hearing date: 13 April 2026

Decision date: 13 May 2026.

Subject: Debarment – Procedural unfairness not established. In terms of section 14(5) of the Financial Advisory and Intermediary Services Act, 37 of 2002 (“the FAIS Act”) the Respondent conducted the debarment within the stipulated timeframe.

DECISION

INTRODUCTION

- 1 The Applicant, Motlalepule Sartjie Kgobe, applies in terms of section 230 of the Financial Sector Regulation Act 9 of 2017 ('the FSR Act') for a reconsideration of Assupol Life Limited ("the Respondent") decision to debar her in terms of section 14 of the Financial Advisory and Intermediary Services Act 37 of 2002 ("the FAIS Act").
- 2 The Respondent is an authorised Financial Services Provider ("FSP") and a decision maker under section 14(2)(a) of the FAIS Act. The decision challenged relates to the debarment of the Applicant on the basis that she no longer complies with the fit and proper requirements of honesty and integrity.
- 3 The Applicant had been engaged as an independent contractor and representative of the Respondent from 15 September 2021 to 05 August 2025.

BACKGROUND FACTS

- 4 The Respondent alleges that it received complaints from two clients under the Applicant's portfolio, on 23 January 2025 and on 27 February 2025 both of whom alleged that they had no knowledge of policies number AL220000002566684 and AL230000002783841, respectively, which were issued to them by the Applicant. They denied that they ever applied for new policies and stated that the signatures on the disputed policy do not belong to them.
- 5 The Respondent suspended the Applicant on 05 of February 2025 and thereafter conducted forensic investigation which produced Investigation Reports dated 27 February 2025 for the complaint by client POM¹, and 03 July 2025 for the complaint by client TBRM² respectively.
- 6 The reports established that the Applicant had accessed and misused both clients' information in Respondent's records without the clients' knowledge and consent to populate Policy Application Forms and also forged the signatures of both clients. In addition, the Applicant fraudulently used her own cellphone to authorise policy transactions for POM instead of the client's.
- 7 The Respondent served a formal "Notice of Intention to Debar" on the Applicant on the 07 July 2025, inviting her to attend a debarment hearing scheduled for 23 July 2025. It also set out charges being preferred against her as:

¹ Part B of Tribunal Record pages 12-14 – Investigation Report of 27 February 2025

² Part B of Tribunal Record pages 18-22 - Investigation Report of 03 July 2025

- 7.1 **Dishonesty, lack of integrity or good standing:** She misrepresented that she completed and or submitted the application form for Excellence Family Funeral Plan on policy numbers AL220000002566684 and policy number AL230000002783841 to Assupol without proper authorisation from the policy holders;
- 7.2 **Misrepresentation:** She misrepresented the personal information and authorisation contained in the processing of the policy numbers AL220000002566684 and AL230000002783841 to Assupol Life with the intention to induce it to accept as genuine, in order to prejudice Assupol and its clients;
- 7.3 **Dishonourable and unprofessional conduct in rendering financial services:** She failed to render financial services with honesty, integrity, due skill, care and diligence and demonstrated unwillingness to comply with business conduct, regulatory;
- 7.4 **Fraud:** She unlawfully made a misrepresentation which caused actual prejudice to another; or which was potentially prejudicial to another; and
- 7.5 **Forgery and uttering:** She unlawfully and intentionally produced or passed false documents and or signatures to the actual or potential prejudice of another.
- 8 At the hearing, the Applicant was afforded an opportunity to respond to the allegations, present her version, and submit evidence in her defence before the appointed Chairperson.
- 8.1 The Applicant admitted all the charges against her and blamed a colleague, a runner, for providing her with false information which she processed without question;
- 8.2 The debarment panel found the Applicant guilty on all the charges, and as a result she did not possess characteristics of honesty and integrity as required by FIAS Act;
- 8.3 The Respondent served its notice of Debarment on the Applicant on 5 August 2025 informing her of the outcome of the debarment hearing and reasons. Respondent notified the FSCA of the debarment on 7 August 2025;
- 8.4 The Applicant has filed an application challenging the debarment.

GROUND FOR RECONSIDERATION

- 9 The Applicant alleges that on the 5th of February 2025, she was informed of her suspension, and that no further action was taken until the 23rd of July 2025 when she was informed that the debarment

hearing would take place on the 5th of August 2025 and that the gap of 6 months between suspension and debarment raises serious concern regarding fairness because she has been at home with no income and no job whilst no action was taken.

- 10 Applicant argued that the alleged six months gap period was prejudicial to her as she could not take up employment elsewhere and she has been home with no income during that period. For that reason, she was appealing for an attenuated sanction as she has already waited 6 months. This assertion was made in an email of 02 October 2025 attached to her Application for Reconsideration.³
- 11 The Respondent opposed the application for reconsideration on procedural grounds and contended that it complied with all procedural requirements. It contends that:
 - 11.1 The notice of intention to debar was issued timeously on 07 July 2025. The Applicant was furnished with detailed allegations and the opportunity to make representations; she attended the hearing and made submissions.
 - 11.2 Appearing before the Tribunal Ms A Mkhize argued on behalf of that the Respondent that the Applicant had not made out a proper case that the Respondent did not follow the correct procedure in her debarment proceedings; and
 - 11.3 That the Applicant is not fit and proper to be a representative in the financial services industry.
- 12 This Tribunal notes that the Applicant does not challenge the finding that she is not fit and proper to be a representative in the financial services industry.
- 13 In light of the above, the Tribunal must determine whether the debarment process was conducted in a procedurally fair manner, ensuring compliance with all relevant statutory requirements (including Section 14(5) of the FAIS Act) and affording the applicant a fair opportunity to be heard

LEGAL FRAMEWORK

- 14 Section 13(2)(a) of the FAIS Act provides (delete “in”) as follows:
 - (2) *An authorised financial services provider must—*

³ Part A Tribunal Record – page 4 -Email to the Applications

- (a) *at all times be satisfied that the provider’s representatives, and the key individuals of such representatives, are, when rendering a financial service on behalf of the provider, competent to act, and comply with—*
 - (i) *the fit and proper requirements; and*
 - (ii) *any other requirements contemplated in subsection (1)(b)(ii).*

15 Section 14(1)(a) of the FAIS Act provides:

“14. Debarment of representatives. —

(1) (a) An authorised financial services provider must debar a person from rendering financial services who is or was, as the case may be —

- (i) a representative of the financial services provider; or*
- (ii) a key individual of such representative,*

if the financial services provider is satisfied on the basis of available facts and information that the person —

- (iii) does not meet, or no longer complies with, the requirements referred to in section 13(2)(a);*
or
- (iv) has contravened or failed to comply with any provision of this Act in a material manner.*

(b) The reasons for a debarment in terms of paragraph (a) must have occurred and become known to the financial services provider while the person was a representative of the provider.

(2) (a) Before effecting a debarment in terms of subsection (1), the provider must ensure that the debarment process is lawful, reasonable and procedurally fair.

(5) A debarment in terms of subsection (1) that is undertaken in respect of a person who no longer is a representative of the financial services provider must be commenced not longer than six months from the date that the person ceased to be a representative of the financial services provider.”

16 Section 2 of the General Code of Conduct for Authorised Financial Services Providers and Representatives (“FAIS General Code”) provides that:

“A provider must at all times render financial services honestly, fairly, with due skill, care and diligence, and in the interests of clients and the integrity of the financial services industry.”

ANALYSIS OF PROCEDURAL FAIRNESS

17 Section 14(2)(a) of the FAIS Act requires that an FSP, before effecting a debarment in terms of subsection (1), must ensure that the debarment process is lawful, reasonable, and procedurally fair. Guidance Notice 1 of 2019 records that a debarment decision by an FSP constitutes the exercise of administrative action and it is required of FSPs in exercising their debarment powers, to act reasonably, rationally, and fairly.

- 18 Debarment proceedings must commence within six months from the date the individual ceased to be a representative of the FSP, provided the reasons for debarment occurred and became known while the individual was still a representative. This requirement has been complied with.
- 19 The Tribunal Record shows that the Representative Agreement (contract) concluded between the parties provides circumstances under which the Respondent would be entitled to cancel the agreement by notice those under which the contract would automatically terminate. The Respondent did not give notice of cancellation, nor did the circumstances warranting automatic cancellation occur. It is therefore evident that her employment was not terminated before the debarment process was embarked upon. In the premises, between the period of her suspension on the 5th February 2025 and her debarment on the 7th August 2025 she retained her position as a representative of the financial services provider (Assupol Life), although she could, obviously, not practice her trade.
- 20 The provisions of section 14 (1)(b) of the FAIS Act were therefore complied with. This provision does not prescribe a timeframe. By the same token the Respondent could not have fallen foul of the provisions of section 14 (5) of the FAIS Act, both quoted above. The Applicant's statement that she was suspended for six months without the Respondent doing anything to finalise the debarment is a non sequitur and is irrelevant. In addition, her computation is in any event faulty in that the Investigating Report was signed by Mr Jay Malatji on the 3rd July 2025, a month before the debarment.
- 21 As pointed out, the record does not have evidence of the Applicant's contract being terminated prior to her debarment. Having regard to the dates and timelines adverted to above the debarment was not done beyond the stipulated six months. Accordingly the legal consequence of a debarment, terminated her contract as a representative of the Respondent. In addition the legal consequence of a debarment ex lege (by the operation of the law), terminates the employment contract of the representative of a financial services provider. See in this regard sections 14(4)(a) and (b) as well as 14(9) of the FAIS Act requires the Respondent to terminate a debarred representative. They provide:
- “(14) Where the debarment has been effected as contemplated in subsection (1), the financial services provider must-;
- (a) *immediately withdraw any authority which may still exist for the person to act on the behalf of the financial services provider;*
 - (b) *where applicable, remove the name of the debarred person from the register referred to in section 13(3);*

(9) A person debarred in terms of subsection (1) may not render financial services or act as a representative or key individual of a representative of any financial services provider, unless the person has complied with the requirements referred to in section 13(1)(b)(ii) for the reappointment of a debarred person as a representative or key individual of a representative.”

- 22 The Applicant was informed accordingly in the debarment decision of 05 August 2025.
- 23 The following statement by the Applicant downplays the seriousness of the transgressions she has correctly been found to have committed. She says:

“The gap of 6 months between suspension and debarment raises serious concern regarding fairness because I have been home with no income and a job with no action that was taken against me. (I) am appealing that at least a lesser sentence be taken as I have waited for 6 months before the debarment.”

See paragraphs 7(7.1-7.5) above.

- 24 The conclusion is that the Applicant’s contention that the debarment process was unfair as it commenced after the expiry of six months is without substance and should be dismissed.
- 25 The Applicant further contends that as a result she suffered hardship during her suspension and should be compensated. The Applicant could not refer us to any provision in the law or her contract of employment where compensation during suspension is permissible or provided for. Ms Mkhize, for the Respondent, contended that there is none. The Applicant is the architect of her own misfortune. The Supreme Court of Appeal in ***Financial Service Board v Barthram and Another [2015] ZASCA 96;2018(1) SA 138 (SCA)*** at paragraph 16 sets out the consequences of a failure to meet the requirements of honesty and integrity as follows:

“[16] The debarment of the representative by FSP is evidence that it no longer regards the representative as having either the fitness and propriety or competency requirements. A representative who does not meet those requirements lacks the character qualities of honesty and integrity or lacks competence and thereby poses a risk to the investing public generally. Such a person ought not to be unleashed on an 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.”

26 In the papers before us and in the oral argument the Applicant in essence concedes her guilt and pleads for an attenuated sentence. It is aggravating that she permitted her runner to assist her to fabricate certain performance records she presented to the financial service provider, the Respondent. The Respondent was accordingly justified in imposing the sanction of the debarment.

CONCLUSION

27 On a conspectus of the entire evidence, we can discern no misdirection on the part of the Respondent either on the merits and in terms of the sanction. In the circumstances, the Tribunal can find no grounds to interfere with the Respondent's decision to debar the Applicant.

ORDER:

(a) The application for reconsideration is dismissed.

SIGNED ON BEHALF OF THE PANEL ON THIS 13 DAY OF MAY 2026.

 Sgd KE Moloto-Stofile _____

KE MOLOTO-STOFIL (ATTORNEY)

With the Panel consisting also of:
Judge FD Kgomo (Chair)