Financial Services Tribunal

THE FINANCIAL SERVICES TRIBUNAL

CASE NO: FSP66/2025

In the matter between:

BOKAMOSO SETERE Applicant

and

KING PRICE INSURANCE COMPANY LIMITED Respondent

TRIBUNAL PANEL:	Judge FD Kgomo (Chairperson), PR Long and A Saldulker
For the applicant:	In person
For the respondent:	Ms A Sahibdeen
Date of hearing:	27 March 2026
Date of Decision:	12 May 2026

DECISION

INTRODUCTION

1. This is an application, in terms of section 230 of the Financial Sector Regulation Act 9 of 2017 ('the FSR Act'), for the reconsideration of a decision taken by the respondent on 28 August 2025 to debar the applicant, Ms Bokamoso Setere, as a representative in terms of section 14(1) of the Financial Advisory and Intermediary Services Act 37 of 2002 ('the FAIS Act').

2. The respondent, King Price Insurance Company Limited, is a licensed insurer and authorised Financial Services Provider (FSR). The applicant was employed by the respondent from 1 November 2024 as a retentions consultant and was an appointed representative of the respondent in terms of the FAIS Act.

3. The applicant's grounds for reconsideration comprises both procedural and substantive grounds.

BACKGROUND FACTS

4. The applicant was employed as a retentions consultant in the respondent's Client Care and Retentions division. The core function of a retentions consultant is to deal with incoming calls from existing policyholders, either to retain the policy (typically by offering an alternative product or price) or, failing retention, to cancel the policy in accordance with the client's instruction.

5. On appointment the applicant signed the respondent's '*Client Services Do's and Don'ts*' document, as well as the declaration of honesty, integrity and good

standing. Rule 6.2 of the Do's and Don'ts expressly requires that, if a client requests cancellation of a policy, the consultant must do so immediately, select the correct cancellation reason, and confirm the cancellation date and refund amount. Rule 10.1 prohibits a consultant from retaining client interactions '*on the queue*' or disconnecting client interactions. The applicant also attended the respondent's induction programme, product training and compliance training during November 2024 and was subject to ongoing coaching.

6. A retentions consultant's earnings comprise a fixed monthly salary and commission. The commission structure is driven by a number of key performance indicators ('KPIs). Of these include '*workload*' and '*saved ratios*'. The Workload KPI records every 'action' performed on the system in relation to a policy. An action is registered when the consultant clicks either 'Retained' or 'Cancelled' on the policy. Thus, both a retention and a cancellation contribute equally to the workload count.

7. However, *'saved ratios*' is the most crucial KPI for purposes of earning commission. The saved ratio KPI comprises *'new business*' and *'existing business*'. Accordingly, the retention of existing business and/or the acquisition of new business contribute significantly to the commission earned by a consultant. Cancellations, whilst still counting toward workload, reduce the saved ratio and, in turn, reduce commission.

8. Following an internal audit the respondent identified eight calls, received by the applicant during July 2025, in respect of which the applicant was alleged to have

deliberately failed to cancel client policies despite the clients' express instruction to do so.

9. In each of the eight instances the respondent's system records establish that the applicant did not access the client's policy on the underwriting system, did not make comprehensive notes, did not cancel the policy and did not contact the client back. In several instances the policy was subsequently cancelled by another retentions consultant after the client telephoned or emailed the respondent again to complain.

THE DEBARMENT PROCEEDINGS

10. On 1 August 2025, the applicant was suspended on full pay pending investigation. On 6 August 2025 the applicant was served with a '*Notice to Attend Disciplinary Hearing*.' The notice, *inter alia*, set out the charge of dishonesty, particularised the eight calls which served as eight counts and informed the applicant of the date, time and place of the hearing. Moreover, the notice expressly warned the applicant that, in the event of a finding of guilt on '*FAIS related misconduct*', the respondent could proceed with debarment proceedings in terms of section 14 of the FAIS Act.

11. The disciplinary hearing was held on 11 August 2025. The applicant pleaded not guilty to the charges levelled against her. The applicant elected not to be represented and not to call witnesses. The respondent, represented by Ms Jacky Barnard as initiator, presented documentary evidence and called two witnesses who testified to the commission structure and to the applicant's workload in July

2025. The applicant cross-examined the witnesses. Moreover, the applicant acknowledged the occurrence of the conduct but contended that it amounted at worst to negligence and not dishonesty. The chairperson found the applicant guilty on all eight counts and recommended dismissal with immediate effect.

12. On 14 August 2025, the applicant was dismissed and, simultaneously, served with a '*Notice of Intention to Debar*' in terms of section 14(3)(a) of the FAIS Act. The notice identified the grounds of the intended debarment (non-compliance with the honesty and integrity requirements of the FAIS Act), recorded the findings of the disciplinary hearing, and afforded the applicant ten days in which to deliver written representations.

13. On 22 August 2025 the applicant delivered written representations. In those representations the applicant acknowledged the findings of the disciplinary proceedings and contended that:

'. . . *dismissal has already served as a serious disciplinary sanction with lasting professional and personal consequences. I therefore request that King Price consider whether further action in the form of debarment is proportionate under the circumstances, especially given the absence of prior misconduct. . . While I acknowledge that certain cancellation requests were not processed as required, I assure you there was no intent to defraud clients or the company. My actions were not premeditated or carried out with the deliberate aim of undermining the company's integrity. They stemmed from poor judgment during a period of pressure, and I now fully grasp the seriousness of the consequences. . . I am*

committed to correcting my course and am open to undertaking any form of remedial action, such as additional compliance training, supervised work, or a mentorship period. I ask for the opportunity to demonstrate that this incident was an aberration and not reflective of my true character or future intentions.'

14. The respondent considered the representations and, on 28 August 2025, notified the applicant in writing of its decision to proceed with the debarment. The written reasons recorded, *inter alia,* that:

14.1 By failing to cancel client policies, the applicant manipulated her saved ratio which is a key performance indicator in her commission structure;

14.2 The applicant had been provided with training and coaching;

14.3 The applicant, as a FAIS representative, signed and was aware of the honesty and integrity declaration and the scope of her role; and

14.4 The applicant's disciplinary record contained multiple prior warnings for similar offences.

15. The respondent was satisfied that the applicant no longer met the honesty and integrity requirements set out in section 13(2)(a) read with section 9(1)(c) of Board Notice 194 of 2017. The Financial Sector Conduct Authority was notified of the applicant's debarment on 28 August 2025.

THE APPLICATION FOR RECONSIDERATION

16. The applicant's grounds for reconsideration, distilled from her application of 2 September 2025 and her augmented grounds of 11 October 2025, are in essence the following:

16.1 First, that the debarment process was procedurally unfair in that: the decision to debar was taken hastily and without proper consideration of her mitigating circumstances; that corrective measures and coaching were still ongoing; that she had not been issued with a final written warning putting her on notice that dismissal or debarment was imminent; and that there was a lack of early intervention during July 2025 when the incidents occurred.

16.2 Secondly, on the merits: that she did not act with malicious or fraudulent intent; that the incidents were sporadic and inconsistent and reveal no pattern of deliberate misconduct; that no client suffered financial prejudice; that her workload ratio was below the earning threshold in July 2025 with the result that it would have been against her financial interest to avoid taking or cancelling calls; and that her conduct was, at worst, negligent and therefore did not reach the threshold of dishonesty or lack of integrity contemplated by the FAIS Act.

16.3 Thirdly, that debarment was a disproportionate sanction, particularly in circumstances where she had already been dismissed. The applicant

tendered further compliance training, supervised work or a mentorship period as an alternative remedial measure.

17. On the issue of procedure, section 14(3) of the FAIS Act sets out the procedural requirements for a debarment. In summary, before debarring a person the FSP must give the person adequate notice in writing specifying the intended action and the grounds and reasons for it as well as any terms attached to the debarment. The notice must also afford the person a reasonable opportunity to make submissions in response to the intended debarment. The FSP must consider any response and thereafter take the decision to debar, notifying the representative forthwith of the decision and the reasons for it.

18. The record which served before the Tribunal demonstrates that the respondent complied with each of these requirements. The applicant was given written notice of the intention to debar on 14 August 2025. The notice expressly set out the legal framework, the grounds of the intended debarment, the findings of fact on which it was based and the ten-day period within which representations could be made. The supporting bundle was made available. The applicant delivered her representations on 22 August 2025. Those representations were considered, as is apparent from the reasoned decision of 28 August 2025, which engaged with each of the points raised by the applicant. The decision itself was conveyed to the applicant in writing and advised her of her right to apply to this Tribunal for reconsideration.

19. Accordingly, there is no merit in the applicant's complaint that the debarment procedure was unfair.

20. Regarding the merits, section 13(2)(a) of the FAIS Act requires an FSP to be satisfied, at all times, that its representatives are, and remain, fit and proper. One of the pillars of fitness and propriety, imposed by section 9 of Board Notice 194 of 2017, is that the representative must be honest, have integrity and be of good standing. Section 14(1)(a)(i) obliges the FSP to debar a representative who no longer complies with those requirements.

21. It is common cause that the eight incidents occurred. Indeed, the applicant does not dispute them. The question is whether the conduct was dishonest and evidences a want of integrity.

22. The Tribunal is satisfied, on the contemporaneous system records and on the applicant's own case, that her conduct was deliberate and not negligent. The pattern is unmistakable. In each of the eight calls: the applicant answered the call; attempted (however briefly) to retain the policy; established that retention was not possible; placed the client on hold; and then either ended the call herself or waited passively for the client to drop the call. In no instance did she enter the policy on the underwriting system, nor did she record notes of the interaction or call the client back. This demonstrates a deliberate and conscious course of conduct inconsistent with negligence.

23. The applicant's contention that the incidents were sporadic is not supported by the evidence. The repetition of the same conduct across eight separate interactions within a single month establishes a clear and consistent pattern.

24. The purpose of that course of conduct is readily inferred from the commission structure. A cancellation recorded by the applicant on the respondent's system would have counted toward her workload KPI but would simultaneously have reduced her saved ratio. By not recording the cancellations, another consultant had to attend thereto (inevitable once the disconnected client telephoned back and the call was routed elsewhere). In this way the applicant kept her own saved ratio intact and, by the same token, lowered the saved ratio of the colleague who completed the cancellation. The financial consequence is borne out by the common cause evidence that the applicant's commission for July 2025 (R15,896) was approximately R9,934 less than her commission for June 2025 (R25,830) and approximately R5,770 less than her commission for May 2025 (R21,666). Any further cancellations in July would have reduced the commission still further. The applicant therefore had a clear pecuniary motive to avoid the cancellations.

25. The applicant's submission that she was simultaneously underperforming on her workload KPI and that it would therefore have been irrational to avoid taking or cancelling calls, does not assist her. The evidence of Ms Annika De Villiers, which the chairperson accepted, was that the applicant was in fact above the minimum workload requirement throughout July 2025, albeit below the higher threshold for earning potential on that KPI. More importantly, the saved ratio

was, on any reckoning, the more valuable KPI, and the conduct is consistent with a preference for protecting the saved ratio at the expense of the marginal workload gain, which a properly captured cancellation would have produced. The applicant's own evidence before the chairperson (and her subsequent acknowledgement in her representations of 22 August 2025 that, by deviating from the standard process, she had 'inadvertently manipulated' her KPIs) is corroborative of precisely this inference.

26. Nor does the absence of direct financial prejudice to the clients avail the applicant. What a representative's integrity requires is that the representative act, at all times, in the best interests of the client and of the FSP in the rendering of financial services. A retentions consultant who, in order to inflate her own commission: frustrates a client's clear instruction to cancel a policy; keeps the policy on risk against the client's will; causes the client to continue to pay premiums she has elected no longer to pay; and then conceals the conduct by not entering the policy on the respondent's system in an attempt not to leave a digital footprint, acts dishonestly.

27. The plea for proportionality and for rehabilitation must also fail. Debarment under section 14 of the FAIS Act is not a disciplinary penalty, but a regulatory consequence that follows, by operation of the statute once the fit and proper criterion is no longer met, aimed at protecting the public and the integrity of the financial services industry.. The remedy for any perceived harshness lies in section 14(9) which entitles the applicant, in due course, to apply for

reappointment. It does not lie in relaxing the integrity standard on which the public must be able to rely.

28. In light of the above, the Tribunal is satisfied that the respondent acted lawfully, procedurally fairly, and in accordance with its statutory obligations. The applicant has failed to establish any basis for interference with the debarment decision.

ORDER

29. In the result, the Tribunal makes the following order:

i) The application for reconsideration is dismissed.

SIGNED ON BEHALF OF THE TRIBUNAL ON THE 12th DAY OF MAY 2026

__Sgd Adv PR Long_____
Adv PR Long (On behalf of the Tribunal)