

NOTICE

RECOGNITION OF THE NATIONAL FINANCIAL OMBUD SCHEME SOUTH AFRICA AS AN INDUSTRY OMBUD SCHEME

The Ombud Council is very pleased to announce that it has today granted recognition under section 194 of the Financial Sector Regulation Act, 2017 (Act No. 9 of 2017) (FSR Act) to the **NATIONAL FINANCIAL OMBUD SCHEME SOUTH AFRICA (NFO Scheme)**, as an industry ombud scheme for purposes of that Act. The recognition is effective from **1 March 2024**. The granting of recognition includes the Ombud Council's approval of the governing rules of the NFO Scheme, comprising its Memorandum of Incorporation and the Rules of the Scheme, which are also published today.

The recognition of the NFO Scheme marks a significant shift in the financial ombud landscape. The Scheme is the successful outcome of a substantial project to amalgamate four previous industry ombud schemes (the Predecessor Schemes), which were recognised by the Ombud Council in May 2022, and which had previously operated in terms of the repealed Financial Sector Ombud Schemes Act, 2004:

- The Credit Ombud Association
- The Ombudsman for Banking Services
- The Ombudsman for Long-term Insurance
- The Ombudsman for Short-term Insurance.

The Ombud Council will therefore, in parallel with granting the recognition of the NFO Scheme, revoke the recognition of the Predecessor Schemes, with effect from midnight on 29 February 2024. Separate notices to this effect will be published on the Ombud Council's website.

The NFO Scheme will ensure, in accordance with the attached Recognition Conditions, that financial customers and affected financial institutions will, for at least the next six months, be able to continue using the Predecessor Schemes' contact details, to access the NFO's services. Any complaints in the process of being dealt with by a Predecessor Scheme as at 29 February 2024, will be managed to completion by the NFO Scheme. The intention is to ensure that the switch from the Predecessor Schemes to the harmonised and streamlined complaints handling service of the NFO Scheme, will be as seamless as possible for financial customers, financial institutions, and the Scheme's other stakeholders.

The Ombud Council takes this opportunity to thank the ombuds, governing bodies and staff of the Predecessor Schemes for their proactivity in initiating the establishment of the NFO Scheme and the hard work that has gone into the amalgamation project. We also thank them all, past and present, for their commitment over the years to helping thousands of South Africans from all walks of life secure a fairer outcome where they felt let down by the financial sector.

The following documents are published together with this Notice:

- Explanatory Note: Background to the establishment of the NFO Scheme.
- NFO Scheme Recognition Certificate, including Recognition Conditions.
- Approved governing rules of the NFO Scheme, comprising:
 - Memorandum of Incorporation ("MOI").
 - Rules of the NFO Scheme.
- Consultation report.

Leanne Jackson
CHIEF OMBUD
OMBUD COUNCIL

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