

**MINUTES OF THE PENINSULA ANNUAL GENERAL MEETING OF
THE FINANCIAL INTERMEDIARIES ASSOCIATION OF SOUTHERN AFRICA (FIA) HELD
ON 24 JANUARY 2019
AT THE KING DAVID MOWBRAY GOLF CLUB, MOWBRAY FROM 09:30 TO 10:30**

MINUTES

1. WELCOME

The acting chairperson, Dryden Doughty, opened the meeting and welcomed the members to the meeting, especially Peter Atkinson and new members attending for the first time.

2. PRESENT & APOLOGIES

Dryden Doughty (chairman), Peter Atkinson, Nick Barnard, Heidi Beckett, Robin Bownes, Annameka Carter, Denis Coyne, Nasrulla Enus, Richard Filer, Marcus Gordon, Tony Gray, Lisa Griffiths, Barry Henebrey, Johan Heymans, Jill Ingram, Andre Jooste, Ivan Krug, Hamish Leppan, Neville Lintnaar, Andrew Ludwig, David Melvill, Lance Moore, Michael Morris, Donna Muller, Michelle Nicholls, Patrick O'Reilly, Reg Pitcher, Robert Putzel, Christine Read, James Rustin, Jannie Schoeman, Yvette Schroder, Audrey Simpson, Daniel Snyder, Leopold Stoch, Sean Slabbert, Andriette Swart, Stuart Toerien, Theo van Zyl, Hannalize Varley, Constantine Varley, Michelle Varner, Claire Vaskys, Callie Vorster, Fiona Wall, Simeon Watson-Stoch, James Wendel, Henry Williams, Kholiswa Yako, Robin Thorne, Donovan Witten and Alet de Vries

Apologies:

Sandra Snowball, Ivan Krug, Kathy Mossop, Lisa Ridout, Nico Barnard, Keith Thyse

3. CONFLICT OF INTEREST TO BE DECLARED BY THE MEMBERS:

The members have nothing to declare.

4. MINUTES OF PREVIOUS ANNUAL GENERAL MEETING HELD 14 FEBRUARY 2018.

Lisa Griffiths proposed that the minutes were accepted. Michael Morris seconded.

5. MATTERS ARISING

No matters arising from the previous minutes.

6. REPORTS:

6.1 Chairman's report

The Chairman read Nico Barnard's report. See at the end of this minutes.

6.2 Financial report – Michael Morris

The Treasurer reported that the financial state of the branch is healthy.

For the financial period up to 10 January 2019, the branch received income of R53 625 in membership fees and R115 441 in sponsorships. The expenses totaled R164 816, including R60 000 donated to the branch charities.

He explained how the budget is laid out for the next year and asked the members to assist in finding sponsorship to offer more meetings and CPD training.

6.3 Annual Charity Golf day 2018

Michael Morris mentioned that the branch had a very successful golf day on 22 November 2018. Carel Du Toit, St Joseph Home, Ruyterwacht Preparatory School received R18 000 each and the Animal Rescue Organisation received R6000.

6.4 Short term report

Please see the Short-term insurance report compiled by Henry Williams at the end of these minutes.

6.5 Meetings and Functions report

Please see the Meetings and Functions report compiled by Yvette Schroder at the end of these minutes.

6.6 Financial Planning report

Please see the Financial Planning report compiled by Jannie Schoeman at the end of these minutes.

7. ELECTION OF COMMITTEE FOR 2019

The elections were handled by Johan Heymans and he explained the rules and proceedings of the elections and there were no objections. The electronic nomination system seemed to also work well and closed 48 hours prior to the meeting. There was a quorum present at the meeting.

Johan listed the nominations received.

Nico Barnard was elected as **Chairman**.

A vote by show of hands were done between Henry Williams and Dryden Doughty for the position of Vice Chairman. **Dryden Doughty** was elected as **Vice Chairman** after receiving the majority of the votes.

Michael Morris, Henry Williams, Jannie Schoeman, Andrew Ludwig and Robert Wilson were elected on the committee for 2019.

Jill Ingram and **James Wendel** were co-opted on the committee from the floor.

The Chairman thanked Yvette Schroder in her absence for all the effort and assistance she put into her portfolio.

8. QUESTIONS AND ANSWER SESSION

8.1 Venue:

The Chairman clarified to the members that the committee is open to look at alternatives for venue options and to please forward their suggestions.

8.2 Which weekday to hold the meeting:

The members discussed the issue and voted to have member meetings on a Thursday.

8.3 Why not use some of the profit from the golf day to fund additional meetings.

Hamish Leppan asked the question. Various comments were given on both sides of the argument. The members said that they are willing to attend a CPD training event sponsored by a product provider.

The members voted on the issue of utilizing 20% of the profit from the golf day for the Christmas lunch and extra meetings. After a second vote, the majority voted that all the funds raised at the golf day will be given to charity.

9. CLOSING

The newly elected chairman adjourned the meeting.

.....
Chairman

.....
Date

.....
Minute Taker

INDEX OF ADDENDUMS

1. **THE CHAIRMAN'S REPORT** – Nico Barnard
2. **SHORT TERM REPORT** – Nico Barnard
3. **FUNCTIONS AND ENTERTAINMENT REPORT** – Yvette Schroder
4. **FINANCIAL PLANNING REPORT** – Jannie Schoeman

ADDENDUM 1

FIA Peninsula Branch Chairman's Report – 2018 (Nico Barnard)

2018 was a hugely successful year for the FIA. Our position as a key role player in the Financial Services industry was well and truly cemented and more progress was made than in any other year. This was to a large degree due to the strategic decisions made in 2017, carried out during 2018. Every structure within the organisation became far more focused on strategy and leveraging the influence that our member body can and will exert on the industry to ensure that the most favourable outcome for all stakeholders is obtained. To this end, members of the Peninsula Branch would have witnessed the changes with less focus on the social side to more emphasis on the factors which influence all of our businesses. I believe that this was a very timely shift in focus and will definitely go a long way in securing the vital role we play in the industry.

It was of course a year of much uncertainty and plenty speculation. There were concerns over the full impact legislation would have on our businesses, in particular the full implementation and monitoring of TCF, the changes to binder regulations and of course the introduction of CPD points across all disciplines. These changes have and will continue to have major impact on the costs of doing business. However, while the changes brought uncertainty, they most importantly will have the effect of professionalising our industry and though perhaps difficult to see at times, will in the long term make our jobs more sought after as well as more respected by our clients and the public at large.

Finances play a pivotal role in our existence and it is no secret that in these tough economic times we all have to pull in our belts and by necessity do things differently. This paradoxically aided the objective of being more strategic. A low response rate from members as well as a lack of sponsorship necessitated charging to attend our annual year end function. It was therefore decided not to waste funds in holding a half baked function and to rather put the funds to better use. The Power Sessions held in 2017 were abandoned in 2018 for similar reasons. Again depictive of the ever changing circumstances we operate in. Change is inevitable and we need to adapt lest we become redundant or irrelevant.

2019 will see the introduction of 3 member meetings for the year plus an AGM, paid for by Head Office. Uniformity has also been sought in the way that sponsorship and funding is raised by each branch with the Peninsula committee voting to provide packages to prospective sponsors who pay in advance for a scale of benefits dependent upon the amount sponsored. The idea being that more financial certainty will ultimately be obtained. A year end function unfortunately is not included in the budget and I would like to make a plea (a year in advance) to every member to assist in whatever way possible in raising sponsorship for an event.

With the flurry of legislative changes thrust upon our industry, it has become increasingly necessary to build up a “war chest” to cover costs relating to legal and technical matters. The FIA can no longer solely rely on it’s membership to effectively address the challenges we face and it has become tactically necessary to have recognized professionals representing us.

The Peninsula Branch is very fortunate to have a passionate member base that is not shy to get involved in giving back to the industry with their time and expertise. As a result, our branch is well represented at the Advisory Council – the body specifically responsible for directing input and recommendations to Board. The disciplines represented by our committee members during 2018 were:

Short Term Technical – Henry Williams.

Employee Benefits – Michael Morris

Training and Education – Andrew Ludwig

Short Term – Nico Barnard

The costs for these members to attend meetings is born by Head Office and falls outside of our branches budget.

The committee met monthly between February and November and the team spirit and co-operation of every committee member lead to a successful year. I would like to personally Thank the committee for selflessly giving of their time for the benefit of our members. Time, which could have been spent on their own businesses. The highly successful Golf Day held in November was testimony to the superb efforts from every committee member very ably aided of course by Alet and Sandra. The true spirit of giving back to the community was portrayed in the record amounts donated to the chosen charities this year.

In conclusion, it was a challenging and busy year and it was only because of the unwavering commitment of the committee and the secretariat that we were best able to support our membership base. My heartfelt appreciation to the committee, Sandra and Alet for their assistance. I look forward to what 2019 has in store!

ADDENDUM 2

FIA Peninsula Branch Short-term insurance report – Henry Williams

BRIEF SUMMARY

1. IMPORTANT ITEMS TO BE NOTED ARISING FROM THE PREVIOUS REPORT IN 2018

Reference was made to:

The importance to understand when a Sprinkler system is necessary to be installed.

How Asbestos to be discarded (refer to local bylaws and legislation).

With the recent drought, the onus is on the client to make sure that there is sufficient water to dose a potential fire.

Low value vehicles are a contentious issue – brokers to make clients aware that when they insure these cars does not necessarily mean they will get paid the sum insured.

Hijackings are on the rise in Gauteng and license numbers are being cloned.

The panel system is an issue – when a client has a claim, he/she has to go to a panel beater prescribed by the insurers list, but when the client has an issue with the panel beater, the insurer does not assist. Ongoing issue.

2. EXCERP TAKEN OUT OF THE TECHNICAL MEETING HELD ON THE 31ST OCTOBER 2018. BROKERS TO TAKE NOTE.

Duecare/precautions wording

Peter Atkinson said that an incident had prompted an investigation into the wordings used by different insurers around the need for insureds to take due care to prevent loss or damage to insured items.

For more notes on the above meeting, please refer to the attached minutes.

3. GENERAL

FIRES / STORMS

The cost of the fires and storms in the Western Cape ending June 2107, costed between R3 billion and R4 billion. Insurers say the total cost to the industry have exceeded previous disasters and will lead to higher insurance premiums in the affected areas.

2018 is no different – we had storms in other parts of the country and certain parts of Cape Town too. The most recent fire and the most significant one is where an entire Town (**Wuppertal**) was gutted and between 200 and 250 people left homeless.

The Total Costs of Fires for 2018 has not yet been determined. They are still counting the costs.

What can we learn for this?

- a) Remember, you can only learn from previous happens.
- b) Get educated.
- c) Be aware and take cognizance that during the hot and dry summer season, wildfires are more prevalent and are difficult to control. Wildfires (also referred to as veld fires) are bush fires both within and outside urban areas that have the potential to spread out of control. Most wildfires are started by people, compared to a small amount which are started by natural occurrences such as lightning, ect.

d) Find out what causes Fires – here are 6 reasons why:

- 1) Intentional: Arson is a malicious and criminal act of deliberately starting fires.
- 2) Smoking: Discarded cigarette butts can also cause wildfires, either from workers working in the fields or bush, passing pedestrians or motorists.
- 3) Cooking fires: Open fires for cooking and discarded hot ashes can cause wildfires, particularly in nature conservation areas or on farms.
- 4) Burning of debris: Permitted and unpermitted burning of debris, if badly managed or if weather conditions change suddenly, can cause fires.
- 5) Lightning: Lightning is a cause of both wildfires and structural fires.
- 6) Wildfires can spread rapidly under the following conditions
 - Faster uphill than downhill.
 - With the wind, rather than against the wind.
 - Faster where there is dry and dead plant material.
 - Faster with small sources of fuel.
 - Faster where the vegetation canopy is intertwined.

Although wildfires can have devastating effects, there is also the plus side, it helps the ecosystem, for example, the heat generated by fires help certain types of fynbos plant seeds to germinate.

So, having a better understanding of wildfires can help you to be better prepared.

4. Get to know the colour code of the level of danger of the fire.

The Fire Danger Rating is determined by using a combination of the temperature, wind direction and speed; rainfall and humidity - which can be calculated manually or by using technology. The Fire Danger Rating Table is colour-coded, and this national system classifies the level of fire danger in 5 categories:

1. **Insignificant** (blue). The fire danger is so low that no precautions are needed.
2. **Low** (green). Fires, including prescribed burns, may be allowed in the open air on the condition that persons making fires take reasonable precautions against fires spreading.

3. **Moderate** (yellow). No fires are allowed in the open air, except those that are authorised by the Chief Fire Officer of the local fire service, and those in designated fireplaces. Authorised fires may include prescribed burns.
4. **High** (orange). No fires are allowed under any circumstances in the open air.
5. **Extreme** (red). No fires are allowed under any circumstances in the open air, and special emergency fire preparedness measures are necessary.

Maybe, and at this junction, this is an ideal opportunity to inform your clients what to watch out for, and to remind them to always be vigilant.

5. **Most importantly** - we as brokers have to adhere to the General Code of Conduct of the FIAS ACT. Make sure that your staff, drink, eat and sleep on this, and mainly, section 7 (1), (c), (vii). The Ombudsman is after your money and for those of you who has Professional Indemnity, you what your excess is. Huge!!!!
See the attached clippings to more perspective on what we need to do for our clients. It is no longer enough to bend backwards, you have to move sideways too.
Lastly, we know that some clients suffer from amnesia, hence, be extremely vigilant if you do want to fall into the same trap as the brokers mentioned in the attached clippings.

6. Ombudsman's Briefcase

See attached excerpts of the Ombudsman's Brief, issue no. 2 of 2018, they will good reading. Remember, and as mentioned in Peter Atkins comment above about "Due Care", I encourage you to read what the Ombudsman have to say about it.

Also, may I suggest that you register on the Ombudsman's website so that you can get the briefs, this will help you tremendously when you are faced with certain situations.

In closing

We as the Peninsula Branch, we represent you, your concerns and interests. If you have a concern or a problem, please talk to us so that we can help you. We sit quarterly with the various leaders of the Industry where we discuss and table certain topics. We bring to these meetings, your concerns and issues and we will make absolutely sure that we revert back to you.

Please do not wait for a particular Peninsula meeting to raise your concerns, you can contact me or Dryden Doughty to take up whatever concern or problem you have with an Insurance Company

Thank you for your continued membership, support and I trust the reading above is insightful. Your feedback is appreciated.

Henry D. Williams
On behalf of the FIA Peninsula Branch

Addendum 3

FIA Peninsula Branch Functions and Meetings report – Yvette Schroder

REPORT FOR FUNCTIONS AND EVENTS FOR AGM of 24 JANUARY 2019

During 2018 the Peninsula Branch of the FIA were able to arrange the following members and committee meetings:

- AGM – 14 Feb @ King David Mowbray
- Member meeting – 11 May – Barristers Restaurant, Newlands
- Member meeting – 26 July – King David Mowbray
- Combined meeting – 2 Nov – Klein Joostenberg, Stellenbosch
- 9 Committee meetings
- No Year End

The members meetings were well attended and we found ourselves packed like sardines in a can for our first meeting of 2018 at Barristers.

Our members meeting of 28 July 2018 was the first time we added CPD training with verifiable CPD hours.

On 2 November 2018 we had a combined members meeting with Tygerberg at Klein Joostenberg, it was good to network with other branch members.

The year-end function was cancelled as a result of members having to pay to attend the function, as too few people responded to the invite

From a financial perspective the committee is unable to provide a free breakfast or lunch with a member meeting unless we can obtain sponsorship to do so. This may mean that we will in future have to charge members to attend a meeting where food is served as part of the function.

Addendum 4

FIA Peninsula Branch Financial Planning report – Jannie Schoeman

1.) FSCA Developments and Feedback.

1.1) Board Notices, Notices and Proposed Amendments relating to Long Term Insurance.

- FSCA Strategy document released early November.
- BN 83 – Exemption of services under supervision.

2.) FIA – Meetings, Forums and Progress.

2.1) FIA Committee meetings

- No meetings held over this period.
- No quarterly meetings held with insurers over this period.

2.2) Offers and News on Insurers.

- Majority of offers are still running from December.

3.) General.

- No complaints from members received over this period.