

**IN THE OFFICE OF THE OMBUD FOR FINANCIAL SERVICES PROVIDERS  
PRETORIA**

**CASE NUMBER: FAIS 09229/10-11/ KZN 1**

**In the matter between:**

**Estate Late Mr John Michael O’Grady**

**First Complainant**

**and**

**Midcoast Financial Services (PTY) Ltd**

**First Respondent**

**Bruce Earl Griffiths**

**Second Respondent**

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**DETERMINATION IN TERMS OF SECTION 28(1) OF THE FINANCIAL ADVISORY  
AND INTERMEDIARY SERVICES ACT NO 37 OF 2002 (the Act)**

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**A. INTRODUCTION**

[1] This determination follows a recommendation made in terms of section 27 (5) (c) of the Act on 23 November 2017. Section 27 (5) (c) empowers the Ombud to make a recommendation in order to resolve a complaint speedily by conciliation. Respondent did not respond to the recommendation. This determination therefore, shall be read in conjunction with the recommendation and shall form part of this determination.

## **B. THE PARTIES**

- [2] Complainants are Alma Cathrine O’Grady and Patrick Richard John Dewes, in their capacity as Executors of the Estate late Mr. John Michael O’Grady<sup>1</sup>
- [3] First respondent is Midcoast Financial Services (Pty) Ltd, registration number 2000/006698/07, duly registered in terms of South African law. The Regulator’s records indicate first respondent’s last known address as 20 Hosking Road, Wembley, Pietermaritzburg, 3201. First respondent was an authorised financial services provider with license number 17641. The license lapsed during April 2011.
- [4] Second respondent is Bruce Earl Griffiths, an adult male sole proprietor and representative of first respondent. The Regulator’s records indicate respondent’s address as 20 Hosking Road, Wembley, Pietermaritzburg, 3201. At all material times, second respondent rendered financial services to complainant. I refer to first and second respondents as respondent. Where appropriate I specify which respondent is being referred to.
- [5] It appears from the Regulator’s records that Respondent was not licensed to render financial services in connection with unlisted shares and debentures, which are categorised as 1.8 (described in the FAIS Act as Securities and Instruments: Shares) and category 1.10 (described in the FAIS Act as Securities and Instruments: Debentures and Securitised Debt) respectively.

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<sup>1</sup> in terms of the letters of executorship issued by the Master of the High Court dated (31/07/2017) with reference number (005340/2017)

**C. CONCLUSION**

[6] Based on the information provided in the recommendation it follows that Respondent is liable to pay complainants claim

**D. THE ORDER**

[7] In the result, I make the following order:

1. The complaint is upheld.
2. The respondents are ordered, jointly and severally, the one paying the other to be absolved, to pay the complainant the amount of R500 000;
3. Interest on this amount at a rate of 10.25% per annum from the date of determination to date of final payment.
4. Complainant to cede her rights and title in respect of any further claims in respect of this investment to respondent.

**DATED AT PRETORIA ON THIS THE 16<sup>th</sup> DAY OF FEBRUARY 2018.**



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**NOLUNTU N BAM  
OMBUD FOR FINANCIAL SERVICES PROVIDERS**