



SOUTH AFRICAN INSTITUTE OF STOCKBROKERS DISCIPLINARY POLICY

1. Introduction

Members of the South African Institute of Stockbrokers (SAIS), which includes all categories of [membership](#), are bound by the [Code of Conduct](#), the [By-Laws](#) and the [Constitution](#) of the Institute. Members are obligated and have a duty to uphold the integrity, good standing and reputation of the Institute. Members must refrain from any conduct that discredits the profession and brings the SAIS into disrepute. Regardless of the category of membership, members must have regard for the Code of Conduct, the By-Laws and the Constitution of the SAIS, irrespective of their field of activity, their employment or any other professional memberships they may hold.

Any sanctions imposed on Members who are found guilty of misconduct are designed to uphold the guiding principles of the SAIS, namely:

- Protect the public,
- Maintain public confidence in the profession, and
- Uphold proper standards of conduct in the profession.

Any sanctions imposed on Members who are found guilty of misconduct will be levied in accordance with this Disciplinary Policy. The range of sanctions that may be imposed include:

- Caution;
- Reprimand;
- Severe reprimand;
- Fine;
- Conditional membership;
- Suspension of membership; and/or
- Termination of membership.

The member may also have to pay part or all of the costs of the proceedings (although this is not a sanction). It must be kept in mind that the processes applied by the regulators in the profession take precedence. Any other member or member of the public may lodge a complaint against a SAIS Member. The complaint process is detailed in the relevant [Disciplinary Process](#) document in the SAIS Document Library.

2. The Regulatory Function of the SAIS

The SAIS only acts as an arbiter of member's conduct in so far as it contravenes the Code of Conduct, the By-Laws or the Constitution of the Institute. The Institute exercises the function of a disciplinary body and not that of a civil court of law. Sanctions that are imposed are aimed at regulating the conduct of a member and although the Institute is not prohibited from doing so, it will in general, not entertain claims for damages suffered by a complainant as a result of the professional negligence of a member.

3. The Structure of the Disciplinary Process

The disciplinary process is based on a three-tiered structure comprising the following committees:

- Investigation and Prosecution Committee,
- Disciplinary Committee, and
- Appeals Committee.

3.1 The Investigation and Prosecution Committee (IPC)

The Investigation and Prosecution Committee consists of two members of the Institute and an independent attorney who acts as the chairperson of the Committee. The IPC determines its own process and is mandated to take note of and investigate all alleged offences, acts of misconduct and breaches by members falling under the jurisdiction of the Institute. The IPC has the authority to gather and order the production of all relevant information, records, books, documents (regardless of form or format) and statements under oath, as well as to conduct professional evaluations and practice visits. The IPC is convened as necessary and depending on case load.

3.2 The Disciplinary Committee (DC)

The Disciplinary Committee consists of either a retired judge of the High Court; Senior Counsel; an attorney admitted to the High Court, or an advocate, with at least ten years' experience in practice. The DC is a more formal structure for dealing with complaints referred to it by the IPC, either for hearing of oral evidence or for consideration of more serious complaints that warrant the termination of a membership, together with such referrals to SARS and/or the Prosecuting Authorities as may be dictated by the facts of each individual case. The DC may also function as the Appeals Committee for consideration of any appeals referred to it from the IPC.

The DC is convened as necessary. It determines its own process as deemed relevant or necessary to the consideration of the matter. The DC is not obliged to hear oral evidence on any matter and the complainant's (founding) affidavit, the member's answering affidavit and the complainant's replying affidavit, together with such additional documents as the IPC may refer to the DC will constitute the initial record in front of the DC.

3.3 The Appeals Committee (AC)

The Appeals Committee is convened as necessary and is mandated to act as the Independent Disciplinary Appeals Committee for members found guilty of an offence and/or misconduct by the Disciplinary Committee (DC).

The AC shall consider an appeal based on the record (or the relevant parts thereof) of the proceedings of the DC. New evidence shall only be entertained at the discretion of the AC and then only in exceptional circumstances.

The AC may refer any matter back to the DC together with such instructions as it may deem fit. The AC may vary and/or substitute the order of the DC with any other as the AC may deem fit in the circumstances.