

Fax & Phone (021) 976 2737

13 Richelieu Str
Everglen
Durbanville 7550

26 10 2006

Mr C Frank
Banking Enquiry of Comp Comm
Fax (012) 394 3439

Indirect costs

Mr Frank,

Enclosed copies of my letter to the Banking Association to which I have had no reply as well as copies of letters to the Banking Ombuds to indicate what problems we as the public have with banks and the so called supervisory bodies

I have full details of all the complaints and I am quite prepared to submit same if these problems form part of your survey

The fact that banks take weeks to transfer withdrawals cost the investor thousands especially with volatile exchange rates.

J VAN HEERDEN



Copies of my pos
of 26 Oct
J Van Heerden

Fax & Phone (021) 976-2737

13 Richelieu Str
Everglen
Durbanville 7550

Managing Dir
Banking Ass. of S.A.
Box 61674
Marshall town 2107

19-10-2006

Cas Coovadia
Bank Action & service

Mr Coovadia,

I would like to bring two related matters to your attention.

- a) The reckless and uncontrolled manner in which our banks act to fleece investors
- b) Service from the Ombuds for Banks

a) Bank action

I have full details on file and will gladly submit same but at this stage the following should suffice

1. RMBH

On the basis of a written contract I invested R55000 on 24 April 2001 in which payment of at least \$6513.27 was guaranteed on 20/6/2006 (see my letter of 5/8/2006) Payment was not made on the maturity date and also not in \$

One of the reasons given for this breach of contract was that the investment could only be liquidated on a Wednesday (see their fax of 5/7/2006) They refused to explain why an electronic transfer should take weeks and they refused to give a complaints nr for the Ombuds.

The matter was taken up with the Ombuds and their reply of 12 Sept is enclosed. I also enclose my reply to which I have had no further response

Is it acceptable for a large bank to indicate that an investment can only be liquidated on a Wednesday which they choose after they had 6 weeks notice?

2 Investec

In this case an investment was made with HSBC bank. They sold part of their business to Investec

When I asked for redemption of my investment it took weeks for the funds to be transferred electronically to my acc. because withdrawals had to be made via the Royal Bank of Scotland (see their letter of 14 Aug and my reply of 22 Aug)

Is it reasonable for a bank to transfer investments to a subsection such as securities and the investor must bear the consequences of offshore arrangements about which he was not informed?

3 Std Bank

My daughter made an investment with Std Bank of R24000 on which she received regular income This was, without notification, transferred to STANLIB and the income disappeared. On enquiry we were informed that the income was now only enough to cover admin and audit fees. After 4 years she now received R22800

Are such interbank transfers at the cost of investors just acceptable?

b. Ombudsman

1 RMBH

This matter was first taken up with the Ombuds on 10 July (see my letter of 10 July)

As stated in a)1 above the matter has still not been resolved although there has been breach of contract. On what basis does the Ombuds operate or is his office only interested in protecting the banks?

2 Investec

My letter of 16th instant summarises the way in which this was handled. See also my letters of 28 July and 18 Sept as proof of the chaos in the office of the Ombuds I never received direct reaction from Adv Mellville.

What is the purpose of having a banking Ombuds if this is the way in which they operate? We continuously read of the good work of the Ombuds for Insurance and the FAIS ombuds but never anything about the banking Ombuds This is possibly why the number of complaints keep on increasing. The banks know very little action will be taken against them

Your comments pse.

J VAN HEERDEN



19-09-2006

Ombudsman for Banking
Fax (011)838 0043

Att J Conradie
First National Bank

Mr Conradie,

Thank you for yours JC/06/07-0331 of 12 Sept which I received to-day
I do not know according to which criteria the office of the Ombudsman operates. One would expect the rule of law to apply in general. In my view you do not deal with the question of breach of contract in detail.

I wish to reiterate my point of view viz. that a written contract was entered into between me and RMB Investment Services on 18-04-2001 (a copy was sent to you with my original application on 10-07-2006) The terms and conditions of this contract were not met. As you correctly state " The bank did not pay the complainant's investment on 20 June 2006"

Now ,sir, according to my legal knowledge there is no way in which a written contract such as the investment document I signed ,can be amended unilaterally. Mr Padayachee did, conveniently, not reply to mine of 19 Aug of which you have a copy.

I would appreciate your views specifically on the matter of breach of contract. As repeatedly stated all letters and calls, to which you also now refer, after 20 June originated from non compliance with the contract.

As far as your assessment is concerned I would like to offer the following.

1 You make no reference to the correspondence of 14 Aug from RMB and my reply of 19 Aug.

2 You do not comment on the fact that the contents of the maturity letter is in conflict with the original contract. You do not find it strange that an institution such as RMBH can state that " the underlying investment can only be liquidated on a Wednesday" Surely this must have been known at the time of the original contract and it is ridiculous

3 This was not an endowment policy as stated by you. Why in this day and age of computers was it not possible to determine the maturity value on the maturity date especially if they had weeks notice that this would be necessary. It is a matter of pressing a button or two on the computer. Why could the liquidation not take place on Wednesday 21st? Why one week later? (see my letter of 5-8-2006)

4 You make the same mistake as mr Zietsman if you allege that \$ can not be transferred to my current acc. (see my fax of 7-7-2006 attached to the original complaint). He subsequently apologized for the blunder.

Pse acknowledge receipt before 26 Sept

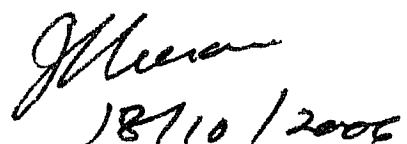
J VAN HEERDEN

p/s SEE ATTACHED AS A MATTER OF INTEREST



Mr Conradie

I refer to the above to which
you have not replied
Comments Pse



18/10/2006

22-08-2006

Investec
Fax (011) 286-9595

AttV O'Hare

Acc 0000 108 300 59

Vivienne,

Yours of 14 instant refers

A few facts should be clarified

1 I never made this investment with Investec and neither was I advised by you as broker. The original investment was made via HSBC Bank International of Yersey and later handled by HSBC Fund Administrators (Jersey) Ltd " a member of the worlds largest BANKING froup"

Whenever changes were made to the investment or withdrawals arranged this was done directly by HSBC and not via SOME EXTRANEIOUS BANK

2 Investec then took over part of my investments and I was assured of continuity and the same management of my investments. Mr H Blumenthal your M.D., at the time, assured me that "the move to Investec would be advantageous in every respect"

3 I was never informed that if I wished to withdraw funds, such funds had to flow via the Royal Bank of Canada. When I told Stephen Glanz that the period for payment indicated was unacceptable he, in his pedantic manner told me this is how long it takes. He could not tell me why and he definitely never mentioned a third party that had to transfer the redemption amount to Roayl Bank of Canada. The actual transfer took longer than indicated by him.

4The funds were transfered to my Nedbank bank acc on 12 April i.e. 19 business days after my order for redemption (see enclosed) During this time the exchange rate had strengthened from R6.26/\$ to R6.13/ \$. You converted at R6.10/\$. You can of course compensate me for this loss of R4192 as I have no evidence of the interest accrued as alleged by you.

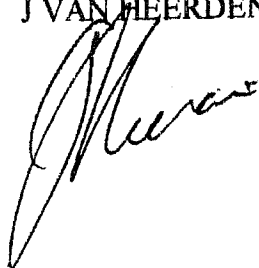
5 I still can not understand how in a time of electronic banking it should take two weeks to tranfer funds to the Royal bank and another 8 business days from there to my acc.

6 If your Cape Town office allege that they did reply to my fax in writing this is a lie. Can they prove this?

7 It is for the Banking Ombuds to advise me if they can not handle the matter.

J VAN HEERDEN

copy to Don Mashigo at banking ombud



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Everglen 7550

Ombudsman for Banking
Fax (011) 838-0043

16-0-10-2006

Investec

Don Mashigo,

Thank you for your fax JD /1a/06/08-0106 of 2 Oct which I received on my return.

I was naturally very disappointed in this because in my letter of 22nd Aug (of which you have a copy) I indicated to Investec that you would advise me on who to contact if you could not handle the matter.

Just to recap the steps followed.

a) The first application was sent to you on 23 May. This apparently got lost.

b) It was repeated by registered mail on 30 June and again it got lost. After approaching Adv Mellville ,you phoned and I repeated the application

Now after almost 6 months I receive your fax indicating no more than that you can not handle the matter because Investec securities is involved

In the meantime all the correspondence you received from them was from Investec Securities. Did you not notice this? Investec Securities is part of Investec Bank which is a member of your organisation and as indicated in my letter of 22 Aug the original investment was also made with a bank viz. HSBC bank

I think the whole matter indicates extreme inefficiency in your organisation and I will take it further.

J VAN HEERDEN.

