

**IN THE ENFORCEMENT COMMITTEE ESTABLISHED IN TERMS OF
SECTION 10(3), READ WITH SECTION 10A OF THE FINANCIAL
SERVICES BOARD ACT, 97 OF 1990**

CASE NO: 21/2011

In the matter of:

**THE REGISTRAR OF FINANCIAL SERVICES
PROVIDERS**

Applicant

and

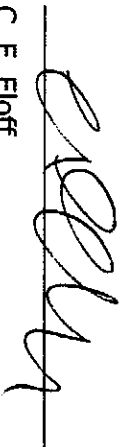
SMARTCALL INSURANCE ADMINISTRATORS (PTY) LTD Respondent

ORDER

WITH DUE CONSIDERATION to the settlement agreement (attached marked annexure "A") in terms of section 6B(7)(a) of the Financial Institutions (Protection of Funds) Act, No. 28 of 2001, I hereby determine that the Respondent contravened section 7(3) of the Financial Advisory and Intermediary Services Act, No 37 of 2002 during the period 01 may 2009 to 31 May 2011 and impose a penalty of R50 000. The remaining terms and conditions of the settlement agreement are incorporated and made an order of the Enforcement Committee.

I make no order regarding costs.

Signed at PRETORIA on 27 July 2011.


C. F. Eloff

Chairperson of the Enforcement Committee.

Answer A

IN THE ENFORCEMENT COMMITTEE ESTABLISHED IN TERMS OF SECTION 10(3), READ WITH SECTION 10A OF THE FINANCIAL SERVICES BOARD ACT, 97 OF 1990

CASE NO: 21/2011

In the matter of:

THE REGISTRAR OF FINANCIAL SERVICES PROVIDERS

Applicant

and

SMARTCALL INSURANCE ADMINISTRATORS (PTY) LTD Respondent

SETTLEMENT AGREEMENT IN TERMS OF SECTION 68(7)(a) OF THE FINANCIAL INSTITUTIONS (PROTECTION OF FUNDS) ACT, 28 OF 2001

1. The parties

1.1. The parties to the agreement are the Registrar of Financial Services Providers ("the Registrar") herein represented by German Emmanuel Anderson in his capacity as the Deputy Registrar of Financial Services Providers; and

1.2. Smartcall Insurance Administrators (Pty) Ltd ("Respondent") bearing registration number 2000/029121/07, herein represented by Gregory Thomas Mitré Shaw in his capacity as the managing director and key individual of the Respondent.

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2. The contravention

2.1. It is agreed between the parties that the Respondent contravened section 7(3) of the Financial Advisory and Intermediary Services Act, no 37 of 2002 ("the Act"), in that:

2.1.1. The Respondent during the period 1 May 2009 to 31 May 2011 had an agreement with 262 persons to, amongst others, sell, market and distribute funeral benefit policies;

2.1.2. Whilst selling, marketing and distributing the funeral benefit policies, the aforesaid persons were rendering financial services whilst they were not authorized as financial services providers nor were they representatives of authorized financial services providers.

3. The mitigating circumstances

3.1. It is also agreed that the following mitigating factors are relevant to the matter:

3.1.1. The Respondent accepted responsibility for the contravention;

3.1.2. There is no evidence of any prejudice resulting from the contravention;

3.1.3. The Respondent co-operated with the Registrar's investigation and the enforcement action.

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3.1.4. The Respondent demonstrated remorse by admitting the contravention.

4. The agreed penalty

4.1. In the light of the above, and in terms of section 6B(7)(a) of the Financial Institutions (Protection of Funds) Act, No 28 of 2001, the parties have agreed that the Respondent will pay a penalty of R50 000 in settlement of the matter.

4.2. The parties humbly request that the Honorable Chairperson makes the settlement an order, as envisaged in section 6B(7)(b) of the Financial Institutions (Protection of Funds) Act.

5. Other conditions

5.1. This agreement is subject to approval by the Enforcement Committee and the parties specifically record that they are aware of the possibility that the Enforcement Committee may not accept the terms of this agreement.

5.2. If the Respondent does not comply with the terms of this agreement and it is necessary for the Financial Services Board (FSB) to proceed with legal proceedings, the Respondent herewith consents to pay all legal costs to the FSB on the "Attorney and Client" scale in terms of the High Court Rules inclusive of collection commission and value added tax.

5.3. No leniency or postponement given by the FSB to the Respondent or any amendment to the terms and conditions of

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this agreement will be binding unless such postponement, leniency or amendment is reduced to writing and signed by the parties.

5.4. Any receipt of a payment by the FSB after the due date shall be without prejudice to any of the rights of the FSB.

5.5. This Agreement shall not be a novation of the cause of action in terms whereof the Respondent was found to have contravened the Act.

5.6. This agreement constitutes the whole agreement between the parties in respect of the offer to pay a penalty.


Signed at RETORIA on 26 July 2011 on behalf of the Registrar



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G. E. Anderson

Signed at DUNKELD on 26/07/2011 on behalf of Smartcall Insurance Administrators (Pty) Ltd.



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G. T. M. Shaw