

**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: **22/2011**

In the matter of:

**THE REGISTRAR OF FINANCIAL SERVICES
PROVIDERS**

Applicant

and

PJD FINANCIAL CAPITAL CC

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 (Act) during the period 01 January 2010 to 31 December 2010 and impose a penalty of R20 000. I further determine that the Respondent during or about 24 May 2010 contravened section 8(1)(a) of the Act read with section 2(1) of the "Determination of Fit and Proper Requirements For Financial Services Providers" (Fit and Proper Determination) and impose a penalty of R30 000. The both penalties must be paid on or before 31 August 2011. 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 15 August 2011.



A handwritten signature in black ink, appearing to read 'C. F. Eloff', is written over a horizontal line.

C. F. Eloff

Chairperson of the Enforcement Committee.

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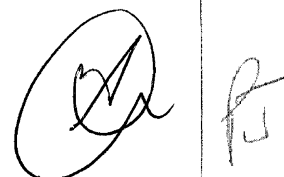
Respondent

SETTLEMENT AGREEMENT IN TERMS OF SECTION 6B(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. PJD Financial Capital ("Respondent") bearing registration number 2005/004068/23, herein represented by Mr Peneke Jeremiah Direro (identity number 7606205461087) in his capacity as the sole member and key individual of the Respondent. The Respondent is an authorized financial services provider with effect from 10 April 2007, bearing the FSP authorization number 27555.



2. The contravention

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

2.1.1. The Respondent during the period 1 January 2010 to 31 December 2010 conducted financial services related business with Kumbula Marketing CC that traded as Destiny Life (Destiny Life) in contravention of section 7(3) of the Act, in that the Respondent acted as the administrator in respect of the funeral benefit policies that Destiny Life marketed and sold. Destiny Life was not authorized in terms of the Act or lawfully appointed as a representative to render financial services in respect of funeral benefit policies.

2.1.2. During or about 24 May 2010 the Respondent contravened section 8(1)(a) of the Act read with section 2(1) of the "Determination of Fit and Proper Requirements For Financial Services Providers" (Fit and Proper Determination), in that the Respondent initially denied that it had an agreement with Destiny Life to act as the administrator in respect of the funeral benefit policies that Destiny Life marketed and sold, when in fact it knew that such agreement existed.

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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 contraventions;

3.1.2. The Respondent co-operated with the Registrar's enforcement action.

3.1.3. The Respondent demonstrated remorse by admitting the contraventions.

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 R20 000 for contravening section 7(3) of the Act and R30 000 for contravening section 8(1)(a) read with section 2(1) of the Fit and Proper Determination in settlement of the matter. Both penalties must be paid on or before 31 August 2011.

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.

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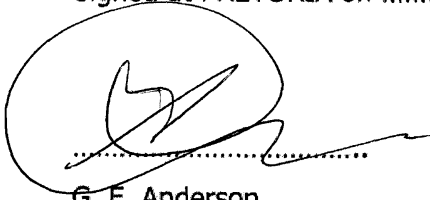
5. Other conditions

- 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 this agreement will be binding unless such postponement, leniency or amendment is agreed and reduced to writing by the parties. Any leniency, postponement or amendment to this Agreement shall not be a novation of the cause of action in terms whereof the Respondent was found to have contravened the Act.
- 5.4. 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 constitutes the whole agreement between the parties in respect of the offer to pay a penalty.



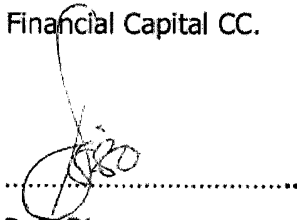
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Signed at PRETORIA on 11 AUGUST 2011 on behalf of the Registrar



G. E. Anderson

Signed at BRAAMFONTEIN on 8th AUGUST 2011 on behalf of PJD
Financial Capital CC.



P. J. Direro