

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

CASE NO: **23/2011**

In the matter of:

**THE REGISTRAR OF FINANCIAL SERVICES
PROVIDERS**

Applicant

and

CLIENTÈLE GENERAL INSURANCE COMPANY LIMITED 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 13(b)(i) of the Financial Advisory and Intermediary Services Act, no 37 of 2002 ("the Act"), during the period 1 November 2008 to 10 March 2009 and impose a penalty of R100 000 to be paid on or before 16 September 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 6 September 2011.



C. F. Eloff

Chairperson of the Enforcement Committee.

Annexure A

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

CASE NO: **23/2011**

In the matter of:

THE REGISTRAR OF FINANCIAL SERVICES PROVIDERS

Applicant

and

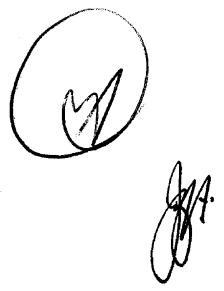
CLIENTÈLE GENERAL INSURANCE COMPANY LIMITED Respondent

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 Emanuel Anderson; and

1.2. Clientèle General Insurance Company Limited ("Respondent"), a company incorporated in accordance with the laws of the Republic of South Africa, bearing the registration number 2007/023821/06, herein represented by Mr Iain Hume in his capacity as a director of the Respondent.



2. The contravention

2.1. It is agreed between the parties that the Respondent contravened section 13(b)(i) of the Financial Advisory and Intermediary Services Act, no 37 of 2002 ("the Act"), in that the Respondent during the period 1 November 2008 to 10 March 2009 rendered financial services as a representative of Intermediary Support Services SA (Pty) Ltd (Intermediary Services) whilst, due to an oversight on the part of the Respondent, was not lawfully appointed as a representative of Intermediary Services in accordance with the provisions of the Act.

2.2. Consequently the Respondent was not able to provide confirmation that it had a mandate to represent Intermediary Services and neither did Intermediary Services accept responsibility for such financial services rendered by the Respondent.




3. The mitigating circumstances

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

3.1.1. The contravention was as a result of an oversight and the Respondent accepted responsibility for it;

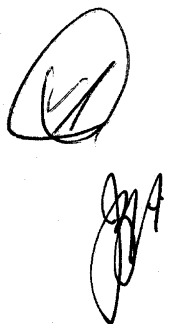
3.1.2. There is no evidence of any prejudice resulting from the contravention;

3.1.3. The Respondent fully co-operated with the Registrar's investigation and the enforcement action, and displayed sincere regret for the oversight.

3.1.4. The Respondent was approved as a financial services provider on 11 March 2009;

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,

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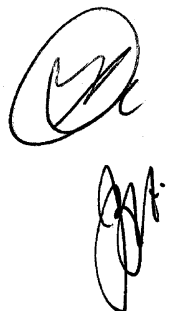
the parties have agreed that the Respondent will pay a penalty of R100 000 on or before 16 September 2011 in settlement of the matter.

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, No 28 of 2001.

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 Registrar to proceed with legal proceedings, the Respondent herewith consents to pay all legal costs to the Registrar on the Attorney and Client scale in terms of the High Court Rules inclusive of collection commission and Value Added Tax.

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5.3.No leniency or postponement given by the Registrar to the Respondent or any amendment to the terms and conditions of 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 Registrar after the due date shall be without prejudice to any of the rights of the Registrar.

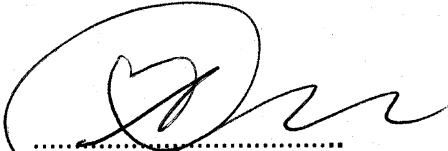
5.5.This Agreement shall not be a novation of the cause of action in terms whereof the Respondent was found to have contravened the Act.

5.6.This agreement is in full and final settlement of the Respondent's liability for an administrative sanction to the Registrar arising from this contravention.

5.7.This agreement constitutes the whole agreement between the parties arising from this penalty.

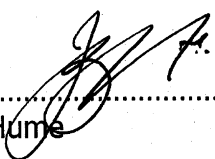
Signed at PRETORIA on 24 August 2011 on behalf of the Registrar





.....
G E Anderson

Signed at *Morningside* on *17 August* on behalf of the Respondent.



.....
I Hume