

**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: **54/2011**

In the matter of:

**THE REGISTRAR OF FINANCIAL SERVICES
PROVIDERS**

Applicant

and

**STANDARD BANK INSURANCE BROKERS
(PTY) 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 7(3) of the Financial Advisory and Intermediary Services Act, No 37 of 2002 during the period July 2010 until May 2011 and impose a penalty of R50 000 to be paid on or before 31 January 2012. 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 December 2011.



C F Eloff

**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: **54/2011**

In the matter of:

**THE REGISTRAR OF FINANCIAL SERVICES
PROVIDERS**

First Applicant

and

**STANDARD BANK INSURANCE BROKERS
(PTY) 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 to the agreement

- 1.1. The Applicant is the Registrar of Financial Services Providers (the Registrar of FSPs) herein represented by German Emanuel Anderson in his capacity as the Deputy Registrar of Financial Services Providers.



- 1.2. The Respondent is Standard Bank Insurance Brokers(Pty) Limited, a company duly incorporated in accordance with the laws of the Republic of South Africa, bearing registration number 1978/002640/07. The Respondent is an authorised financial services provider in terms of section 8 of the Financial Advisory and Intermediary Services Act, No 37 of 2002 (the FAIS Act).
- 1.3. The Respondent is represented by Tetiwe Jawuna in her capacity as Managing Director, Standard Bank Insurance Brokers, who warrants that she is authorised by the Respondent to conclude this agreement.

2. Background information to the agreement

- 2.1. Lanissa Traders Holdings (Pty) Ltd t/a Money Mentor Finance (Money Mentor), a duly incorporated company, entered into joint venture agreements with construction companies to facilitate execution and delivery in terms of government contracts.



- 2.2. Since July 2010, Eagle Watch Financial Services (Pty) Limited (Eagle Watch) rendered intermediary services as contemplated in the FAIS Act, with reference to short-term insurance, to Money Mentor.
- 2.3. The short-term insurance business of Money Mentor was placed with an insurance company through the offices of and with the assistance of the Respondent in this matter.

3. The contravention: Section 7(3) of the FAIS Act

- 3.1. It is therefore agreed amongst the parties that the Respondent contravened section 7(3) of the FAIS Act, in that it conducted financial services related business with Eagle Watch from July 2010 to May 2011, whilst Eagle Watch was not authorised to render financial services.

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4. The mitigating circumstances

4.1. It is recorded that:

4.1.1. The Respondent accepted full responsibility for the contravention;

4.1.2. The Respondent fully co-operated with the Registrar's investigation and the enforcement action;

4.1.3. The contravention occurred as a result of a *bona fide* oversight by the Respondent; and

4.1.4. There was no prejudice or harm to any policyholders.

5. The agreed penalty and request for an order

5.1. In the light of the above, and in terms of section 6B(7)(a) of the FI Act, the parties have agreed that the Respondent will pay a penalty of R50 000 in settlement of the matter.



5.2. The parties humbly request that the Honourable Chairperson makes the settlement an order, as envisaged in section 6B(7)(b) of the FI Act.

6. Other conditions

- 6.1. The terms set out herein shall constitute a full and final settlement of administrative sanctions in terms of section 6D of the Financial Institutions (Protection of Funds) Act, No 28 of 2001, by the Respondent.
- 6.2. 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. If the Enforcement Committee declines to make this agreement an order, then in such event this agreement will be null and void.

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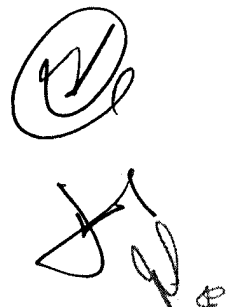
- 6.3. If the Respondent does not comply with the terms of this agreement and it is necessary for the Financial Services Board (FSB) to proceed with legal proceedings, the Respondent herewith consents to pay all legal costs to the FSB on the Attorney and Client scale in terms of the High Court Rules inclusive of collection commission and Value Added Tax.
- 6.4. 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 reduced to writing and signed by the parties. Any leniency or postponement granted by the Registrar or any 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.
- 6.5. Any receipt of a payment by the FSB after the due date shall be without prejudice to any of the rights of the FSB.




- 6.6. This agreement constitutes the whole agreement between the parties in respect of the offer to pay a penalty.
- 6.7. The parties choose as their *domicilium citandi et executandi* their respective addresses set out below for all purposes arising out of or in connection with this agreement at which addresses all the processes and notices arising out of or in connection with this agreement, its breach or termination may validly be served upon or delivered to the parties. For the purpose of this agreement the parties' respective addresses shall be:

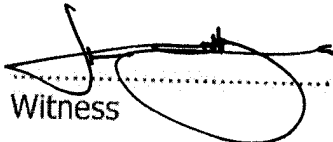
The Applicant:
Financial Services Board
Block B, Riverwalk Office Park
41 Matroosberg Road
Ashlea Gardens ext 6
Pretoria
0081

The Respondent:
Standard Bank Office Park
Building A
4 Ellis Street
Constantia Kloof
1736

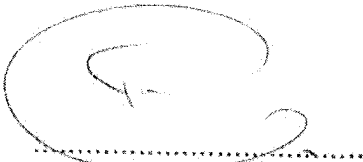
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Signed at PRETORIA on 14th December on behalf of the Registrar


.....
G. E. Anderson


.....
Witness

Signed at JOHANNESBURG on 14 December 2011 on behalf of the Respondent.


.....
T. Jawuna


.....
Witness