

**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: **24/2012**

In the matter of:

**THE REGISTRAR OF FINANCIAL SERVICES  
PROVIDERS**

Applicant

and

**SOUTHERN AFRICA QUANTUM EMPLOYEE  
BENEFITS (PTY) LIMITED**

Respondent

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**ORDER**

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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(1) of the Financial Advisory and Intermediary Services Act, No 37 of 2002 ("the Act"), in that during the period 11 February 2009 to 28 February 2011, the Respondent, as a regular feature of its business, rendered financial services in respect of long-term insurance policies to its clients whilst the Respondent was not issued with a license under section 8 of the Act to render such financial services to its clients nor was it a duly appointed juristic representative of an authorized financial services provider.

I hereby impose a penalty of R100 000 to be paid on or before 2 October 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 the <sup>21<sup>st</sup></sup>..... day of August 2012.



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**C F Eloff**  
**Chairperson of the Enforcement Committee**

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**SETTLEMENT AGREEMENT IN TERMS OF SECTION 6B(7)(a)  
OF THE FINANCIAL INSTITUTIONS (PROTECTION OF  
FUNDS) ACT, NO 28 OF 2001**

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**1. The parties**

- 1.1. The parties to the agreement are the Registrar of Financial Services Providers ("the Registrar") herein represented by Mr Dube Phineas Tshidi in his capacity as the Registrar of Financial Services Providers; and
- 1.2. Southern Africa Quantum Employee Benefits (Pty) Ltd (Respondent), a company duly incorporated in accordance with the laws of the Republic of South Africa, bearing the registration number 2002/017159/07. The Respondent is represented by Mr Baldwin Kock in his capacity as chief executive officer of the Respondent and who warrants that



he is authorised by the Respondent to conclude this agreement.

## 2. WHEREAS

- 2.1. Whereas the Registrar is of the opinion that the Respondent contravened section 7(1) of the Financial Advisory and Intermediary Services Act, No.37 of 2002 ("Act").
- 2.2. The Respondent wishes to enter into a settlement agreement with the Registrar as contemplated in section 6B(7)(a) of the Financial Institutions (Protection of Funds) Act, No 28 of 2001 ("the FI Act").

## 3. The contravention

- 3.1. It is agreed between the parties that the Respondent contravened section 7(1) of the Act in that:
  - 3.1.1. During the period 11 February 2009 to 28 February 2011 the Respondent, as a regular feature of its business, rendered financial services in respect of long-term insurance policies namely funeral benefits, group life and credit life policies to its clients.
  - 3.1.2. The Respondent was not issued with a license under section 8 of the Act to render such financial services to its clients nor was it a duly appointed juristic representative of an authorized financial services provider.

APT

#### 4. The mitigating circumstances

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

4.1.1. The Respondent accepted responsibility for the contravention;

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

#### 5. The agreed penalty

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 R100 000 in respect of the contravention on or before 2 October 2012 in settlement of the matter.

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

#### 6. Other conditions

6.1. 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. If the Enforcement Committee declines to make this agreement an order, then in such event this agreement will be null and void.

- 6.2. If the Respondent does not comply with the terms of this agreement and it is necessary for the Registrar and/or the Financial Services Board (FSB) to proceed with legal proceedings, the Respondent herewith consents to pay all legal costs to the Registrar and/or the FSB on the Attorney and Client scale in terms of the High Court Rules inclusive of collection commission and Value Added Tax.
- 6.3. 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. 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.
- 6.4. Any receipt of a payment by the Registrar and/or the FSB after the due date shall be without prejudice to any of the rights of the Registrar and/or the FSB.
- 6.5. This Agreement constitutes the whole agreement between the parties in respect of the offer to pay a penalty.
- 6.6. This agreement is in full and final settlement of the Respondent's liability for an administrative sanction to the Registrar arising from this contravention.
- 6.7. The parties choose as their *domicillum citandi et executandi* their respective address set out below for all purposes arising out of or in connection with this agreement at which

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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. However the notice contemplated in terms of section 6E of the FI Act may be delivered by electronic email. For the purpose of this agreement the parties' respective addresses shall be:

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

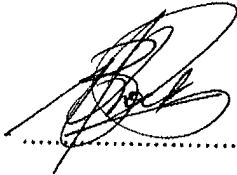
6.7.2. Respondent:  
Grayston 66  
2 Norwich Close  
Sandown  
Sandton  
2146  
[j.esterhuizen@bowman.co.za](mailto:j.esterhuizen@bowman.co.za)

Signed at PRETORIA on ..... 21<sup>st</sup>/8/12 ..... on behalf of the Registrar

.....  
JP 18-12-12

**D P Tshidi**

Signed at *Sandton* on *14 August 2012* on behalf of the Respondent.



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**B Kock**