

**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: **20/2014**

In the matter of:

**THE REGISTRAR OF FINANCIAL
SERVICES PROVIDERS**

Applicant

and

TALKSURE TRADING (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 2 of the General Code of Conduct For Authorized Financial Services Providers and Representatives, 2003 issued in terms of section 15 of the Financial Advisory and Intermediary Services Act, 37 of 2002 and impose a penalty of R250 000.

The remaining terms and conditions of the settlement agreement are incorporated and made an order of the Enforcement Committee.

Signed at **PRETORIA** on the²⁶ day of **2015**.





C F Eloff
Chairperson of the Enforcement Committee

**IN THE PROCEEDINGS BEFORE THE ENFORCEMENT COMMITTEE
ESTABLISHED IN TERMS OF SECTION 10(3) OF THE FINANCIAL
SERVICES BOARD ACT, NO 97 OF 1990**

CASE NO: 20/2014

In the matter of:

**THE REGISTRAR OF FINANCIAL
SERVICES PROVIDERS**

Applicant

And

**TALKSURE TRADING (PTY) LIMITED
(Registration Number 2010/013902/07)**

Respondent

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

1. The parties to the agreement are:

1.1. The Registrar of Financial Services Providers, Caroline Dey da
Silva, ("the Registrar"), who is the Applicant in this matter;

and

1.2 Talksure Trading (Pty) Limited ("Talksure"), a company duly
registered in terms of the Companies Act 71 of 2008 and whose

2
25

registered address and principal place of business is at Fifth Floor, Quadrant 2, the Centenary Building, 30 Meridian Drive, Umhlanga New Town Centre, 4051.

1.3. At all relevant times to this matter Talksure was regulated in terms of the provisions of the Financial Advisory and Intermediary Services Act, 37 of 2002 (the FAIS Act) and was licensed as a Financial Services Provider (FSP) under license number 42788. Talksure is the Respondent in this matter.

1.4. Talksure is represented in this settlement agreement by Jesse Meredith- Watts as Managing Director of Talksure.

2. **Preamble to the agreement**

2.1 During the period from September 2010 to April 2014, Talksure was an authorised FSP and conducted business as a sales and marketing company in respect of financial products.

2.2 During the aforementioned period Talksure entered into a contract with MiWay Insurance Limited ("MiWay") in terms of which MiWay appointed Talksure to provide real time leads of

2

25

prospective clients, for quotations in respect of short-term insurance products underwritten by MiWay

- 2.3 During tele-conversations with prospective clients Talksure call centre agents used a script in terms of which they stated that Talksure did a comparison of the benefits of various insurance companies. Clients however were led to believe that they would obtain guidance based on different quotes from a number of insurance companies with a view of comparing said quotes and advancing the best quote to the client.
- 2.4 In truth and in fact this was not the case. Talksure was a lead provider and only transferred the prospective clients to MiWay for a quotation and did not obtain specific quotes from different insurance companies at the time of the **telephone conversations with clients.**
- 2.5 Talksure's actions constituted a breach of section 2 of the General Code of Conduct for Financial Services Providers and Representatives, 2003 ("the Code").

3. **The admissions and agreed penalty**

2
CS

- 3.1 Talksure admits that its actions constituted contraventions of section 2 of the Code as set out above.
- 3.2 The parties agree that the Respondent will pay a penalty, as envisaged in section 6D (2) (a) of the FI Act in the total amount of R 250 000 (two hundred and fifty thousand rand).
- 3.3 The parties humbly request that the Honourable Chairperson makes the settlement an order, as envisaged in section 6B (7) (b) of the FI Act.

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 has co-operated with the Registrar regarding the enforcement action against it and has accepted its wrongful conduct. It has not wasted the Enforcement Committee's resources on a protracted case.



- 4.1.2 The Respondent has not been found to have breached any of the laws administered by the FSB prior to this matter.
- 4.1.3 Upon learning of its wrongful conduct the Respondent took steps to rectify its wrongdoing by training all staff members on the principles of Treating Customers Fairly (TCF) as well as ensuring that the company's disciplinary code requires disciplinary steps if the TCF principles are not adhered to.
- 4.1.4 New compliance officers were appointed in May 2014, and Talksure has ensured that the compliance officers regularly monitor call recordings to identify any weaknesses that may still be present and to provide recommendations for improvements.
- 4.1.5 The Respondent is sincerely remorseful for its actions.

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.

8
505

- 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 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 constitutes the whole agreement between the parties in respect of the offer to pay the penalty and costs.
- 5.6 The parties elect the addresses below as their *domicilium citandi et executandi* for the purposes of service of the Enforcement Committee order and any Notice or pleadings related to the breach of this agreement:

2
GAS

5.6.1 The Financial Services Board

Block B, Riverwalk Office Park

No. 41 Matroosberg Road

Ashlea Gardens

Pretoria

5.6.2 Talksure Trading (Pty) Limited

Fifth Floor, Quadrant 2, the Centenary Building

30 Meridian Drive

Umhlanga New Town Centre, 4051

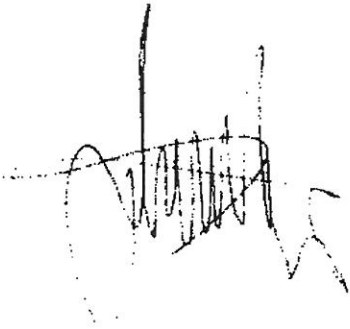
Signed at **PRETORIA** on the 20 day of JANUARY 2014 on
behalf of the Registrar of Financial Services Providers.



.....
C.D. da Silva

2
CDS

Signed at Umhlanga the 12 day of December
2014 by the Respondent.

A handwritten signature in black ink, appearing to be 'M. M. M.', written over a dotted line.

.....
Respondent