

**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: **14/2013**

In the matter of:

THE REGISTRAR OF LONG-TERM INSURANCE

Applicant

and

DOVES GROUP (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 (the FI Act), I hereby determine that the Respondent contravened section 8(3) of the Long-Term Insurance Act, No 52 of 1998, and impose a penalty of R100 000. Furthermore, in terms of section 6D of the FI Act, the parties agreed that the Respondent, as part of the aforementioned determination, will pay cost in an amount of R50 000.

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

Signed at **PRETORIA** on the30..... day of **SEPTEMBER 2013**.



.....
C F Eloff

Chairperson of the Enforcement Committee

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OF SECTION 10(3), READ WITH 10A OF THE FINANCIAL
SERVICES BOARD ACT, 97 OF 1990**

CASE NO: **14/2013**

In the matter of:

THE REGISTRAR OF LONG-TERM INSURANCE Applicant

and

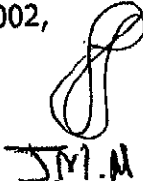

DOVES GROUP (PTY) LIMITED Respondent

**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 Long-Term Insurance ("the Registrar") herein represented by Jonathan Ian Dixon in his capacity as the Deputy Registrar of Long-Term Insurance.

1.2. The Respondent is Doves Group (Pty) Limited ("Doves"), a private company duly incorporated in accordance with the laws of the Republic of South Africa, bearing registration number 1997/000676/07. The Respondent is an authorised financial services provider, in terms of the Financial Advisory and Intermediary Services Act, No 37 of 2002, with FSP number 40442.


J.M.N. 

1.3. The Respondent is represented by Mrs Minki Ngcobo, in her capacity as the Chief Executive Officer of the Respondent, who warrants that she is authorised by the Respondent to conclude this agreement.

2. The contraventions

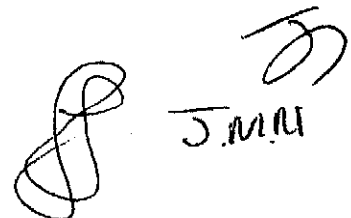
2.1. It is agreed between the parties that Doves contravened:

2.1.1. Section 8(3) of the Long-Term Insurance Act, No 52 of 1998 ("The Act"), in that Doves marketed and solicited long-term insurance policies and collected premiums under such policies during the period July 2011 until November 2012, whilst a long term insurer was not a party to said policies.

3. The mitigating circumstances

3.1. It is recorded that:

3.1.1. The Respondent had a total of approximately 41 members in respect of such policies and collected a total of R82 046.00 in premiums;



Handwritten signature and initials, including the name J.M.M.

3.1.2. The Respondent accepted full responsibility for the contravention, fully co-operated with the Registrar's investigation and the enforcement action;

3.1.3. No loss was suffered by policy holders as a result of the contravention; and

3.1.4. The extent of the profit derived by Doves in contravening section 8(3) of the Act amounts to approximately R4 000.

4. **The agreed penalty**

4.1. 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 (one hundred thousand rand) in settlement of the matter.

4.2. Furthermore, in terms of section 6D of the Financial Institutions (Protection of Funds) Act, No 28 of 2001, the parties agreed that the Respondent, as part of the aforementioned determination, will pay cost in an amount of R50 000 (fifty thousand rand).



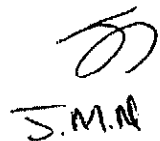


J.M.M

4.3. It is further agreed that the case be referred to the Honourable Enforcement Committee, and the Honourable Enforcement Committee is requested to make this settlement agreement an order as contemplated in section 6B(7)(a) of the Financial Institutions (Protection of Funds) Act, No 28 of 2001 ("the FI Act").

5. Other conditions

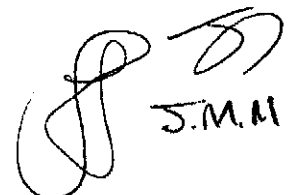
5.1. This agreement is subject to approval by the Enforcement Committee and the parties specifically record that they are aware of the possibility that the Enforcement Committee may not accept the terms of this agreement. If the Enforcement Committee declines to make this agreement an order, then in such event this agreement will be null and void.

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.



S.M.N.

- 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. 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.
- 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, and payment of such penalty shall be in full and final settlement.
- 5.6. 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

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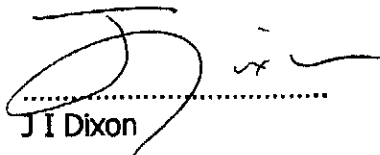
may validly be served upon or delivered to the parties. For the purpose of this agreement the parties' respective addresses shall be:

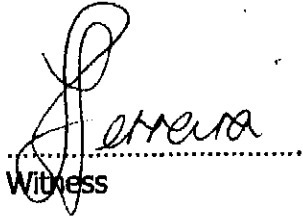
The Applicant
Financial Services Board
Block B, Riverwalk Office Park
41 Matroosberg Road
Ashlea Gardens ext 6
Pretoria
0081

The Respondent:

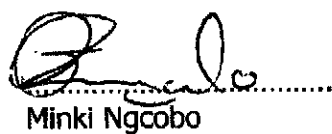
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Signed at PRETORIA on 9th September 2013 on behalf of the Registrar.


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JI Dixon


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Witness

Signed at Sandton on 2nd Sep 2013 on behalf of the Respondent.


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Minki Ngcobo


.....
Witness