

**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: **33/2012**

In the matter of:

**THE REGISTRAR OF FINANCIAL SERVICES
PROVIDERS**

Applicant

and

VILJOEN, PHILLIPUS CHRISTOFFEL

First Respondent

**INTELINET NETWORKING
SOLUTIONS (PTY) LIMITED**

Second 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 First and Second Respondent contravened regulation 3(b) of the Financial Advisory Services Regulations, 2003, prescribed in terms of section 35 of the Financial Advisory and Intermediary Services Act, No 37 of 2002.

I hereby impose a penalty of R30 000 on the First and Second Respondent who are jointly and severally liable for this penalty and is to be paid on or before 31 December 2012.

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

Signed at **PRETORIA** on the5..... day of **DECEMBER 2012**.


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

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**INTELINET NETWORKING
SOLUTIONS (PTY) LIMITED**

Second Respondent

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

1. The parties

1.1. The parties to the agreement are:

1.1.1. The Applicant is the Registrar of Financial Services Providers ("the Registrar") herein represented by Mr German Emmanuel Anderson in his capacity as the Deputy Registrar of Financial Services Providers.

1.1.2. The First Respondent is Mr Phillipus Christoffel Viljoen, an adult male who resides at 347 Ben Viljoen Street, Pretoria North.



1.1.3. The Second Respondent is Intelinet Networking Solutions (Pty) Limited, a private company duly incorporated in accordance with the laws of the Republic of South Africa, bearing the registration number 2012/021612/07 and which has its registered office at 591 Besembiesie Road, Magalieskruin. The Second Respondent is represented by the First Respondent in his capacity as a director of the Second Respondent. The First Respondent warrants that he is authorised by the Second Respondent to conclude this agreement.

2. Introduction

- 2.1. The Registrar is of the opinion that the First and Second Respondents (collectively referred to as the Respondents) contravened the provisions of regulation 3(b) of the Financial Advisory Services Regulations, 2003 (Regulations) prescribed in terms of section 35 of the Financial Advisory and Intermediary Services Act, No 37 of 2002 (Act).
- 2.2. The Respondents wish 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. Agreed Facts and contravention


- 3.1. The First Respondent established the Second Respondent in order to conduct the business of referring its members to product suppliers in the insurance market, in return for which the Second Respondent would earn a referral fee from the relevant product supplier.




- 3.2. At all relevant times the First Respondent was an executive director of the Second Respondent.
- 3.3. At all relevant times the First Respondent acted both in his personal capacity and in his capacity as a director of the Second Respondent and being the "directing mind and will" of the Second Respondent.
- 3.4. The First Respondent during the period 1 May 2012 and until 30 June 2012 published on the Second Respondent's website that the Second Respondent was an authorised representative of KGA Life Ltd, when in fact the Second Respondent was not appointed as a representative of KGA Life Limited nor was the Second Respondent an authorised financial services provider.
- 3.5. It is therefore agreed between the parties that the Respondents contravened regulation 3(b) of the regulations.

4. The mitigating circumstances

- 4.1. It is also agreed that the following mitigating factors are relevant to the matter:
 - 4.1.1. The Respondents accepted responsibility for the contravention;
 - 4.1.2. The Respondents remedied the breach; and
 - 4.1.3. The Respondents fully co-operated with the Registrar's investigation and the enforcement action.

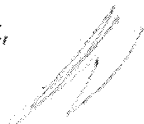


5. The agreed penalty

- 5.1. In the light of the above, the parties have agreed that the Respondents will jointly and severally pay a penalty of R30 000 the one paying the other to be absolved in respect of this contravention on or before 31 December 2012.
- 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. 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 and is in full and final settlement of the Respondents liability for an administrative sanction to the Registrar arising from this contravention.
- 6.6. The parties choose as their *domicilium citandi et executandi* their respective address 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. However the notice contemplated in terms of section 6E of the FI Act will be delivered by electronic email. For the purpose of this agreement the parties' respective addresses shall be:

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




6.6.2. First and Second Respondent:

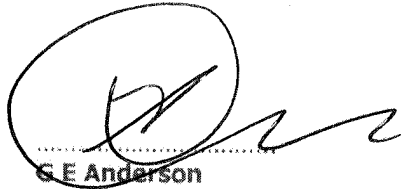
591 Besemblesie Road

Maglieskruin

0182

Email: phillip@leisuresure.co.za

Signed at **PRETORIA** on the 3rd day of December 2012
on behalf of the Registrar



.....
G E Anderson

Signed at Pretoria on the 2 day of December
2012.



.....
P C Viljoen

Signed at Pretoria on the 2 day of December
2012 on behalf of the Second Respondent.



.....
P C Viljoen