

**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: **06/2013**

In the matter of:

**THE REGISTRAR OF LONG-TERM INSURANCE**

Applicant

and

**PSG ASSET MANAGEMENT HOLDINGS  
(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 26 (1) of the Long-Term Insurance Act, No 52 of 1998, 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.

I make no order regarding costs.

Signed at **PRETORIA** on the .....<sup>27</sup>..... day of **March 2013**.

  
.....  
**C F Eloff**

**Chairperson of the Enforcement Committee**

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

**CASE NO: 06/2013**

In the matter of:

**THE REGISTRAR OF LONG-TERM INSURANCE**

The Applicant

and

**PSG ASSET MANAGEMENT HOLDINGS (PTY) LIMITED** Respondent

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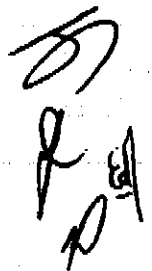
**SETTLEMENT AGREEMENT IN TERMS OF SECTION 6B(7)(a) OF  
THE FINANCIAL INSTITUTIONS (PROTECTION OF FUNDS) ACT,  
28 OF 2001**

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**1. The parties**

1.1. The parties to the agreement are the Registrar of Long-term insurance ("the Registrar") herein represented by Jonathan Dixon; and

1.2. PSG Asset Management Holdings (Proprietary) Limited ("PSG Asset Management") a registered private company as contemplated in the Companies Act 71 of 2008, (registration number 2011/001041/07).

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1.3. PSG Asset Management is herein represented by ("Terence Collopy") an adult male businessman with identity number 7009175188089 in his capacity as Financial Director and who confirms that he is duly authorized to enter into this agreement.

**2. The contravention**

2.1. During the period 1 February 2011 to 1 March 2012 PSG Asset Management acquired a 100 % shareholding in PSG Asset Management Life Limited, a registered insurer in terms of the LTIA. When PSG Management acquired said shareholding it failed to obtain prior approval from the Registrar as required by section 26 (1) of the LTIA.

2.2. It is agreed between the parties that PSG Asset Management contravened section 26(1) (a) of the Long-Term Insurance Act, no 52 of 1998 ("the LTIA").

**3. The mitigating circumstances**

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3.1. It is also been agreed that the mitigating circumstances set out below are relevant to this matter.

3.1.1. At all times relevant to this matter, PSG Asset Management co-operated with the Registrar and after having been made aware of the contravention has put measures in place to rectify same.

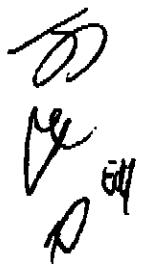
3.1.2. The change in shareholding that resulted in the contravention in question was not as a result of a malicious intention to mislead the Registrar.

3.1.3. PSG Management has expressed sincere regret for the contravention and has confirmed that the contravention did not cause prejudice to policyholders.

3.1.4. PSG Management has cooperated with the Registrar at all relevant times to this matter.

**4. The agreed penalty**

4.1. In the light of the above, and in terms of section 6B (7) (a) of the Financial Institutions (Protection of Funds) Act, No 28 of

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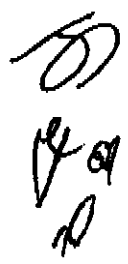
2001, the parties have agreed that PSG Management will pay a penalty of R250 000 in settlement of the matter.

4.2. The parties humbly request that the Honorable Chairperson makes the settlement an order, as envisaged in section 6B (7) (b) of the Financial Institutions (Protection of Funds) 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.

5.2. If PSG Management Asset Management does not comply with the terms of this agreement and it is necessary for the FSB to proceed with legal proceedings, PSG Asset Management 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.

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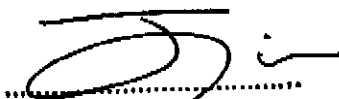
5.3. No leniency or postponement given by the FSB to PSG Asset Management or any amendment to the terms and conditions of this agreement will be binding unless such postponement, leniency or amendment is reduced to writing and signed by the parties.


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 shall not be a novation of the cause of action in terms whereof PSG Management was found to have contravened the Act.

5.6. This agreement constitutes the whole agreement between the parties in respect of the offer to pay a penalty.

Signed at PRETORIA on 26/03/13..... on behalf of the Registrar

  
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J Dixon

  
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Witness

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