

**IN THE ENFORCEMENT COMMITTEE ESTABLISHED IN TERMS OF
SECTION 10(3) OF THE FINANCIAL SERVICES BOARD ACT, 97 OF
1990**

CASE NO: **EC 02/2016**

In the matter of:

THE REGISTRAR OF PENSION FUNDS	First Applicant
FINANCIAL SERVICES BOARD	Second Applicant
and	
SALT EMPLOYEE BENEFITS (PTY) LTD	Respondent

ORDER

WITH DUE CONSIDERATION to the settlement agreement attached marked annexure "A" and 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, for the period ended 31 March 2014, contravened section 13B(1) of the Pension Funds Act, No. 24 of 1956 read with condition 7.3 of the "Conditions for Administration of Pension Funds, 2002" published under Board Notice 24 of 2002 and impose a penalty of R20 000 inclusive of costs to be paid by the Respondent on or before 31 March 2016. The remaining terms and conditions of the settlement agreement are incorporated and made an order of the Enforcement Committee.

Signed at **PRETORIA** on the ⁴..... day of **March 2016**

A handwritten signature in blue ink, appearing to read 'C F Eloff', written over a horizontal dotted line.

C F Eloff

**Chairperson of the
Enforcement Committee**

" Annexure A "

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THE REGISTRAR OF PENSION FUNDS

First Applicant

FINANCIAL SERVICES BOARD

Second Applicant

and

SALT EMPLOYEE BENEFITS (PTY) LTD

Respondent

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

PARTIES TO THE AGREEMENT

1. The First Applicant is the Registrar of Pension Funds (Registrar).
2. The Second Applicant is the Financial Services Board (FSB), a juristic person established in terms of section 2 of the Financial Services Board Act, No. 97 of 1990. The functions of the FSB are *inter alia* to supervise and enforce compliance with the laws relating to financial institutions and the provision of financial services.

3. The First and Second Applicants are represented by MRS ROSEMARY THÉRÈSE HUNTER in her capacity as the Deputy Registrar of Pension Funds and as the Deputy Executive Officer of Pensions.

4. The Respondent is Salt Employee Benefits (Pty) Ltd ("Respondent") a company duly incorporated and registered in accordance with the laws of the Republic of South Africa, bearing registration number 1994/000446/07. The Respondent is approved by the Registrar as an administrator in terms of section 13B(1) of the Pension Funds Act, No 24 of 1956 ("the Act"). The Respondent is represented by MR WILLEM EDUARD STRYDOM in his capacity as a director and the chief executive officer of the Respondent, and who warrants that he is authorized by the Respondent to conclude this agreement.

WHEREAS

5. The Registrar is of the opinion that the Respondent contravened section 13B (1) of the Act read with condition 7.3 of the "Conditions for Administration of Pension Funds, 2002" published under Board Notice 24 of 2002.



6. 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").

NOW THEREFORE IT IS AGREED AS FOLLOWS

7. It is agreed between the parties that the Respondent contravened section 13B (1) of the Act read with condition 7.3 of the "Conditions For Administration Of Pension Funds, 2002" published under Board Notice 24 of 2002, in that it failed to maintain liquid assets equal to or greater than 8/52 of its annual expenditure for the period ended 31 March 2014.
8. The Registrar took into account, amongst others, the following mitigating factors:
 - 8.1. The Respondent accepted responsibility for the contravention;
 - 8.2. The Respondent co-operated with the Registrar's investigation and enforcement action.
9. In light of the above, the parties have agreed that the Respondent will pay a penalty of R20 000 on or before 31 March 2016 in settlement of the matter.



10. Other conditions

- 10.1. 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.
- 10.2. If the Respondent does not comply with the terms of this agreement and it is necessary for the Applicant/s to institute legal proceedings, the Respondent herewith consents to pay all legal costs to the Applicant/s on the attorney and client scale in terms of the High Court Rules inclusive of collection commission and value added tax.
- 10.3. No leniency or postponement given by the Applicant/s 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 Applicant/s or any amendment to this agreement shall not be

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a novation of the cause of action in terms whereof the Respondent was found to have contravened the Act.

- 10.4. Any receipt of a payment by the Applicant/s after the due date shall be without prejudice to any of the rights of the Applicant/s.
- 10.5. This Agreement constitutes the whole agreement between the parties in respect of the offer to pay a penalty.
- 10.6. This agreement is in full and final settlement of the Respondent's liability for an administrative sanction to the Registrar arising from this contravention.
- 10.7. 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 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(1) of the FI Act may be delivered by electronic email. For the purpose of this agreement the parties' respective addresses shall be:



10.7.1. Financial Services Board:

Block B, Riverwalk Office Park

41 Matroosberg Road

Ashlea Gardens Ext 6

Pretoria

0081

10.7.2. Respondent:

Precision House

International Business Gateway

Cnr New and 6th Roads

Midridge Midrand

Email address: eddie@saltinvest.co.za

11. The parties humbly request that the Honorable Chairperson makes the settlement an order, as envisaged in section 6B (7) (b) of "the FI Act".

Signed at PRETORIA on 2 March 2016 on behalf of the Registrar.



.....
RT Hunter



Signed at Bellville on 24.2.2016 on behalf
of the Respondent.


.....
W E Strydom