

**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: 29/2017

In the matter of:

**THE REGISTRAR OF COLLECTIVE INVESTMENT**

**SCHEMES**

Applicant

and

**MET COLLECTIVE INVESTMENTS (RF) (PTY) LIMITED**

Respondent

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**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 4 (4) (a) of the Collective Investment Schemes Act, 45 of 2002. I hereby impose a penalty of R20 000 (Twenty thousand rand).

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

Signed at <sup>DUSSAN</sup>PRETORIA on the .....<sup>5<sup>TH</sup></sup> day of **JUNE 2017**.

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**Deputy 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 NUMBER: **29/2017**

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**THE REGISTRAR OF COLLECTIVE INVESTMENT  
SCHEMES**

Applicant

and

**MET COLLECTIVE INVESTMENTS  
(RF) (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. PARTIES TO THE AGREEMENT**

- 1.1 The Applicant is the Registrar of Collective Investment Schemes (the Registrar) herein represented by Mr Jurgen Boyd in his capacity as the Deputy Executive Officer of Collective Investment Schemes;  
and;
- 1.2 The Respondent is MET Collective Investments (RF) (Pty) Limited (the Respondent), a company registered and incorporated in accordance with the company laws of the Republic of South Africa bearing the registration

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number 1991/003741/07. The Respondent is herein represented by Mr Etienne F Gouws, duly authorised by MET Collective Investments (RF) (Pty) Limited who warrants that he has been duly authorised by the Respondent to enter into this agreement.

1.3 The Respondent's business address is at 268 West Avenue, Centurion, Pretoria.

## **2. THE CONTRAVENTION OF SECTION 4 (4) (a) OF THE COLLECTIVE INVESTMENT SCHEMES ACT, 45 OF 2002(CISCA)**

2.1. It is agreed between the parties that MET as a collective investment schemes manager failed to organize and control the MET Collective Investments Scheme in a responsible manner. This conduct relates to the Respondent's failure to amend the Fairtree MET Flexible Balanced Fund's Supplemental Deed to reflect the portfolio investment policy change from Multi Asset High Equity to Multi Asset Medium Equity.

2.2. The Respondent's conduct constituted a contravention of section 4 (4) (a) of CISCA.

## **3. THE MITIGATING CIRCUMSTANCES**

3.1. It is agreed that *inter alia* the following mitigating factors are relevant to the matter:

3.1.1. The Respondent expressed regret for its actions, admitted the contravention and gave its full co-operation to the Registrar to ensure that this matter is brought to finality; and

3.1.2. The Respondent has never been found to have contravened CISCA prior to this contravention.

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#### 4. THE AGREED PENALTY

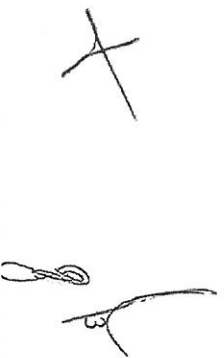
4.1. In light of the above, and in terms of section 6B(7)(a) of the Financial Institutions (Protection of Funds) Act, No 28 of 2001 (the FI Act), the parties have agreed that the Respondent will pay a penalty of R20 000 (Twenty Thousand Rand) inclusive of costs.

#### 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 Should the Respondent not comply with the terms of this agreement and it becomes necessary for the Registrar and/or the 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, interest and Value Added Tax.

5.3. 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.

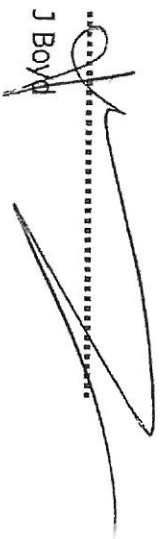
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268 West Avenue  
Centurion  
0157

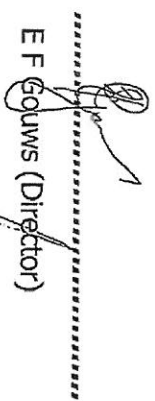
E mail: [etienne.gouws@momentum.co.za](mailto:etienne.gouws@momentum.co.za)  
[braam.jordaan@mmlholdings.co.za](mailto:braam.jordaan@mmlholdings.co.za)

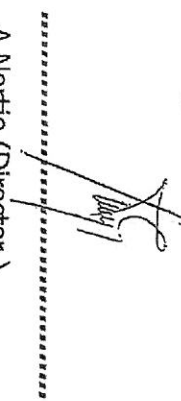
The parties humbly request that the Honorable Chairperson makes the settlement an order, as envisaged in section 6B (7) (b) of the F I Act.

Signed at PRETORIA on ..... 31 MAY ..... on behalf of the FSB and the Deputy Executive Officer of Collective Investment Schemes.

  
.....  
J Boyd

Signed at ..... CENTURION ..... on ..... 31 MAY 2017 ..... on behalf of the Respondent.

  
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E F GOUWS (Director)

  
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A Nortje (Director )