

**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: **01/2016**

In the matter of:

**THE REGISTRAR OF COLLECTIVE INVESTMENT**

**SCHEMES**

Applicant

**and**

**PEGASUS WEALTH MANAGEMENT (PTY) LIMITED**

Respondent

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**ORDER**

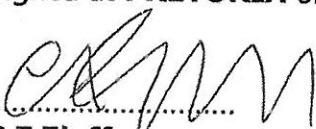
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WITH DUE CONSIDERATION to the settlement agreement (attached marked annexure "A") in terms of section 6B (7) (a) of the Financial Institutions (Protection of Funds) Act, No 28 of 2001, I hereby determine that the Respondent contravened section 65 of the Collective Investment Schemes Act, 45 of 2002. I hereby impose a penalty of R50 000 (Fifty thousand rand).

I make no order as to costs.

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

Signed at **PRETORIA** on the .....<sup>18<sup>th</sup></sup>..... day of **JANUARY 2016**.



**C F Eloff**

**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: 01/2016

In the matter of:

**THE REGISTRAR OF COLLECTIVE INVESTMENT  
SCHEMES**

Applicant

and

**PEGASUS WEALTH MANAGEMENT (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 Pegasus Wealth Management (Pty) Limited (the Respondent), a company registered and incorporated in accordance with the company laws of the Republic of South Africa bearing the registration number 2004/018364/07. The Respondent is herein represented by Mr Dion Desauois, Managing Director of Pegasus Wealth Management (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 Suite 3D Royal Palms, 6 Palm Boulevard, Umhlanga New Town Centre, KwaZulu Natal, 4320. The Respondent is a registered Financial Services Provider and is licenced under FSP licence 18729 issued in terms of the Financial Advisory and Intermediary Services Act, 37 of 2002.

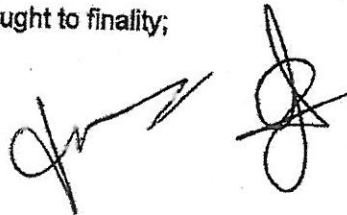
## 2. THE CONTRAVENTION OF SECTION 65 OF THE COLLECTIVE INVESTMENT SCHEMES ACT, 45 OF 2002(CISCA)

- 2.1. It is agreed between the parties, following the Registrar's assessment of the information provided by the Respondent, that during January 2015 the Respondent solicited investments from two investors to invest in the CANACCORD GEN INV CGWM SELECT OPPORTUNITY DIS fund, the latter being a foreign collective investment scheme which was not approved by the Registrar at the time the investments were solicited.
- 2.2. The Respondent's conduct constituted a contravention of section 65 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 contravention was as a result of a *bona fide* oversight and the Respondent has undertaken to rectify the contravention according to the Registrar's instructions;
- 3.1.2. 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;



3.1.3. The Registrar is not aware of any prejudice suffered by the investors as a result of the contravention; and

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

#### 4. THE AGREED PENALTY

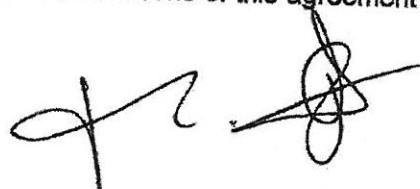
4.1. In light of the above, and in terms of section 6B(7)(a) of the Financial Institutions (Protection of Funds) Act, No 28 of 2001 (the FI Act), the parties have agreed that the Respondent will pay a penalty of R50 000 ( Fifty Thousand Rand).

#### 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

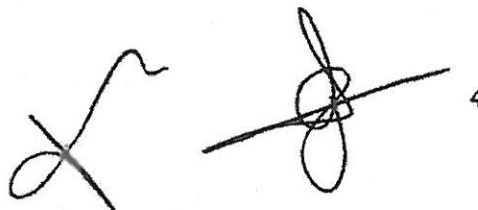


binding unless such postponement, leniency or amendment is reduced to writing and signed by the parties. Any leniency or postponement granted by the Registrar or any amendment to this Agreement shall not be a novation of the cause of action in terms whereof the Respondent was found to have contravened the Act.

- 5.4 Any receipt of a payment by the Registrar and/or the FSB after the due date, which date shall be outlined in an invoice for payment of the penalty shall be without prejudice to any of the rights of the Registrar and/or the FSB.
- 5.5 This Agreement constitutes the whole agreement between the parties in respect of the offer to pay a penalty.
- 5.6 This agreement is in full and final settlement only in respect of the Respondent's liability for an administrative sanction to the Registrar arising from this contravention.
- 5.7. 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 of the FI Act may be delivered by electronic email. 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



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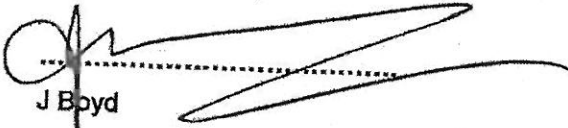
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The Respondent:

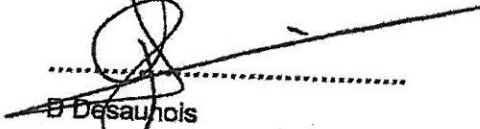
Pegasus Wealth Management (Pty) Limited  
E mail: d.desaunois@pegasus-wm.com

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 18/01/2016 on behalf of the FSB and the Deputy Executive Officer of Collective Investment Schemes.

  
.....  
J Boyd

Signed at Durban on 15/1/2016 on behalf of the Respondent.

  
.....  
B Desaunois