

**IN THE ENFORCEMENT COMMITTEE ESTABLISHED IN TERMS  
OF SECTION 10(3), READ WITH SECTION 10A OF THE  
FINANCIAL SERVICES BOARD ACT, NO.97 OF 1990**

CASE NO: **4/2011**

In the matter of:

**THE REGISTRAR OF SHORT-TERM INSURANCE** Applicant

and

**AFRICAN EAGLE FINANCIAL SERVICES  
(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 4(3)(b) of the Short-Term Insurance Act, No. 53 of 2001 and impose a penalty of R25 000 to be paid on or before 30 May 2011. 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 11 May 2011.



C. F. Eloff

Chairperson of the Enforcement Committee.

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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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**PARTIES TO THE AGREEMENT**

1. The parties to this agreement are the Registrar of Short-Term Insurance ("the Registrar"), herein represented by Jonathan Ian Dixon in his capacity as the Deputy Registrar of Short-Term Insurance;

and

African Eagle Financial Services (Pty) Limited ("African Eagle"), herein represented by James Johannes Du Toit in his capacity as a director of African Eagle.



**WHEREAS**

- 2. The Registrar is of the opinion that African Eagle contravened sections 4(3)(b) of the Short-Term Insurance Act, 53 of 1998 ("Act").
  
- 3. African Eagle 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 ("FI Act").

**NOW THEREFORE IT IS AGREED AS FOLLOWS**

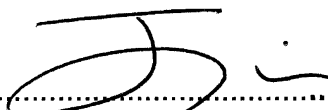
- 4. It is agreed between the parties that African Eagle contravened Section 4(3)(b) of the Act in that African Eagle published an advertisement in the months of August and November 2010 in which it advertised the marketing of a short-term policy, without disclosing that New National Assurance Company Ltd was the short-term insurer underwriting this policy.
  
- 5. In light of the above, the parties have agreed that African Eagle will pay a penalty of R25 000 on or before 30 April 2011, in settlement of the matter.
  
- 6. If African Eagle does not comply with the terms of this agreement and the Registrar institutes legal proceedings to enforce the

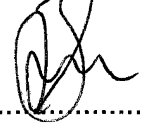
*Handwritten signatures and initials:*  
- A signature with a circle around the end, possibly "M...".  
- The word "May" written below the signature.  
- The letters "PA" written below the signature.  
- Another signature below "PA".  
- A signature at the bottom right of the page.

agreement, African Eagle consents to pay all legal costs to the Registrar on the Attorney and Client scale.

7. No leniency or postponement given by the Registrar to African Eagle 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.
8. Any receipt of a payment by the Registrar after the due date shall be without prejudice to any of the rights of the Registrar.
9. This Agreement does not constitute a novation of the cause or causes of action in terms whereof African Eagle was found to have contravened the Act.
10. The parties humbly request that the Honorable Chairperson makes the settlement an order, as envisaged in section 6B(7)(b) of the FI Act.

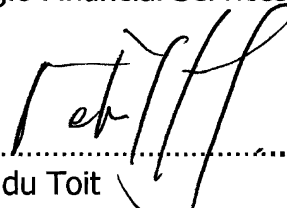
Signed at PRETORIA on ..... 5 May 2011 ..... on behalf of the Registrar.

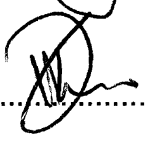
  
.....  
J I Dixon

  
.....  
Witness



Signed at Pretoria on 05/05/11 on behalf of African Eagle Financial Services (Pty) Limited

  
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J J du Toit

  
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Witness

