



South African Reserve Bank
Prudential Authority

Ref.: 15/1/5/3_1062

ADMINISTRATIVE PENALTY ORDER
(ISSUED IN TERMS OF SECTION 167 (1) OF THE FINANCIAL SECTOR
REGULATIONS ACT NO. 9 OF 2017)

The Prudential Authority, in terms of section 167(1) of the Financial Sector Regulations Act 9 of 2017, hereby imposes an administrative penalty of R 10 000 000 (ten million rand) on Safrican Insurance Company Limited (Safrian).

R 5 000 000 (five million Rand) of the penalty is suspended for a period of two years from the date of this order. The remaining R 5 000 000 (five million Rand) must be paid within 14 working days from the date of this order.

The penalty arises from the contravention of Section 7 of the Long-term Insurance Act, No. 52 of 1998, by underwriting sinking fund policies for which Safrican was not licensed for.

It is recorded that Safrican voluntarily reported the contravention and cooperated fully with the Prudential Authority. The contravention did not prejudice any policyholders or members of Safrican.

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Kuben Naidoo
Deputy Governor and CEO: Prudential Authority

Date: 6 November 2018