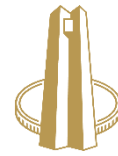


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SOUTH AFRICAN RESERVE BANK
Prudential Authority

Administrative penalty order issued in terms of section 167(1) of the Financial Sector Regulation Act 9 of 2017 (King Price Insurance Company Limited)

The Prudential Authority (PA) hereby imposes a total administrative penalty of R 924,311 (Nine hundred and twenty-four thousand three hundred and eleven rand) in terms of section 167(1) of the Financial Sector Regulation Act, 2017 (Act No. 9 of 2017) (FSR Act) on King Price Insurance Company Limited (KPI).

The total administrative penalty, inclusive of costs, must be paid within 14 working days from the date of this order.

The penalty arises from the following contraventions of the Insurance Act, 2017 (Act No.18 of 2017) (the Insurance Act), by KPI:

- a. KPI failed to obtain the PA's approval in terms of section 38(1)(e) of the Insurance Act prior to concluding transactions contemplated in section 45 of the Companies Act which amounted to financial assistance being provided to KPI's related parties.
- b. KPI failed to obtain the PA's approval in terms of section 5(4) of the Insurance Act prior to conducting business other than insurance business in the Republic.

In determining the appropriate administrative penalty, the PA considered the factors set out in section 167(2) of the FSR Act. The PA views the non-compliance with financial sector laws in a serious light.

Fundi Tshazibana
Chief Executive Officer

Date: