



South African Reserve Bank

THE REGISTRAR OF BANKS ISSUES THIS NOTICE IN RESPONSE TO AFRO RMM CONSULTANCY'S PURPORTED "NOTICE TO INVESTORS" DATED 6 JANUARY 2015.

The Registrar of Banks hereby confirms that:

1. The Registrar has appointed temporary inspectors from Ernst & Young Advisory Services (Pty) Ltd ("**Ernst & Young**") to conduct an investigation into the business activities conducted by Carmol Distributors (Pty) Ltd, amongst others ("**Carmol**").
2. Acting on a reasonable suspicion of an illegal deposit-taking scheme, the Registrar has also taken steps to freeze assets and, *inter alia*, the bank accounts of Carmol, associated with the scheme, in terms of section 11(1), as read with 81(1)(c)(i) to (iii) of the Banks Act, 1990 ("**the Banks Act**"), and launched an application out of the Gauteng High Court, Johannesburg under case number 42574/14 ("**Application**").
3. Carmol is currently subject to an interim court order granted by Judge Lamont in respect of the Application on 26 November 2014 ("**the court order**"). The court order confirms that Carmol is expressly precluded from disposing of, or otherwise dealing with, any of its assets, (including any withdrawal of funds from the business banking account held by Carmol with the Standard Bank of South Africa Limited under account number 020 131 453).
4. The purpose of the court order is to secure all of Carmol's assets in a manner which preserves the integrity of such assets pending the outcome of part A of the Application. If part A of the Application is successful and the inspection thereafter concludes that Carmol has engaged in activities in contravention of the Banks Act, the assets subject to the court order will be suitably preserved for the purposes of section 84 of the Banks Act and the repayment of monies unlawfully obtained, in due course.
5. The Registrar has become aware of certain correspondence from Afro RMM Consultancy ("**Afro RMM**") dated 6 January 2015 and entitled "Notice to investors", promising to expedite the repayment of funds invested with Carmol and calling for all future correspondence regarding any investments to be forwarded to the offices of Afro RMM.
6. Members of the public are advised that any attempt by Afro RMM to deal with Carmol's assets in the manner suggested, would be a clear contravention of the court order and there appears to be no basis for the invitation to submit

information to Afro RMM. The notice addressed from Afro RMM is accordingly misleading and members of the public are further advised to ignore the assertions made by Afro RMM in relation to the repayment of funds invested with Carmol / the ability of Afro RMM to expedite any such repayment.

7. Members of the public should continue directing all communication relating to Carmol, the inspection and /or the Application to Ernst & Young using the following dedicated telephone line 011 772 4100.