

**Media release 5 of 2016
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To: All news editor and journalists

CIPC SECURES CRIMINAL CONVICTION FOR NON COMPLIANCE WITH COMPLIANCE NOTICE

Quantum Property Group Limited (“Quantum Property”) represented by Mr Peter Martin Shaff, was convicted of contraventions under Section 214 (3), read with the provisions of Section 171 (7) and Section 216 (b) of the Companies Act No. 71 of 2008 (as amended) (“Act”) in the Specialised Commercial Crime Court in Bellville, Cape Town on 21 July 2016.

In terms of Section 276(1) (f) of Criminal Procedure Act No. 51 of 1977 (as amended), the company is sentenced to pay a fine of R40 000-00 of which R15 000-00 is wholly suspended for 5 years in terms of Section 297(1) (b) of Act 51 of 1977.

On 20 January 2014, the Companies and Intellectual Property Commission (“CIPC”), issued a compliance notice to Mr Gary Shaff, a director of Quantum Property.

In terms of the Act, the CIPC may issue Compliance Notices to any person whom the CIPC, on reasonable grounds, believes has contravened the Act. Non-compliance with this notice may result in an administrative fine or referral to the National Prosecuting Authority for prosecution as an offence.

CIPC received a complaint by a shareholder of Quantum Property alleging that the company had not called an annual general meeting for its shareholders nor produced annual financial statements for the 2012 financial year, thus contravening Sections 30 and 61 of the Act.

The CIPC appointed Inspectors to investigate the complaint and a Compliance Notice was issued to Mr. Gary Shaff and Quantum Property as a result of the investigation. The Compliance Notice required Mr Shaff to respond within 40 business days from the date of the Notice with regard to the following:

1. Submitting all the required annual financial statements ON THE BASIS REQUIRED BY Section 30 of the Act for the financial year 2012 to his registered auditor(s).
2. Submitting a statement signed by the registered auditor on his/her letterhead as proof that s/he received ALL the required annual financial statements, to the CIPC.
3. Convening an annual general meeting ON THE BASIS REQUIRED BY Section 61(7) of the Act for the financial year 2012.



4. Submitting as proof to the CIPC:

- I. the Notice of the Annual General Meeting with all the required attachments as per Section 61(8) of the Act;
- II. the list of the shareholders to whom it was sent to;
- III. a certified copy of the Memorandum of Incorporation outlining the required quorum for the meeting;
- IV. a certified copy of the attendance list;
- V. signed minutes of the preceding AGM; and
- VI. draft minutes of the annual general meeting for the financial year 2012.

Mr. Shaff and Quantum Property failed to comply with the issued Compliance Notice. In terms of Section 171(7) (b) of the Act, the CIPC referred the matter to the National Prosecuting Authority for prosecution as an offence in terms of Section 214(3) of the Act.

Ends

Issued by : CIPC