



Financial Services Commission
Mauritius

FSC/ENF25K2016/4

Public Notice

Revocation of the Global Business Category 1 Licence, the Investment Adviser (Unrestricted) Licence and the CIS Manager Licence held by RDL Management Ltd

The Enforcement Committee (the “EC”) of the Financial Services Commission (the “FSC”) has, on 21 November 2016, revoked the Global Business Category 1 Licence, the Investment Adviser (Unrestricted) Licence and the Collective Investment Scheme (“CIS”) Manager Licence held by RDL Management Ltd (“RDL”) pursuant to sections 7(1) (c) (vi) and 52(3) of the Financial Services Act 2007 (the “FSA”) as RDL has:

- a. breached section 105(1) (c) of the Securities Act (“SA”) inasmuch as from the information collected during the inspection, it was observed that the directors of RDL served their own interests to the detriment of those of the investors;
- b. contravened section 105(1) (g) of the SA and regulation 34(k) of the Securities (Collective Investment Schemes and Closed-end Funds) Regulations 2008 (the “CIS Regulations 2008”) as breaches of the SA and the CIS Regulations 2008 had not been reported to the FSC;
- c. breached regulation 34(e) of the CIS Regulations 2008 as there were grounds to believe that in Two Seasons PCC, there was significant manipulation of the Net Asset Value (“NAV”) which was being calculated using predetermined NAV figures while the offer document stated otherwise;
- d. failed to comply with regulation 34(j) of the CIS Regulations 2008 since RDL failed to keep such books, records and other documents as set out in the Eighth Schedule to the CIS Regulations 2008 as were necessary for the proper recording of its business transactions and financial affairs and the transactions which it executed on behalf of the CIS under its management or participants of those CIS;

- e. breached regulation 63 of the CIS Regulations 2008 requires all transactions carried out by or on behalf of the CIS to be at arm's length, especially when the transactions involve the directors of the CIS as the other parties.
- f. acted in breach of regulation 66 of the CIS Regulations 2008 inasmuch as the inspection conducted by the FSC revealed specific instances whereby both the cells of the Lancelot Global PCC and those of the Four Elements PCC had acted as lender and borrower to each other.

In accordance with section 53(4) of the FSA, RDL may apply to the Financial Services Review Panel for a review of the decision of the EC within 21 days from the date on which it has been notified of the EC's decision.

The revocation of the licences held by RDL shall be effective at the expiry of the abovementioned 21 days period.

Financial Services Commission, Mauritius
25 November 2016