

**TO BE PUBLISHED BY THE FSCA**

**Case No: 1815**

**In the matter between:**

**The Financial Sector Conduct Authority**

**And**

**Mr Allan Radue**

**Mr Nino King**

**Interactive Trading 248 (Pty) Ltd**

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**ENFORCEABLE UNDERTAKING IN TERMS OF SECTION 151(1) OF THE FINANCIAL  
SECTOR REGULATION ACT, 2017**

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**DEFINITIONS**

1. For purposes of this undertaking, the following definitions shall apply:
  - 1.1. **"Interactive"** means **Interactive Trading 248 (Pty) Ltd**, a private company with limited liability, duly incorporated and registered in accordance with the company laws (*Companies Act No. 71 of 2008, as amended*) of the Republic of South Africa, under registration number 2002/001322/07, with its principal place of business situated at 3 Conberg House, Dreyeradal Road, Bergvliet, Cape Town, 7945.

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**Executive Committee:**

**Commissioner:** U. Kamlana | **Deputy Commissioners:** A. Ludin | K. Gibson | F. Badat



- 1.2. **"Effective Date"** means the date on which this undertaking becomes enforceable which is upon signature by a duly authorised officer acting on behalf of the Authority.
- 1.3. **"Enforceable Undertaking"** means this undertaking duly signed and concluded between the Authority and Interactive.
- 1.4. **"FAIS Act"** means the Financial Advisory and Intermediary Services Act No. 37 of 2002, as amended.
- 1.5. **"The Authority"** means the Financial Sector Conduct Authority.
- 1.6. **"FSR Act"** means the Financial Sector Regulation Act No. 9 of 2017 as amended.
- 1.7. **"Radue"** means Mr Allan Radue, a director of Interactive.
- 1.8. **"King"** means Mr Nino King, a director of Interactive.
- 1.9. **"Tribunal"** means the independent Financial Services Tribunal, a statutory body established in terms of section 219 of the FSR Act, with its principal place of business at Kasteel Office Park, Orange Building, 546 Jochemus street, Erasmuskloof, Pretoria, Gauteng.

## **COMPLAINT**

2. The Authority is the market conduct regulator of financial institutions that are licensed or required to be licenced in terms of financial sector laws. The Authority is empowered by the FSR Act to supervise and enforce compliance with financial sector laws.
3. The Authority received information that Interactive issued funeral policies without having a licenced insurer, which is a contravention of section 5 of the Insurance Act 18 of 2017 (the Insurance Act).

4. Radue and King has confirmed that from March 2023 to April 2023, Interactive advised a total of 26738 clients, collected a total amount of R635 006.70 in premiums and settled a total number of 79 claims valued at R548 500.00.
5. Radue and King further confirmed that the 26738 clients/policyholders of Interactive are currently not placed with any licensed insurer.

## **INVESTIGATION AND CONTRAVENTIONS**

6. The Authority commenced an enquiry into the conduct of Interactive, Radue and King as empowered by section 135(1)(a) of the FSR Act. The enquiry was in respect of their conduct during the period 01 January 2020 to 30 April 2023, to determine whether there was a reasonable suspicion that the aforementioned persons contravened:
  - 6.1 section 7(1) of the FAIS Act which states that a person may not act or offer to act as a financial services provider unless such person has been issued with a license under section 8, or, unless such a person has been appointed as a representative of an authorised financial services provider under section 13; and
  - 6.2. Section 5(1) of the Insurance Act which states that no person may conduct insurance business in the Republic unless that person is licensed under the Act.
7. During the period from March 2023 to April 2023, Radue and King, due to the sudden and unexpected closure of Interactive's Financial Service Provider and Insurance Facility Holder, caused and/or permitted Interactive to issue funeral policies without having a licensed insurer. Radue and King further caused and/ or permitted Interactive to collect premiums and processed claims in respect of Interactive's policy holders.
8. Radue and King did not dispute their knowledge and/or involvement in the conduct of Interactive and as a result, they caused and/or permitted the contraventions of sections 7(1) of the FAIS Act, 5(1) of the Insurance Act. Interactive Radue and King have admitted all the contraventions.

### **ENFORCEABLE UNDERTAKING**

9. Interactive, Radue and King tender the following Enforceable Undertaking to the Authority in terms of section 151(1) of the FSR Act.
- 9.1. They will regularise their business within 90 days from the date of signing this Enforceable Undertaking; and
- 9.2. They will ensure that at all relevant times their clients' insurance business is placed with a licensed insurer.

### **NON-COMPLIANCE WITH THE UNDERTAKING**

10. Interactive, Radue and King, understands that if any term contained in this Enforceable Undertaking is breached or contravened, the Authority:
- 10.1. may impose an administrative penalty against Interactive and Radue and King, on the basis of joint and several liability;
- 10.2. may debar Interactive, Radue and King; and/or
- 10.3. may approach the Tribunal to make certain orders in respect of the Enforceable Undertaking.
11. Interactive, Radue and King, acknowledge that they are familiar with all the provisions of section 151 of the FSR Act.

DATED AT KIRKENBURN ON THIS 24<sup>th</sup> DAY OF MAY 2023.

  
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Mr Allan Radue

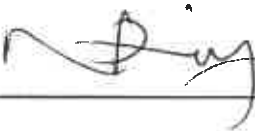
(On behalf of Interactive Trading 248)



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Mr Allan Radue

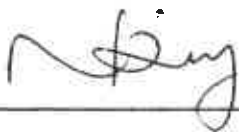
(In his personal capacity)



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Mr Nino King

(On behalf of Interactive Trading 248)



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Mr Nino King

(In his personal capacity)

The aforesaid Enforceable Undertaking is accepted by the Financial Conduct Authority in terms of section 151(1) of the Financial Sector Regulation Act, 2017

DATED AT PRETORIA ON THIS 1<sup>ST</sup> DAY OF JUNE 2023.



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Gerhard van Deventer

(For the Authority)