

[TO BE PUBLISHED BY THE FSCA]

Case No: 2135

In the matter between:

The Financial Sector Conduct Authority

And

Mr Eluthia Larnell Jisreel Snyders

EJ Funeral Service (Pty) Ltd

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

DEFINITIONS

1. For purposes of this undertaking, the following definitions shall apply:
 - 1.1. “**EJ Funeral**” means **EJ Funeral Service (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 2016/188486/07, with its principal place of business situated at 215, 8Th Avenue Grassy Park, Cape Town, Western Cape, 7941.
 - 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.



Executive Committee:

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

- 1.3. **“Enforceable Undertaking”** means this undertaking duly signed and concluded between the Authority and EJ Funeral.
- 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. **“Snyders”** means Mr, Eluthia Larnell Jisreel, Snyders a director of EJ Funeral.
- 1.8. **“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 EJ Funeral issued funeral policies without having an underwriter, which is a contravention of section 5 of the Insurance Act 18 of 2017 (the Insurance Act).
4. Snyders has confirmed that from March 2022 to April 2023, EJ Funeral advised a total of 25 clients, collected a total amount of R18 060 in premiums and settled a total number of 4 claims valued at R20 840.
5. Snyders further confirmed that the 25 clients/policyholders of EJ Funeral are currently not placed with any licensed insurer.



INVESTIGATION AND CONTRAVENTIONS

6. The Authority commenced an enquiry into the conduct of EJ Funeral and Snyders, 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 31 March 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 2022 to April 2023, Snyders, caused and/or permitted EJ Funeral to issue funeral policies without having a licensed insurer. Snyders further caused and/ or permitted EJ Funeral to collect premiums and processed claims in respect of EJ Funeral's policy holders.
8. Snyders did not dispute his knowledge and/or involvement in the conduct of EJ Funeral and as a result, he caused and/or permitted the contraventions of sections 7(1) of the FAIS Act, 5(1) of the Insurance Act. EJ Funeral and Snyders have admitted all the contraventions.

ENFORCEABLE UNDERTAKING

9. EJ Funeral and Snyders, 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

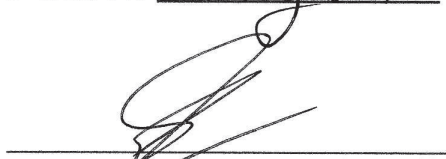


- 9.2. They will ensure that at all relevant times their clients' insurance business is placed with a licensed insurer.

NON-COMPLIANCE WITH THE UNDERTAKING

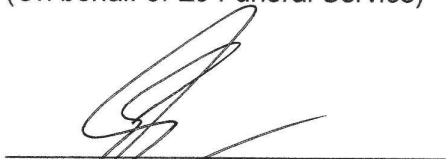
10. EJ Funeral Services and Snyders, understands that if any term contained in this Enforceable Undertaking is breached or contravened, the Authority:
- 10.1. may impose an administrative penalty against EJ Funeral and Snyders, on the basis of joint and several liability;
 - 10.2. may debar EJ Funeral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

DATED AT Grassy Point ON THIS 13 DAY OF June 2023.



Mr Eluthia Larnell Jisreel Snyders

(On behalf of EJ Funeral Service)



Mr Eluthia Larnell Jisreel Snyders

(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 6th DAY OF AUGUST 2023.

Gerhard van Deventer

Gerhard van Deventer

(For the Authority)