

[TO BE PUBLISHED BY THE FSCA]

Case No: 265

In the matter between:

The Financial Sector Conduct Authority

And

Zenandi Funeral Parlour (Pty) Ltd

And

Gweme Thembisa Mangaliso

And

Monwabisi Julias Mangaliso

**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. **“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

- 1.2. **"Enforceable Undertaking"** means this undertaking duly signed and concluded between the Authority and **Zenandi Funeral Parlour**.
- 1.3. **"FAIS Act"** means the Financial Advisory and Intermediary Services Act No. 37 of 2002, as amended.
- 1.4. **"FSR Act"** means the Financial Sector Regulation Act No. 9 of 2017 as amended.
- 1.5. **"Insurance Act"** means Insurance Act No. 18 of 2017 as amended.
- 1.6. **"Monwabisi"** means **Monwabisi Julias Mangaliso** a director of Zenandi Funeral Parlour.
- 1.7. **"The Authority"** means the Financial Sector Conduct Authority.
- 1.8. **"Thembisa"** means **Gweme Thembisa Mangaliso**, a director of Zenandi Funeral Parlour.
- 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.
- 1.10. **"Zenandi Funeral Parlour"** means Zenandi Funeral Parlour a private company with registration number 2021/131066/07, with its principal place of business situated at 614 2de Laan, Petrusville, Northern Cape.

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 Zenandi Funeral Parlour issued funeral policies without having an underwriter, which is a contravention of section 5 of the Insurance Act.
4. Thembisa and Monwabisi have confirmed that from 01/06/2024 to 01/02/2025 Zenandi Funeral Parlour advised a total of 188 clients, collected a total amount of R 17 934 in premiums and settled a total 3 claims valued at R 59 000
5. Thembisa and Monwabisi further confirmed that Zenandi Funeral Parlour clients are currently not placed with any licensed insurer.

INVESTIGATION AND CONTRAVENTIONS

6. The Authority commenced an enquiry into the conduct of Zenandi Funeral Parlour, as empowered by section 135(1)(a) of the FSR Act. The enquiry was in respect of their conduct during the period 01/06/2024 to 01/02/2025, 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 01/06/2024 to 01/02/2025, Thembisa and Monwabisi caused and/or permitted Zenandi Funeral Parlour to issue funeral policies without having a licensed underwriter. Thembisa and Monwabisi further caused and/ or permitted Zenandi Funeral Parlour to collect premiums and processed claims in respect of Zenandi Funeral Parlour's policy holders.

8. Thembisa and Monwabisi did not dispute their knowledge and/or involvement in the conduct of Zenandi Funeral Parlour 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. Zenandi Funeral Parlour, Thembisa and Monwabisi have admitted all the contraventions.

ENFORCEABLE UNDERTAKING

9. Zenandi Funeral Parlour, Thembisa and Monwabisi, tender the following Enforceable Undertaking to the Authority in terms of section 151(1) of the FSR Act.
 - 9.1. They will provide proof of their insurance business underwriting within 30 working days from the date of signing this Enforceable Undertaking;
 - 9.2. They will ensure that all their representatives are added to the representative register of a financial services provider or an underwriter within 30 working days from the date of signing this Enforceable Undertaking; and
 - 9.3. They will ensure that at all relevant times their clients' insurance business is placed with a licensed underwriter.

NON-COMPLIANCE WITH THE UNDERTAKING

10. Zenandi Funeral Parlour, Thembisa and Monwabisi, understands that if any term contained in this Enforceable Undertaking is breached or contravened, the Authority:
 - 10.1. may impose an administrative penalty against Zenandi Funeral Parlour, Thembisa and Monwabisi, on the basis of joint and several liability;
 - 10.2. may debar Zenandi Funeral Parlour, Thembisa and Monwabisi; and/or

10.3. may approach the Tribunal to make certain orders in respect of the Enforceable Undertaking.

11. Zenandi Funeral Parlour, Thembisa and Monwabisi acknowledged that they are familiar with all the provisions of section 151 of the FSR Act.

SIGNED AT PETRUSVILLE ON THIS 18 DAY OF FEBRUARY 2025.

GT Mangaliso

Gweme Thembisa Mangaliso

(On behalf of Zenandi Funeral Parlour)

G.T. Mangaliso

Gweme Thembisa Mangaliso

(In her personal capacity)

M.J. Mangaliso

Monwabisi Julias Mangaliso

(On behalf of Zenandi Funeral Parlour)

M.J. Mangaliso

Monwabisi Julias Mangaliso

(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

SIGNED AT PETRUSVILLE ON THIS 18 DAY OF FEBRUARY 2025.



Gerhard van Deventer

(For the Authority)