

[TO BE PUBLISHED BY THE FSCA]

Case No: 00692

In the matter between:

The Financial Sector Conduct Authority

And

Amogelang Funeral Services (Pty) Ltd

Rathari Menyatso

**ENFORCEABLE UNDERTAKING IN TERMS OF SECTION 151(1) OF THE FINANCIAL
SECTOR REGULATION ACT 9 OF 2017**

DEFINITIONS

1. For purposes of this undertaking, the following definitions shall apply:
 - 1.1. **“Amogelang”** means **Amogelang Funeral Services (Pty) Ltd**, a private company with limited liability, duly incorporated and registered in accordance with the Companies Act 71 of 2008 of the Republic of South Africa, under registration number 2012/042055/07, with its principal place of business situated at Office No 10a, Ikageng Shopping Centre, Potchefstroom.
 - 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 **Amogelang**.

Executive Committee:

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

- 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. **"Rule 2A.4 of the PPR"** means Rule 2A.4 of the Policyholder Protection Rules (PPRs) made under section 62 of the Long-term Insurance Act, 1998
- 1.8. **"FSP"** means an authorised Financial Services Provider.
- 1.9. **"Mr Menyatso"** means Mr Rathari Menyatso, a director of Amogelang.
- 1.10. **"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 in terms of a financial sector law. The Authority is empowered by the FSR Act to supervise and enforce compliance with financial sector laws.
3. On 30 January 2025, the Authority received information that Amogelang was issuing funeral policies (insurance business) without having an insurer, which was a contravention of section 5(1) of the Insurance Act 18 of 2017 (the Insurance Act).
4. Mr Menyatso confirmed that from 12/05/2023 to 28/02/2025, Amogelang advised a total of 1000 clients, collected a total amount of R4,2 m in premiums and settled a total number of 229 claims valued R 1 145 000/00.
5. Mr Menyatso further confirmed that the clients/policyholders of Amogelang are currently not placed with any licensed insurer.

INVESTIGATION AND CONTRAVENTIONS

6. On 10 February 2025, the Authority commenced an investigation into the conduct of Amogelang and Mr Menyatso in terms of section 135(1)(a) of the FSR Act. The investigation was in respect of their conduct during the period 1 January 2023 to 28

February 2025, to determine whether there was a reasonable suspicion of contraventions of the following financial sector law(s):

- 6.1. Section 7(1) of the FAIS Act which provides 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 of the FAIS Act"*.
- 6.2. Section 5(1) of the Insurance Act which provides that *"no person may conduct insurance business in the Republic unless that person is licensed under the Insurance Act"*.
- 6.3. Rule 2A.4 of the PPR which provides that a policyholder or member is entitled to receive policy benefits either as a sum of money or as a service (such as a burial) of equal value. The Rule further provides that funeral policies must allow the policyholder or member to choose between these options without incurring any additional fees or penalties.
7. The investigation revealed that during the period from 12/05/2023 to 28 February 2025, Mr Menyatso caused and/or permitted Amogelang to issue funeral policies without having a licensed underwriter. Mr Menyatso further caused and/or permitted Amogelang to collect premiums and processed claims in respect of Amogelang's policy holders.
8. Mr Menyatso did not dispute her knowledge and/or involvement in the conduct of Amogelang and as a result, she caused and/or permitted the contraventions of sections 7(1) of the FAIS Act and 5(1) of the Insurance Act.
9. Mr Menyatso have cooperated with the Authority and admitted all the facts and contraventions in respect of this investigation.

ENFORCEABLE UNDERTAKING


10. Mr Menyatso gives the following Enforceable Undertaking to the Authority in terms of section 151(1) of the FSR Act:
 - 10.1. They will provide proof of their insurance business underwriting within 30 working days from the date of signing this enforceable undertaking;

- 10.2. They will ensure that all their representatives are added to the representative register of a financial service provider or an underwriter within 30 working days from the date of signing this Enforceable Undertaking; and
- 10.3. They will ensure that at all relevant times their clients' insurance business is placed with a licensed underwriter.
- 10.4. They will ensure that at all relevant times they will comply with the PPR.

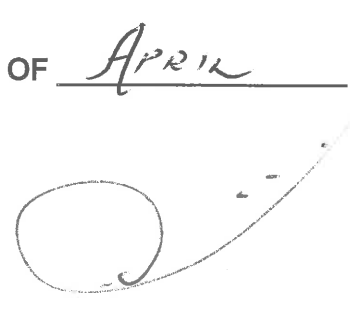
NON-COMPLIANCE WITH THE UNDERTAKING

11. Amogelang and Mr Menyatso understand that if any term contained in this Enforceable Undertaking is breached or contravened, the Authority:
- 11.1. may impose an administrative penalty against Amogelang and Mr Menyatso on the basis of joint and several liability;
- 11.2. may debar Mr Menyatso; and/or
- 11.3. may approach the Tribunal to make certain orders in respect of the Enforceable Undertaking.
12. Amogelang and Mr Menyatso acknowledge that they are familiar with all the provisions of section 151 of the FSR Act.

DATED AT PORTHERSTOWN ON THIS 30TH DAY OF APRIL 2025.



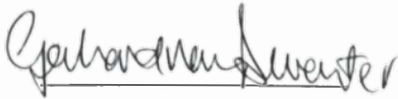
Mr Rathari Menyatso
(On behalf of Amogelang)



Mr Rathari Menyatso
(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 20 DAY OF May 2025.

A handwritten signature in dark ink, appearing to read 'Gerhard van Deventer', written over a horizontal line.

Gerhard van Deventer

(For the Authority)