

[TO BE PUBLISHED BY THE FSCA]

Case No: 2736

In the matter between:

The Financial Sector Conduct Authority

And

God-Chosen Funeral Administrators CC

Vhayana Surprise Mgiba

Vutlhari Ngcebo Njabulo Nkosi

**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.
 - 1.2. **"Enforceable Undertaking"** means this undertaking duly signed and concluded between **the Authority** and **God-Chosen**.
 - 1.3. **"FAIS Act"** means the Financial Advisory and Intermediary Services Act No. 37 of 2002, as amended.

Executive Committee:

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

- 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. **"God-Chosen"** means God-Chosen Funeral Administrators, a close corporation, with its principal place of business situated at 39 Saturn Street, Nelspruit, 1200.
- 1.7. **"The Authority"** means the Financial Sector Conduct Authority.
- 1.8. **"Mgiba"** means **Vhayana Surprise Mgiba**, a director of God-Chosen.
- 1.9. **"Nkosi"** means **Vutlhari Ngcebo Njabulo Nkosi**, a director of God-Chosen
- 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 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 God-Chosen issued funeral policies without having an underwriter, which is a contravention of section 5 of the Insurance Act.
4. Mgiba and Nkosi has confirmed that from Sep 2022 to May 2025 God-Chosen advised a total of 910 clients, collected a total amount of R 3732 000 in premiums and settled a total 76 claims valued at R 1233 000
5. Mgiba and Nkosi further confirmed that God-Chosen is currently in consultation with its clients to be placed with a licensed insurer.

INVESTIGATION AND CONTRAVENTIONS

6. The Authority commenced an enquiry into the conduct of God-Chosen, as empowered by section 135(1)(a) of the FSR Act. The enquiry was in respect of their conduct during the period **1 January 2022 to 26 March 2024**, 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 Sep 2022 to May 2024, Mgiba and Nkosi, caused and/or permitted God-Chosen to issue funeral policies without having a licensed underwriter. Mgiba and Nkosi further caused and/ or permitted God-Chosen to collect premiums and processed claims in respect of God-Chosens' policy holders.
8. Mgiba and Nkosi did not dispute their knowledge and/or involvement in the conduct of God-Chosen 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. God-Chosen, Mgiba and Nkosi have admitted all the contraventions.

ENFORCEABLE UNDERTAKING

9. God-Chosen, Mgiba and Nkosi 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 90 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 90 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. God-Chosen, Mgiba and Nkosi, understands that if any term contained in this Enforceable Undertaking is breached or contravened, the Authority:

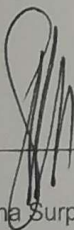
10.1. may impose an administrative penalty against God-Chosen, Mgiba and Nkosi, on the basis of joint and several liability;

10.2. may debar God-Chosen, Mgiba and Nkosi; and/or

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

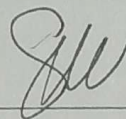
11. God-Chosen, Mgiba and Nkosi acknowledged that they are familiar with all the provisions of section 151 of the FSR Act.

SIGNED AT Pretoria ON THIS 23 DAY OF May 2025.



Vhayana Surprise Mgiba

(On behalf of God-Chosen)



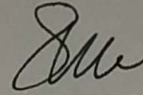
Vuthari Ngcebo Njabulo Nkosi

(On behalf of God-Chosen)



Vhayana Surprise Mgiba

(In his/her personal capacity)

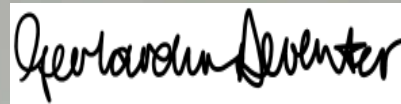


Vuthari Ngcebo Njabulo Nkosi

(In his/her 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 **Pretoria** ON THIS **3rd** DAY OF **June** 2025.



Gerhard van Deventer

(For the Authority)