

TO BE PUBLISHED BY THE FSCA

Case No: 518

In the matter between:

The Financial Sector Conduct Authority

And

Sebela Funeral Palour (Pty) Ltd

And

Philemon Velaphi Khoza

And

Malegasa Cornelius Sibiya

And

Mandisa Melody Sibiya

And

Matume James Sibiya

**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. “**Sebela**” means **Sebela Funeral Palour (Pty) Ltd**, a private company with limited liability, duly incorporated and registered in accordance with the Companies Act 71 of the Republic of South Africa, under registration number 2024/493358/07, with its principal place of business situated at 2922 Goose Grass Street, Extension 46, Rosslyn, Gauteng, 0182.

Executive Committee:

Commissioner: U. Kamlana **I Deputy Commissioners:** A. Ludin **I K. Gibson **I 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 Sebela.
- 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. **"FSP"** means an authorised Financial Services Provider.
- 1.8. **"Mr. Khoza"** means Mr. Philemon Velaphi Khoza director of **Sebela**.
- 1.9. **"Mrs. Sibiya"** means Mrs. Mandisa Melody Sibiya director of **Sebela**.
- 1.10. **"Mr. Malegasa"** means Mr. Malegasa Cornelius Sibiya director of **Sebela**.
- 1.11. **"Mr Matume"** means Mr. Matume James Sibiya director of **Sebela**.
- 1.12. **"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 8 November 2024, the Authority received information that Sebela 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. Khoza, Mrs. Sibiya, Mr. Malegasa and Mr. Matume confirmed that from **1 September 2024 to 31 March 2025**, Sebela advised a total of 55 clients, collected a total amount of R 76 428,00 in premiums and settled a total number of 3 claims valued R 50 000,00

5. Mr. Khoza, Mrs. Sibiya, Mr. Malegasa and Mr. Matume further confirmed that the clients/policyholders of Sebela are currently not placed with any licensed insurer.

INVESTIGATION AND CONTRAVENTIONS

6. On 11 November 2024, the Authority commenced an investigation into the conduct of Sebela and Mr. Khoza, Mrs. Sibiya, Mr. Malegasa and Mr. Matume in terms of section 135(1)(a) of the FSR Act. The investigation was in respect of their conduct during the period 1 June 2024 to 30 April 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*".
7. The investigation revealed that during the period from **1 September 2024 to 31 March 2025**, Mr. Khoza, Mrs. Sibiya, Mr. Malegasa and Mr. Matume caused and/or permitted Sebela to issue funeral policies without having a licensed underwriter. Mr. Khoza, Mrs. Sibiya, Mr. Malegasa and Mr. Matume further caused and/or permitted Sebela to collect premiums and processed claims in respect of Sebela's policy holders.
8. Mr. Khoza, Mrs. Sibiya, Mr. Malegasa and Mr. Matume did not dispute their knowledge and/or involvement in the conduct of Sebela 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. Khoza, Mrs. Sibiya, Mr. Malegasa and Mr. Matume have cooperated with the Authority and admitted all the facts and contraventions in respect of this investigation.

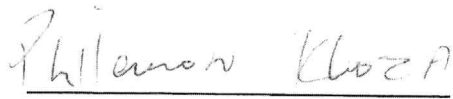
ENFORCEABLE UNDERTAKING

10. Mr. Khoza, Mrs. Sibiyi, Mr. Malegasa and Mr. Matume 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 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 90 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.

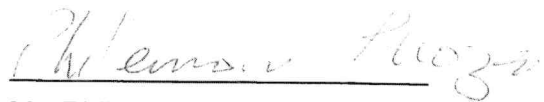
NON-COMPLIANCE WITH THE UNDERTAKING

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

DATED AT ROSSLIN ON THIS 02 DAY OF JUNE 2025.



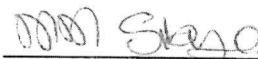
Mr. Philemon Velaphi Khoza
(On behalf of Sebela)



Mr. Philemon Velaphi Khoza
(In his personal Capacity)



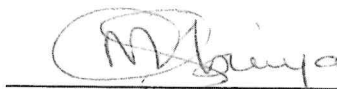
Mrs. Mandisa Melody Sibiya
(On behalf of Sebela)



Mrs. Mandisa Melody Sibiya
(In her personal Capacity)



Mr. Malegasa Cornelius Sibiya
(On behalf of Sebela)



Mr. Malegasa Cornelius Sibiya
(In his personal Capacity)



Mr. Matume James Sibiya
(On behalf of Sebela)



Mr. Matume James Sibiya
(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 03 DAY OF JUNE 2025.



Gerhard van Deventer
(For the Authority)