

[TO BE PUBLISHED BY THE FSCA]

Case No: 515

In the matter between:

The Financial Sector Conduct Authority

And

Sukoluhle Funeral Parlour (Pty) Ltd

And

Ntombikhona Mavis Khambule

And

Mzothule Dontsleep Memela

**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. **"Sukoluhle"** means **Sukoluhle Funeral Parlour (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 2022/772178/07, with its principal place of business situated at Nkelabantwana Area, Bulwer, Kwa-zulu Natal.
 - 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 Sukoluhle.

Executive Committee:

Commissioner: U. Kamlana **Deputy Commissioners:** A. Ludin K. Gibson 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. **"FSP"** means an authorised Financial Services Provider.
- 1.8. **"Mrs. Khambule"** means **Mrs. Ntombi Mavis Khambule**, a co-director of **Sukoluhle**.
- 1.9. **"Mr. Memela"** means **Mr. Mzothule Dontsleep Memela**, a co- director of **Sukoluhle**.
- 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 7 November 2025, the Authority received information that Sukoluhle 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. Mrs. Khambule and Mr. Memela confirmed that from 1 OCTOBER 2022 to 12 MAY 2025, Sukoluhle advised a total of 158 clients, collected a total amount of R20540 in premiums and settled a total number of 72 claims valued R864000.
5. Mrs. Khambule and Mr. Memela further confirmed that the clients/policyholders of Sukoluhle are currently not placed with any licensed insurer.

INVESTIGATION AND CONTRAVENTIONS

6. On 13 November 2024, the Authority commenced an investigation into the conduct of Sukoluhle, Mrs. Khambule and Mr. Memela in terms of section 135(1)(a) of the FSR Act. The investigation was in respect of their conduct during the period 1

October 2022 to 30 May 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 October 2022 to 12 May 2025**, Mrs. Khambule and Mr. Memela caused and/or permitted Sukoluhle to issue funeral policies without having a licensed underwriter. Mrs. Khambule and Mr. Memela further caused and/or permitted Sukoluhle to collect premiums and processed claims in respect of Sukoluhle's policy holders.
8. Mrs. Khambule and Mr. Memela did not dispute her knowledge and/or involvement in the conduct of Sukoluhle 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. Mrs. Khambule and Mr. Memela have cooperated with the Authority and admitted all the facts and contraventions in respect of this investigation.

ENFORCEABLE UNDERTAKING

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

DATED AT Bulwer ON THIS 06 DAY OF JUNE 2025.



Mrs. Ntombi Mavis Khambule
(On behalf of Sukoluhle)



Mrs. Ntombi Mavis Khambule
(In her personal Capacity)



Mr. Mzothule Dontsleep Memela
(On behalf of Sukoluhle)



Mr. Mzothule Dontsleep Memela
(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 1 DAY OF July 2025.



Gerhard van Deventer
(For the Authority)