

[TO BE PUBLISHED BY THE FSCA]

Case No: 548

In the matter between:

The Financial Sector Conduct Authority

And

Mzwakazi General Dealers CC trading as Mzwakazi Grocery Scheme

Morongoe Emily Sititi

**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. **"Mzwakazi"** means **Mzwakazi General Dealers CC**, a private company with limited liability, duly incorporated and registered in accordance with the Close Corporations Act 69 of 1984 of the Republic of South Africa, under registration number 2007/105888/23, with its principal place of business situated at 1385 Mokome Street, Bekkersdal, Westorania.
 - 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 Mzwakazi.
 - 1.4. **"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

- 1.5. **"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. **"Ms Sititi"** means Ms Morongoe Emily Sititi, a director of Mzwakazi.
- 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.

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 15 November 2024, the Authority received information that Mzwakazi 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. Ms Sititi confirmed that from **1 November 2023** to **31 January 2025**, Mzwakazi advised a total of **450** clients, collected a total amount of **R944 794, 85** in premiums and settled a total number of **205** claims valued **R856 200**.
5. Ms Sititi further confirmed that the clients/policyholders of Mzwakazi are currently underwritten by Structured Risk Solution.

INVESTIGATION AND CONTRAVENTIONS

6. On 19 November 2024, the Authority commenced an investigation into the conduct of Mzwakazi and Ms Sititi 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 16 January 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 November 2023** to **31 January 2025**, Ms Sititi caused and/or permitted Mzwakazi to issue funeral policies without having a licensed underwriter. Ms Sititi further caused and/or permitted Mzwakazi to collect premiums and processed claims in respect of Mzwakazi's policy holders.
8. Ms Sititi did not dispute her knowledge and/or involvement in the conduct of Mzwakazi 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. Mzwakazi and Ms Sititi have cooperated with the Authority and admitted all the facts and contraventions in respect of this investigation.

ENFORCEABLE UNDERTAKING

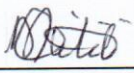
10. Mzwakazi and Ms Sititi gives the following Enforceable Undertaking to the Authority in terms of section 151(1) of the FSR Act:
- 10.1. They will ensure that at all relevant times their clients' insurance business is placed with a licensed insurer; and
- 10.2. They will ensure that at times all their representatives are added to the representative register of a financial service provider or an underwriter.

NON-COMPLIANCE WITH THE UNDERTAKING


11. Mzwakazi and Ms Sititi understand that if any term contained in this Enforceable Undertaking is breached or contravened, the Authority:
- 11.1. may impose an administrative penalty against Mzwakazi and Ms Sititi on the basis of joint and several liability;

- 11.2. may debar Ms Sititi; and/or
- 11.3. may approach the Tribunal to make certain orders in respect of the Enforceable Undertaking.
12. Mzwakazi and Ms Sititi acknowledge that they are familiar with all the provisions of section 151 of the FSR Act.

DATED AT BEKKERSDAL ON THIS 11 DAY OF AUGUST 2025.




Ms Morongoe Emily Sititi
(On behalf of Mzwakazi)



Ms Morongoe Emily Sititi
(In 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

DATED AT Pretoria ON THIS 10th DAY OF September 2025.



Gerhard van Deventer
(For the Authority)