

[TO BE PUBLISHED BY THE FSCA]

Case No: 505

In the matter between:

The Financial Sector Conduct Authority

and

Amaswazi Funeral Home (Pty) Ltd

Mr. Nkosinathi Goodenough Magudulela

**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. **"Amaswazi"** means **Amaswazi Funeral Home (Pty) Ltd**, a private company with limited liability, duly incorporated and registered in accordance with the Companies Act No. 71 of 2008 of the Republic of South Africa, under registration number 2013/225909/07, with its principal place of business situated at number 70 Lyell Street, uMnambithi, Kwa-Zulu Natal, 3370.
 - 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 Amaswazi.
 - 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.

Executive Committee:

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

- 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. “**Magudulela**” means Mr Nkosinathi Goodenough Magudulela, a director of Amaswazi.
- 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 1 September 2024, the Authority received information that Amaswazi 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. Magudulela confirmed that from 1 January 2023 to 30 April 2025, Amaswazi advised a total of 800 to 1000 clients, collected a total amount of R3 486030 in premiums and settled a total number of 145 claims valued R974 800
5. Magudulela further confirmed that the 1000 clients/policyholders Amaswazi advised were never placed with any licensed insurer.

INVESTIGATION AND CONTRAVENTIONS

6. On 13 November 2024, the Authority commenced an investigation into the conduct of Amaswazi, Magudulela, 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 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 January 2023 to 30 April 2025, Amaswazi, Magudulela, collected R3 486030 premiums and settled 145 claims valued R974 800 on behalf of policyholders. Amaswazi issued funeral policies without having a licensed underwriter in contravention of Section 5(1) of the Insurance Act.
8. Magudulela did not dispute their knowledge and/or involvement in the conduct of Amaswazi and as a result, they caused and/or permitted the contraventions of sections 7(1) of the FAIS Act and 5(1) of the Insurance Act.
9. Amaswazi, Magudulela have cooperated with the Authority and admitted all the facts and contraventions in respect of this investigation.

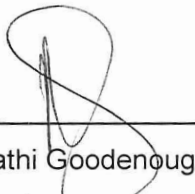
ENFORCEABLE UNDERTAKING

1. Amaswazi, Magudulela, tender the following Enforceable Undertaking to the Authority in terms of section 151(1) of the FSR Act.
- 1.1. They will provide proof of their insurance business underwriting within 30 working days from the date of signing this Enforceable Undertaking;
- 1.2. They will ensure that all their representatives are added to the representative register of a financial services provider or an underwriter within 30 working days from the date of signing this Enforceable Undertaking; and
- 1.3. They will ensure that at all relevant times their clients’ insurance business is placed with a licensed underwriter.

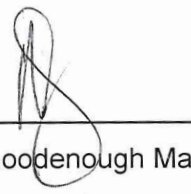
NON-COMPLIANCE WITH THE UNDERTAKING

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

DATED AT Ladysmith ON THIS 01 DAY OF 07 2025.



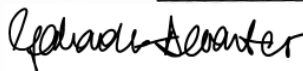
Mr Nkosinathi Goodenough Magudulela
(On behalf of Amaswazi)



Mr Nkosinathi Goodenough Magudulela
(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 21st DAY OF October 2025.



Gerhard van Deventer

(For the Authority)