

FSCA Press Release

10 October 2023

The FSCA imposes administrative penalties on F A Allard and Sons Funeral Undertakers t/a Allard Funeral Fund, as well as Mr Dario Allard (Mr. Allard) and Mrs Haroldine Millicent Roberts (Mrs Roberts)

The Financial Sector Conduct Authority (FSCA) conducted an investigation into F A Allard and Sons Funeral Undertakers t/a Allard Funeral Fund (the Funeral Fund). The investigation revealed that Funeral Fund operated from two funeral parlour branches – one in Hanover, Northern Cape, and one in Elsies River, Cape Town.

Both branches of Funeral Fund offered its clients funeral cover and burial services during the period 1 January 2019 to 30 November 2020. However, the Funeral Fund was not licensed as an insurer in terms of section 5 of the Insurance Act No 18 of 2017 (the Insurance Act) and its clients were not underwritten by any insurance company. In addition, Allard Funeral Fund, Mr. Allard and Mrs. Roberts, were not licensed as financial services providers or appointed as a representative of an authorised financial services provider, in terms of the Financial Advisory and Intermediaries Services Act, 37 of 2002 (FAIS Act).

As such they conducted unregistered insurance and FAIS business in contravention of the Insurance and FAIS Act.

Mrs. Roberts controlled the operations of the Funeral Fund Elsies River branch, and Mr. Allard controlled the activities of the Funeral Fund in Hanover.

The FSCA has imposed an administrative penalty of **R50 000** on Allard Funeral Fund, **R50 000** on Mrs. Roberts, and **R20 000** on Mr. Allard.

The FSCA took into account that Mr. Allard cooperated fully with the FSCA investigation and provided evidence in a truthful manner at all times. The FSCA also took into account that all claims of the Funeral Fund were honoured at all times and that the business has now regularised.

Members of the public should always check that an entity or individual is authorised by the FSCA to provide financial products and services, including for giving recommendations about how to invest. It is also important to know what category of advice the person is registered to provide, as there are instances where companies or people are registered to provide basic advice for a low-risk product and then offer advice on far more complex and risky products. Getting poor financial advice can bring severe harm to investors.

Customers who wish to use the financial services of an institution or person can check this before any purchase or investment is made, by one of the following:

- 1) **Toll-free number:** 0800 110 443

- 2) Online search for authorised financial institution **by license category**:
<https://www.fsca.co.za/Regulated%20Entities/Pages/List-Regulated-Entities-Persons.aspx>
- 3) Online search for a financial institution that is an **authorised FSP in terms of the FAIS Act**: https://www.fsca.co.za/Fais/Search_FSP.htm

ENDS

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