Financial Sector
Conduct Authority

P.O. Box 35655
Menlo Park
0102

Tel. +27 12 428 8000
Toll free. 0800 20 3722
Fax. +27 12 346 6941
Email. info@fsca.co.za
Website. www.fsca.co.za

FSCA Press Release **21 February 2025**

FSCA imposes penalty and debarments on Sanda Funeral Home (Pty) Ltd and its directors

The Financial Sector Conduct Authority (FSCA) received complaints alleging that Sanda Funeral Home (Pty) Ltd (Sanda Funeral) and its directors, Ms Zisanda Sanda (Ms Sanda) and Mr Sandile Michael Sanda (Mr Sanda), were issuing life insurance policies without being licensed as an insurer and rendering financial services without being authorised as a financial service provider.

The FSCA investigated and found that Sanda Funeral, Ms Sanda and Mr Sanda, were indeed issuing life insurance policies without the necessary authorisations in breach of section 7(1)(a) of the Financial Advisory and Intermediary Services Act 37 of 2002 and section 5(1) of the Insurance Act 18 of 2017.

The investigated parties conducted their business from multiple branches in Eastern Cape (such as Kariega, Sada, Langa, Kwanobuhle, Whittlesea, Port Elizabeth, Motherwell) and Western Cape (Cape Town). As part of its modus operandi, the investigated parties offered funeral insurance policies to the public. Policyholders paid monthly premiums to the investigated parties, and in return, the investigated parties provided funeral services as insurance benefits upon the death of the insured.

As a result of the contraventions, the FSCA imposed a penalty of **R11 495 001** on Sanda Funeral, debarred Ms Sanda for **20** years and Mr Sanda for **10** years. Ms Sanda and Mr Sanda are accordingly prohibited from:

- providing, or being involved in the provision of, financial services;
- acting as a key person of a financial institution; and
- providing specified financial services to a financial institution, whether under outsourcing arrangements or otherwise.

The FSCA emphasises the risk associated with conducting financial services and insurance business with entities that maybe operating without the necessary licenses.

Members of the public should always verify the following: :

- that an entity or individual is authorised by the FSCA to provide financial products and services, including for giving recommendations about how to invest.
- 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.

- that the FSP number utilised by the entity or individual offering financial services matches to name of the FSP on the FSCA database.

One of the following methods may be used to confirm the status and FSP number of a service provider or a person that claims to be an authorised service provider:

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

Enquiries: Financial Sector Conduct Authority
Email address: Communications@fsca.co.za
Telephone: 0800 203 722