

FSCA Press Release

22 December 2021

FSCA Imposes penalty on Smart Bold (Pty) Ltd and Mr Nkanyiso Oscar Ndlovu

The Financial Sector Conduct Authority (FSCA) has imposed an administrative penalty of R 50 000 on Smart Bold (Pty) Ltd (“Smart Bold”) and its director Mr. Mr Nkanyiso Oscar Ndlovu (“Mr. Ndlovu”).

The FSCA commenced an investigation after having received complaints regarding Smart Bold. It was alleged that Smart Bold and Mr Ndlovu may have issued funeral policies during the period October 2019 to August 2020 without having been authorised to do so and without having an underwriter for Smart Bold’s funeral scheme.

The investigation revealed that:

- Smart Bold and Mr Ndlovu were providing unauthorised financial services;
- Smart Bold and Mr Ndlovu were conducting unauthorised insurance business; and
- Smart Bold did not have an underwriter for its funeral scheme.

Smart Bold and Mr Ndlovu therefore materially contravened section 7(1) of the Financial Advisory and Intermediaries Services Act, 37 of 2002 (“FAIS”) and section 5 of the Insurance Act, Act 18 of 2017 (“Insurance Act”).

In September 2020, Mr Ndlovu took the necessary steps to secure an underwriter for Smart Bold’s funeral business. Smart Bold entered into a juristic representative agreement with African Unity Life (FSP 8447) (“African Unity”). Smart Bold has since been conducting its funeral business as a juristic representative of African Unity.

The FSCA having considered the actions of Smart Bold and Mr. Ndlovu therefore decided to:

- Impose an administrative penalty of R 50 000 on Smart Bold and Mr. Ndlovu in terms of section 167(1)(a) of the (the FSR Act).

Executive Committee:

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

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