

**IN THE OFFICE OF THE OMBUD FOR FINANCIAL SERVICES PROVIDERS  
PRETORIA**

**CASE NUMBER: FAIS-80021-24/25 WC 1**

In the matter between: -

**PHILASANDE NTLOKO**

Complainant

and

**LUVUYO BURIAL AND CONSULTING (FSP NO. 47550)**

Respondent

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**DETERMINATION IN TERMS OF SECTION 28(1) OF THE FINANCIAL ADVISORY AND  
INTERMEDIARY SERVICES ACT NO. 37 OF 2002 (FAIS ACT')**

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Fairness in Financial Services: Pro Bono Publico

## THE PARTIES

- [1] The Complainant is Mr. Philasande Ntloko, an adult male.
- [2] He lodged a complaint with the FAIS Office on 28 October 2024.
- [3] The Respondent is Luvuyo Burial and Consulting (Pty) Ltd, a company duly incorporated under South African law, with the registration number (2014/207467/07). The Respondent was an authorized financial services provider (FSP) (license number 47550), with its principal place of business noted in the Regulator's records as 43484 Nkonkwa Crescent, Makhoza, Khayelitsha 7784. The license has been active since 08 November 2016. The licence was suspended on 17 April 2025.

## THE COMPLAINT

- [4] The Complainant had a funeral policy with the Respondent since 6 May 2020.
- [5] On the 25<sup>th</sup> of June 2024, the Complainant submitted a claim upon the death of Letitia Thethiswa Ntloko, a listed beneficiary under the policy, for the funeral benefit of R10,000.
- [6] The Complainant did not receive the claim payout despite his attempts to follow up with the Respondent.
- [7] The Complainant sought assistance with the claim payment.

## RESPONDENT'S RESPONSE

- [8] The Respondent did not deny any aspect of the complaint or the claim. On 23 January 2025, the Respondent agreed to pay the Complainant an amount of R4,000 on 31 January 2025 and R6,000 at the end of February 2025. Despite this acknowledgement, no payments were made.

[9] On 10 April 2025, a recommendation was sent to the Respondent, recommending that the Respondent settle the claim; however, the Respondent did not make any payment.

### ASSESSMENT OF EVIDENCE

[10] The deceased, Letitia Thethiswa Ntloko, is listed as a dependant under the funeral policy, which has a cover amount of R10 000.

#### C. Benefit selection

Principal Life Assured Plus 9	
Age at entry	18 - 65
<b>Assured Lives</b>	<b>Benefit Amount</b>
Principal Life Assured	R 20 000
1st Dependent *	R 20 000
Dependent age 10 to 101 years	R 10 000
Dependent age 6 to 9 years	R 8 000
Dependent age 0 to 5 years	R 5 000
<b>Total Premium</b>	<b>R 200,00</b>

#### C. DEPENDENTS DETAILS

	Full name	Identity number
1	Noludile Wama Mahobe	
2	Nosipho Ntloko <del>out</del>	
3	Mabazolo Mkhahle	
4	Bubale Maxwell Ntloko	
5	Mzolisi Ntloko	
6	Letitia Thethiswa Ntloko	
7	Bukuswa Euid Tenna	
8	Manduleli Professor Fairnel	

[11] The Respondent did not contest any aspects related to the payment of premiums, waiting periods, the cover on the policy or the benefit amount. Based on the evidence available, the claim amount is payable to the Complainant.

- [12] In terms of Rule 2A.8.1 of the Policyholder Protection Rules (PPR)<sup>1</sup>, provides that *“An insurer must, within two business days after all required documents in respect of a claim under a microinsurance policy or a funeral policy have been received, (a) assess and make a decision whether or not the claim submitted is valid, and (b) (i) authorise payment of the claim; (ii) repudiate the claim; or (iii) dispute the claim and notify the claimant of the dispute”*.
- [13] Rule 2A.8.2 of the PPR states that *“If a claim is disputed as referred to in rule 2A.8.1(b)(iii), the insurer within 14 business days after expiry of the period referred to in rule 2A.8.1 (a) may further investigate the claim; (b) must make a decision whether or not the claim submitted is valid; and (c) must pay or repudiate the claim.”*
- [14] The claims procedure outlined in Rule 2A.8 of the Policyholder Protection Rules has since expired, and the claim should have been finalised and paid in June 2024.
- [15] Treating Customers Fairly (TCF) is an outcome-based regulatory and supervisory approach designed to ensure that specific, clearly articulated fairness outcomes for financial services consumers are delivered. Regulated entities are expected to demonstrate that they provide products that perform as they have led customers to expect. Customers do not face unreasonable post-sale barriers imposed by firms to change products, switch providers, submit a claim, or make a complaint.
- [16] The Respondent failed to render the financial service with due skill, care, and diligence, leading to the Complainant suffering a financial loss.
- [17] The policy was incepted on the 6<sup>th</sup> of May 2020 and, as per the policy document, was underwritten by Sanlam. Sanlam confirms that Sanlam Development Markets Limited became the underwriter of the scheme on the 1<sup>st</sup> of January 2020, but the relationship was terminated with effect from 1 May 2021.

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<sup>1</sup> Policyholder Protection Rules (Long-term Insurance), 2017 promulgated under the Long-term Insurance Act, 1998 as published in Government Notice 1407 of 15 December 2017.

[18] This Office telephonically enquired with the Financial Sector Conduct Authority (FSCA) regarding information pertaining to the Respondent's new underwriter. This information could not be provided. In similar matters lodged with the Office, the Respondent verbally confirmed that it currently has no underwriter.

[19] The Respondent was a registered Financial Services Provider (FSP) when the complaint was lodged with the Office. Numerous determinations were issued against the Respondent in other matters relating to the non-payment of claims. The Respondent's registration as an FSP was subsequently suspended by the FSCA.

## **THE ORDER**

[20] The following order is made:

- The complaint is upheld.
- The Respondent is ordered to pay the Complainant the amount of R10 000, and
- Pay interest on the said amount at a rate of 11.00% per annum from the date of this determination to the date of final payment.

*Please note that a person aggrieved by this decision has the right to apply for the reconsideration of the decision by the Financial Services Tribunal ("the Tribunal") as contemplated in section 230 of the Financial Sector Regulation Act.*

*An application for reconsideration must be made:*

*(a) In accordance with the Tribunal rules; and*

*(b) Within 30 days as set out in section 230(2) of the FSR Act.*

*The contact details of the Tribunal secretariat are as follows:*

*Ms. Kim Host / Ms Alitah Morudu*

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Kasteel Office Park Orange Building (2nd Floor)

546 Jochemus Street

Erasmuskloof

Pretoria

**DATED AT PRETORIA ON THIS THE 17<sup>th</sup> DAY OF JUNE 2025**



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**ADV. JOHN SIMPSON**

**OMBUD FOR FINANCIAL SERVICES PROVIDERS**

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