

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

CASE NUMBER: FAIS-79871-24/25 WC 1

In the matter between: -

PUMELELE MANTINGANI

Complainant

and

LUVUYO BURIAL AND CONSULTING (FSP NO. 47550)

Respondent

**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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THE PARTIES

- [1] The Complainant is Pumelele Mantingani, an adult female.
- [2] She 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 is 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 2011.

THE COMPLAINT

- [4] The Complainant took out a funeral policy with the Respondent in September 2020.
- [5] On 17 July 2024, the Complainant's uncle, Mbuyeni Katshi, listed as an insured life on the policy, passed away. The Complainant subsequently submitted a claim with the Respondent on 27 July 2024.
- [6] The Respondent acknowledged the claim on 30 July 2024 and submitted that payment would be made. Despite this, the Complainant has not received payment to date.
- [7] The Complainant seeks assistance with the claim.

RESPONDENT'S RESPONSE

- [8] On 20 January 2025, the Respondent undertook to pay the first installment of R5,000.00 on 7 February 2025 and the last payment of R5,000.00 on 7 March 2025. The Respondent has not made these payments as promised.

- [9] Subsequently, in a telephone call with the Respondent on 12 March 2025, the Respondent confirmed with this Office that the entire claim amount would be paid that same day. The Respondent has also not made this payment.

ATTEMPTS TO RESOLVE THE MATTER

- [10] On 12 March 2025, a recommendation was sent to the Respondent, recommending that it settle the claim.
- [11] The Respondent subsequently requested that the Complainant's claim documentation be submitted again.
- [12] This Office provided the claim documentation to the Respondent on 14 March 2025; on 20 March 2025, the Respondent made the first payment of R5,000.00.
- [13] The Respondent undertook to pay the balance of R5,000.00 by 31 March 2025. Despite this Office's numerous reminders, payment has not been made.

ASSESSMENT OF THE EVIDENCE

- [14] The policy was inceptioned in March 2020 and, as per the policy document, was underwritten by Sanlam. Sanlam confirms that Sanlam Developing Markets Limited became the underwriter of the scheme on 1 January 2020, but the relationship was terminated with effect from 1 May 2021.
- [15] This Office telephonically enquired with the Financial Sector Conduct Authority (FSCA) whether it had information about the Respondent's new underwriter. It advised that this information could not be provided. The Respondent verbally confirmed that it currently has no underwriter.
- [16] The deceased, Mbuyeni Katshi, was listed as an insured under the funeral policy.

...of assured lives.) ... in the table below. (A maximum of 1 spouse, Unlimited* number of children may be covered, subject to a

First Name	Surname	ID/Passport number or date of birth	Relationship
MENELISI	MANINGANTI		Brother
NOMBULELO PATIENCE	JUMBA		Brother
VOANDILE	HAMBANE		Aunt
SIPHOSAKHE	MANINGANTI		Brother
NELCONE	MANINGANTI		Brother
YOBHLE	JUMBA		Sister
IONSIKELELO	JUMBA		Aunt
IONISA	KATSHI		Aunt
IBUDENI	KATSHI		Uncle

*: Unlimited number of children may be covered but a maximum of 5 child claims will be paid

- [17] The deceased passed away on 17 July 2024. The Complainant subsequently submitted a claim on 27 July 2024 for a benefit of R10,000.00.
- [18] The Respondent did not dispute any aspects related to the deceased's death, the deceased being covered by the policy, payment of premiums, waiting periods, policy coverage, or the benefit amount. Based on the evidence available, the claim is valid and payable.
- [19] Rule 2A.8.1 of the Policyholder Protection Rules (PPR)¹, 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"*.
- [20] 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."*

¹ 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.

- [21] The claim was not finalised per the PPR.
- [22] 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.
- [23] The Respondent has not complied with the PPR, and its actions do not adhere to the TCF principles.
- [24] The Respondent is contractually obligated to pay the claim and has failed to pay it in full.
- [25] The Respondent acknowledged the claim but only paid R5,000.00 and not the full R10,000.00 due to the Complainant.
- [26] The Respondent is still a registered Financial Services Provider (FSP). It appears to be operating without an underwriter as required and is not fully cooperating with the Office. A copy of this determination will be sent to the FSCA for its attention and possible enforcement action.

THE ORDER

- [27] The following order is made:
- The complaint is upheld.
 - The Respondent is ordered to pay the Complainant the amount of R5,000.00 and;
 - Pay interest on the said amount at a rate of 11.25% 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 ([link](#)); 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

E-mail: Applications@fstribunal.co.za

Telephone: (012) 741 4300 / (012) 741 4302 / (012) 741 4303

Kasteel Office Park

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546 Jochemus Street

Erasmuskloof

Pretoria

DATED AT PRETORIA ON THIS THE 8TH DAY OF APRIL 2025

A handwritten signature in black ink, appearing to be 'John Simpson', written above a horizontal line.

ADV. JOHN SIMPSON

OMBUD FOR FINANCIAL SERVICES PROVIDERS