THE FINANCIAL SERVICES TRIBUNAL

CASE NO. FSP95/2025

In a matter between:

MTHUTHUZELI PATRICK MUTE **APPLICANT**

and

ASSUPOL LIFE LIMITED **RESPONDENT**

TRIBUNAL PANEL: Legodi J (chair), PJ Veldhuizen and O Tongoane

Appearance for Applicant: Self

Appearance for Respondent: Ms Mkhize

Date of hearing: 27 July 2026

Date of Decision: 31 July 2026

Summary: Application for reconsideration of debarment decision taken against the applicant by Assupol after having found that the applicant has lost the fit and proper requirement. On reconsideration of the debarment as contemplated in section 230 of FSRA, it could not be found that Assupol erred or had misdirected itself. Consequently, the application for reconsideration was dismissed.

DECISION

Introduction

1. Before us, is an application for reconsideration of a debarment decision taken on 6 August 2025 by Assupol Life Limited (hereinafter referred to as **Assupol)**. The decision was against its ex-employee, Mr Mthuthuzeli Patrick Mute (the applicant), who was employed by Assupol as its financial representative.

2. The debarment decision was taken in terms of section 14(1)(a) of the Financial Advisory and Intermediary Services Act 37 of 2002 (FAIS).

3. In terms of section 14(1)(a), an authorized service provider must debar a person from rendering financial services who is or was, as the case may be – (i) a representative of the financial services provider, or (ii) a key individual of such representative, if the financial service provider is, satisfied on the basis of available facts and information that the person – (iii) does not meet or no longer complies with the requirements referred to in section 13(2)(a); or has contravened or failed to comply with any provisions of FAIS in a material manner.

4. In terms of section 13(2)(a) referred to above, an authorized financial services provider must – (a) at all times be satisfied that the provider's representatives, and the key individuals of such representatives, are when rendering a financial service on behalf of the provider, competent to act, and comply with - (i) the fit and proper requirements; and (ii) any other requirements contemplated in subsection (1)(b)(ii).

5. The application is before us as envisaged in section 230(1)(a) of the Financial Sector Regulation Act 9 of 2017 (FSRA) which provides that a person aggrieved by a decision may apply to the Tribunal for reconsideration.

Background

6. On 1 June 2024, Assupol issued to one of its policy holders, excellence financial plan policy number **AL240000002924674** (hereinafter referred as the disputed policy**).** On 3 September 2024 the policy holder concerned (hereinafter referred to as the complainant) received a message from Assupol. She was informed that her application had been declined. According to the complainant, the issuing of the disputed policy was not authorised by her as the application form submitted to Assupol contained materially wrong information that was not provided by her.

7. Assupol then instituted an investigation into the allegations made by the complainant. Subsequently, Assupol forensic investigator submitted a report with adverse findings against the applicant.

8. On 6 August 2025 a debarment hearing was conducted. On 27 August 2025 Assupol issued a debarment decision.

9. On 23 October 2025, the applicant lodged this application for reconsideration as contemplated in section 230 of FSRA. On 23 November 2025 Assupol filed its notice of intention to oppose the application.

10. On 3 December 2025 the applicant applied for the suspension of the execution of the debarment and at the same time filed an application for reconsideration. On 4 December 2025 Assupol filed its notice of intention to oppose the suspension and reconsideration applications.

11. On 22 December 2025 the Chairperson of the Tribunal dismissed the suspension application on the basis that the application lacks prospect or probabilities of success.

<u>Did Assupol err in debarring the applicant</u>?

12. The applicant raised several procedural issues which can be summed up as follows: (a) that he was not informed in time about the hearing that was scheduled

for 6 August 2025, (b) that he could not correctly and fully comprehend the essence of the charges against him and the consequences thereof, (c) that he was not given ample time to engage the forensic investigator in order to get clarity on matters in issue, (d) that he did not have knowledge of the proceedings and did not know when to respond or pose questions, (e) that he was not provided proper guidance during the proceedings, and (f) that Assupol's representatives were bias towards him during the hearing and did not investigate or interrogate his version.

13. In dealing with the grounds upon which the decision is attacked on procedural issues, it is important to have a look at the notice that preceded the debarment hearing of 6 August 2025.

14. On 31 July 2025 Assupol sent an email letter to the applicant. In the email, the applicant was informed to attend the debarment hearing on 6 August 2025. He was told where the debarment hearing would be conducted. Two venues were suggested. One in Gauteng and the other in the Eastern Cape

15. He was requested to indicate the preferred venue within 48 hours upon receipt of the notification and he did.

16. In the email letter referred to in paragraph 14 above, the applicant was further informed that the allegations were that he had failed to comply with the fit and proper requirements and that the debarment hearing was meant to investigate the following allegations of misconduct: (a) dishonesty, lack of integrity and or good standing, (b) misrepresentation; (c) dishounorable and unprofessional conduct in rendering of financial service, fraud and forgery or utterings.

17. In paragraph 5 of the letter of 31 July 2025, the applicant was informed of his rights. That is, he will be afforded an opportunity to answer the allegations against him; he will have an interpreter if so required, he will have the right to be represented by a fellow-co-worker of his choice; he will have the right to call witnesses in his defence; that it will be his responsibility to arrange with such

witnesses if any; he will have the right to cross-examine any of the witnesses brought forward by Assupol; he will have the right to raise factors in mitigation; he will have the right to be informed of the outcome of the debarment hearing and that he will have the right to appeal the decision.

18. In the light of what is stated in paragraphs 13 to 17 above, the suggestion made by the applicant, as indicated in paragraph 12 above, has to be rejected as it lacks factual support.

19. We now turn to deal with the application on the merits. Assupol for its decision to debar the applicant, amongst others, relied on the investigation report and the findings thereof are summed up as follows:

19.1 The cellphone number recorded in the application form for the disputed policy number **AL240000002924674,** did not belong to the complainant. This was also confirmed by the complainant.

19.2 According to the handwriting expert, it was established that the complainant only signed three times on the application form and those signatures when compared, were found to be the same as those provided by the complainant during the interview with the handwriting expert. The rest were not those of the complainant. This too, was confirmed by the complainant.

19.3 The profile on the application form stating that the complainant was employed by **Eskom** and earning **R20 000.00** per month, was false and was not provided by the complainant. Neither was every handwriting on the application form hers.

19.4 The wrong profiling of the complainant as indicated in paragraph 19.3 above, was found to have resulted in her active policy number **AL220000002411840** (undisputed policy) with Assupol falling into arrears for two months. This was caused by the fact that **Eskom** was wrongly and falsely indicated as an employer of the complainant.

20. The findings above, were based on the background which of relevance can be summed up as follows: At all material terms hereto, the complainant was employed by the **Department of Labour**. She had the desire to take up a funeral cover for her aunt, who was born in 1930. Before she could speak to the applicant, she had already obtained a quotation from another financial services provider for R8500.00 at a monthly premium of R150.00.

21. When the complainant saw the applicant at her place of employment, she enquired about the quote for her aunt born in 1930. The applicant gave her a quote of R15 000.00 at a monthly premium of R150.00. She then decided to take up the funeral cover for her aunt as offered by the applicant.

22. The application form for her aunt's funeral cover was completed but not everything and was assisted by the applicant. The applicant, however, never sent the applicant proof of the contract covering her aunt as indicated in paragraph 20 above.

23. One day whilst at work, the complainant saw the applicant. She asked him about the contract. The response was that Assupol has been sold and as a result the contract for her aunt's policy could not be processed. However, one day she saw Assupol's umbrella outside her workplace advertising for services. She was shocked. During the hearing on 27 July 2026, it became common cause that Assupol is currently under the umbrella Sanlam.

24. In June 2025, she discovered that her active undisputed life policy number **AL220000002411840** has been de-activated and no deductions were reflected on her salary slip. She then decided to go to the Assupol branch office. On an enquiry she was asked if she was employed by Eskom because on Assupol's system, Eskom was reflected as her employer. When the complainant indicated that she was never employed by Eskom, Assupol decided to institute an investigation.

25. Assupol in its letter of debarment dated 27 August 2025 sets out the reasons for debarment as follows:

25.1 Dishonesty, lack of integrity or good standing in that the applicant completed and or submitted the application form for excellence family funeral plan which was captured under the disputed policy **AL240000002924674** and that this was done without authorisation by the policy holder.

25.2 Misrepresentation in that the applicant misrepresented the personal information and authorisation contained in the processing of the Excellence Family Funeral Policy in question to Assupol with the intention to induce Assupol to accept as genuine, the policy in question to the prejudice of Assupol and the client (referring to the complainant).

25.3 Dishonourable and unprofessional conduct in rendering financial services for failure to render such services with honesty, integrity, due skills, care and diligence and demonstrated unwillingness to comply with business conduct, regulatory and professional requirements.

25.4 Fraud, in that the applicant unlawfully and intentionally made a misrepresentation which caused actual prejudice to another.

25.5 Forgery or uttering in that the applicant unlawfully and intentionally prejudiced or passed false documents and or signatures to the actual prejudice of the complainant.

26. In paragraph 9 of his application for suspension, the applicant deals with the findings and assertions made in the investigation report. He disputes the fact that the complainant did not authorise the policy. This denial has to be seen in context.

27. The complainant wanted Excellence Funeral Policy for her aunt born 1930 and not for an aunt born 1980 as indicated in paragraphs 2.1.13 and 2.1.15 of the investigation report. This, the applicant does not address in his papers, despite the

serious negative imputation it has on the fit and proper requirement. The suggestion that everything that appears in the application form was authorised by the complainant has to be rejected.

28. His suggestion that the completion of the application form happened in the complainant's office did not deflect the fact that the wrong information was presented to Assupol without the knowledge of the complainant. In addition, it was misleading and untruthful that the complainant was working for Eskom and that she was earning R20 000.00 per month. Therefore, the contention that the complainant completed the application form with the assistance of the applicant who presented the form to Assupol, must be seen in context.

29. It was never in dispute that in some respect, the complainant completed the application form in her own handwriting and that the applicant directed her where to sign. But during the investigation by Assupol, only three signatures in the application form were found to be those of the complainant and duly confirmed by her. Other writings on the application were found not to be those of the complainant.

30. On the other hand, whilst the cellphone number was written by the complainant on the application form, it was altered and changed to another number that did not correspond with that of the complainant. The contention that the conduct of the complainant demonstrated her willingness and authorisation, contrary to what is stated in the report, misses the point.

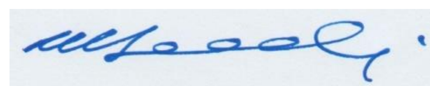
31. It is not much about the completion of the application form. What is at issue is the false statement and misrepresentations made in the application form contrary to the complainant's authorisation and without her knowledge. The complainant wanted a funeral cover for her aunt, born in 1930 and not 1980 as indicated in the application form submitted to Assupol. The applicant's application for reconsideration is therefore destined to be dismissed.

32. Before concluding, and for whatever is worth, during the hearing, the applicant came up with somewhat startling contentions. For example, whilst he took the application form to his home, he did not know who submitted the application form to Assupol for processing. This defies logic and facts bearing in mind what his version was during the hearing in the debarment proceedings.

<u>ORDER</u>

33. Consequently, the application for reconsideration is hereby dismissed.

Dated and signed on 31 July 2026.



Legodi J

(Chairperson of the panel)