

Secure yourself,  
Secure your future



## The Importance of Dealing with Licensed Funeral Assurance Entities

After seeing the trouble her cousin Martha Tigo went through when her father died without a funeral policy, Edith Netu resolved never to leave such matters to chance. She took out what she believed was a funeral policy from an agent who promised affordable premiums and fast payouts. The policy covered her father, mother, and herself. Eight months later, Edith's mother passed on at home after a heart attack.

Edith was devastated. She quickly remembered that she had taken a funeral policy from an "agent" who had promised instant service once notified. Edith contacted them immediately, but they started giving endless excuses, from all vehicles being out in the field to body removal teams on their way, and them having a breakdown, to various other logistical delays. By the end of day two, with no help in sight and her family growing increasingly distraught, Edith reached out to the Insurance and Pensions Commission (IPEC) to lodge a complaint. To her shock, IPEC informed her that the entity was not licensed to offer funeral assurance. Only then did she realise that what she thought was her policy document, was nothing more than just a receipt. In that moment, the devastating truth sank in: she had been scammed.

Sadly, Edith's case is not isolated. Across Zimbabwe, many families are falling victim to unlicensed funeral assurance operators. When death strikes, these entities vanish, leaving families stranded and unable to bury their loved ones with dignity.

### Understanding Licensed Funeral Assurance

A funeral policy is a contract in which a licensed funeral underwriter agrees to provide funeral services or pay a defined amount upon the death of the policyholder or a listed beneficiary. Only licensed funeral underwriters can legally sell funeral assurance policies in Zimbabwe. These include traditional life assurers offering funeral products and dedicated funeral assurers. The full list of licensed players is published on IPEC's website.

### Why Unlicensed Funeral Providers Are a Threat

Unlicensed funeral "assurers" often operate informally. They may be:

- Community associations or church groups posing as insurers,
- Burial societies collecting regular payments but are not registered.
- Individuals pretending to be agents or brokers.

Dealing with unlicensed entities comes with its dangers, including the following:

- **No Legal Recourse:** IPEC cannot intervene or assist in recovering money paid to unlicensed entities.
- **No Guarantee of Payout:** Many victims only discover the fraud when they try to claim.
- **Loss of Savings:** Years of premiums can be lost, leaving families financially crippled during difficult times.
- **No Audits or Oversight:** These entities operate without transparency or consumer protection mechanisms.

### Common Red Flags

To avoid falling victim to funeral policy scams, it is crucial to know what warning signs to look out for. Many fraudsters use similar tactics that can easily be identified if you are vigilant. Below are

some of the most common red flags consumers should be aware of:

- **No formal documentation:** Legitimate insurers issue detailed policy documents with terms and conditions of the policy.
- **Cash-only payments without receipts:** Some of the unlicensed entities demand cash payments only without receipts. You must always insist on official receipts and avoid cash transactions when possible.
- **Too-Good-To-Be-True Claims:** Be wary of promises such as "no waiting period" or "instant claims."
- **No Proof of Licensing:** Ask for the provider's proof of licensing by IPEC.

### The Major Problem

The funeral assurance space is particularly vulnerable because of the emotional urgency associated with death. In some cases, established funeral service providers are illegally selling policies without licensing as insurers.

IPEC continues to receive complaints from individuals who believed they had valid funeral policies, only to find themselves without support during bereavement.

### How to Protect Yourself and Your Loved Ones

- **Verify the Provider:** Before buying any funeral policy, check if the underwriter is on the list of licensed insurers at [www.ipec.co.zw](http://www.ipec.co.zw).
- **Buy from Registered Assurers Only:** Use official channels like insurer offices, licensed brokers, or verified mobile platforms.
- **Understand the Policy:** Read and ask about waiting periods, claim requirements, and who is covered.
- **Keep Records:** Store your policy documents, premium payment confirmations, and communication safely.
- **Report Suspicious Operators:** Help protect others by reporting unlicensed entities to IPEC.

### Call to Action

Edith's experience should not happen to anyone else. Every Zimbabwean deserves the dignity of a proper burial, and that starts with a reliable funeral policy.

Before you sign up for a funeral assurance plan, ask yourself: Is the provider licensed? Are the terms and conditions clear and are you comfortable with them? Are the claims guaranteed? If the answer is no, walk away.

Funeral assurance is not just about death, it's about peace of mind for the living.

### About IPEC

The Insurance and Pensions Commission (IPEC) is a statutory body established in terms of the Insurance and Pensions Commission Act [Chapter 24:21] to regulate the insurance and pensions industry for the protection of policyholders and pension scheme members.

For feedback or enquiries, please contact us at: [pr@ipec.co.zw](mailto:pr@ipec.co.zw)