

VERSION 4.0 - APPROVED

**NATIONAL RISK DISTRIBUTION SA
(PTY) LTD (NRD)
COMPLAINTS RESOLUTION POLICY**

(MARCH 2016)

DOCUMENT MANAGEMENT

TITLE:	COMPLAINTS RESOLUTION POLICY
Reference Number	NRD (COMP_POL_009)
Implementation Date	March 2016
Version Status	Approved
Last Review Date	March 2019
Next Review Date	March 2021

TERMS AND CONDITIONS OF USE:

Use of all National Risk Distribution SA (Pty) Ltd documentation constitutes your agreement to the following:

1. All content in this document is the property of National Risk Distribution SA (Pty) Ltd (hereinafter referred to as “the Company”, or “NRD”).
2. The Company refers to entities affiliated with subsidiary to or directly associated and managed through the Company.
3. The contents of this document belong to the Company. It is to be treated as confidential and may not be distributed or copied.
4. All rights in this regard are reserved.
5. This document is for the use of the Company’s employees and approved stakeholders only.
6. This document may not be modified, copied, distributed, transmitted, reproduced, published, transferred, or sold.
7. Use of this document is conditional on acceptance by the user of these terms and conditions, information contained herein as well as additional Company Policies. By assessing and using this document, the employee is deemed to have agreed to all such terms and conditions.
8. Where the context so indicates, the masculine pronoun shall include the feminine, and the singular shall include the plural.

External stakeholder requests for access to internal Policies, Procedures, Frameworks, Charters or other relevant documents must be addressed through the Internal Compliance Officer of the Company.

CONTENTS

DOCUMENT MANAGEMENT	2
1. INTRODUCTION.....	4
1.1 PURPOSE AND OBJECTIVES	4
1.2 SCOPE/FIELD/APPLICATION	4
1.3 AVAILABILITY	4
1.4 RESPONSIBILITY AND AUTHORITY.....	4
2. POLICY	5
2.1 COMPLAINT CATEGORISATIONS	5
2.1.1 WHAT CONSTITUTES A COMPLAINT	5
2.2 WHAT CONSTITUTES OTHER COMPLAINTS.....	6
2.3 LODGING A COMPLAINT	6
2.3.1 COMPLAINTS ESCALATION AND REVIEW PROCESS.....	6
2.3.2 WHERE TO SUBMIT A COMPLAINT	7
2.3.3 BASIC PRINCIPLES OF THE COMPLAINTS RESOLUTION SYSTEM	7
2.4 STANDARDS FOR COMPLAINTS RECORD KEEPING	8
2.5 APPEALS.....	8
2.6 UPHELD AND REJECTED COMPLAINTS	9
2.7 EMPLOYEE TRAINING	10
2.8 COMMUNICATION TO THE REGULATOR RELATING TO COMPLAINTS.....	10
3. DEFINITIONS, ACRONYMS, ABBREVIATIONS AND TERMS	11
4. REFERENCES	13
5. COMPLIANCE AND DEVIATIONS.....	13
6. REVIEW OF POLICY	13
7. APPENDICES	13
APPENDIX A.....	14
8. VERSION AND APPROVAL CONTROL	15

1. INTRODUCTION

1.1 PURPOSE AND OBJECTIVES

The purpose of this policy is to outline the approach of the Company in dealing with Complaints received from members and prospective members.

1.2 SCOPE/FIELD/APPLICATION

This policy applies to all employees of the Company, with specific reference to those employees in the Complaints department. To ensure widespread understanding, staff shall be thoroughly aware of the principles set out in this document.

1.3 AVAILABILITY

The document is readily available to all employees and managers and all these stakeholders shall be appropriately and adequately informed of its provisions. Access to internal procedures, documentation and policies is available to external stakeholders on request.

1.4 RESPONSIBILITY AND AUTHORITY

The Compliance Department will be the custodian of the policy. Required changes and amendments must be channelled through the Head of Compliance for review and will be submitted to the Board of Directors for approval.

2. POLICY

2.1 COMPLAINT CATEGORISATIONS

Complaints are differentiated to ensure that the appropriate attention is given to complaints depending on their nature. Complaints are categorised in accordance with the following minimum categories: -

- a) complaints relating to the design of the policy or related service, including the premiums or other fees or charges related to that policy or service;
- b) complaints relating to information provided to policyholders;
- c) complaints relating to advice;
- d) complaints relating to policy performance;
- e) complaints relating to service of policyholders, including complaints relating to premium collection or lapsing of policies;
- f) complaints relating to policy accessibility, changes or switches;
- g) complaints relating to complaints handling;
- h) complaints relating to insurance risk claims, including non-payment of claims; and
- i) other complaints.

2.1.1 WHAT CONSTITUTES A COMPLAINT

The Financial Advisory and Intermediary Services Act 37 of 2002 defines a Complaint as a Complaint relating to a financial service rendered by an FSP or its representatives to a member or prospective member on or after the date of commencement of the FAIS Act, and in which it is alleged that the provider or its representative has:-

- (a) the financial institution or its service provider has contravened or failed to comply with an agreement, a law, a rule, or a code of conduct which is binding on the financial institution or to which it subscribes;
- (b) the financial institution or its service provider's maladministration or wilful or negligent action or failure to act, has caused the complainant harm, prejudice, distress or substantial inconvenience;

- (c) the financial institution or its service provider has treated the complainant unfairly and regardless of whether such an expression of dissatisfaction is submitted together with or in relation to a customer query.

2.2 WHAT CONSTITUTES OTHER COMPLAINTS

As an authorised financial services provider, the FSP is committed to rendering services honestly, fairly, with due skill and it is for this reason that other complaints by members are recorded and tracked for quality control purposes.

The following are examples of other complaints:

- (a) unjustified or invalid complaints;
- (b) non-member complaints;
- (c) service provider complaints.

2.3 LODGING A COMPLAINT

Any member that has experienced any of the categories of complaints mentioned above in 2.1 by the FSP may lodge a complaint in writing or verbally.

2.3.1 COMPLAINTS ESCALATION AND REVIEW PROCESS

The complaints escalation and review process should: -

- (a) follow a balanced approach, bearing in mind the legitimate interests of all parties involved including the fair treatment of the complainants;
- (b) provide for escalation of complex or unusual complaints at the instance of the initial complaint handler;
- (c) provide for complainants to escalate complaints not resolved to their satisfaction;
- (d) be allocated to an impartial, senior functionary within the FSP or appointed by the Company for managing the escalation and review process.

2.3.2 WHERE TO SUBMIT A COMPLAINT

Complaints may be submitted as follows: -

by email;

by fax;

via the website;

via social media (Facebook, Google reviews, Hello Peter);

or telephonically.

Any complaints received by employees should be forwarded to the Complaints Department. This can either be done electronically or telephonically.

Any complaints received from legal entities representing dissatisfied members or the Ombudsman Council should be relayed to the Complaints Department without delay.

A central email address (complaints@nrd.co.za) is used to communicate with all members that have lodged a complaint.

2.3.3 BASIC PRINCIPLES OF THE COMPLAINTS RESOLUTION SYSTEM

NRD is committed to maintain an internal complaint resolution system and procedures based on the following: -

- (a) Maintenance of a comprehensive complaints policy that outlines the company's commitment to, and system and procedures for, internal resolution of complaints;
- (b) Transparency and visibility: ensuring that members have full knowledge of the procedures for resolution of their complaints;
- (c) Accessibility of facilities: ensuring the existence of easy access to such procedures at any office or branch of the provider open to members, or through ancillary postal, fax, telephone, or electronic helpdesk support; and
- (d) Fairness: ensuring that a resolution of a complaint can during and by means of the resolution process be affected which is fair to both members and the company and its employees.

2.4 STANDARDS FOR COMPLAINTS RECORD KEEPING

To ensure effective complaints monitoring and analysis, complaints need to be accurately, efficiently, and securely recorded. Complaints recorded include: -

- (a) all relevant details of a complainant and the subject matter of the complaint;
- (b) copies of all relevant evidence, correspondence, and decisions;
- (c) the complaint categorisation as set out in 2.1;
- (d) progress and status of complaints, including whether such progress is within or outside the prescribed timeline.

The following data in relation to complaints need to be recorded on an ongoing basis:

- (a) number of complaints received, upheld, rejected and reason for rejection;
- (b) number of complaints escalated by complainants using the internal complaint's escalation process;
- (c) number of complaints referred to the Regulators (Ombud) and their outcome;
- (d) total number of complaints outstanding.

Record of complaints shall be appropriately maintained for a period of five years and regular reporting to senior management will be carried out.

2.5 APPEALS

A complainant that is aggrieved at the outcome of a complaint is entitled to appeal the decision of the company. Complainants will be advised of this right when the outcome of a complaint is communicated.

Internal appeals against a decision may be lodged, in writing, and will be assessed by the Complaints Manager who will provide outcome to the complainant, within two weeks of receipt of the appeal.

The complainant will also be advised of further steps, such as the right to refer the dispute to the Regulator, for further review.

2.6 UPHELD AND REJECTED COMPLAINTS

Where a complaint is upheld, any commitment to take any other action must be carried out without undue delay and within any agreed timeframes.

Where a complaint is rejected, the complainant must be provided with clear and adequate reasons for the decision and must be informed of any applicable escalation or review processes, including how to use them and any relevant time limits. The member may within six months pursue the Regulator with the complaint, whose details are as follows:

Particulars of the FAIS Ombudsman

Po Box 74571, Lynnwood Ridge 0040

Tel: 012 470 9080 to 012 470 9097

Fax: 012 348 3447

Email: info@faisombud.co.za

Website: www.faisombud.co.za

Particulars of Long-Term Insurance Ombudsman

Private Bag X45, Claremont 7735

Tel: 086 066 2837

Fax: 021 674 0951

Email: info@ombud.co.za

2.7 EMPLOYEE TRAINING

The Company undertakes to –

- (a) ensure that adequate training is provided to all relevant employees, ensuring full knowledge of the FAIS Act and TCF Outcomes regarding resolution of complaints;
- (b) have an appropriate combination of experience, knowledge and skills in complaints handling, fair treatment of members, the subject matter of the complaints concerned and relevant legal and regulatory matters;
- (c) not be subject to conflict of interest;
- (d) be adequately empowered to make impartial decisions or recommendations;
- (e) ensure that employees are aware of provisions for the escalation of reportable complaints; and
- (f) ensure that employees are made aware of the contents of this policy as well as its effect and purpose.

2.8 COMMUNICATION TO THE REGULATOR RELATING TO COMPLAINTS

When the Company has received a complaint from a complainant via the Regulator the following is to be conducted:

- (a) acknowledge receipt of complaint from the Regulator;
- (b) complaints Manager to allocate complaint to a relevant Complaints Officer;
- (c) complaints Officer to communicate with the Complainant and resolve complaint;
- (d) feedback of the outcome to be provided to the Regulator.

The Company will ensure the following when communicating with the Regulator:

- (a) maintain open and honest communication and co-operation between itself and the Regulator; and
- (b) endeavour to resolve a complaint before a final determination or ruling is made by the Regulator, or through its internal escalation process, without impeding or unduly delaying a complainant's access to the Regulator.

3. DEFINITIONS, ACRONYMS, ABBREVIATIONS AND TERMS

The terms in this document should be interpreted as meaning:

- (i) **Complainant** means a person who submits a complaint and includes a: -
 - a) policyholder or policyholder's successor in title;
 - b) beneficiary or the beneficiary's successor in title;
 - c) person whose life is insured under a policy;
 - d) person that pays a premium in respect of a policy;
 - e) member, or
 - f) potential policyholder or potential member whose dissatisfaction relates to the relevant application, approach, solicitation or advertising or marketing material, or
 - g) who has a direct interest in the agreement, policy or service to which the complaint relates, or a person acting on behalf of a person referred to in (a).

- (ii) **Complaint** means an expression of dissatisfaction by a person relating to advice provided by the Company which indicates or alleges, that: -
 - a) has contravened or failed to comply with an agreement, a law, a rule, or a code of conduct which is binding on the Company or to which it subscribes;
 - c) has treated the person unfairly.

- (iii) **Employee** means a person employed by the Company for purposes of remuneration in exchange for work done.

- (iv) **Ombudsman** means the Ombud Council, whose role is to resolve disputes between financial services providers and their members in a procedurally fair, informal, economical, and expeditious manner.

- (v) **Rejected** means that a complaint has not been upheld and the Company regards the complaint as finalised after advising the complainant that it does not intend to take further action to resolve the complaint and includes complaints regarded by the Company as unjustified or

invalid, or where the complainant does not accept or respond to the Companies proposal to resolve the complaint.

(vi) Reportable complaint

means any complaint other than a complaint that has been: -

- a) upheld immediately by the person who initially received the complaint;
- b) upheld within the Companies ordinary processes for handling policyholder queries in relation to the type of policy or service complained about, provided that such process does not take more than five business days from the date the complaint is received.

(vii) Upheld

means that a complaint has been finalised wholly or partially in favour of the complainant and that: -

- a) the complainant has explicitly accepted that the matter is fully resolved; or
- b) it is reasonable for the Company to assume that the complainant has accepted; and
- c) all undertakings made by the Company to resolve the complaint have been met or the complainant has explicitly indicated its satisfaction with any arrangements to ensure such undertakings will be met by the Company within a time acceptable to the complainant.

(viii) Writing or Written

includes communication by telefax or any appropriate electronic medium that is accurately and readily reducible to written or printed form.

4. REFERENCES

This Policy should be read in conjunction with the following:

- ✓ Long term Policyholder protection Rules.
- ✓ FSB Discussion Document on Treating Customers Fairly Complaint Management.
- ✓ National Risk Distribution SA (Pty) Ltd Complaints Resolutions Procedure (NRD(COMP_PRO_009)).

5. COMPLIANCE AND DEVIATIONS

It is the responsibility of all Company employees and representatives to comply with all statutory and regulatory requirements, as well as corporate policies. Any deviation from this or a related procedure should be communicated, in writing, to the Head of Compliance for inclusion into exception reports. The communication should detail the reason for the deviation and should contain clear instructions of the alternate process to follow.

6. REVIEW OF POLICY

This Policy will be reviewed annually, as well as in line with any applicable changes to legislation or foundational documentation.

7. APPENDICES

Appendix A: Complaints Register Template.

APPENDIX A

The Company is required to have a complaint register and to record complaints within it.

The below is mandatory in a complaint register to be kept by the Company.

Name and Surname of the complainant as well as their details	
Nature of the complaint and the date the complaint was received	Advice, admin and service issues, fraud, claim related complaints etc.
Categorisation of the complaint	Reportable or Non-reportable.
What TCF Outcome the Complaint falls into	9 TCF Outcome Choices: 2; 3; 4; 5(a); 5(b); 6(a); 6(b); 6(c) and other.
Who will respond to the complaint	Complaints Department I.e. Complaints Manager or the Complaints Officer.
Actions to be taken to respond to the member and how the response has been made and by whom	Complaints will be responded to electronically or telephonically by the Complaints Department.
The outcome of the process and how the complaint was dealt with/resolved and it was within the allocated time	Whether favourable or not, investigations carried out within the allocated 3 weeks.
The associated inherent risk of the complaint. What controls have been evaluated and have been implemented to prevent such complaints from reoccurring	Whether financial or non-financial. E.g Evaluating Employee performance, policy wording, claims procedures etc. to determine where the lack is and how to improve those in order to eliminate or lessen future complaints.
Reported to the manager of the employee where the complaint arose	If the complaint arose out of the misconduct of an employee in a certain department, that employee's manager will be notified of such.

8. VERSION AND APPROVAL CONTROL

Version	Type	Summary of actions/changes	Responsible Person	Date
V0.0 DRAFT	New/ Draft	Initial Policy draft developed	S Msindwana	March 2016
V1.0	Approved	Approved by Complaints	B Harris	March 2016
V1.0	Approved	Approved by Compliance	H Botha	March 2016
V1.0	Approved	Approved by Director	M Cronje	March 2016
V1.1	Annual Review	Addition to content & format	J Moodley	March 2017
V2.0	Approved	Approved by Complaints	B Harris	March 2017
V2.0	Approved	Approved by Compliance	H Botha	March 2017
V2.0	Approved	Approved by Director	M Cronje	March 2017
V2.1	Annual Review	Addition to content - PPR required additions	S Naicker	March 2018
V2.2	Review	Reviewed content and amended format	J Moodley	March 2018
V3.0	Approved	Approved by Complaints	B Harris	March 2018
V3.0	Approved	Approved by Compliance	H Botha	March 2018
V3.0	Approved	Approved by Director	M Cronje	March 2018
V3.1	Amendment	Policy format amended and revised. Separated policy from procedure.	J Moodley	March 2019
V3.2	Annual Review	Reviewed Content	S Naicker	March 2019

V4.0	Approved	Approved by Complaints	B Harris	March 2019
V4.0	Approved	Approved by Compliance	H Botha	March 2019
V4.0	Approved	Approved by Director	M Cronje	March 2019

Version Type:

- New/Draft – Version.**
- Approval.**
- Approved.**
- Annual Review.**
- Amendment.**
- Replaced.**