

COMPLAINTS MANAGEMENT FRAMEWORK

The **Eqstra Financial Services (Pty) Ltd Complaints Management Framework (CMF)** has been designed in such a way that it attends to and always assures the fair treatment of our customers. It is aligned with Rule 18 of the Policyholder Protection Rules (PPR's) to ensure that we do not lose insight into any customers complaints received at different touchpoints in the value chain that would enable us to improve customer outcomes.

1. Introduction

The fundamental reason why we have a complaints process and complaints resolution process is to provide guidance and clarification regarding the process for recording and handling of all complaints with a view to speedily resolve complaints and to continuously improve our service to suit the needs of our customers, potential clients and all other stakeholders.

Here are some of the motivations for a Complaints Management Framework in our environment:

- a) To ensure that the customers have full knowledge of the procedures for resolution of their complaints;
- b) To ensure ease of access to such procedures by customers and that they are open and available to customers;
- c) To ensure a speedy resolution of a complaint by means of the resolution process which is fair to all customers as well as the financial services provider and its staff;
- d) To ensure that the culture of "Treating Customers Fairly" is rooted in the Company and its operations;
- e) To continuously improve the effectiveness of the Company's processes through implementation of corrective measures in respect of shortfalls and/or inconsistencies identified through the analysis of complaints; and
- f) To ensure that there is effective reporting and escalation of complaints to address areas where the Company is lacking.

2. Definitions and Terminology to be Employed in the Complaints Resolution Process

During the process of identification of the type of complaint, the source of the complaint and the resolution of the complaint the following definitions and terminology should be employed and adequately communicated to ensure a fair outcome to the complaint and align it in the Complaints Resolution Process.

EFS undertakes to adequately train all line staff and responsible managers on these Definitions and Terminology to enable them to understand and apply them in the process of Complaints Resolution.

Complainant – means a person who submits a complaint and includes a:

- (a) client;
- (b) person nominated as the person in respect of whom a product supplier should meet financial product benefits or that persons' successor in title;
- (c) person whose life is insured under a financial product that is an insurance policy;
- (d) person that pays a premium or an investment amount in respect of a financial product;
- (e) member;
- (f) person whose dissatisfaction relates to the approach, solicitation marketing or advertising material or an advertisement in respect of a financial product, financial service or related service of the provider, who has a direct interest in the agreement, financial product or financial service to which the complaint relates, or a person acting on behalf or a person referred to in (a) to (f).

Complaint – means an expression of dissatisfaction by a person to a provider or, to the knowledge of the provider, to the provider's service supplier relating to a financial product or financial service provided or offered by that provider which indicates or alleges, regardless of whether such an expression of dissatisfaction is submitted together with or in relation to a client query, that –

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

Rejected: in relation to a complaint means that a complaint was not upheld – the provider regards the complaint as finalised after advising the complainant that it does not intend to take any further action to resolve the complaint and including complaints regarded by the provider as unjustified or invalid/where the complainant does not accept or respond to proposals to resolve the complaint.

Compensation payment – means a payment, whether in monetary form or in the form of a benefit or service, by or on behalf of a provider to a complainant to compensate the complainant for a proven or estimated financial loss incurred as a result of the provider's contravention, non-compliance, action, failure to act, or unfair treatment forming the basis of the complaint, where the provider accepts liability for having caused the loss concerned, but excludes and –

- (a) Goodwill payment;
- (b) Payment contractually due to the complainant in terms of the financial product or financial service concerned; or
- (c) Refund of an amount paid by or on behalf of the complainant to the provider where such payment was not contractually due; and
- (d) Includes any interest on late payment of any amount referred to in (b) or (c).

Goodwill payment – means a payment, whether in monetary form or in the form of a benefit or service, by or on behalf of a provider to a complainant as an expression of goodwill aimed at resolving a complaint, where the provider does

not accept liability for any financial loss to the complainant as a result of the matter complained about.

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 provider's ordinary processes for handling client queries in relation to the type of financial product or financial service complained about, provided that such process does not take more than five business days from the date of the complaint is received; or
- (c) Submitted to or brought to the attention of the provider in such a manner that the provider does not have a reasonable opportunity to record such details of the complaint as may be prescribed in relation to reportable complaints.

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 provider to assume that the complainant has so accepted; and
- (c) all undertakings made by the provider 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 provider within a time acceptable to the complainant.

Client query – means a request to the provider or the provider's service supplier by or on behalf of a client, for information regarding the provider's financial products, financial services or related processes, or to carry out a transaction or action in relation to any such product or service.

Customer – means a specific person or group of persons, excluding the general public who is or may become the subject to, or to whom a financial service is rendered intentionally, or is the successor in title of such person or the beneficiary of such service;

Financial service – means the furnishing of advice, the rendering of intermediary services, or both, in relation to a financial product;

3. Staff Competence and Knowledge

We will ensure that the responsibility for handling specific complaints is adequately delegated to ensure efficient handling, to staff or managers who are adequately trained and have an appropriate level of experience, knowledge and skill in complaints handling in the relevant complaints subject matter, in the principles of TCF and in relevant legal and regulatory provisions, including the provisions of the FAIS Act. Our organisational structure ensures that staff and managers responsible for complaints related decision making are not conflicted and are empowered to make objective decisions or recommendations.

We undertake to:

- a) Resolve customer complaints in a timely and fair manner
- b) Inform all our customers of the complaint's procedures
- c) Ensure customers have easy access to our complaint's resolution process

- d) That non-routine complaints are escalated to appropriately equipped staff that will be able to resolve it
- e) If necessary, appoint an independent mediator to resolve complaints
- f) Ensure that every complaint receives proper consideration in an effectively managed process by the responsible staff member
- g) Offer appropriate remedy in all cases where a complaint is resolved in favour of a customer
- h) Inform the customer/s of their right to refer their complaints to the relevant Ombud if the complaint is not resolved to their satisfaction within six weeks from the date on which the complaint is received by EFS
- i) Maintain records of all complaints received and outcomes for a period of 5 years from the date on which the complaint is received by EFS
- j) Implement a follow-up procedure to ensure that the customer is satisfied with the resolution of the complaint
- k) Improve services and procedures where necessary within EFS or one of our service providers or Insurer to prevent similar complaints from reoccurring

4. Complaints – General Rules

To ensure a quick and appropriate response to complaints, the following process should always be used by all relevant staff:

- a) Distinguish between a customer that raises a query and one that wishes to raise and log an official complaint regarding our products and services provided.
- b) A customer query should be referred to and addressed by an appropriate person skilled and knowledgeable in the subject matter.
- c) A complaint should be addressed in the manner set out below.
- d) Log the date and content of the complaint with the complaints administrator that handles the complaints register.
- e) If the complaint is logged telephonically make full notes of the complaint and start the complaint resolution process immediately.
- f) Send the external complaints resolution procedure document to the customer and confirm to the customer in writing that we are attending to the complaint.
- g) Confirm with the customer the requirement to lodge the complaint in writing, including the following information:
 - Name and contact details of the complainant or complainant's representative (if applicable).
 - Policy or Claims reference number.
 - Full details of the complaint (facts, dates, and supporting documents, etc.) the details of your compliment or complaint (where you satisfied, or what did not meet your expectation).
 - How can we regain the customer's confidence in our service and meet their expectations?

- If the customer refuses to or cannot lodge the complaint in writing, then the telephonic reporting of the complaint will suffice, as long as the telephone call is recorded for record purposes.
- h) The previous point should be a formal requirement to establish the detail of the complaint and not a reason to delay the resolution of the complaint.
 - i) Appoint a staff member responsible for the resolution of the complaint.
 - j) Log the complaint telephonically from a telephone that allow the recording of the conversation and request the customer to lodge the complaint in writing.
 - k) Acknowledge receipt of the complaint in writing within 72 hours of receipt (3 working days) and give the customer the name(s) and contact details of the staff responsible for the resolution of the complaint.
 - l) Investigate the complaint to ascertain whether the complaint is legitimate and/or can be resolved immediately.
 - m) If the complaint can be resolved immediately, take the necessary action and inform the customer accordingly.
 - n) Should additional information be required from the customer, request supporting documentation (if any) from the customer that may be necessary to resolve the matter and indicate the expected date of resolution, this must be requested in writing from the customer.
 - o) At all times ensure that the customer is kept informed of the process of their complaint/request, whilst it is being attended to.
 - p) If the complaint cannot be resolved immediately, send the customer a written summary of the steps to be taken to resolve the matter and the expected date of resolution.
 - q) If unable to resolve the complaint within a further 3 weeks of the written acknowledgment (6 weeks since complaint logged), notify the customer giving full written reasons as to why the outcome was not favourable, and advise the customer of the internal Dispute Resolution Forum.

5. Categorisation of Complaints

All Reportable Complaints Will be Categorises in the broad complaints categories as set out below. It will be recorded within the same categories and reported on accordingly:

- Design of a policy or related service (including premiums or other fees or charges)
- Information provided to policyholders
- Advice provided
- Policy performance
- Service to policyholders (including complaints relating to premium collection or lapsing of policies)

- Policy accessibility, changes or switches
- Complaints handling
- Complaints relating to insurance risk claims, including non-payment of claims; and
- Other complaints

6. Internal Dispute Resolution

If the customer is still dissatisfied with the resolution from Eqstra Financial Services and would like the final decision reviewed, the customer can request that the complaint be referred to the AD HOC Complaints Committee that is structured as follows:

- Underwriting Manager
- Key Individual
- Compliance Officer
- Complaints Handler

The purpose of the above committee is to take into account all the circumstances surrounding the complaint, the determinations of TCF and PPR as well as sound business principles to determine a final outcome to the complaint.

7. Escalation

In the event that the customer is still dissatisfied, after the matter has gone through the above process, then the customer can refer the complaint to the Insurer at the following contact information: Guardrisk Insurance Company Limited – Telephone No: 0860 333 361 or email: complaints@guardrisk.co.za

8. Allowing the Customer to Refer the Complaint to the Ombud

If the customer is still dissatisfied with the outcome of the complaint, the customer may within 6 months, lodge a complaint with the Ombudsman for Short Term Insurance or the Ombudsman for Financial Services Providers. All contact information of the above Ombuds should be provided to the customer to enable the lodging of the complaint

6. Analysing Complaint Data

After closure of the complaint the designated Manager responsible for the CMF will analyse all available data pertaining to the claim to determine the inadequacies of the process, the lack of adequate skill, lack of subject matter knowledge or lack of the ability of the staff member/s to provide required customer service

7. Advising Line Managers of Finding

The CMF Manager will report all finding regarding the root cause of the complaint to all the line managers in the service network with the instruction to resolve all issues and inadequacies and report back on the resolutions. The General Manager/s in the line functions will be informed of the expectations.

8. Primary Responsibility

It is the primary responsibility of each person in the CMF process to try their utmost to ensure a positive outcome of the claims resolution. If necessary, it should be referred to the highest possible level of line decision making to ensure that outcome.

9. Final Control

The final transaction that will be done on any complaints case will be that the Compliance and Governance Supervisor will address a communication to the Complainant informing him/her that the case has been attended to and closed in finalisation of the matter.

Important Contact Numbers

Company	Telephone Number	Email Address
Eqstra Financial Services	0860 111 820	complaints@eqstrafleet.co.za
Compliance Officer Géta Hancke	021 883 8000	ghancke@moonstonecompliance.co.za
Key Individual Isabel Le Grange	010 040 7785	isabel@cubu.co.za
Guardrisk Insurance Company Limited - Complaints - Rejection Requests	0860 333 361	complaints@guardrisk.co.za claimsrejection@guardrisk.co.za
Short Term Insurance Ombudsman	011 726 8900	info@osti.co.za
FAIS Ombudsman	012 470 9080	info@faisombud.co.za

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