

## **Complaints Management Framework**

for

# **GUARDRISK GROUP (PTY) LTD**

Incorporating all its operating subsidiaries

and

associated entities

Policy Owner: Life and Non-Life Operations

November 2023

Version: 7

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## 1. Overview

### 1.1 Document History

Revision Date	Document Version	Summary of Changes	Author/Reviewer
30 July 2014	1	Initial drafting	Amagyei Busumru-Banson Russell Krawitz Fikelephi Bham
21 March 2018	2	Amendments to align with PPR	Yvette van der Walt
09 July 2018	2	Amendments to align with PPR	Natasha Holt
12 June 2019	3	Annual Review of Policy	Natasha Holt
12 July 2020	4	Annual Review of Policy	Natasha Holt & Russell Krawitz
11 August 2021	5	Annual Review of Policy	Natasha Holt & Russell Krawitz
27/06/2022	6	Annual Review of Policy	Natasha Holt & Russell Krawitz
26/09/2023	7	Annual Review of Policy	Russell Krawitz, Phindile Ndebele, Buyisiwe Hlatshwayo

### 1.2 Operational Approvals

This document has obtained the following approvals:

Name	Nature	Document Version	Approval Signature	Date of Approval
Market Conduct Steering Committee	Approval and Recommendation	1	Refer to Minutes	16 May 2018
Executive Committee	Approval and Recommendation	2	Refer to Minutes	31 May 2018
Market Conduct Steering Committee	Approval	4	Refer to Minutes	15 July 2020
Market Conduct Steering Committee	Notice	7	Refer to Minutes	29 November 2023

### 1.3 Governance Approvals

This document has obtained the following approvals:

Name	Nature	Document Version	Approval Signature	Date of Approval
Audit & Risk Committee	Approval and Recommendation	2	Refer to Minutes	8 August 2018
Board of Directors	Approval	2	Refer to Board Minutes	21 August 2018

Audit & Risk Committee	Approval and Recommendation	3	Refer to Minutes	8 August 2019
Board of Directors	Approval	3	Refer to Board Minutes	19 August 2019
Audit & Risk Committee	Approval	4	Refer to Minutes	14 August 2020
Audit & Risk Committee	Approval	7	Refer to Minutes	January 2024
Board of Directors	Approval	7	Refer to Minutes	March 2024

## 2. Definitions

2.1 **“Advice”** means, subject to subsection (3)(a) the FAIS Act, any recommendation, guidance or proposal of a financial nature furnished, by any means or medium, to any client or group of clients-

- in respect of the purchase of any financial product; or
- in respect of the investment in any financial product; or
- on the conclusion of any other transaction, including a loan or cession, aimed at the incurring of any liability or the acquisition of any right or benefit in respect of any financial product; or
- on the variation of any term or condition applying to a financial product, on the replacement of any such product, or on the termination of any purchase of or investment in any such product, and irrespective of whether or not such advice-
- is furnished in the course of or incidental to financial planning in connection with the affairs of the client;
- or results in any such purchase, investment, transaction, variation, replacement or termination, as the case may be, being effected;
- results in the purchase by the Complainant of any product based on the advice;

2.2 **“Arbitration”** means the Guardrisk internal escalation process where the use of a Guardrisk appointed arbitrator to settle a dispute between the parties. For Guardrisk Life Limited and Guardrisk Microinsurance Limited, this will mean the appointed Complaints Handlers. For Guardrisk Insurance Company Limited, this shall mean the Claims Technical Team where a Claims Technical Assessor will handle any representations made in direct relation to a claim repudiation or in respect of a quantum paid.

2.3 **“Arbitration Committee”** means the duly appointed collection of persons by the Life Operations Executive to arbitrate any complex Complaints not able to be resolved by a Complaints Handler or to mediate on OLTI complaints requiring a determination outside of the Complaint Handlers mandate or ability owing to the complex or uncertain nature of the dispute. This committee is currently not in place for Guardrisk Insurance Company Limited owing to the nature of complaint handling on the non-life license

2.4 **“Binder Holder”** means the entity that renders binder functions in respect of a Binder Agreement issued by Guardrisk. Binder functions include the abilities to: a) enter into, vary, or renew policies; b) determine policy wording; c) determine policy benefits; d) determining premium rates and e) claims settlement.

2.5 **“Business Day”** means any day except a Saturday, Sunday or public holiday.

2.6 **“Claims Technical Assessor”** means the persons appointed by the Non-Life Claims Executive to assess, mediate, review and adjudicate any claims Representation escalated by a Complainant who has remained dissatisfied with the outcome of a claim or with the quantum of a paid claim received on the Guardrisk Insurance Company Limited license.

The Claims Technical Assessor will make a determination in resolution of an allocated escalated claims Representation for resolution.

2.7 “**Complainant**” means a person who submits a complaint and includes a –

- policyholder or the policyholder’s successor in title;
- beneficiary or the beneficiary’s successor in title;
- person whose life is insured under a policy;
- person that pays a premium in respect of a policy;
- member of a group scheme; or
- potential policyholder or potential member of a group scheme whose dissatisfaction relates to the relevant application, approach, solicitation or advertising or marketing material, 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) to (f);

2.8 “**Complaint**” means an expression of dissatisfaction by a person to an insurer or, to the knowledge of the insurer, to the insurer’s service provider relating to a policy or service provided or offered by that insurer which indicates or alleges, regardless of whether such an expression of dissatisfaction is submitted together with or in relation to a policyholder query, that –

- the insurer 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 insurer or to which it subscribes;
- the insurer or its service provider’s maladministration or willful or negligent action or failure to act, has caused the person harm, prejudice, distress or substantial inconvenience; or
- the insurer or its service provider has treated the person unfairly;

2.5 “**Complaint Handler**” means the persons appointed by the Life Operations Executive to assess, mediate, review and adjudicate allocated complaints received on the Guardrisk Life Limited and Guardrisk Microinsurance Limited respective license. The Complaints Handler will make a determination in resolution of an allocated Complaint or escalate the Complaint to the Arbitration Committee for further review, discussion, adjudication and resolution.

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

- goodwill payment;
- payment contractually due to the complainant in terms of a policy; or
- refund of an amount paid by or on behalf of the complainant to the insurer where such payment was not contractually due;
- and includes any interest on late payment of any amount referred to in (b) or (c);

**2.7 “Compensation Matrix”** means the document created by Guardrisk to determine categories of compensation due to a complainant in the event of prejudice or stress due to an operational failure, system error or failed sales process.

**2.8 “Goodwill payment”** means a payment, whether in monetary form or in the form of a benefit or service, by or on behalf of an insurer to a complainant as an expression of goodwill aimed at resolving a complaint, where the insurer does not accept liability for any financial loss to the complainant as a result of the matter complained about;

**2.9 “Ex Gratia Payment”** (Commercial/Business decisions only) means payment considered and approved as a favour or from a sense of moral obligation rather than because of any legal requirement, as a means to retain a client or business relationship.

**2.10 “Policyholder query”** means a request to the insurer or the insurer’s service provider by or on behalf of a policyholder, for information regarding the insurer’s policies, services or related processes, or to carry out a transaction or action in relation to any such policy or service;

**2.11 “Rejected”** in relation to a complaint means that a complaint has not been upheld and the insurer regards the complaint as finalised after advising the complainant that it does not intend to take any further action to resolve the complaint and includes complaints regarded by the insurer as unjustified or invalid, or where the complainant does not accept or respond to the insurer’s proposals to resolve the complaint. **“Rejection”** shall have a corresponding meaning where the context so allows;

**2.12 “Reportable complaint”** means any complaint other than a complaint that has been – upheld immediately by the person who initially received the complaint;

- upheld within the insurer’s 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; or
- submitted to or brought to the attention of the insurer in such a manner that the insurer does not have a reasonable opportunity to record such details of the complaint as may be prescribed in relation to reportable complaints;

- 2.13 “Representation”** means a Complaint escalation by a Complainant who is dissatisfied with the outcome of a claim or with the quantum paid on a claim which is made by submitting new or additional information not previously received and on which a review of the initial decision can take place. Such Representation will result in the decision being Upheld in which instance the Complaint will be Rejected or alternatively, found in favour of the Complainant in which instance the initial decision on the claim, or quantum paid, will be set aside and an alternate decision, or quantum, revised;
- 2.14 “Upheld”** means that a complaint has been finalised in that –
- the complainant has explicitly accepted that the matter is fully resolved; or
  - it is reasonable for the insurer to assume that the complainant has so accepted; and all undertakings made by the insurer 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 insurer within a time acceptable to the complainant;
- 2.15 “Complaints Management”** means the management of the entire lifecycle of a Complaint. This starts with the ease of process for the client to lodge complaints and the associated communication. It includes the way complaints are handled, recorded, resolved and quality controlled; the way a Complaints Handler or Claims Technical Assessor is involved in complaints management processes and who are able to manage the handling of such Complaints due to experience, ability, qualification and training; the way decisions are made; the way clients’ trust is restored; the way the reports are compiled and analysed; and ultimately the way business learns from the feedback gleaned from complaints and takes corrective and proactive action accordingly to remediate and correct any failed or incorrect processes;
- 2.16 “Complaints Management Head”** The individual appointed by the Chief Executive Officer to serve as head of the complaints management function within Guardrisk’s respective business units. The role of the Complaints Management Head in Guardrisk’s respective business units and the terms of their appointment as amended is determined by the Chief Executive Officer. “Arbitrator” shall have a corresponding meaning where the context so allows;
- 2.17 “Complaints Reporting System”** The set of electronic applications and related case management software used by Guardrisk for recording, classifying, routing, escalating and resolving individual complaints received by the business. In relation to the Complaints Management function as a whole, the system is used by the business to monitor, analyse and report on the Guardrisk and/or cell owners’ performance in relation to Complaints Management.



**2.18 “Complaints Handling”** The process of attending to and resolving complaints including ongoing interaction with Complainants. It is expected that this process meets certain minimum standards.

**2.19 “Complaint Handling Staff”** Any person that is appointed as a Complaints Handler or a Claims Technical Assessor and who is responsible for making decisions or recommendations in respect of complaints generally or a specific complaint and who must –

- be adequately trained;
- have an appropriate mix of experience, knowledge and skills in complaints handling, claims management, fair treatment of customers, the subject matter of the complaints concerned and relevant legal and regulatory matters;
- not be subject to a conflict of interest; and
- be adequately empowered to make impartial decisions or recommendations.

**2.20 “Evidence”** means the information Guardrisk has obtained in order to review, adjudicate and resolve a complaint and shall include all information submitted by an entity as well as from the Complainant and shall be stored and recorded on the complaints management system or other repositories for storing and recording information. This shall include, but is not limited to, claims forms, administration documentation, sales and other recordings, application forms, policy documentation, premium payment history etc.

**2.21 “FAIS complaint”** means a specific complaint, submitted by a Complainant to the FAIS Ombudsman or Guardrisk for purposes of resolution by Guardrisk, relating to a financial service rendered by Guardrisk or its representative to the Complainant on or after the date of commencement of the FAIS Act, and in which complaint it is alleged that Guardrisk or its representative has:

- has contravened or failed to comply with a provision of the FAIS Act and that as a result thereof the Complainant has suffered or is likely to suffer financial prejudice or damage;
- has wilfully or negligently rendered a financial service to the Complainant which has caused prejudice or damage to the Complainant or which is likely to result in such prejudice or damage; or
- has treated the Complainant unfairly;

**2.22 “FAIS Ombud Complainant”** means a client who submits a complaint to the FAIS Ombudsman in relation to the application of a policy and includes advice rendered;

**2.23 “Intermediary service”** means, subject to subsection (3)(b) the FAIS Act, any act other than the furnishing of advice, performed by a person for or on behalf of a client or product supplier –

- the result of which is that a client may enter into, offers to enter into or enters into any transaction in respect of a financial product with a product supplier; or with a view to-
- buying, selling or otherwise dealing in (whether on a discretionary or non-discretionary basis), managing, administering, keeping in safe custody, maintaining or servicing a financial product purchased by a client from a product supplier or in which the client has invested;
- collecting or accounting for premiums or other moneys payable by the client to a product supplier in respect of a financial product; or
- receiving, submitting or processing the claims of a client against a product supplier;

**2.24** “**OLTI**” refers to the Ombudsman for Long Term Insurance

**2.25** “**OSTI**” refers to the Ombudsman for Short Term Insurance

**2.26** “**OLTI complaint**” for the purpose of this policy, is a complaint submitted to the Ombudsman for Long Term Insurance (“OLTI”) in relation to any other matter other than the application of a policy relating to advice rendered

**2.27** “**OSTI complaint**” for the purpose of this policy, is a complaint submitted to the Ombudsman for Short Term Insurance (“OSTI”) in relation to any other matter other than the application of a policy relating to advice rendered

**2.28** “**Outsourcing Agreement**” means any arrangement of any form between Guardrisk and another person, whether that person is regulated or supervised under any law or not, in terms of which that party performs a function that is integral to the nature of the Guardrisk business, which would otherwise be performed by Guardrisk in conducting insurance business, and includes rendering services under a binder agreement, but excludes rendering services as intermediary (**Outsourced business partner** will have corresponding meaning).

**2.29** “**Reports (or reporting)**” means any periodic or ad-hoc reports (and related documents) obtained from the complaints management system and other sources in the business which shall be used for analysis, monitoring, submissions to regulatory authorities, and the making of recommendations to the business.

### **3. Objectives**

3.1 The Complaints Management Framework formalizes the practices required for effective management and handling of customer complaints within the Guardrisk Group of Companies

("Guardrisk"). The objective is to ensure effective standards of complaints management in order to:

- ensure fair outcomes for customers;
- protect and enhance Guardrisk's reputation;
- allow for effective reporting, detailed analysis and identification of trends related to complaints;
- achieve effective and timely resolution of complaints in respect of acceptable turn-around times;
- provide guidelines for acknowledging complaints (and complainant communication) and for recording customer complaints in a centralised manner;
- improve organisational effectiveness through learning from client feedback and root cause analysis;
- ensure effective management of complaints, in line with this framework;
- ensure effective engagement between the insurer and the relevant Ombudsman scheme;
- ensure requirements are met for reporting to the Registrar and / or the public (if required);
- restore and enhance relationships with complainants and non-complainants for the purpose of on-going business retention and growth;
- ensure objectivity by the complaints handling staff in attending to and resolving a complaint;

3.2 This framework provides general principles to guide the way complaints are managed within Guardrisk. Where an outsourced partner or a company or business within Guardrisk has a policy, process or procedures, guide or training manual relating to complaints management, all such documents must comply with, and not contradict, this framework.

3.3 This framework sets out Guardrisk's philosophy concerning the way complaints are handled, resolved and maximized (maximized refers to conducting analysis of complaints for root cause analysis to ensure processes are improved to reduce complaints where necessary).

3.4 This framework will be reviewed by the Complaints Management Heads at least annually. Only when material changes are made will this framework be submitted to the Board of Directors for approval. In all other instances, no further approval on non-material changes will be required by the Board of Directors.

## **4. Scope**

4.1 This framework applies to the following entities and any of their subsidiaries that are domiciled in South Africa:

Guardrisk Group (Propriety) Limited

Including the following operating entities;

- Guardrisk Life Limited
- Guardrisk Microinsurance
- Guardrisk Insurance Company Limited
- Guardrisk Allied Products and Services (Pty) Limited

and associated entities:

4.2 Where any business units within Guardrisk have agreements with outsourced business partners that have any part to play in the complaints handling or resolution or record keeping process, it is recommended that those agreements may state minimum standards necessary for complaints management.

4.3 Each entity that has entered into a shareholders agreement with Guardrisk must ensure that they and/or their outsourced business partners have a complaint management process that:

- is proportionate to the nature, scale and complexity of their business and risks;
- clearly sets out the responsibilities of any binder holders in relation to the handling and reporting of complaints;
- is appropriate for their business model, policies, services, policyholders, and beneficiaries;
- enables complaints to be considered after taking reasonable steps to gather and investigate all relevant and appropriate information and circumstances, with due regard to the fair treatment of complainants;
- (a) provides for appropriate performance standards and remuneration and reward strategies (internally and where any functions are outsourced) for complaints management in general and specifically for complaints handling to –
  - i. prevent conflicts of interest and the incentivisation of behaviour which could threaten the fair treatment of Policyholders or Complainants; and
- ensure objectivity and impartiality;
- documented procedures for the appropriate management of the complaints process from the time the complaint is received until it is finalised, including the expected timeframes for each of the stages and the circumstances under which any of the timeframes may be extended;
- does not impose unreasonable barriers to complainants; and
- is fully compliant with the Financial Advisory and Intermediary Services Act (FAIS as well as the Policy Holder Protection Rules (PPR's) (as amended).

4.4 Legislative framework

This framework upholds the provisions of the FAIS Act as well as the PPR's as amended.

## 5. Key Principles and standards for effective Complaints Management

The following principles and standards shall apply to the complaints management processes within Guardrisk:

- 5.1 **Accessibility:** Guardrisk makes complaints reporting visible to customers on all key documents provided to them as well as on its website.
- 5.2 **Client-centricity:** Complaint Handling Staff are expected to demonstrate the right attitude toward every Complainant.
- 5.3 **Quality of investigation:** Guardrisk will take reasonable steps to gather and investigate all relevant information and circumstances when handling complaints.
- 5.4 **Timely resolution:** Guardrisk's quality standards recognise that all complaints must be resolved in a timely manner and in line with timelines set out in this framework.
- 5.5 **Consistent and objective decision-making:** Guardrisk will ensure that employees and decision-makers avoid bias when handling complaints so that principles of fairness and objectivity are upheld.
- 5.6 **Independent review:** Through the Guardrisk Arbitrators, Guardrisk will provide additional opportunities for independent review of complaints in line with the escalation and review process contained in this framework. Where required, segregation of duties and escalation procedures will be utilised to maintain and safeguard independence of employees responsible for handling complaints.
- 5.7 **Confidentiality of client Information and data:** As far as possible, Guardrisk will maintain the confidentiality of customers' personal information and comply with the relevant legislation to ensure that internal controls are in place for safeguarding of data.
- 5.8 **Accuracy of record-keeping:** Complaints must be accurately, efficiently and securely recorded.
- 5.9 **Communication before, during and after complaint:** Guardrisk will provide customers with clear upfront communication concerning how they can complain and how their complaint will be handled.
- 5.10 **Quality Assurance:** Guardrisk will ensure that there is an appropriate level of quality assurance in place to monitor that the standards referred to in this framework are adhered to.
- 5.11 **Meaningful Management Information and Analysis:** Useful management information reports pertaining to complaints will be developed and implemented, subject to regulatory requirements and business needs.
- 5.12 **Remuneration and Reward Strategies:** Guardrisk mitigates any conflict of interest by ensuring that none of the Guardrisk Complaint Handling Staff are remunerated or rewarded for reviewing or finalising any Complaint. All decisions made by Guardrisk Complaint Handling Staff will be fair, and without conflict to be remunerated for finalising a Complaint or Representation in favour of either a Claimant or Beneficiary or the Insurer. The Guardrisk Complaint Handler will be paid a monthly salary for performing their usual

job function in line with the Company's remuneration process in line with each Complaint Handler or Claims technical Assessor's contract of employment.

## 6. Allocation of Responsibilities

The table below outlines the roles and responsibilities of the stakeholders responsible for governance of the framework:

Responsibility	Structure	Interest, Duties and Responsibilities
Supervision	Board of Directors	The Board is ultimately responsible for the requirements of this framework but delegates some functions to executive committees, management committees, other forums, managers and any other persons.
	Integrated Assurance Committee	The Integrated Assurance Committee must approve changes to this framework and monitor adherence to this framework. The Integrated Assurance Committee is responsible for: <ul style="list-style-type: none"> <li>Ensuring that all committees, forums and individuals who have responsibility under the policy fulfill their responsibilities in a timely and diligent manner.</li> <li>Governance of the applicable assurance provider's assessment of compliance with a framework.</li> <li>Assigning and monitoring remediation of any non-compliance or other findings by the assurance provider.</li> </ul>
Operational Implementation	Guardrisk Executive Committee	Approves and oversees the effectiveness of this framework.
	Market Conduct Steering Committee	Assists the Executive committee by: <ul style="list-style-type: none"> <li>Implementing the requirements of this framework</li> <li>Providing on-going guidance to the business on matters relating to this framework</li> <li>Monitoring on-going operating effectiveness of the framework and</li> <li>Reporting to Exco, the business and other forums on the business performance and adherence in relation to requirements, procedures and standards set out in this framework</li> </ul>

	Complaints Management Heads (Arbitrator)	The Complaints Management Heads are responsible for : <ul style="list-style-type: none"> <li>Operational implementation of this framework and processes developed in accordance with this framework;</li> <li>Ensuring the execution of agreed standards including quality assurance.</li> </ul>
	Complaint Handlers	Implement, communicate & ensure that all Complaints are managed in accordance with this framework
	Claims Technical Assessors	Implement, communication & ensure that all Representations are managed in accordance with this framework
Consulted	Risk Management	Risk Management is responsible for reviewing adherence to the requirements outlined by this framework.
	Compliance	Compliance is responsible for: <ul style="list-style-type: none"> <li>Reviewing adherence to the requirements outlined by this framework.</li> <li>Ensuring that this framework remains in line with legislation.</li> </ul>
Informed	Executive Committee Integrated Assurance Committee Combined Assurance Forum	Are kept informed of Complaints received and whether or not there was compliance with this framework in the resolution thereof.

## 7. Complaint Management Process and categorization of complaints

- 7.1 All Guardrisk Life Limited and Guardrisk Microinsurance Limited complaints must be centralized to [complaints@guardrisk.co.za](mailto:complaints@guardrisk.co.za) or to 0860 333 361.
- 7.2 All Guardrisk Insurance Company Limited complaints must be centralized to [ClaimsRejection@guardrisk.co.za](mailto:ClaimsRejection@guardrisk.co.za) or to 0860 333 361.
- 7.3 All communications with Complainants must be in plain language.
- 7.4 Guardrisk will ensure that regular monitoring is done on compliance with as well as the effectiveness of this framework generally.

## 8. Process for Complaints relating to a Guardrisk error, employee, or service

- 8.1 The complaint channels above will be monitored by the Complaint Handling Staff daily.
- 8.2 Each Complaint received by internal departments must be logged on the complaints reporting system within **48 (forty-eight) hours** (2 (two) business days) after receipt;
- 8.3 Each Complaint will be recorded on the complaints reporting system received in relation to Binder Holders by the Complaints Handling Staff member within **48 (forty-eight) hours** (2 (two) business days) after receipt;

- 8.4 The following details will be captured in respect of each Reportable Complaint:
- all relevant details of the Complainant (name, surname, email address) and the subject matter of the Complaint;
  - copies of all relevant, evidence, correspondence & decisions;
  - the Complaint categorization as set out below:
    - complaints relating to the design of a policy or related service, including the premiums or other fees or charges related to that policy or service;
    - complaints relating to information provided to policyholders;
    - complaints relating to advice;
    - complaints relating to policy performance;
    - complaints relating to service to policyholders, including complaints relating to premium collection or cancellation of or lapsing of policies;
    - complaints relating to policy accessibility, changes or switches;
    - complaints relating to complaints handling;
    - complaints relating to insurance risk claims, including non-payment of claims;
    - details of the channel used by the complainant to submit a complaint;
    - date of the complaint and the date from which the complaint arose;
    - other complaint categories relevant to our business model, policies, services and policyholder base;
    - progress and status of the complaint, including whether such progress is within or outside any timelines set out in this framework;
    - actual cost charge (if an Ombudsman complaint);
    - whether no cost is levied for the submission (arbitrator or binder holder escalations);
    - product type an category;
    - name of product;
    - entity who the complaint is for;
    - Complaint Handler's decision;
    - complaint outcome; and
    - amount payable (including any Compensation Award).
- 8.5 An acknowledgement of receipt will be sent to the Complainant within 48 (forty-eight) hours (2 (two) business days) upon receipt of the Complaint and the acknowledgement will contain the following information:
- contact details of the Complaint Handler that will be handling the Complaint;
  - indicative timelines for addressing the Complaint; and
  - an indication of what information will be requested from the respective Binder Holder.
- 8.6 A decision will be made on each Complaint as soon as is reasonably possible but within a period not exceeding a maximum of **15 (fifteen) working days** after taking reasonable steps to gather and investigate all relevant and appropriate information and



circumstances, with due regard to the fair treatment of Complainants. Any delays that will impact the 15 (fifteen) working days turnaround time frame will be communicated to the Complainant with a revised timeline to finalise the adjudication process.

- 8.7 Each Complainant must be kept adequately informed of:
- The progress of their Complaint;
  - Causes of any delay in the finalisation of a complaint and revised timelines; and
  - The outcome of the adjudication with a determination.
- 8.8 Guardrisk will ensure that customers who are financially prejudiced as a result of our contravention, non-compliance, action, failure to act, or unfair treatment are fairly compensated.
- 8.9 Such compensation as referred to under 8.8 will be a flat % of 6% of the benefit for any claim related matters.
- 8.10 Such compensation as referred to under 8.8 will be determined by way of the Compensation Matrix guidance note for all other service (and non-claims related) matters.
- 8.11 A written response will be sent to a Complainant or their authorised representative once the complaint is finalised:.
- 8.12 Where a complaint is upheld, any commitment to make a Compensation Award, Goodwill payment, Ex gratia Payment decision or to take any other action will be carried out without undue delay and within any agreed timeframes.
- 8.13 Where a Complaint is Rejected, the Complainant will be provided with clear and adequate reasons for the decision and be informed of the escalation or review process, including how to use it and any relevant time limits.
- Details of the relevant Ombud schemes (OLTI, OSTI and FAIS)
  - Details of information required from Complainants for review (where applicable);
  - Where, how and to whom the related information must be submitted;
  - Expected turnaround times in relation to any review; and
  - Any other relevant responsibilities of Complainants.
  - Guardrisk will analyse Complaints reports extracted from the complaint reporting system on a monthly basis. Findings on identified risks, trends and actions taken will be contained in market conduct reports that are presented to executive forums and the Board.

## **9. Process for Complaints relating to a Binder Holder error, employee, or service**

- 9.1 Where a Complaint is received relating to a Binder Holder error, employee or service, specifically in relation to a claim outcome, this will be classified as Representation;

- 9.2 The Representation will be assessed, review and adjudicated by the allocated Claims Technical Assessor;
- 9.3 A final determination will be made by the Claims Technical Assessor within 45 (forty-five) working days;
- 9.4 Each Representation received by Claims Technical Assessor must be logged on the complaints reporting system within **48 (forty-eight) hours** (2 (two) business days) after receipt;
- 9.5 The following details will be captured in respect of each Representation:
- all relevant details of the Complainant (name, surname, email address) and the subject matter of the Complaint;
  - copies of all relevant, evidence, correspondence & decisions;
  - the Representation categorization as set out below:
    - Representation relating to claims outcomes;
    - Representation relating to the quantum paid;
    - Representation relating to insurance risk claims, including non-payment of claims;
    - details of the channel used by the complainant (and where applicable, the Broker) to submit a complaint;
    - date of the Representation and the date from which the Representation arose;
    - progress and status of the Representation, including whether such progress is within or outside any timelines set out in this framework;
    - product type and category;
    - name of product;
    - entity who the Representation is for;
    - Claims Technical Assessor's decision;
    - Representation outcome; and
    - amount payable (including any Ex-gratia Payment calculation).
- 9.6 An acknowledgement of receipt will be sent to the Complainant within 48 hours (2 business days) upon receipt of the Representation and the acknowledgement will contain the following information:
- contact details of the Claims Technical Assessor that will be handling the Representation;
  - indicative timelines for addressing the Representation; and
  - an indication of what information will be requested from the respective Binder Holder.
- 9.7 A decision will be made on each Representation as soon as is reasonably possible but within a period not exceeding a maximum of **45 (forty-five) working days** after taking reasonable steps to gather and investigate all relevant and appropriate information and circumstances, with due regard to the fair treatment of Complainants. Any delays that will

impact the 45 (forty-five) working days turnaround time frame will be communicated to the Complainant with a revised timeline to finalise the Representation adjudication process.

9.8 Each Complainant must be kept adequately informed of:

- The progress of their Representation;
- Causes of any delay in the finalisation of a Representation and revised timelines; and
- The outcome of the Representation with a determination.

9.9 A written response will be sent to a Complainant or their authorised representative once the Representation is finalised:

9.10 Where a claim decision is Upheld, any commitment to make an Ex-gratia Payment decision or to take any other action will be carried out without undue delay and within any agreed timeframes.

9.11 Where a Representation is Rejected, the Complainant will be provided with clear and adequate reasons for the decision and be informed of the escalation or review process, including how to use it and any relevant time limits.

- Details of the relevant Ombud schemes (OSTI and FAIS)
- Details of information required from Complainants for review (where applicable);
- Where, how and to whom the related information must be submitted;
- Expected turnaround times in relation to any review; and
- Any other relevant responsibilities of Complainants.

## **10. Process for complaints relating to a Guardrisk product or related service offered in terms of an outsourced agreement**

10.1 Guardrisk will ensure that each outsource agreement clearly states what our minimum requirements are for complaint handling and reporting;

10.2 Guardrisk will ensure that each service provider or outsourced business partner has adequate complaints management processes in place to ensure the accurate recording of all reportable complaints and the fair treatment of complainants;

10.3 Guardrisk will ensure that each outsource agreement includes an obligation on the outsourced business partner to submit complaints data to Guardrisk as prescribed and in the format required by Guardrisk that would allow Guardrisk to analyse and aggregate complaints data;

10.4 Non-reportable Complaints received by Guardrisk will be referred to the outsourced business partners for resolution within 60 (sixty) business hours (3 (three) working days) after receipt;

- 10.5 Any reportable Complaints / Representation received by Guardrisk will be handled by Guardrisk and the process stipulated in clause 8 above will be followed;
- 10.6 Guardrisk will aggregate and analyse complaints reports received from outsourced business partners on a monthly basis. Findings on identified risks, trends and actions taken will be contained in market conduct reports that are presented to executive forums and the Board.

## 11. Social media Complaints

- 11.1 Social media Complaints are monitored by the Guardrisk Market Conduct Team and PR Consultant;
- 11.2 Social media Complaints received will be centralized to the complaint channels in 8.1 above;
- 11.3 The relevant Complaint Handling Staff member will log the Complaint on the complaint management system immediately and liaise with the relevant outsourced business partner / department to formulate a response that will be posted to the relevant social media platform within 24 (twenty-four) business hours;
- 11.4 The Complaint will then be investigated and handled in accordance with the policy as set out above in clause 8.

## 12. Complaint/Representation Escalation and Review Process

Complaint Handling Staff, outsourced partners and Complainants may refer complex, contentious or unresolved/disputed Complaints/ Representation outcomes to the relevant Guardrisk Arbitrator for consideration.

The details are as follows:

### Life Arbitrator

Mr. Russell Krawitz

Email: [KrawitzR@guardrisk.co.za](mailto:KrawitzR@guardrisk.co.za)

### Non-Life Arbitrator

Ms. Buyisiwe Hlatshwayo

E-mail: [Buyisiwe.Hlatshwayo@guardrisk.co.za](mailto:Buyisiwe.Hlatshwayo@guardrisk.co.za)

- The Arbitrator will acknowledge receipt of the Complaint/ Representation escalation within **48 (forty-eight) hours** and inform the referrer of:
- Details of information required from referrer;
- Where, how and to whom the Complaints/ Representation and related information must be submitted;
- Expected turnaround times to finalise the Complaint/ Representation escalation or review;
- Any other relevant responsibilities of the referrer.
- The Arbitrator will inform the referrer of the outcome of the referral within **15 (fifteen)**

**working days** after receipt.

- The Arbitrator responsible will ensure that decisions are impartial and will have due regard to the principles of fairness and equity and fair treatment of customers at all times.

### 13. Engagement with Ombud Schemes

#### General:

- Guardrisk clearly and transparently communicates the availability and contact details of the relevant Ombudsman schemes to customers on all applicable policy and disclosure documentation.
- Where appropriate, we also display information regarding the availability and contact details of the relevant Ombudsman services on our websites and in every Repudiation notice letter.
- Although Guardrisk cannot control when a client will escalate a complaint to the respective Ombudsman, Guardrisk will always:
- Maintain open and honest communication and co-operation between ourselves and any Ombud with whom we deal; and
- Endeavour to resolve a complaint before a final determination or ruling is made by an Ombud, without impeding or unduly delaying a complainant's access to an Ombud.
- Guardrisk will maintain specific records and carry out specific analysis of complaints referred to the Ombudsman and their outcomes.
- Guardrisk monitors determinations (whether involving our business or others), publications and guidance issued by the relevant Ombudsman with a view to identifying failings of risks in Guardrisk's products, services or practices and to be aware of such rulings or determinations in relation to claims process and interpretation of Policy provisions across the board.
- Below are the contact details of the different regulatory bodies/Ombud schemes for an escalation by a Complainant:

<p><b>Particulars of the Long-Term Insurance Ombudsman</b> (For claims/service-related matters) <b>Postal address:</b> Private Bag X45, Claremont, Cape Town, 7700 <b>Telephone:</b> +27-21- 657- 5000 / 0860 103 236 <b>Fax number:</b> +27-21- 674- 0951 <b>Email address:</b> <a href="mailto:info@ombud.co.za">info@ombud.co.za</a></p>	<p><b>Particulars of the FAIS Ombudsman</b> (For product/advice related matters) <b>Postal address:</b> PO Box 41, Menlyn Park, 0063 <b>Telephone:</b> +27- 12- 762- 5000 <b>Sharecall:</b> +27- 86- 066- 3274 <b>Email address:</b> <a href="mailto:info@faisombud.co.za">info@faisombud.co.za</a></p>
<p><b>Particulars of the Financial Sector Conduct Authority</b> (For market conduct related matters) <b>Postal address:</b> PO Box 35655, Menlo Park, 0102 <b>Telephone:</b> +27-12- 428-8000 <b>Fax number:</b> +27- 12- 346- 6941 <b>Email:</b> <a href="mailto:info@fsca.co.za">info@fsca.co.za</a></p>	<p><b>Particulars of the Information Regulator (</b> For complaints relating to the use of Personal Information) <b>Postal address:</b> PO Box 31533, Braamfontein, Johannesburg,2017 <b>Telephone:</b> +27- 10- 023- 5200 <b>Email:</b> <a href="mailto:POPIAComplaints@info regulator.org.za">POPIAComplaints@info regulator.org.za</a></p>

## **14. Complaints referred to the office of the Ombudsman for Financial Services in accordance with the FAIS Act**

### **14.1 Introduction**

Guardrisk Insurance Company Limited, Guardrisk Microinsurance Limited and Guardrisk Life Limited (hereinafter referred to as “Guardrisk”), are authorised Financial Services Providers (hereinafter referred to as “FSPs”) in terms of the Financial Advisory and Intermediary Services Act No. 37 of 2002 (“the FAIS Act”).

As an FSP we are obliged to maintain an Internal Complaints resolution process which includes the maintenance of a comprehensive complaints’ framework outlining our commitment to and procedures for internal resolution of complaints which are required to be handled in accordance with the FAIS Act.

### **14.2 Communication and Escalation Process pertaining to “FAIS” related complaints**

#### Internal Communication

The table in section 7 above outlines the roles and responsibilities of the stakeholders responsible for governance of this framework.

- Each governance structure specified above will receive routine feedback and communication related to the functioning of this framework on a periodic basis.
- Ad-hoc or non-routine communication may be performed from time to time.

#### External Communication:

- Reporting to the Financial Services Conduct Authority (“FSCA”) must be done on an annual basis in respect of all FAIS complaints received for the reporting period, or as requested by the FSCA.
- From time to time, there may be a need to request information from external FSPs with respect to FAIS complaints received, in order to obtain information that will ensure a proper resolution of any such complaints.

### **14.3 Elements of a Complaint: Pertaining to “FAIS” related complaints**

In terms of the FAIS Act, a complaint must relate to advice, financial or intermediary services rendered by Guardrisk or any of its Binder Holders to the Complainant at any time after the 1<sup>st</sup> October 2004, in which it is alleged that Guardrisk:

- has contravened or failed to comply with the FAIS Act and that as a result thereof the Complainant has suffered or is likely to suffer financial prejudice or damage;
- has willfully or negligently rendered a financial service to the Complainant which has caused prejudice or damage to the Complainant or which is likely to result in such prejudice or damage; or
- has treated the Complainant unfairly.

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#### 14.4 Guardrisk's FAIS Complaints Resolution Principles

The following are Guardrisk principles which must be followed by all employees involved in the management and resolution of FAIS complaints for Guardrisk:

- This framework will at all times be available to Complainants upon request, and/or may be accessed at any time through the Guardrisk website.
- The availability of this framework will be made known in relevant business documents and/or communications to Complainants.
- FAIS complaints must be submitted in writing and must contain all relevant information, and copies of all relevant documentation must be attached thereto.
- All FAIS complaints will be logged on the complaint management system by the complaint handling staff member within **48 (forty-eight) working hours** (2 (two) business days) after receipt;
- The Complaint Handling Staff member will assess the merits of the complaint to make a determination, either wholly or partially in favour of the Complainant or the insurer.
- Guardrisk shall have **6 (six) weeks** in which to respond to a Complaint received from the FAIS Ombudsman.
- All attempts to resolve the Complaint will be undertaken and the final decision will be communicated to the Complainant / FAIS Ombudsman in writing once a final decision is made.
- As stipulated in the FAIS act, where a Complaint cannot be resolved within six (6) weeks of receipt, Guardrisk will send a written correspondence to the Complainant informing the Complainant that the Complainant may refer the Complaint to the Office of The Ombudsman for Financial Services Providers within **six (6) months** of the date of the final correspondence from Guardrisk.
- In the event of a dismissal of a Complaint by Guardrisk, the Complainant, if unsatisfied with the dismissal, may pursue further proceedings before the Office of The Ombudsman for Financial Services Providers in respect of such Complaint.
- Where a Complainant remains unreasonable, and /or rejects any offer made, this too must be communicated to the FAIS Ombudsman. Any offer made that is accepted by the Complainant must also be communicated to the FAIS Ombudsman by the Complaints Handling Staff member.
- There will be adequate training of all Complaints Handling Staff, including imparting and ensuring full knowledge of the provisions of the FAIS Act, the Rules of the Office of The Ombudsman for Financial Services Providers and the FAIS Act General Code of Conduct, with regard to the management and resolution of FAIS complaints;

Internal analysis will be done on trends to avoid re-occurrence of similar FAIS complaints, and/or to improve services and complaints systems and procedures where necessary.

## **15. Complaints referred to the Ombudsman for Short Term Insurance (OSTI) and the Ombudsman for Long Term Insurance (OLTI)**

### **15.1 Introduction**

In terms of this Policy, Ombudsman complaints (i.e. complaints referred to the Ombudsman for Short Term Insurance (“OSTI”) and the Ombudsman for Long Term Insurance (“OLTI”)) shall be overseen by designated officials within the Guardrisk Group.

The terms of Reference of the OLTI and the OSTI prescribe the procedures that insurers must follow when handling matters referred to the Ombudsman.

**15.2 Resolution Procedures for complaints referred to the Ombudsman (Long Term Insurance and Short Term Insurance) shall be handled in accordance with the process outlined below:**

- The designated officials shall ensure that the complaint is handled in accordance with Policyholder Protection Rules (“PPR”) and the guidelines and definitions stipulated in the Terms of Reference for the OLTI and OSTI respectively.
- Specifically, turnaround times for resolving complaints and the quality standards applied to such Ombudsman complaints must adhere to the stipulations and requirements prescribed by the OLTI or OSTI as applicable.
- When handling Ombudsman complaints, the responsible officials will request comprehensive information and related documentation from the relevant Guardrisk division or employee or the binder holder or intermediary or administrator in order to ensure that all relevant facts are properly considered in the resolution of the complaint.
- The designated officials within Guardrisk may elect to refer matters back to external administrators, cell owners or divisional heads for further consideration in order to ensure that each matter is carefully considered before a response is submitted to the respective Ombudsman.
- In accordance with this policy, where Guardrisk is involved in handling a complaint that has been referred to the Ombudsman for Long Term Insurance, the following procedures shall apply:
- In terms of the OLTI, where the complaint is classified as a STANDARD CASE:
  - Guardrisk shall respond to the Ombudsman directly providing all supporting documentation and/or in



- Formation (including but not limited to, policy documentation, recorded calls, claims documentation, the repudiation letter) in a detailed and professional manner detailing how a decision was made.
- Where the complaint is classified as a TRANSFER CASE, Guardrisk will have an opportunity of dealing directly with the Complainant in order to resolve the matter before referring the matter back to the OLTl for mediation. The following must be considered:
  - It is in the best interests of Guardrisk to attempt to resolve any TRANSFER CASE without mediation from the OLTl as this will mean a cost reduction in the matter in the annual account.
  - The OLTl is not concerned with the final outcome of such matters, but merely that the matter has been given due diligence and objectivity in reaching an outcome.
- In instances where the complaint is resolved, Guardrisk must submit a copy of its response to the Complainant together with the complainant's acceptance of the resolution if finalised in favour of the Complainant.
- Where the complainant accepts the decision even when the ruling is in favour of the entity, this too must be submitted back to the OLTl.
- Where the complainant remains dissatisfied with the outcome of the claim after the review has taken place by Guardrisk, then Guardrisk is to submit all evidence back to the OLTl for mediation. Guardrisk will have **21 (twenty-one) working days** in either case to respond to the OLTl.
- In accordance with this policy and the OSTI process Manual, where Guardrisk is involved in handling a Complaint that has been referred to the Ombudsman for Short Term Insurance, the following procedures shall apply:
- Where OSTI may have submitted the OSTI Complaint directly to the Guardrisk Binder Holders, such Complaint must be directed to Guardrisk to attend. All OSTI responses are to be handled by the respective allocated Claims Technical Assessor.
- OSTI's transfer complaints handling process will ordinarily be completed following the submission of the following sets of information or documentation:
  - a. Complainant's founding complaint;
  - b. the insurer's answer to confirm resolution of the Complaint.In the event that the insurer's answer is that the Complaint is not resolved, the Complaint will then follow the fast track complaint handling process.
- OSTI's fast track complaints handling process will ordinarily be completed by OSTI issuing a recommendation following the submission of the following sets of information or documentation:
  - a. Complainant's founding complaint;
  - b. the insurer's answer.

- In the event that either the insurer or Complainant is unhappy with the recommendation and shows good cause, the Complaint will then follow the standard complaints handling process.
- OSTI's standard complaints handling process will, and subject to certain exceptions, ordinarily be resolved by OSTI issuing a recommendation following the submission of the following information or documentation:
  - a) Complainant's founding complaint;
  - b) the insurer's answer;
  - c) the Complainant's reply to the insurer's answer;
  - d) where necessary or appropriate, the insurer / Complainant's further response(s).
- In limited circumstances where the outcome of the Complaint is contentious, one or more of the following additional steps will also form part of the handling process:
  - a. where the insurer or the Complainant is unhappy with the outcome of the recommendation, a written request that the Complaint be escalated;
  - b. where the insurer or the Complainant refuses to abide by a recommendation, a provisional ruling is made;
  - c. where the insurer or the Complainant refuses to abide by a provisional ruling, a formal ruling is made;
  - d. where the insurer or complainant is unhappy with the formal ruling, an application for leave to appeal can be made;
  - e. where leave to appeal is granted, an appeal will take place.
- **PENALTIES AND ADDITIONAL FEES**
  - (1) If the insurer fails to furnish OSTI with the answer within 7 (seven) days subsequent to OSTI sending a first reminder, without an extension having been granted, a second fee equal to the initial fee will automatically be levied against the insurer.
  - (2) Save where good cause is shown by an insurer, OSTI may, in the exercise of its discretion, impose an additional fee on an insurer where:
    - a) an insurer raises a new rejection reason not previously relied upon after it has filed its answer;
    - b) an insurer has indicated in Annexure A that a document/information is not relevant but subsequently relies on such document/information as being relevant to the determination of the dispute;
    - c) an insurer introduces new evidence after it has filed its answer which ought to have been contained in its initial answer and which evidence was in its possession at the time of filing its initial answer.
    - d) Any additional fee imposed in terms of clause 13(2) on an insurer will be 50% of the initial fee.
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- Guardrisk will abide by the determinations (and related appeal processes) made by either the OSTI or OLTl as a subscribing member.
- If either the OLTl or OSTI rule against Guardrisk, Guardrisk has the right to appeal the decision.

## 16. Known Limitations and Planned Developments

The following limitations have been identified with the corresponding planned developments.

Limitation	Planned Developments	Priority and timeline for completion