

VERSION 3.0 - APPROVED

NATIONAL RISK MANAGERS (PTY)LTD
INTERNAL COMPLAINTS RESOLUTION
POLICY AND PROCEDURE

MARCH 2017

POLICY INFORMATION

Title	INTERNAL COMPLAINTS RESOLUTION POLICY AND PROCEDURE
POLICY STATEMENT:	The purpose of this Internal Complaints Resolution Policy is to ensure that the highest level of professional and ethical conduct is promoted and that commitment to TCF is demonstrated.
Policy Number	COMP-POL/008-2018 (V3)
Implementation date	March 2016
Version Status	Approved
Review Date	March 2019

TERMS AND CONDITIONS OF USE:

Use of all Company policies constitutes your agreement to the following:

1. All content in this document is the property of National Risk Managers Pty Ltd (hereinafter referred to as “the Company”).
2. The Company or Group refers to entities affiliated with subsidiary to or directly associated and managed through National Risk Managers Pty Ltd.
3. The contents of this document belong to the Company and is protected by South African and international copyright laws.
4. All rights in this regard are reserved.
5. This document is for the use of the Company 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.

REFERENCE: COMP-POL/008-2016

Page 1 of 16

Hardcopies of this document are considered uncontrolled. The master document is controlled electronically. For the latest version, please contact the Compliance Department.

VERSION AND APPROVAL CONTROL:

Version	Type	Summary of actions/changes	Responsible Person	Date
V0.0 DRAFT	New/ Draft	Initial Policy draft developed	Snow Msindwana	March 2016
V1.0	Approval	Approved by Claims Manager, Compliance, Director		March 2016
V1.1	Amendment	Addition to content & format	Jabez Moodley	December 2016
V1.1	Approval	Approved by Claims Manager, Compliance, Director		December 2016
V2.0	Review	Addition to content & format	Jabez Moodley	March 2017
V2.0	Approval	Approved by Claims Manager, Compliance, Director		March 2017
V3.0	Review	Addition to content – PPR required additions	Shivanie Naicker	March 2018
V3.0	Review	Reviewed content and amended format	Jabez Moodley	March 2018
V3.0	Approval	Approved by Claims Manager, Compliance, Director		March 2018

Version Type:

- New/Draft
- Approval
- Approved
- Annual Review
- Amendment
- Replaced

CONTENTS

- POLICY INFORMATION..... 1**
- 1 INTRODUCTION 4**
 - 1.1 PURPOSE AND OBJECTIVES 4**
 - 1.2 SCOPE..... 4**
 - 1.3 AVAILABILITY 4**
 - 1.4 RESPONSIBILITY AND AUTHORITY..... 4**
- 2 COMPLAINT CATEGORISATIONS 5**
 - 2.1 WHAT CONSTITUTES A REPORTABLE COMPLAINT?..... 5**
 - 2.2 WHAT CONSTITUTES OTHER COMPLAINTS? 6**
- 3 LODGING A COMPLAINT..... 6**
 - 3.1 COMPLAINTS ESCALATION AND REVIEW PROCESS 6**
 - 3.2 WHERE TO SUBMIT A COMPLAINT 7**
- 4 BASIC PRINCIPLES OF THE COMPLAINTS RESOLUTION SYSTEM..... 7**
 - 4.1 PROCEDURES..... 8**
 - 4.1.1 INTERNAL PROCEDURE FOR RESOLVING REPORTABLE COMPLAINTS 8**
 - 4.1.2 INTERNAL PROCEDURE FOR RESOLVING OTHER COMPLAINTS..... 8**
- 5 STANDARDS FOR COMPLAINTS RECORD KEEPING..... 9**
- 6 APPEALS 9**
- 7 UPHELD AND REJECTED COMPLAINTS 10**
- 8 EMPLOYEE TRAINING..... 11**
- 9 COMMUNICATION TO INSURER AND REGULATOR RELATING TO COMPLAINTS 11**
- 10 DEFINITIONS 12**
- 11 REFERENCES 14**
- 12 LEGAL REQUIREMENTS 14**
- 13 REVIEW OF POLICY 15**
- 14 APPENDICES 15**
- APPENDIX A 16**

REFERENCE: COMP-POL/008-2016

Hardcopies of this document are considered uncontrolled. The master document is controlled electronically. For the latest version, please contact the Compliance Department.

1 INTRODUCTION

1.1 PURPOSE AND OBJECTIVES

The purpose of this Policy is to ensure that the highest level of professional and ethical conduct is promoted and that commitment to TCF is demonstrated. The Company shall always render financial services honestly, fairly, with due skill, care, and diligence, and in the interest of members and the integrity of the financial services industry.

This Internal Complaints Resolution Policy was adopted by the Executive Management of the Company who resolved that each overseeing individual and employee of the FSP should abide by the provisions of this policy and pledge their cooperation and commitment by signature thereof.

1.2 SCOPE

This Internal Policy and Procedure is applicable to all employees of the Company, but more so to the Customer Care Department and the Complaints Department.

1.3 AVAILABILITY

This Policy is readily available to all employees and managers and all employees shall be appropriately and adequately informed of its provisions.

Access to internal company procedures is available to external stakeholders on request.

1.4 RESPONSIBILITY AND AUTHORITY

It is the responsibility of management to ensure that all employees comply with this Internal Policy. However, responsibility for oversight and implementation of this policy lies with the Complaints Department to ensure that it is adhered to fairly, transparently, and objectively. It is also the onus of each employee to ensure that the provisions of this Internal Policy are adhered to and the procedures are followed.

2 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 WHAT CONSTITUTES A REPORTABLE COMPLAINT?

The Financial Advisory & 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) contravened or failed to comply with a provision of the Act and thus thereof the complainant has suffered or is likely to suffer financial prejudice or damage;
- (b) 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;
- (c) treated the complainant unfairly; or
- (d) Any of the aforementioned categories.

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.

3 LODGING A COMPLAINT

Any member that has experienced any of the categories of complaints mentioned above in clause 2 by the FSP or Insurer's service provider may lodge a complaint in written format or verbally.

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 impartial, senior functionary within the insurer or appointed by the insurer for managing the escalation and review process.

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 should be relayed to the Complaints Department without delay.

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

4 BASIC PRINCIPLES OF THE COMPLAINTS RESOLUTION SYSTEM

National Risk Managers 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 effected which is fair to both members and the company and its employees.

4.1 PROCEDURES

4.1.1 INTERNAL PROCEDURE FOR RESOLVING REPORTABLE COMPLAINTS

Following the receipt of a complaint from a member, the Complaints Officer:

- (a) Acknowledges receipt of a complaint in writing to the member within the same business day to ensure compliance in terms of the Act;
- (b) Informs the member of the timeframe for investigation purposes;
- (c) Records the complaint in the complaints register;
- (d) Where a resolution takes longer than three weeks, the Complainant shall be informed of causes of the delay and shall be provided with revised timeframes;
- (e) Offers a full and appropriate level of redress to the member without delay;
- (f) Attempts to resolve the complaint accordingly and to the satisfaction of the member;
- (g) Ensures avoidance of occurrences giving rise to complaints; and
- (h) Updates the complaints register accordingly.

4.1.2 INTERNAL PROCEDURE FOR RESOLVING OTHER COMPLAINTS

Following the receipt of a complaint from a member, the Complaints Officer:

- (a) Acknowledges receipt of a complaint in writing to the Member within the same business day to ensure compliance in terms of the Act;
- (b) Resolves the complaint accordingly and to the satisfaction of the member informing the member of the outcome and timeframe for investigation purposes. Resolution should be completed within five business days;
- (c) Offers a full and appropriate level of redress to the member without delay;
- (d) Ensures avoidance of occurrences giving rise to complaints; and
- (e) The complaints register is updated for internal control purposes.

5 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 clause 2;
- (d) Progress and status of complaints, including whether such progress is within or outside the prescribed timeline.

The following data in relation to reportable 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 to the internal complaints escalation process;
- (c) Number of complaints referred to the Regulators (CMS or Ombud) and their outcome;
- (d) Compensation and goodwill payments;
- (e) 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.

6 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 insurer or the Regulator, for further review.

7 UPHELD AND REJECTED COMPLAINTS

Where a complaint is upheld, any commitment to make a compensation, goodwill payment or 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 Council for Medical Schemes

Private Bag x 34, Hatfield 0028

Tel: 0861 123 267

Fax: 086 673 2466

Email: complaints@medicalschemes.com

Website: www.medicalschemes.com

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

8 EMPLOYEE TRAINING

The Company undertakes to –

- (a) Ensure that adequate training is provided to all relevant employees, ensuring full knowledge of the FAIS Act with regard to resolution of complaints;
- (b) Have an appropriate mix 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.

9 COMMUNICATION TO INSURER AND REGULATOR RELATING TO COMPLAINTS

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

- (a) Acknowledge receipt of complaint from Insurer;
- (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 insurer.

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.

10 DEFINITIONS

10.1 The Company is defined as National Risk Managers, the (UMA) underwriting managing agency and product supplier. FSP (47132)

10.2 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).

10.3 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 (UMA) relating to a policy or service provided or offered by that insurer which indicates or alleges, regardless of whether such expression of dissatisfaction is submitted together with or in relation to a policyholder query, that: -

- a) 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;
- b) the insurer or its service provider's maladministration or wilful negligent action or failure to act, has caused the person harm, prejudice, distress or substantial inconvenience; or
- c) the Insurer or its service provider has treated the person unfairly.

10.4 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: -

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

10.5 Goodwill payment means a payment, whether in monetary form or in a 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.

10.6 Employee means a person employed by the Company for purposes of remuneration in exchange for work done.

10.7 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.

10.8 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.

10.9 Rejected 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 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 proposal to resolve the complaint.

10.10 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 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;

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

- a) the complainant had explicitly accepted that the matter is fully resolved; or
- b) it is reasonable for the insurer to assume that the complainant has accepted; and
- c) all undertakings made by the insurer to resolve the complaint has 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.

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

11 REFERENCES

The Company Code of Conduct

Long term Policyholder protection Rules

FSB Discussion Document on Customer Complaint Management

12 LEGAL REQUIREMENTS

Compliance with applicable Laws and Regulations within which the Company operates must always be ensured. It is the responsibility of the Complaints Manager to ensure compliance and it is up to him to seek legal advice as deemed necessary.

In terms of this Policy, the following legal implications shall be taken into consideration:

- The **Financial Advisory and Intermediary Services Act (No 37 of 2002)**, which regulates the rendering of certain financial and intermediary services to members.
- The **General Code of Conduct for Authorised Financial Services Providers and Representatives** which applies to all financial services providers and representatives.
- The **Long-term Insurance Act 52 of 1998**, which controls certain activities of long-term insurers and for matters connected therewith.

13 REVIEW OF POLICY

The Internal Complaints Policy will be reviewed in the event of any legislative changes being made. Persons accountable for the reviewing of the policy will be the Complaints Manager assisted by the Compliance manager.

The purpose of reviewing this policy and procedure is to:

- (a) Identify root causes of complaints and instances where such root causes are likely to affect our processes and other members.
- (b) Identify failings in control systems.
- (c) Detect poor employee or service provider performance, lack of skills, misconduct, and training needs.
- (d) Track the FSP's success in TCF delivery.
- (e) Demonstrate the benefits of effective complaints management.
- (f) Identify areas needing improvement.
- (g) Identify "misleading" or confusing product material.

Reviewal of this policy will ultimately make certain that compliance with applicable legislation is upheld and that the procedures remain efficacious.

14 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 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 was it 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 are 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.