

COMPLAINTS RESOLUTION POLICY

IMPORTANT NOTE

- *Please note that complaints resulting from advice provided by an independent broker or another financial services provider (e.g. Retail Company) must NOT be referred to HIC as this responsibility would fall on the broker or financial services provider concerned.*

HIC strives to provide unsurpassed service at all times. We take all complaints seriously and strive to better our service by resolving such complaints timeously and responsibly. All are dealt with the utmost care and vigilance. HIC is committed to a high service standard, rendering financial services with integrity, the speedy resolve of complaints and the overall improvement of processes even in the instance where a complaint may be viewed as 'invalid' in terms of the relevant policy wording. In this regard each and every concern counts as valuable feedback that requires addressing in a meaningful manner.

The object of this complaints resolution policy is to formalize the process in which dissatisfaction is lodged, acknowledged, investigated, resolved and leads to overall improvement/s.

1. PROTECTION OF CONSUMERS

The Financial Advisory and Intermediary Services Act 37 of 2002 protects consumers by regulating the financial advice and intermediary services provided by a Financial Services Provider (FSP), ensuring that consumers are adequately informed about the products they purchase and the product suppliers, in order for them to make informed decisions.

2. REGULATION OF ADVICE-GIVING ACTIVITIES

The FAIS Act requires HIC e.g. staff that appear on the Financial Services Board register to be equipped with the necessary skills, qualifications and experience ('fit and proper' requirements) to provide a financial service suited to the client's needs. The key individuals of HIC have to comply with similar fit and proper requirements in order for HIC to maintain its FAIS licence.

3. TRANSPARENCY

In terms of the FAIS Act, HIC must:

- Disclose to the client that it holds a licence to provide such service;
- Provide all the necessary information regarding the product and the supplier;
- Where appropriate and where advice was given directly to the client, provide details of remuneration.

4. CONSUMER PLATFORM FOR COMPLAINTS

The FAIS Act also provides consumers with a platform to address their complaints in a fair and procedural manner. In terms of the Act, a complaint must relate to a financial service rendered by HIC to the complainant, in which it is alleged that HIC:

- 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 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.

5. DEFINITIONS

1. The Definition of a Complaint

"... has contravened or failed to comply with a provision of this Act and that as a result thereof the complainant has suffered or is likely to suffer financial prejudice or damage;"

A Complaint in terms of the Policyholder Protection Rules (PPR) 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 -

- (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 willful or 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;
- Regardless whether submitted together with or in relation to a policyholder query.

All complaints lodged with the Ombudsman/ FAIS/ FSCA is to be dealt with by Guardrisk exclusively. All documents and information relating to such a complaint, must be sent to Guardrisk within 24hours of receipt of the complaint.

Note that there is no service fee charged for registering a complaint.

The Treating Customers Fairly (TCF) Outcomes include:

1. Customers need to feel confident that TCF is central to our culture;
2. Products are designed, marketed and sold to the right customer, meeting their needs;
3. Customers receive clear information that is timely and relevant to them;
4. Customers receive suitable product/ sales advice that takes their circumstances into account;
5. Products and services perform as expected and the service is of an acceptable standard;
6. There are no unreasonable barriers for customers to change or switch products, claim or complain.

2. The definition of a Complainant – who may complain?

A complainant is a person who has a direct interest in the policy/ service or someone acting on behalf of a person with a direct interest in the policy/ service.

For example: a policyholder/ a person that pays a premium, his/ her beneficiary, a policyholder's spouse or registered dependents, a potential policyholder whose satisfaction relates to the relevant application, approach, solicitation, advertising or marketing material.

3. Outcomes of a Complaint

1. **Rejected:** complaint was rejected, and FSP regards the complaint as **finalized** after advising the complainant that FSP does not intend to take any further action to resolve the complaint. A formal repudiation letter with all complaint details will be sent. There are two variations of a rejected complaint:
 - a) **Invalid:** the complainant does not accept or respond to proposals to resolve the complaint within 7 days. This includes sending relevant documentation, acting upon the advice of FSP as well as not being able to reach the complainant via telephone, SMS and E-mail (if applicable);
 - b) **Unjustified:** the policy has been met, complainant has been treated fairly as far as possible, there is no legal leg to stand on to assist complainant, complainant refuses to accept outcome of merit assessment and nothing further can be done to assist complainant.

2. **Upheld:** complaint was successful either
 - i. **Wholly** (complainant got exactly what he/ she was looking for);
 - ii. **Partially** (complainant and FSP found middle ground).

There are also two variations of a wholly or an upheld complaint:

- a) **Compensation Payment:** to compensate a complainant for a proven or estimated financial loss incurred as a result of the FSP's wrongdoing. This is either:
 - i. **Payment Contractually due:** the complainant should have received the assistance and help from the start, a justified complaint;
 - ii. **Payment not Contractually due:** the complainant does not have legal standing or a legal argument, however, due to the poor handling by FSP in the form of negligence, FSP for example refunds the complainant his/ her premiums and cancels the complainant.
- b) **Goodwill Payment:** the complainant is not covered in terms of the policy, but FSP is willing and able to sponsor the matter due to extraordinary circumstances.

4. The Category/ Categories of Complaints

- a) The design of a policy or related service;
- b) Information provided to the policyholders or lack of information and feedback provided to a policyholder;
- c) Advice provided by the sales representative;
- d) Policy performance and/ or servicing including negligence;
- e) Admin services such as premium collection;
- f) Policy accessibility, ability to change or switch;
- g) Complaints handling (complaint of a complaint);
- h) Complaints relating to insurance claims, such as a rejection of a merit assessment for litigation (in-Court) cover;
- i) Other complaints.

Some guidelines and examples:

- If there are allegations that no quote or no disclosures were shown when the policy was taken out;
- Complaints about not knowing the structure of the product before taking it out;
- Complaints about not having received the policy document and therefore not knowing the features of the product;
- Allegations of mis-selling:
 - No record of advice having been shown;
 - HIC sold the client an incorrect policy, given the client's circumstances;
 - Where appropriate, no risk analysis was done before the product was sold.
- Negligence or delay on HIC's part in issuing the policy or effecting a policy change which led to financial loss;
- Complaint about not being advised of the effect that a particular change would have on the policy;
- Complaint that the financial adviser is no longer employed by HIC and the client does not know who to deal with;
- Complaint that confidential information regarding a client was disclosed to a third party without the client's consent;
- The client alleging that they signed or were asked to sign a blank document.

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;"

Some guidelines and examples:

- Complaint that the incorrect product was sold to the client;
- Complaint that a product was sold without the client's knowledge;
- Complaint that HIC acted without the client's knowledge/consent e.g.
 - Cancelled a policy without the client's knowledge/consent;
 - Effected any policy change without the client's knowledge/consent which caused prejudice to the client or ;
 - Effected any change contrary to the client's instructions.
- Complaint that HIC cannot accurately account for funds invested by the client;
- Complaint that HIC took money from a client but did not ensure timeous investment;
- HIC having system problems and as a result the client is prejudiced;
- HIC not acting timeously on the reasonable instruction of the client, as a result of which the client was prejudiced.

"... has treated the complainant unfairly;"

Some guidelines and examples:

- Complaints that the client has been pushed from pillar to post without resolution;
- Complaints about rude behaviour;
- Complaints that a previous complaint was not handled fairly and objectively;
- Complaints that different staff provided different information when contacted about the same issue;
- Complaints that the provider promised to do one thing and then did another.

6. HIC WILL DEAL WITH COMPLAINTS RESULTING FROM ADVICE PROVIDED BY ITS:

- Key individuals
- Appointed representatives (internal staff/employees)

PROCEDURE:

- ★ You are requested to please fill out the attached Complaints Form and submit this along with any supporting documentation or contact our offices on 011 455 5271.
- ★ Within 48 hours, a formal acknowledgement will be sent to the complainant stating the following information:
 - Whether the complaint will be handled internally by HIC or given over to our Compliance Officer.
 - The name and contact details of the investigating person.
 - An indication of the expected duration of the investigation as well as stating that a report will be submitted to the complainant once the investigation is complete.
 - In the case of an oral complaint, a revised understanding of the complaint, along with a request for the complainant to confirm in writing that all details are correct will be sent.

- ★ Our aim is to have all complaints resolved within 15 working days (from date complaint is received). Should it for any reason extend this period, a written report will be given to the complainant indicating all reasons as to why there is a delay. Regular progress reports will be communicated to the complainant until the matter is resolved.

COMPLAINTS PROCEDURE AT HIC

When complaints are received from brokers, Third Parties, policy holders, service providers the complaint will be referred to the Managing Director (Denleigh Wilensky) who will investigate and discuss with the department manager who is responsible for the matter.

1. We will handle complaints fairly, promptly and impartially.
2. In dealing with complaints the Managing Director will, treat 'like situation alike' and give careful consideration to whether an error might have affected a wider class of customers; and what should be done to remedy this.
3. The Managing Director will pay attention to the outcomes of complaints, which can serve as an important source of intelligence about the health of our business and systems. The Managing Director will investigate the root cause of complaints and obtain feedback from intermediaries who have experienced our complaints process in order to improve the level of service that we provide.
4. The Managing Director will measure the length of time taken to deal with a complaint, the outcome and the way in which the outcome is communicated to the intermediaries in order to ensure that we are treating our customers fairly. Complaints can be logged using the following details:

Compliance Officer

HIC Underwriting Managers (Pty) Ltd (FSP 5072)
Telephone number (011) 455 5271
Fax number (011) 455 4779
E-mail address info@hicsa.co.za

Once a full investigation is conducted and the department manager has addressed the issues and responded to the complainant then it is registered in the Complaints Register and sent to our insurer Guardrisk Insurance, contact details:

Tel:	0860 333 361
Complaints:	complaints@guardrisk.co.za
Legal services:	ombudsman@guardrisk.co.za
Marketer/ Sales person:	compliance@guardrisk.co.za
Claims repudiation:	claimsrejection@guardrisk.co.za
Address:	102 Rivonia Road, Sandown, Sandton, 2146
Postal Address:	PO Box 786015, Sandton, 2146

- You may expect a written response, within 36 hours of receipt of the written complaint, providing you with details of the person who will be considering your complaint and how your complaint will be handled.
- You may expect a resolution to the complaint within 15 days of receipt of your complaint. Should the resolution to your complaint not be met within the 15 days period, you will be notified of such outcome and be advised to refer your complaint to the office of the FAIS Ombudsman.
- The role of the FAIS Ombudsman is to resolve disputes between financial services providers and their clients in a procedurally fair, informal, economical and expeditious manner. The FAIS Ombudsman's jurisdiction is limited to violations which occurred on or after 30 September 2004 and to claims not exceeding R800 000.00.
- You can refer the complaint to the FAIS Ombudsman within 6 months of receipt of the notification from HIC.
- The FAIS Ombudsman, is accessible at the following address:
- Financial Services Board, P O Box 74571, Lynwood Ridge 0040. Telephone: +27 12 470 9080 Facsimile:+27 12 348 3447, E-mail Address: info@faisombud.co.za, Website: www.faisombud.co.za
- HIC will, on an ongoing basis, investigate the nature of complaints received and ensure that preventative measures are put in place, to avoid future occurrence of similar and other complaints.
- How to take the matter further should your complaint be rejected
- Please include Guardrisk as the second escalation point and provide the relevant details before the matter is escalated to the OSTI.
- Should your complaint be against HIC / the insurer, please lodge your complaint with the Ombud for Short-term Insurance. The procedure for lodging a complaint may be found on the website for the Ombud for Short-term Insurance (www.osti.co.za) or you may obtain it directly from the Ombud at the following contact numbers

Tel: (011) 726 8900 | Share call: 0860 726 890
Fax: 011 726-5501
E-mailaddress: info@osti.co.za
Address: Sunnyside Office Park, 5th Floor, Building D, 32 Princess of Wales Terrace, Parktown
Postal Address: P O Box 32334 Braamfontein, 2017

Should you have a complaint against the intermediary (e.g. a broker/ sales person selling you the product) the complaint may be lodged with FSCA (Financial Sector Conduct Authority) online via www.fsc.co.za/Pages/Contact-Us

Alternatively, a complaint may be logged with the FAIS Ombud. A complaint form needs to be completed, which can be downloaded from the FAIS Ombud's website (www.faisombud.co.za). The complaints registration form is also available from the FAIS Ombud at the following contact numbers:

Telephone: (012) 762 5000 / (012) 470 9080
Fax: (086 764 1422 / (012) 348 3447
E-mail address: info@faisombud.co.za
Address: Sussex Office Park; Ground Floor, Block B; 473 Lynnwood Road Cnr Lynnwood Road & Sussex Ave, Lynnwood, 0081
Postal address: PO Box 74571, Lynnwood Ridge, 0040



HIC UNDERWRITING MANAGERS COMPLAINTS FORM

Full Name	
ID Number	
Policy Number	
Contact Details :	
	Tel
	Fax
	Cell
	Email
Contact person at Intermediary	
Legal representative details	

Details of complaint:

Office Use:	Received by :	Date:
	Processed by:	Date: