



Complaints Management Framework

For

FJH NEL FINANCIAL SERVICES

1. Definitions

In this document, unless inconsistent with or otherwise indicated by the context, the following terms will have the meanings assigned to them hereunder:

"Company" means all or any of the legal entities under FJH Nel Financial Services, privately owned companies with limited liability duly incorporated in accordance with the laws of the Republic of South Africa;

- "Complaint" means an expression of dissatisfaction to FJH Nel Financial Services and/or our service provider (to the knowledge of the Insurer) relating to a policy or service which indicates/alleges, that:
 - The Insurer, the Company or their service provider failed to comply with an agreement, a law, a rule, or a code of conduct;
 - The Insurer, the Company or their service provider's maladministration or wilful/negligent action or omission, caused the person harm, prejudice, distress or substantial inconvenience;
 - The Insurer, the Company or its service provider has treated the person unfairly;
 - Regardless whether submitted together with or in relation to a policyholder query;

"Complainant" means a person acting on their behalf, who has a direct interest in the agreement, policy or service, and includes a –

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

"Customer" of a financial institution means any user, former user or beneficiary of one or more of the financial institution's financial products or services, and their successors in title

"Customer query" means a request to the financial institution by or on behalf of a customer or prospective customer, for information regarding the financial institution's products, services or related processes, or to carry out a transaction or action in relation to any such product or service. A query will not be treated as a complaint unless some form of dissatisfaction is expressed.

"Framework" means this Complaints Management Framework

"Rejected" means that a complaint was not upheld. The Company regards the complaint as finalised after advising the complainant that it does not intend to take any further action to resolve the complaint – Incl. complaints regarded as unjustified or invalid/ where the complainant does not accept or respond to proposals to resolve the complaint

"Compensation payment-" means to compensate a complainant for a proven or estimated financial loss incurred because of the Insurer or the Company's wrongdoing, the Insurer and/or Company accepts liability for having caused the loss concerned, excluding:

- goodwill payment;
- payment contractually due in terms of a policy; or
- refund of an amount which was not contractually due

"Goodwill payment" means a payment (monetary or in the form of a benefit or service as an expression of goodwill aimed at resolving a complaint, where the Insurer or Company do not accept liability for any financial loss to the complainant.

"Days" means business days

"Reportable complaint" means any complaint (as per the definition above) unless–

- upheld immediately by the person who initially received the complaint;
- upheld within the Insurer or Company's ordinary processes for handling policyholder queries, 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 or Company in such a manner that the Insurer or Company do not have a reasonable opportunity to record such details of the complaint.

"the Insurer" means the Insurance Company as indicated in the policy schedule;

"Upheld" means that a complaint has been finalised wholly or partially in favour of the complainant and –

- 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.

2. Introduction

Customer satisfaction is an integral part of the FJH Nel Financial Services culture, and we appreciate our clients bringing their concerns to our attention. By doing so it will not only allow us to correct defective service delivery, but most importantly allow us to enhance the service excellence that we at FJH Nel Financial Services aspire to bring to you as a valued client. The Framework serves to meet the requirements of relevant legislation. It needs to ensure fair treatment of policyholders and beneficiaries and must be reviewed regularly.

3. Objective and Key Principles

3.1. The Framework must be maintained, operated adequately and effectively and ensure the effective resolutions of complaints and the fair treatment of complainants that:

- 3.1.1. is proportionate to the nature, scale and complexity of the company's business and risks
- 3.1.2. is appropriate for the business model, policies, services, policyholders, and clients of the Company;

3.1.3. 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; and

3.1.4. does not impose unreasonable barriers to complainants.

3.1.5. Must be regularly reviewed.

3.2. The objective of this framework is to ensure that customers are provided with the best possible complaint resolution service and to align the actions of the personnel of the Company with the prescriptions of the law regarding Complaints management in a Financial Service Industry, as regulated.

3.3. This framework will be binding on all employees of the Company, working within the borders of South Africa, who deal in the financial services environment, as it pertains to the jurisdiction of the Financial Sector Conduct Authority (FSCA) and in accordance with relevant legislation. The framework also meets the requirements of the Financial Advisory and Intermediaries Act, 2002 ("FAIS"), which requires a Complaints Policy. Accordingly, there is not a separate Complaints Policy.

3.4. FJH Nel Financial Services is committed to:

3.4.1. Resolving customer complaints in a fair manner for customers, our business and our employees;

3.4.2. Ensuring that customers are fully informed of complaints procedures;

3.4.3. Ensuring access to our complaints resolution facilities by way of email, telephone or post;

3.4.4. Ensuring the training of employees to deal with complaints, and escalate any matters where required;

3.4.5. Dealing with complaints in a timely manner, with each complaint being treated on a case by case basis, based on the merits of the matter;

3.4.6. Where a complaint is resolved in favour of a client, FJH Nel Financial Services will offer full and appropriate redress;

3.4.7. Informing clients of their right to refer their complaints to the relevant Ombudsman should a complaint not be resolved to their satisfaction;

3.4.8. Maintaining records of all complaints received for a minimum period of 5 years or as required by law.

4. Allocation of Responsibilities

4.1. The Board of Directors is responsible and the Key Individuals of the Company, excluding a representative, is responsible for effective complaints management and must approve and oversee the effectiveness of the implementation of the Company's complaints management framework. They will ensure that adequate resources are allocated to complaints handling and that any person dealing with complaints are:

- 4.1.1. Adequately trained;
- 4.1.2. Experienced in complaints handling and appropriately qualified;
- 4.1.3. Not be subject to a conflict of interest and
- 4.1.4. Be adequately empowered to make impartial decisions or recommendations.

5. Submitting a complaint

5.1. All complaints should be referred to the Complaints Officer with the following details:

- 5.1.1. Email: frikkien@lantic.net
- 5.1.2. Tel: 079 016 0708

5.2. If possible, complaints should be submitted as follows:

- 5.2.1. in writing, by sending an email to frikkien@lantic.net with all supporting documents relevant to the complaint attached, to enable FJH Nel Financial Services to attend to the complainant's concerns timeously.

5.3. If not possible, by calling 079 016 0708;

5.4. FJH Nel Financial Services will also monitor the relevant social media platforms.

5.5. Once a complaint is received an acknowledgement of receipt is sent to the complainant including reference to this Complaints Management Framework detailing the process to be followed (within a reasonable time after receipt), including:

- 5.5.1. contact details of the person/department that will be handling the complaint; and
- 5.5.2. timelines;
- 5.5.3. details of the internal complaints escalation and review process and details of relevant Ombud where applicable

6. Performance Standards, Remuneration and Reward Strategies

- 6.1. An acknowledgment of receipt of the complaint will be provided within 72 hours to the complainant.
- 6.2. All complaints will be investigated and resolved in a fair and professional manner and feedback will be provided to the complainant within 15 days of the date of receipt of your initial complaint - provided that all information required has been provided and/or an investigation has been completed.
- 6.3. In cases where further information, assessment or investigation is required, agree with the complainant on a reasonable timeframe not exceeding 20 days of receipt of the complaint.
- 6.4. Where a complaint has been upheld, ensure that a full and appropriate level of corrective action is offered without delay. Any commitment to make a payment or to take other action is carried out without undue delay and within any agreed timeframe.
- 6.5. Where a complaint is rejected, FJH Nel Financial Services provides the complainant with clear and adequate reasons for the decision and any applicable escalation or review processes as well as details of external dispute resolution entities that may be utilised.
- 6.6. All staff are measured in terms of key performance areas that includes complaints management and are remunerated and rewarded accordingly.

7. Categorisation of complaints / Record keeping, monitoring and analysis.

Complaints are categorised, recorded and reported on and includes the following:

- 7.1. Complaints relating to the design of a product or related service (incl. premiums or other fees or charges) – TCF outcome 2
 - 7.1.1. Complaints indicating that specific features of the products, administration, processes or services are unfair, inadequate, confusing, overly complex or unsuitable to the Company's customers.
 - 7.1.2. Complaints regarding the features and operation of the FSP/Administrator, delay in effecting investments, timeously processing benefit payments or claims payments, increases, adding or removing items, etc.
 - 7.1.3. Complaints regarding unfair or confusing pricing, costs or charges

- 7.2. Complaints relating to information provided to clients or potential clients of the FSP/Administrator – TCF Outcome 3

This will include complaints regarding any documentation and information that was provided to clients or prospective clients, or other communication with clients or prospective clients that are inaccurate, unsuitable, misleading, incomplete, confusing or unclear.

The following is covered under this category:

- 7.2.1. proposals for providing administration services;
- 7.2.2. advertising and marketing material;
- 7.2.3. content of the information provided;
- 7.2.4. manner or medium in which provided;
- 7.2.5. failure to provide adequate information;
- 7.2.6. complaints that information was provided at an inappropriate time

7.3. Complaints relating to advice - TCF Outcome 4

This category includes the following complaints:

7.3.1. Customers were not informed that they have the right to consult an independent advisor

7.3.2. Customers were not informed about the costs of the advice and impact thereof.

7.3.3. Where the representative or the administrator provided clients with advice and the client if of the opinion that such advice-

7.3.3.1. Did not take adequate account of the client's needs or circumstances at the time

7.3.3.2. Was factually incorrect or misleading.

7.3.3.3. The advice was not provided timeously.

7.3.4. representative of the administrator or FSP did not provide sufficient information regarding similar products available to the client.

7.3.5. complaints relating to the advisor's remuneration.

7.4. Complaints relating to a product offered by the FSP/administrator – TCF Outcome 5

This include complaints relating to a clients concern of unhappiness in respect of the FSP/administrators' systems, services and products that are not in line with their reasonable expectations and include but is not limited to:

7.4.1. Administrator or FSP agreement

7.4.2. Service level agreements

7.4.3. Administration systems

7.4.4. Poor internal controls and oversight of administration of FSP services and processes

7.4.5. Failure or delay in complying with administration and service level agreements

7.4.6. Failure to fulfil delegated duties and responsibilities

7.4.7. The clients not being kept adequately informed about the underlying changes of the administrator or FSP's service level agreement or utilisation of service providers

7.4.8. Amendment of termination of administration/FSP agreement by an administrator or service provider without providing proper notice, compliance with the administration/FSP agreements in respect of such termination.

7.5. Complaints relating to service - TCF Outcome 5

Client service complaints are those expressing dissatisfaction with services rendered by the administrator/FSP:

7.5.1. Perceived poor administration service

7.5.2. Failure to maintain proper records

7.5.3. Breaches of privacy of confidentiality

7.5.4. Client service standards provided by a third party or outsourced service

7.5.5. Alleged fraudulent activity by the administrator/FPS or a third party, where the client is dissatisfied with the manner in which the administrator/FSP or third party has handled the matter.

7.6. Complaints relating to charges – TCF Outcome 6

Barriers or limitations include penalties, termination charges, lengthy notice periods and complex red tape administrative hurdles.

7.7. Complaints relating to complaints handling – TCF Outcome 6

This includes complaints regarding the process of handling customer complaints, enquiries and transactions and how clients are treated or dealt with (e.g. complaints of rudeness, incompetence or non-responsiveness)

This category includes complaints regarding the administration of the complaints process, such as delays, poor communication regarding processes and decisions, cumbersome or inaccessible processes, failure to inform complainants of their rights regarding escalation of complaints to the FSCA processes.

7.8. Complaints relating to insurance risk claims and non-payment of claims - TCF Outcome 6

This include complaints regarding insurance risk claims, non-payment of claims or repudiation of claims and includes –

7.8.1. Complaints relating to the administration of the claims process (such as delays, poor communication regarding processes and decisions and cumbersome or inaccessible processes

7.8.2. Complaints relating to actual non-payment of claims

In the case of non-payment of claims, reporting requirements in relation to this category are likely to require further sub-categorise these complaints in respect of non payment such as:

- Non-payment of claims due to unpaid premiums
- Required claim documentation
- Criteria for insured event not met
- Waiting period not expired
- Exclusions apply
- Non-disclosure or misrepresentation
- Policy/benefit not in force
- Claimant is not entitled to the benefits
- Dispute regarding quantum of the claim
- Other reasons

7.9. Other complaints

7.9.1. Complaints lodged with the FSCA

The administrator/FSP must –

7.9.1.1. Inform the clients of their right to lodge a complaint with the FSCA

7.9.1.2. Deal with enquiries and complaints referred by the FSCA in an efficient and transparent manner

7.9.1.3. Timeously respond to enquiries from referrals from the FSCA

7.9.1.4. Report the outcomes of complaints lodged with the FSCA

7.9.1.5. Report on determination taken on review and the outcome thereof

7.9.2. A catch-all category for any complaints not falling within one of the above TCF aligned complaints categories or sub-categories.

7.10. All reportable complaints are categorised, recorded and reported by identifying the category to which it most closely relates.

7.11. Complaint reports are scrutinised and analysed on an ongoing basis and used to manage conduct risk and improve outcomes to policyholders.

7.12. The following is recorded in respect of each reportable complaint:

7.12.1. relevant details of the complainant and the subject matter of the complaint;

7.12.2. copies of all relevant evidence, correspondence and decisions;

7.12.3. the complaint categorisation; and

7.12.4. progress and status of the complaint, incl. whether turnaround times were adhered to

7.13. The following ongoing data regarding the number of reportable complaints are maintained:

7.13.1. Received, upheld, outstanding / rejected (and reasons for the rejection);

7.13.2. escalated to the internal complaint's escalation process; and

7.13.3. referred to an Ombud and their outcome.

7.14. Details of compensation payments and goodwill payments, including the amounts are recorded.

7.15. Complaints that are not reportable complaints are analysed to identify noteworthy trends in relation to the types, volumes or incidence to manage conduct risks.

8. Reporting Complaints Information

An effective complaint management system combined with effective complaints reporting and monitoring provides an early warning signal to regulators and supervisors. Analysing consumer complaints data across financial services entities in a standardised reporting format, provides information to regulators and supervisors on how to improve market conduct, and helps regulators to identify consumer risks, regulatory gaps, systemic irregularities in the market place and to assess the effectiveness of regulatory measures and compliance with laws and regulations

9. Complaint's escalation and review process

9.1. Should a complainant not be satisfied with the outcome of a complaint, the complainant has the right to have the decision reviewed by another employee of FJH Nel Financial Services that holds the appropriate knowledge, expertise, experience, seniority and authority to deal with the review or escalation process.

9.2. If a complainant wishes to have a decision regarding a complaint reviewed:

9.2.1. FJH Nel Financial Services will treat it as a Dispute;

9.2.2. When a decision has been made, respond to the complainant in writing giving:

9.2.2.1. Reasons for the decision;

9.2.2.2. Provide information about how to access external dispute resolution or policyholder recourse mechanisms, and the time frame in which to do so.

10. Regulatory Complaints

10.1. All complaints lodged with the Ombudsman for Short Term Insurance and all legal proceedings in respect of the Insurer, the Policies and/or the Insurance Business must be dealt with exclusively by the Insurer:

10.2. FJH Nel Financial Services will give all assistance and co-operation to the Insurer in respect of any of the above and promptly furnish all documents / information and give all representations required in order to enable the Insurer to defend any such legal proceedings, claims, potential claims, complaints or potential complaints.

10.3. FJH Nel Financial Services shall within 24 (twenty-four) hours of receipt of a complaint, a notification from the Ombudsman for Short Term Insurance or any other legal document pertaining to the Insurer, the Insurance Business and/or the Policies, provide a copy of such documents and any supporting documents to the Insurer.

10.4. The relevant details of the Insurer will be indicated on the policy schedule.

10.5. Should the complainant not be satisfied he/she may re-direct the complaint and all supporting documents to the following parties, in writing, within a 6 months period of receipt of such feedback from FJH Nel Financial Services:

10.5.1 The Short-Term Insurance Ombudsman:

Telephone: (011) 726-8900

Fax: (011) 726-5501

Website: www.osti.co.za

The Ombudsman's task is to act as a "mediator" or informal arbitrator and he/she does not represent either of the parties to the dispute.

Important points to remember:

FJH Nel Financial Services would encourage the complainant to complain to the Insurance company first. If the complaint is not resolved to the satisfaction of the client refer the matter to the Ombudsman's Office.

The Ombudsman's decisions are binding on the insurance company but not on you. The Ombudsman's Office is an independent office.

The Ombudsman's decisions can be based on law and equity.

The Ombudsman's Office does not give legal advice.

The service is free to insured

The Short-Term Insurance Ombud offers consumers a "no risk" mechanism to resolve disputes with insurers. The office can assist consumers with certain personal lines short term insurance as well as with limited commercial insurance matters.

10.5.2 The FAIS Ombudsman:

Telephone: (012) 470-9080

Fax: (012) 422-2979

Website: www.fsca.co.za

The FAIS Ombud deals with complaints submitted to the Office by a specific client against a financial services provider. Refer to the website as noted above for more details.

10.5.3 The Registrar:

Telephone: (012) 428-8000

Fax: (012) 422-2979

Website: www.fsca.co.za

The Registrars duties are wide ranging and must ensure that Insurers comply with the following, however not limited to:

- Submission of statements and accounts;
- Statement of liabilities;
- Statement of assets;
- Solvency margin regulations;
- Separation of assets;
- Commission rates for intermediaries.
- Refer to the website as noted above for more details

10.5.4 Institution of legal action

After receipt of the notification to repudiate or dispute the claim or the quantum of the claim, the complainant has six months within which to institute legal action.

11. CONCLUSION

FJH Nel Financial Services aims to consistently deliver a professional service, and therefore we invite any feedback or suggestions as to how we can improve our complaints resolution process. Please send your suggestions to frikkien@lantic.net