

COMPLAINTS MANAGEMENT POLICY

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Sign off: CEO
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REAM

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FSP 1422

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1. Background

1.1 In terms of the FAIS General Code of Conduct, REAM Insurance Brokers (Pty) Ltd (hereinafter referred to as “REAM”) must have a documented complaints management policy to ensure the effective resolution of complaints and the fair treatment of complainants.

2. Purpose

2.2 As a short term insurance broker, we have a duty to render financial services and products honestly, fairly, with due skill, care and diligence, and in the interest of our Policyholders and the integrity of the financial services industry.

2.3 This policy aims to achieve compliance with the aims of all applicable legislations, regulations, Treating Customers Fairly principles (hereinafter referred to as “TCF”), Policyholder Protection Rules (hereinafter referred to as “PPR”) and codes.

2.4 This complaints procedure is intended to protect our clients and assists us to deliver on our commitment and legal obligation to treat clients fairly.

3. Scope

3.3 This policy applies to complaints relating to the financial services rendered or products provided by REAM, and lodged by any current and prospective clients of REAM. This policy must be adhered to by all staff members of REAM, regardless of status or position.

4. Objectives

4.1 The purpose of this policy is to:

4.1.1 Formalise the procedure for the lodging of complaints and to ensure that the procedure is accessible to all policyholders.

4.1.2 Enable REAM to effectively manage and resolve complaints.

4.1.3 Enable REAM to identify and analyse trends or areas of concern in the rendering of its financial services and products and thereby to ensure appropriate interventions are put in place at the earliest possible opportunity.

4.1.4 To ensure that processes are in place to familiarize REAM staff with the appropriate way of dealing with complaints; and

4.1.5 To ensure that senior management endorse and support the fair, objective and transparent management of complaints and the procedures set out in the policy.

5. Definitions

5.1 Complaint

A “complaint” means an expression of dissatisfaction by a person to REAM or, to the knowledge of REAM, to the REAM’s service supplier relating to a financial product or financial service provided or offered by that service supplier which indicates or alleges, regardless of whether such an expression of dissatisfaction is submitted together with or in relation to a client query, that-

- REAM or its service supplier has contravened or failed to comply with an agreement, a law, a rule, or a code of conduct which is binding on REAM or to which it subscribes.
- REAM or its service supplier’s maladministration or willful or negligent action or failure to act, has caused the person harm, prejudice, distress or substantial inconvenience;
or
- REAM’s or its service supplier’s has treated the person unfairly.

5.2 Complainant

Means a person who has submitted a specific complaint to REAM and who is a policyholder or prospective policy holder and has a direct interest in the agreement, product or service to which the complaint relates. With the provision that a prospective policy holder will only be regarded as a complainant to the extent that the complaint relates to the dissatisfaction in relation to the application, approach, solicitation, advertising or marketing material contemplated in the definition of “prospective policyholder”.

5.3 Policyholder

Means any user, former user or beneficiary of one or more of REAM’s Financial products or services, and their successions in title

5.4 Prospective Policyholder

Means a person who has applied to or otherwise approached REAM in relation to becoming a policyholder of REAM, or a person who has received marketing or advertising material in relation to REAM’s products or services.

5.5 Rejected

Means that the complaint has not been upheld and REAM regards the complaint as finalized after informing the complainant. This includes complaints regarded by REAM as unjustified or invalid, or where the complainant does not accept or does not respond to REAM’s proposal to resolve the complaint.

5.6 Representative

Any person authorized to render financial services on behalf of REAM whether under a contract of employment or a contract of mandate.

5.7 Reportable complaint

Means any complaint other than a complaint that has been:

- 5.7.1 Upheld immediately by the person who initially received the complaint.
- 5.7.2 Upheld by REAM in the normal course of business, provided that such process does not take more than 5 (five) business days.
- 5.7.3 Submitted or brought to the attention of REAM in such a manner that REAM does not have a reasonable opportunity to record the details of the complaint as may be prescribed in relation to complaints.

5.8 Service Provider

Means another person with whom REAM has an arrangement in relation to the marketing, distribution, administration or provision of products or services, regardless of whether or not such other person is an agent of REAM.

5.9 Upheld

Means that the complaint has been finalised in such a manner that the complainant has explicitly accepted that the matter is fully resolved or that it is reasonable for REAM to assume that the complainant has so accepted. A complaint should only be regarded as upheld once any and all undertakings made by REAM to resolve the complaint has been met.

6. Application

6.1 Enquiry

We accept a mere expression of dissatisfaction as a potential complaint. Should the dissatisfaction be cleared up in the normal course of business we will not register a reportable complaint. Each representative will keep an enquiry register on which the enquiries will be listed. An enquiry not resolved within 5 working days will be considered a reportable complaint.

6.2 Submission

Note that the complaint can be lodged by someone representing the client or even by someone we have marketed to.

6.3 Acceptance

Provided we are aware of the complaint, and it falls within the definition of Complaint, it will be accepted and dealt with as a complaint.

The following sources are accepted as complaints:

- Complaints directed to REAM or REAM staff.
- Complaints directed to our service suppliers.
- Complaints submitted on social media platforms.

Please note that although we will take note of complaints raised on social media platforms, we will not engage with complainants on any social media platform and request that a complainant provide us with the complaint and details in writing to complaints@reambrokers.co.za.

7. Key Principles

- 7.1 Allocation of Responsibilities: Responsibilities will be allocated to specific staff members and management in the management and handling of complaints received, as set-out below.
- 7.2 Performance Standards: Our complaints Register forms part of the Management Information collected and is used to measure our overall performance in Treating Customers Fairly.
- 7.3 Remuneration and Reward Strategy: Complainants will never be charged to submit complaints. Staff will never be remunerated or rewarded for handling complaints. Where external service providers, e.g., Legal advisors or attorneys, are used to assist in the complaints handling process, they may be remunerated for their services provided. This remuneration will never relate to the outcome of a complaint.
- 7.4 Management and Categorization of Complaints: The Categorization of complaints will be managed by the Legal and Compliance department of the Company and in accordance with the outcomes of the TCF principles, as set out below.
- 7.5 Timeframes: Expected timelines have been set out below. We endeavor to honor these timelines. Circumstances under which these timelines may be extended will be communicated to complainants. Some examples have been set out below.
- 7.6 Escalation, decision-making, monitoring, oversight and review: Processes setting out escalation, decision-making, monitoring, overview and review of complaints are in place and serve to ensure fair treatment of our customers.

7.7 Record -keeping, monitoring, analysis, and reporting: Processes setting out the record-keeping, monitoring, analysis and reporting on complaints to management are in place and strictly adhered to, as set-out below.

7.8 Accessibility and Communication: This complaints management framework will be made readily available to all complainants via our website. We will ensure all communications are in plain language.

7.9 Ombud Engagement: We acknowledge the important role the relevant ombuds play within the industry. Procedures for appropriate engagement is in place, as set out below.

7.10 Training: Training on this policy will be conducted annually to all representatives.

7.11 Monitoring of framework: This policy will be regularly reviewed. Any changes will be documented.

8. Allocation of responsibilities

8.1 Role players

8.1.1

Complaint relates to:	Responsible Person:	Advising Authority:
Claim Related	Claims Handler	Management
Underwriting	Broker	Management
Marketing	Management	Senior Management
Other	Management	Senior Management

8.1.2 Decision -making: The management of the Company has adequate training, experience, knowledge, and skills in complaints handling to ensure the fair treatment of customers, correct assessment of the subject matter of a complaint and application of the relevant legal and regulatory principles.

- 8.1.3 Management has appropriate access to the necessary records and sufficient authority to investigate and make final decisions to resolve complaints.
- 8.1.4 Management is adequately empowered to make impartial and decisions or recommendations.
- 8.1.5 Conflict of Interest: We will ensure that no cases of conflict of interest arise in the handling and decision-making of complaints. Should any person handling a complaint determine that they are in a conflicted position then an alternate person will take over the role in that investigation. This change will be determined by the CEO, RV du Plessis.

9. Centralization and Categorization of Complaints

9.1 Centralization

- 9.1.1 All complaints must be in writing and centralized to complaints@reambrokers.co.za This ensures adequate and uniform record keeping and processing of complaints.

9.2 Categorization

- 9.2.1 Any complaint received will be recorded in our company complaints register. This register is submitted to our insurers monthly, quarterly to our externally appointed compliance officer and annually to the FSCA.

- 9.2.2 Categorization will be done in accordance with the TCF complaints outcomes:

Outcome 2: Complaints relating to the design of a product or service.

Outcome 3: Complaints relating to information provided.

Outcome 4: Complaints relating to advice.

Outcome 5(a): Complaints relating to product performance.

Outcome 5(b): Complaints relating to customer service.

Outcome 6(a): Complaints relating to product accessibility, changes, or switches.

Outcome 6(b): Complaints relating to complaints handling.

Outcome 6(c): Complaints relating to insurance risk claims.

Other complaints: Any complaint that does not fit in the above categories.

10. Complaints Process

Step:	Responsible Person:	Advising Authority:	Notes:	Timeline:
Enquiry	Claims Handler Or Broker	Management	Attempt to finalise during normal course of business	5 working days
Reportable Complaint	Claims Handler Or Broker	Management	If not finalised in 5 working days, refer as reportable complaint	Immediate
Acknowledge Receipt	Claims Handler Or Broker	-	<ul style="list-style-type: none"> • Acknowledge receipt • request outstanding information • Forward complaint reference number 	5 working days
Update	Claims Handler Or Broker	Management	Provide complainant with an update on complaint.	Every 10 days
Resolution	Claims Handler Or Broker	Management	Provide decision on outcome of complaint, including: <ul style="list-style-type: none"> • Explanation • Reasons 	Within 15 working days from being registered as a reportable complaint.

			<ul style="list-style-type: none"> • Right to refer to ombud • Ombud contact details 	
Escalation	Management	Senior Management	All complaints of a serious nature or non-routine.	Individualised timelines.
Review	Management	Senior Management	If client is not satisfied with the outcome of the complaint, he may refer his complaint to the appropriate Ombudsman's office.	Within time limits set by the Ombud.

11. Decisions relating to complaints

11.1 Upheld

11.1.1 Where a complaint is upheld, any commitment by the insurer to make a compensation payment, goodwill payment or take any other action, will be carried out as soon as reasonably possible and without undue delay. A complaint will only be regarded as upheld once all undertakings made by REAM to resolve the complaint has been met.

11.2 Rejected

11.2.1 Where a complaint is rejected, the complainant will be provided with clear and adequate reasons for the decision and will be informed of any applicable escalation or review processes, including how to use them and the relevant time limits.

12. Ombud engagement

12.1 Overall engagement

12.1.1 REAM is aware of the vital role the various Ombuds and Adjudicators play in creating fair outcomes for policyholders, intermediaries and providers in the financial services industry. Management will attend to all ombud matters and will request the assistance from support staff where appropriate.

12.1.2 In accordance with our Binder Agreement held with Western National Insurance Co. Ltd, we are not at liberty to respond directly to the Short-Term Insurance Ombud. Notice of the complaint will be sent to WN directly and we will receive notice of the complaint from the office of WN. Assistance must be given to WN for them to adequately respond to any complaint.

12.1.3 Should we receive a complaint from the FAIS ombud relating to the nature of advice given or any other action taken by REAM, we will attend to the complaints on an urgent basis. Our engagement with their offices and representatives will always be honest, professional, and transparent.

12.1.4 **IMPORTANT:**

It is important to note that some policies are subject to a time bar/ prescription clause specifically relating to the rejection of claims. Refer to your applicable policy schedule and policy wording to confirm whether your policy will be subjected to time bar or prescription clauses which may be applicable should you wish to pursue litigation or refer to matter to the office of an Ombud.

12.2 Notification

12.2.1 When a complaint is received from the office of an Ombud, Senior management must be advised immediately.

12.2.2 Notice must also be given to the compliance department to ensure said complaint has been captured on the complaints register.

12.2.3 National Financial Ombud Scheme:

Telephone: 0860 800 900
+27 66 473 0157

Website: <https://www.nfosa.co.za>

Email: info@nfos.co.za

Physical: Johannesburg:
110 Oxford Road
Houghton Estate
Johannesburg

Cape Town:
6th Floor, Claremont Central Building
6 Vinyard Road
Claremont
Cape Town

12.2.4 The FAIS Ombud:

Telephone: 012 762 5000

Website: <https://www.faisombud.co.za/>

Email: info@faisombud.co.za

Postal: PO BOX 74571
Lynwood Ridge
0040

Physical: Central, 125 Dallas Avenue Menlyn
Waterkloof Glen
Pretoria

13. Record keeping, monitoring and analysis of complaints

13.1 The legal and compliance manager is the custodian of the internal complaints register.

13.2 Our company complaints register records the following information in terms of all complaints:

- Name, applicable policy number of the complainant and/or their representative,
- Copies of all relevant evidence, correspondence, and decisions,
- The category of the complaint,
- Status of the complaint,

- Communications and correspondence will be saved in a dated format.

13.3 This enables your insurers to draw the following information:

- Number of complaints received,
- Number of complaints decided in favour of the client (in part or completely),
- Number of complaints rejected,
- The reasons for rejected complaints,
- Number of complaints escalated by complainants,
- Number of complaints referred to an Ombud,
- Results of complaints referred to an Ombud,
- Number of compensation payments made (i.e., where we were at fault),
- Amount of compensation payments made,
- Number of ex gratia payments made (i.e., where we were not at fault but choose to resolve the complaint in this manner),
- Amount of goodwill payments made,
- Number of complaints outstanding.

13.4 The complaints register is provided to the insurers monthly from which they monitor and analyse complaints data.

13.5 As mentioned under Key Principles: Performance Standards; complaints data is collected and used as part of the management information collected to measure our overall performance in TCF.

13.6 The complaint records are kept as part of our record keeping procedures and policy and enjoys protection in terms of our data protection protocols in place.

14. Training

14.1 REAM undertakes to create awareness and understanding of the policy by:

- Distributing the policy amongst staff.
- Providing training in the form of information sessions to all staff.
- Ensuring the policy is always accessible.

14.2 REAM undertakes to ensure that all policyholders, prospective policyholders, and service providers have access to the policy by:

- Uploading onto the REAM website.
- Making the policy available on request.

15. Monitoring and Review

15.1 This policy will be reviewed at least annually. The purpose of a review will be to:

- Bring the policy in line with legislative requirements.
- Monitor internal compliance and understanding of the policy.
- Refine processes if deemed necessary.

16. Document Information

Date of Issue	-
Last review date	May 2024
Next review date	May 2025
Document version	3.1
Document Author	Legal & Compliance Manager: M du Plessis
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Approval Authority	Company CEO: RV du Plessis
Amendment History	
July 2021	Alignment and formalization with legislative requirements
May 2022	Simplification for ease of application of application.
May 2023	Review & OSTI address change
May 2024	Review & addition of National Financial Ombud Scheme details