

Customer Complaint Management Framework

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2. Other Outsourced service providers.

Each FSP/intermediary, through which The Financial Coach distributes its products, must ensure that they have a complaint management process that:

- i. is proportionate to the nature, scale and complexity of their business and risks;
- ii. clearly sets out the responsibilities in relation to the handling and reporting of complaints;
- iii. is appropriate for their business model, policies, services, policyholders, and beneficiaries;
- iv. 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;
- v. does not impose unreasonable barriers to complainants; and
- vi. 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. DEFINITIONS

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 such advice-
- is furnished during 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 being affected.
- results in the purchase by the Complainant of any product based on the advice.

Complainant- is a person/ someone acting on their behalf, who has a direct interest in the agreement, policy, or service.

Complaint- means an expression of dissatisfaction by a person to an insurer or, to the knowledge of the FSP, to the FSP'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 client query, that –

- ▯ the FSP 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 FSP or its service provider's maladministration or wilful or negligent action or failure to act, has caused the person harm, prejudice, distress, or substantial inconvenience; or
- ▯ the FSP or its service provider has treated the person unfairly.

Complaints Management – means the management of the entire lifecycle of a complaint. This commences 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 people involved in complaints management processes are managed and trained; the way decisions are made; the ways 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.

Complaints Management Head- The individual appointed by Management to serve as head of the complaint's management function within The Financial Coach

- (b) upheld within the financial institution's ordinary processes for handling customer queries in relation to the type of agreement, product or service complained about, provided that such process does not take more than five business days to complete from the date the complaint is received; or
- (c) submitted to or brought to the attention of the financial institution in such a manner that the financial institution does not have a reasonable opportunity to record such details of the complaint as may be prescribed in relation to reportable complaints.

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. Please note that there is no expectation to capture queries unless the query has become a complaint.

Rejected- means that a complaint has not been upheld and The Financial Coach 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 as unjustified or invalid, or where the complainant does not accept or respond to The Financial Coach's proposals to resolve the complaint.

Prospective customer of a financial institution means a person who has applied to or otherwise approached the financial institution in relation to becoming a customer of the financial institution, or a person who has been solicited by the financial institution to become a customer or has received marketing or advertising material in relation to the financial institution's products or services.

Upheld in relation to a complaint 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 the financial institution to assume that the complainant has so accepted. A complaint should only be regarded as upheld once all undertakings made by the financial institution to resolve the complaint have been met.

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.

5. KEY PRINCIPLES AND STANDARDS FOR EFFECTIVE COMPLAINTS MANAGEMENT

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

- i. **Accessibility:** The Financial Coach makes complaints reporting visible to customers on all key documents provided to them as well as on its website.
- ii. **Client-centricity:** Complaint handling staff are expected to demonstrate the right attitude toward every client.
- iii. **Quality of investigation:** The Financial Coach will take reasonable steps to gather and investigate all relevant information and circumstances when handling complaints.
- iv. **Timely resolution:** The Financial Coach's quality standards recognise that all complaints must be resolved in a timely manner and in line with timelines set out in this framework.
- v. **Consistent and objective decision-making:** The Financial Coach will ensure that employees and decision-makers avoid bias when handling complaints so that principles of fairness and objectivity are upheld.
- vi. **Independent review:** Through Advocate Anton Pieter Kruger, 8th Floor, Huguenot Chambers, Queen Victoria Street, Cape Town 8001 - Arbitrators, The Financial Coach 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.
- vii. **Confidentiality of client Information and data:** As far as possible, The Financial Coach 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.

Complaints Process Flow

If complaint is not in writing, ask for a written complaint.

Complaint received, validated and logged as a new complaint on Complaint Register.

Acknowledge receipt of complaint in writing within **5 days**.

Complaint assigned and investigated.

Resolve the complaint immediately or take the necessary action and advise the client of steps taken and expected date of resolution.

Update the Complaints Register with all developments/activities.

Inform client in writing of the resolution of the complaint and the outcome.

Notify the client if complaint is not resolved within **3 weeks** – advise on status of the complaint.

See also Disputes - Section 7.

Notify the client of the final outcome. This must be no later than **6 weeks** since the complaint was logged/
Advise client of other options.

The Arbitrator will acknowledge receipt of the complaint escalation within 48 hours and inform the referrer of:

- Details of information required from referrer;
- Where, how and to whom the complaints and related information must be submitted;
- Expected turnaround times to finalise the complaint escalation or review;
- Any other relevant responsibilities of the referrer.
- The Arbitrator will inform the referrer of the outcome of the referral within 15 working days after receipt.
- The Arbitrator responsible will ensure that decisions are impartial and will always have due regard to the fair treatment of customers.

9. OMBUD MINIMUM REQUIREMENTS

General:

- The Financial Coach clearly and transparently communicates the availability and contact details of the relevant Ombudsman schemes to customers on all applicable disclosure documentation.
- Although The Financial Coach cannot control when a client will escalate a complaint to the respective Ombudsman, The Financial Coach will always:
 - o Maintain open and honest communication and co-operation between ourselves and any Ombud with whom we deal; and
 - o 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.
- The Financial Coach will maintain specific records and carry out specific analysis of complaints referred to the Ombudsman and their outcomes.
- The Financial Coach 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 The Financial Coach'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.

Complaints referred to the office of the Ombud in terms of the FAIS Act

i. Introduction

The Financial Coach is an authorised Financial Services Providers (hereinafter referred to as "FSP") 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.

ii. Communication and Escalation Process pertaining to "FAIS" related complaints

Internal Communication

The table re allocation of responsibilities 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.

- Where a complainant remains unreasonable, and /or rejects any offer made, this too must be communicated to the FAIS Ombud. Any offer made that is accepted by the complainant must also be communicated to the FAIS Ombud by the complaints handling staff member.
- There will be adequate training of all relevant 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.

10. COMPLAINTS MANAGEMENT STRUCTURE

Within The Financial Coach, there are various role players that assist with the resolution of complaints. The role of each of these role players have been defined below.

CENTRAL COMPLAINTS HANDLING TEAM - the structure will inevitably be enhanced for larger firms where there would be multiple business units

- Maintenance and enhancements of the complaints system.
- Drafting, maintaining and distributing the Complaints Management Policy. The policy will be reviewed annually unless new requirements are added from the various legislative bodies. All changes to the document will be signed off by the Board. The policy will be made available for inspection by the Public.
- Any training: needs to be filtered down by these individuals to representatives and service providers involved in marketing, distributing, providing or administrating our products or services or interacting with customers or prospective customers with regards to requirements on complaint handling and the use of the Complaints Management System.
- Statutory reporting regarding complaints.
- Framework for effective complaint management processes.
- To provide quarterly reports to senior management and highlight trends on complaints received.
- Facilitation of complaints from escalated platforms such as CEO, Social and Print media, Hello Peter, Compliance, FSCA and Web complaints.
- Perform Root Cause Analysis with a view to managing market conduct risks and improving outcomes and processes.
- Provide required tools to ensure Root Cause Analysis (RCA) and continuous improvement is implemented after a complaint is received.
- Follow-up calls to customers on all escalated complaints once the business has upheld the complaint to ensure the customer is satisfied with the outcome.
- Compliance to conduct annual reviews/audits of The Financial Coach to ensure they comply with the Policy.

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

- i. The following details will be captured in respect of each reportable complaint:
- all relevant details of the complainant and the subject matter of the complaint;
 - copies of all relevant, evidence, correspondence & decisions;
 - **the complaint categorisation 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 clients;
 - complaints relating to advice;
 - complaints relating to policy/investment performance;
 - complaints relating to service to clients, if applicable complaints relating to premium collection or lapsing of policies;
 - complaints relating to product accessibility, changes or switches;
 - complaints relating to complaints handling;
 - complaints relating to insurance risk claims, including non-payment of claims; and
 - other complaint categories relevant to our business model, products/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.

The Financial Coach will ensure that customers who are financially prejudiced because of our contravention, non-compliance, action, failure to act, or unfair treatment are fairly compensated.

- A written response will be sent to a complainant or their authorised representative once the complaint is finalised:
- Where a complaint is upheld, any commitment to make a compensation payment, goodwill payment or to take any other action will be carried out without undue delay and within any agreed timeframes.
- 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.

The Financial Coach shall make available in our offices and on our website:

- Details of information required from complainants;
 - Where, how and to whom the complaints and related information must be submitted;
 - Expected turnaround times in relation to complaints; and
 - Any other relevant responsibilities of complainants.
- The Financial Coach 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.

3. Progress and status of the complaint, including whether such progress is within or outside any relevant prescribed timelines or internal service levels.

GUIDE TCF-Aligned Complaint Categories

The categories for TCF outcomes are listed below with possible examples of the type of complaints that will form part of each category. These reasons are not fixed to a specific outcome and the outcome selected may differ according to the circumstances of the complaint e.g. 'Inadequate cover type' - this could be due to the design of the product or it could be a sales error where the incorrect cover level was sold or offered. The complaint system accommodates the manual capture of the outcome breached based on the complaint received. Often, more than one outcome is breached and therefore provision has been made to capture more than one outcome per complaint.

Examples of Complaint Reasons into the various TCF Outcomes:

OUTCOME 2	OUTCOME 3	OUTCOME 4
Premium too high	Misrepresentation of cover/product	Insufficient cover or income
Insufficient cover limit	Data capture errors	Inadequate cover type
Inadequate cover type	Incomplete declaration given	Misrepresentation of product
Premium increase	Documents not received	Incomplete declaration given
Cover limited	Inconsistent feedback	Inconsistent feedback
Claims decision dispute	Claims decision Dispute	Misleading information given about or
Unable to reinstate cover	Misleading claims information	
Products do not meet needs of client	Product information incorrect	
OUTCOME 5a	OUTCOME 5b	OUTCOME 6a
Insufficient cover/income	Staff unprofessional /rude	Processing time too long
Products not meeting client needs	No or poor response	
	No consent to policy/product	
OUTCOME 6b	OUTCOME 6c	
Incomplete declaraiion given	Time to process claim too long	
Complaint procedure not given	Time to transfer funds too long	
No or poor response	Incorrect beneficiary paid	
	Misleading information	
	Staff unprofessional or rude	
	Settlement dispute	
	Unhappy with product performance	

Effective monitoring and analysis of complaints is a key tool to identify, manage and mitigate TCF-related and market conduct risks. Proper monitoring and analysis will maximise business value through the learnings created from analysis of complaint outcomes.

- There may be situations where we proactively identify gaps in our processes, systems, training or product without a customer lodging a complaint. This can follow the same process to highlight the risks and take action to remedy the situation.

ADMINISTRATION

The Director of The Financial Coach is responsible for the administration, revision, interpretation, and application of this policy. The policy will be reviewed annually and revised as needed.

APPROVAL

Gregory Stuart Sneddon _____



(CEO/Executive)

Date 01. JULY 2022