

Profusion Administrators

# Complaints Management Framework

Version1: 12/11/2020

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## Introduction:

Profusion Administrators is an authorised Financial Service Provider. Profusion has a responsibility to conduct itself with honesty, integrity, fairness, dignity and ethically in all areas of operation with due regard to the interested parties and stakeholders. This Complaints Management Framework Policy serves to meet the requirements of the Short-Term Insurance Act 1988, the Policy Protect Rules (PPR) and the requirements of the FAIS Act. This policy further incorporates the principles of Treating Customers Fairly (TCF).

## Definitions:

1. **Complainant** – means a person who submits a complaint and includes a:
  - a. Policyholder or the policyholder's successor in title.
  - b. Beneficiary or the beneficiary's successor in title.
  - c. Person that pays a premium in respect of a policy.
  - d. Potential policyholder whose dissatisfaction relates to the relevant application, approach, solicitation or advertising or marketing material.
2. **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 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 maladministration or wilful or negligent action or failure to act, has caused the person harm, prejudice, distress or substantial inconvenience.
  - c. The insurer or its service provider has treated the person unfairly.
3. **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
  - c. Refund of an amount paid by or on behalf of the complainant to the insurer where such payment was not contractually due.
4. **Rejected** – in relation to a complaint 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 any 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 proposals to resolve the complaint.

## Objective:

The Profusion Complaint Management Framework Policy must be maintained, operated adequately and effectively, and ensure that:

- a) It is proportionate to the nature, scale and complexity of the insurer's business and risk;
- b) Is appropriate for the business model, policies, services and policyholders and beneficiaries of the insurer;
- c) 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; does not impose unreasonable barriers to claimants.



This policy establishes the necessary complaints management procedures including, the proper allocation of resources, the documented procedures, timeframes, record keeping and reporting standards, communication, as well as remuneration and reward strategies. The complaint management procedures are established in line with Policyholder Protection Rules and the FAIS Act and aim to ensure that all complaints are handled in a manner which is fair, transparent and equitable.

In light of such Profusion are committed to:

- a) Resolving customer complaints in a fair manner for customers, our business and our employees.
- b) Ensuring that customers are fully informed of complaint procedures.
- c) Ensuring access to our complaints resolution facilities by way of email, telephone or post.
- d) Ensuring that training of employees to deal with complaints, and escalate any matter where required.
- e) 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.
- f) Where a complaint is resolved in favour of the client, we will offer full and appropriate redress.
- g) Informing clients of their right to refer their complaint to the FAIS Ombud should a complaint not be resolved to their satisfaction.
- h) Maintain records of all complaints received for a minimum period of 5 years.

### Allocation of responsibilities:

The Operation Manager of Profusion is responsible within the Financial Service Provider to ensure that all complaints received are treated in line with this framework. The Operation Manager will ensure that the adequate resources are allocated to complaints handling and that any employee dealing with a complaint is:

- a) Adequately trained.
- b) Experienced in complaints handling and appropriately qualified.
- c) Not be subject to a conflict of interest and.
- d) Be adequately empowered to make impartial decisions or recommendations.

### Complaints Process:

#### Lodging a complaint

All complaints must be submitted in writing to Profusion Administrators via:

- a) Email: [info@profusionadmin.co.za](mailto:info@profusionadmin.co.za)
- b) Fax: 086 541 5953
- c) Postal: P.O. Box 725, Strubens Valley, 1735

Complaints must contain the following information:

- Name, surname, and identity number of the customer.
- Name, surname, and contact details of the complainant, including a mandate to act on behalf of the customer.
- Specific details of the complaint, including dates, examples, supporting documentation and communication.
- Intended resolution of the complaint. What is the intended outcome of the complaint that the complainant would like to achieve and resolved?

Appropriate communication will be sent to the complainant, and where required, appropriate engagement between the financial service provider and the Insurer, and the Insurer and the relevant Ombud.

### Internal complaints resolution process

Once a complaint is received Profusion will acknowledge the complaint in writing within 48 hours provided that the complaint is received during working hours and on working business days. This formal acknowledgement will be in writing and will include a reference number to the complainant.



In addition, upon receipt and acknowledgment of a complaint, the complaint and its details will be recorded and categorised on Profusion's electronic system.

Based on the nature and category of the complaint, a detailed investigation will commence, based on all supporting documentation, account information and any additional material facts relevant to the complaint. Should additional clarity or information be required, the complainant or other related stakeholders may be contacted.

The estimated time to resolve the complaint will be communicated to the complainant, however no complaint will be resolved later than 6 weeks from the date of receipt of the complaint.

Final resolution of the complaint will be communicated to the complainant in writing. The final resolution will be in a clear and understandable manner and will draw reference to any applicable laws, duties, provisions, or material facts used in the determination of the complaint outcome.

Should the complaint not be resolved to the complainant's satisfaction, Profusion will provide the complainant all information and details on the escalation of the complaint and the further steps available to the complainant.

Profusion may refer the complaint to the Insurer; Guardrisk Insurance; for comment, investigation, or resolution.

All complaints will be stored for a minimum of 5 years as required by the FAIS Act.

### Referral to the Ombudsman

The FAIS Act establishes the FAIS Ombud to consider and dispose of FAIS complaints if the internal complaint procedures of Profusion Administrators have failed or if the complainant wants to pursue the matter further.

Where the outcome of the complaint by Profusion is not favourable to the client, the complaint may be pursued through the Ombud within six months. This onus rests on the complainant.

### Conditions for receipt of complaints by the Ombud

The Ombud will officially receive any complaint if the following conditions have been met:

- a) The complaint must fall within the ambit of the FAIS Act and the rules on the Proceeding of the Office of the Ombud.
- b) The respondent, who the complaint is made against, must fall under the provisions of the FAIS Act and subordinate legislation.
- c) The action or omission on which the complaint is based must have occurred during the time that the Ombud Rules were in force.
- d) The FSP and/or respondent must have failed to acknowledge and resolve the complaint within the prescribed time of 6 weeks.
- e) The complaint cannot exceed a monetary value of greater than R800 000.00. However, the claim may still meet the conditions of the Ombud if the respondent agrees in writing to this monetary limitation being exceeded or if the complainant is willing to forgo the amount greater than R800 000.00.

### Summary of dismissal of complaints by the Ombud

The Ombud may dismiss a complaint if on the premise of facts, it appears that:

- a) The complaint does not have any reasonable opportunity of success.
- b) The FSP or respondent has made an offer which is fair and reasonable, and still open for acceptance by the complainant.
- c) The matter has been previously considered by the Ombud.
- d) The subject matter of the complaint has already been decided in court proceedings.
- e) The subject of the complaint is pending in court proceedings.
- f) The complaint or relief sought is of a nature that the Ombud cannot be assistance to.

The Ombud will decline any complaint which relates to an act which has occurred more than three years prior to the date of receipt of the complaint by the FAIS Ombud. Where the complainant was



unaware of the act or omission, the period of 3 years will begin from the date that the complainant became aware of such or thought reasonable to become aware of such, whichever comes first.

The Ombud will decline to investigate any complaint if, before the date of official receipt of the complaint, the complainant has initiated the complaint in court proceedings.

The Ombud may on reasonable grounds determine that it is more appropriate that the complaint be dealt with by a court or through any other available dispute resolution process and decline to entertain the complaint.

### Rights of the Ombud

The Ombud has the following rights:

- a) The Ombud may, in investigating or determining any official received complaint, follow and implement any procedure which the Ombud deems appropriate, and may allow any party the right of legal representation.
- b) The Ombud may, to resolve a complaint speedily by conciliation, make a recommendation to the parties, requiring them to confirm if they accept the recommendation and where the recommendation is not accepted by a party, require that party to give reason for not accepting it. Where the parties accept the recommendation, such recommendation has the effect of a final determination by the Ombud.

### Determinations by the FAIS Ombud

The Ombud may in any case where a matter has not been resolved or a recommendation has not been accepted by all parties concerned, make a final determination, which may include the dismissal or the upholding of the complaint, wholly or partially.

The Ombud must put any determination in writing and include reasons for the decision. The determination must be signed, and copies of the determination must be sent to the Registrar and parties concerned.

### Appeal against a determination

A party who the Ombud has made a determination against may apply to the Ombud for leave to appeal against the determination.

A determination can be appealed to the Board of Appeal with the leave of the Ombud after taking into consideration the complexity of the matter or the likelihood that the Board of Appeal may reach a different conclusion.

If the Ombud refuses leave of appeal, the chairperson of the Board of Appeal may permit such leave.

### FAIS Ombud details

<b>Postal Address</b>	P.O Box 74571 Lynnwood Ridge 0040
<b>Physical Address</b>	Kasteel Park Office Park, Orange Building, 2nd Floor, 546 Jochemus Street, Erasmus Kloof, Pretoria, 0048
<b>Telephone</b>	012-762-5000
<b>Email</b>	<a href="mailto:info@faisombud.co.za">info@faisombud.co.za</a>
<b>Website</b>	<a href="http://www.faisombud.co.za">www.faisombud.co.za</a>

### Redress:

Redress is the action of setting right an issue and offering an appropriate remedy to the aggrieved client or individual. Redress is the appropriate remedy for acts of negligence, dishonesty, misconduct

or omission the FSP and/ or its representatives that have adversely affected a client and given rise to a complaint. Redress is offered to return the complainant to the position they would have been in if the failure had not occurred.

### Types of redress

Redress may be in the form of but not limited to the following.

An apology and explanation:

In the first instance, after the completing of the complaints management process and in instances where the FSP and/ or its representatives are at fault, an acknowledgment of the wrongdoing needs to be declared in writing to the client(s). This acknowledgement includes identifying and acknowledging the action or omission that has occurred as well as the steps taken together with the intended timeframe to offer redress for the loss or damage.

Providing an explanation and apology to the clients is important in maintaining good relations, trust and confidence between Profusion and its clients.

Compensation for financial loss:

In certain instances, where applicable, the FSP may offer redress in the form of financial compensation. This form of redress is aimed at returning the client(s) to the position that they would have been in should the loss had not occurred.

Compensation payments excludes:

- a) Goodwill payments.
- b) Payments contractually due to the complainant in terms of a policy; or
- c) Refund of an amount by or on behalf of the complainant to the insurer where such payment was not contractually due.
- d) And includes any interest on late payment of any amount on points (b) or (c).

Other:

Redress may be offered in any applicable form as recommended by a governing authority, body, ombudsman, or court of law within the Republic of South Africa.

### Categorisation:

In the first instance Profusion categorises reportable complaints between insurable and non-insurable products. Following this, reportable complaints are further categorised into:

- a) Complaints relating to the design of a policy, including the premiums or other fees or changes related to that policy.
- 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.
- i) Other complaints.

### Reporting and Monitoring:

Profusion ensures the accurate, efficient, and secure recording of complaints and all related information. Complaints are captured and recorded on our electronic system as well as on hard copy files. Profusions electronic system allows for all relevant details of a complaint to be recorded, including the subject matter of the complaint. In addition, any relevant information, documentation, communication and claim status is captured. All information is safely stored and accessible when required.

This comprehensive capturing of complaints and all relevant information allows for reporting and monitoring which is accurate, transparent and informative allowing for efficient and effective monitoring and analysis, providing insight to relevant stakeholders on the performance of Profusion, its employees, policies and additional relevant factors.

In line with compliancy requirements complaint data is easily generated allowing insights into the number of complaints received, upheld, rejected, and escalated. Further reporting on complaint statuses, payments, and outcomes are included in reports.

### Performance Standards and Remuneration:

The Operations Manager is responsible for the FSP to ensure that all complaints are handled in a manner which prescribes to this complaints management policy. In addition the Operations manager is responsible for ensuring all employees who are involved in the claims management process are adequately trained, have experience, not subject to conflict of interest and are provided with the necessary resources to fulfil their obligations in complaints management.

Performance standards are set against the requirements of this policy, the manner in which a complaint is managed, the time frames, recording of information, reporting and communication. There are no remuneration or incentives financial or non-financial for the management or outcomes of complaints.

Profusion and employees operate with the utmost dignity, respect, and fairness within all its business operations including complaints.

### Conclusion:

Profusion is committed to adhering to the provisions and requirements of the Short-Term Insurance Act 1988, the Policy Protect Rules (PPR) and the requirements of the FAIS Act in its managements, processing, and resolution of complaints. We are committed to ensuring that the time frames, responsibilities, and processes specified within this document are upheld by all employees ensuring that complaints are dealt with in a manner that is fair, equitable and just to all parties involved.

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