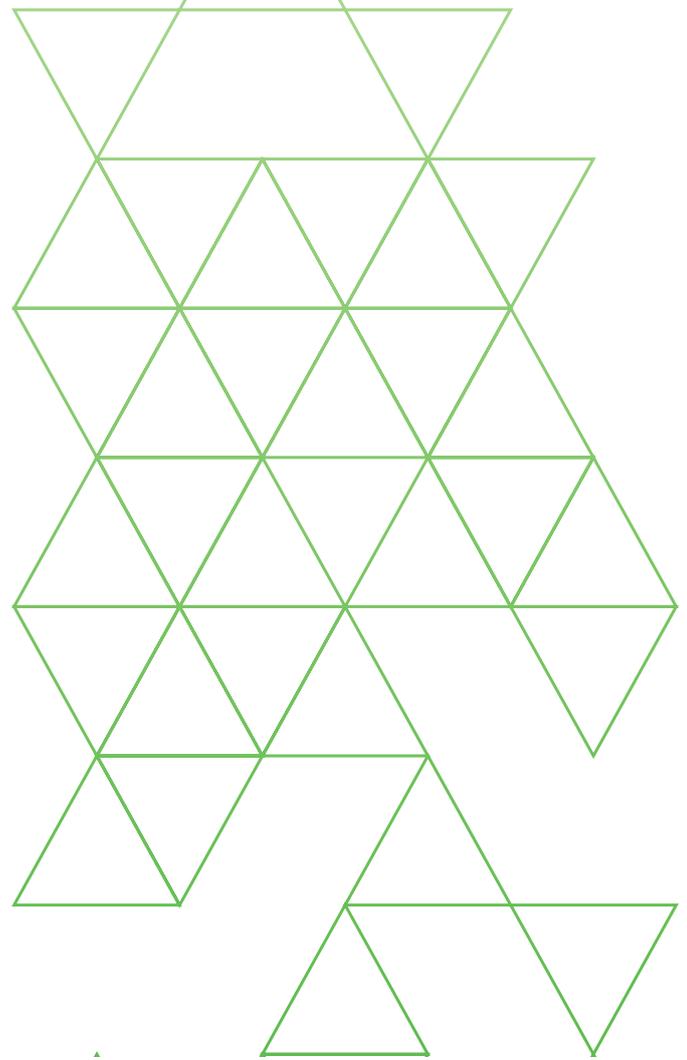




INSURANCE UNDERWRITING MANAGERS

**COMPLAINTS
RESOLUTION
POLICY**



Complaints Resolution Policy

Purpose

The Complaints Resolution Policy formalises the practices required for effective management and handling of customer complaints within Insurance Underwriting Managers Pty Ltd (IUM). The objective is to ensure effective standards of complaints management in order to:

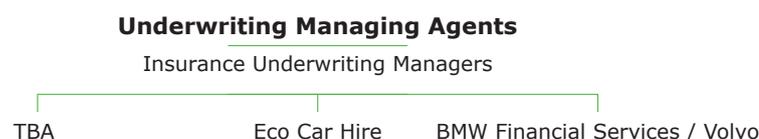
1. Ensure fair outcomes for customers;
 2. Protect and enhance IUM’s reputation;
 3. Allow for effective reporting, detailed analysis and identification of trends related to complaints;
 4. Achieve effective and timely resolution of complaints in respect of acceptable turn-around times.
 5. Provide guidelines for acknowledging complaints and for recording customer complaints in a centralised manner;
 6. Improve organisational effectiveness through learning from client feedback and root cause analysis;
 7. Ensure effective management of complaints, in line with this policy;
 8. Restore and enhance relationships with complainants and non-complainants for the purpose of on-going business retention and growth.
- This policy sets out IUM’s philosophy concerning the way complaints are handled, resolved and conducting of analysis of complaints for root cause analysis to ensure processes are improved to reduce complaints where necessary.

Instructions

1. In terms of Section 17(a) of the General Code of Conduct “a provider, other than a representative, must maintain an internal complaint resolution system and procedures”.
2. A nominated Key Individual must acknowledge Insurance Underwriting Managers Pty Ltd’s (IUM’s) ownership of the policy, by signing the policy.
3. All Key Individuals and persons associated with the governing body of IUM must confirm the adoption of this policy, by signing the document below (print additional copies of this page should the need arise).
4. All employees must read and confirm that they understand the contents of the policy, by signing the personnel acknowledgement page (print additional copies of this page should the need arise).
5. After implementing the policy, retain a hardcopy of this document as part of your compliance file.
6. The policy must be accessible for public inspection purposes.
7. Refer back to the policy whenever a client lodges a complaint relating to a financial service rendered by IUM.
8. This policy must be read and understood in conjunction with the FAIS Act and the General Code of Conduct.
9. This policy must be reviewed annually.

Scope

Where any business unit within IUM has agreements with third parties and other Financial Service Providers (FSP’s) that have any part to play in the complaints handling or resolution or record keeping process, it is recommended that those agreements may state minimum standards necessary for complaints management.



Definitions

1. Complaint: means a specific complaint relating to a financial service rendered by the FSP or Representative to the complainant in which it is alleged that the FSP or Representative:
 - a) has contravened or failed to comply with a provision of the FAIS Act and that as a result thereof
 - b) the complainant has suffered or is likely to suffer financial prejudice or damage; or
 - c) has wilfully or negligently rendered a financial service to the complainant which has caused
 - d) prejudice or damage to the complainant or which is likely to result in such prejudice or damage; or
 - e) has treated the complainant unfairly; or
 - f) Any oral or written expression of dissatisfaction – whether justified or not – relating to an agreement with a financial institution or a product or service provided or offered by the institution.
 - g) Generally, in a complaint the complainant would allege that he or she or the person they represent has suffered, or may suffer, financial loss or prejudice or distress or inconvenience.
 - h) The complaint must not be about the investment performance of the product unless the financial performance was guaranteed or the financial performance was so deficient that it creates presumption that there has been misrepresentation, negligence or mal-administration.

2. Internal complaint resolution system and procedures: means the system and procedures established and maintained by the FSP in accordance with the General Code of Conduct for the resolution of complaints by clients
3. Ombud: means the Ombud for Financial Services Providers referred to in section 20(2) of the FAIS Act
4. Resolution or Internal Resolution: in relation to a complaint and a FSP, means the process of the resolving of a complaint through and in accordance with the internal complaint resolution system and procedures of the FSP
5. Rules: means the Rules on Proceedings of the Office of the Ombud for Financial Services Providers, as published in the Gazette
6. 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-
 - a) In respect of the purchase of any financial product; or
 - b) In respect of the investment of any financial product; or
 - c) 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.

Introduction

In terms of the Financial Advisory and Intermediary Services Act (FAIS, Act 37 of 2002) every Financial Services Provider (FSP) who is authorised to provide financial advice and/or intermediary services to clients, have the duty to offer clients a formal process to resolve complaints. The complaint resolution process must offer the client the opportunity to lodge a complaint and have the complaint resolved within 6 weeks. In the event of the complaint not being resolved within 6 weeks the client can escalate the complaint to the FAIS Ombud for a final ruling. Such complaint must be lodged within six months after the determination that the complaint could not be resolved by the FSP.

Complaints Management Mission

As an authorised FSP in terms of the Financial Advisory and Intermediary Services Act (Act 37 of 2002) we are committed to providing our clients with quality service and undertake to manage the affairs of our clients in such a way that it would not be necessary to have a complaint about our service, integrity and commitment. However should it happen that a client does have a complaint, we undertake to:

1. Resolve client complaints in such a way that is fair to our clients, our FSP and our staff.
2. We undertake to inform all our clients of the procedures established for the internal resolution of their complaints, details of which will be given to them in writing.
3. We undertake to ensure easy access to our complaints resolution process at our offices, or by way of post, e-mail or telephone.
4. Empower and properly train the people in our FSP to deal with complaints, as well as with the escalation of non-routine complaints.
5. If necessary, appoint an independent mediator to resolve the complaint to the benefit of both the client and our FSP.
6. Deal with complaints in a timely and fair manner, with every complaint receiving proper consideration in a process that is managed appropriately and effectively by the responsible staff member.
7. Offer appropriate remedy in all cases where a complaint is resolved in favour of a client.
8. Inform clients of their right to refer their complaints to the FAIS Ombud, should a complaint not be resolved to their satisfaction within six weeks from the date on which the complaint is received.
9. Maintain records of all complaints received for a period of 5 years, which will specify the outcome of all the complaints lodged.
10. Implement follow-up procedures to:
 - a) Implement remedial actions to prevent similar complaints from occurring.
 - b) Improve services and procedures where necessary within the FSP.

Definition of a Complaint

Complaint means an expression of dissatisfaction by a person to an insurer or, to the acknowledge of the insurer, to the insurer's service provider relating to a policy or service provided or offered by that insurer which indicates, regardless of whether such an expression of dissatisfaction is submitted together with or in relation to a policyholder query, that:

1. 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;
2. the insurer 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
3. the insurer or its service provider has treated the person unfairly.

Conditions Applicable to Complaints

For a complaint to be valid, the following conditions have to be met:

1. Where appropriate, a complainant refers to the client and also includes the complainant's lawful successor in title or the nominated beneficiary of the financial product which is the subject of the relevant complaint.
2. The act or omission complained of must have been done on or after 30 September 2004.
3. The complaint must be received by the Ombud within 3 years of the act or omission that resulted in the complaint – if the complainant was not aware of the act or omission, the 3 years starts running from the date on which the complainant became aware, or from the date on which the reasonable person in his circumstances would have become aware, whichever date is the earliest.
4. If the complainant already instituted action in a court of law relating to the matter forming the subject of the complaint submitted to the Ombud, the Ombud will not consider the complaint.
5. The FSP must have been given the opportunity to resolve the complaint first. Only if the FSP failed to resolve the complaint to the satisfaction of the complainant within 6 weeks of receipt, may the complainant take the matter to the Ombud.
6. The complainant has 6 months after he received a final response from the person complained against, to go to the Ombud.
7. Complaints must be in writing and must be accompanied by relevant documentation.

8. The Ombud may refuse to consider a complaint if he believes that the complaint should be dealt with in court.

Complaints Procedures

1. To ensure a quick and appropriate response to complaints, the following process should be used at all times by all relevant staff:
2. Log the date and contents of the complaint in the Complaints Register.
3. If a complaint is not in writing, ask the client to lodge the complaint in writing.
4. Send the external complaints resolution system document to the client.
5. Appoint a staff member responsible for the resolution of the complaint.
6. Acknowledge receipt of the complaint in writing within 5 days of receipt, and give the client the name(s) and contact details of the staff responsible for the resolution of the complaint.
7. Investigate the complaint to ascertain whether the complaint is legitimate and/or can be resolved immediately.
8. If the complaint can be resolved immediately, take the necessary action and inform the client accordingly.
9. If the complaint cannot be resolved immediately, request supporting documentation (if any) from the client that may be necessary to resolve the matter and indicate the expected date of resolution.
10. If unable to resolve the complaint within 6 weeks of logging the complaint in the Complaints Register, notify the client accordingly and advise the client of his/her right to:
 - a) proceed in terms of Rule 6(a) and 6(b) of the Rules on Proceedings of the Office of the Ombud for Financial Services Providers (see below); or
 - b) Seek legal redress in another forum.
11. Update the register with all developments/activities.

The FSP's Rights and Duties

In terms of the Rules on Proceedings of the Office of the Ombud for Financial Services Providers, 2002, the FSP has the following rights and duties:

1. Where a complaint cannot be addressed within three weeks by the FSP, the FSP must as soon as reasonably possible after receipt of the complaint send to the complainant a written acknowledgment of the complaint with contact references of the respondent.
2. If within six weeks of receipt of a complaint the FSP has been unable to resolve the complaint to the satisfaction of the complainant, the FSP must inform the complainant that:
 - a) The complaint may be referred to the office of the Ombud if the complainant wishes to pursue the matter; and
 - b) The complainant should do so within six months of receipt of such notification.
3. The FSP must be informed of the complaint submitted to the Office of the Ombud to the extent necessary to respond thereto fully.
4. The FSP is entitled to submit any fact, information or documentation in relation to the complaint and must disclose relevant information or documentation to the Ombud.
5. If deemed necessary by the Ombud, the FSP must discuss the complaint with the Ombud and furnish such further relevant information as the Ombud may require.
6. The FSP is required to act professionally and reasonably and to cooperate with a view to ensuring the efficient resolution of the complaint.

Determinations by the Ombud and It's Legal Status

1. The Ombud may, when accepting a complaint in terms of section 27(5) of the Act, require the FSP to pay a case fee to the Office not exceeding R1 000.00
2. If the complaint was not resolved through conciliated settlement, the Ombud will make a determination which has the legal status of a civil judgement of court.
3. The determination can be a monetary award (not exceeding R800 000, unless the person complained against agrees to it), or any other order that can be made by a court.
4. An award of costs may be made against the person complained against.
5. An award of costs may be made against a complainant if the conduct of the complainant was improper or unreasonable, or if the complainant caused an unreasonable delay in the finalisation of the investigation.

Appeal to Board of Appeal

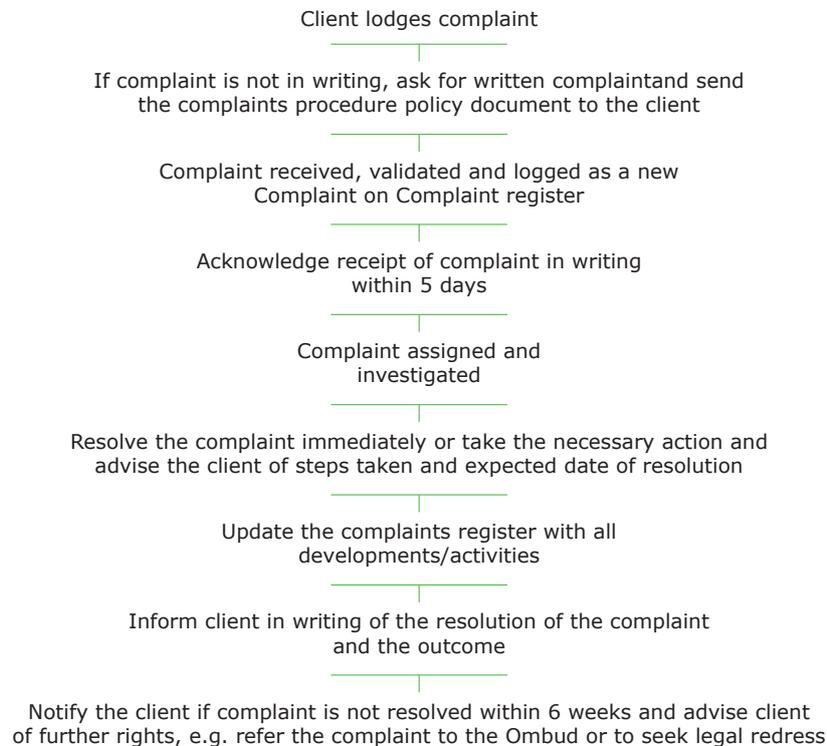
1. It is possible to appeal to the Board of Appeal, provided the Ombud grants leave to appeal. If the Ombud refuses, the chairperson of the Board of Appeal can be requested for permission to appeal.
2. Application for leave to appeal must be made to the Ombud within 1 month of the Ombud's determination.
3. If the Ombud refuses leave to appeal, application for leave to appeal may be made to the Chairperson of the Board of Appeal, within 1 month of the Ombud's refusal – the applicant must inform the Ombud of his application.
4. A determination by the Board of Appeal has the same status as a judgement of a civil court.

Description of Complaints Register

The complaints register must contain the following fields:

1. Date of Complaint Receipt: This field will reflect the date on which the written complaint was received. The receipt period will

Complaints Process Flow Chart



commence from this date.

2. Complaint Received From: The name and designation of the person that submitted the complaint must be entered here. It may be the client or a representative of the client.
3. Complaint Received by: The name and designation of the person that received the complaint on behalf of the FSP. It may be any person representing the FSP as long as the Key Individual is made aware of the complaint. The Key Individual will be responsible to ensure that the complaint is resolved.
4. Short Description of Complaint: Concise description to which the complaint relates (e.g. the suitability of advice furnished).
5. Complaint Resolved Internally: Indication of whether the complaint has been resolved internally (i.e. without the assistance of a third party such as the Ombud).
6. Outcome of Complaint: Indication of the final status of the complaint in as far the FSP's internal complaint resolution process.
7. Outcome Communicated to Client on: Date on which the final outcome of the FSP's internal complaint resolution process was communicated to client.

FAIS Ombud Contact Details

Physical Address:

Eastwood Office Park

Baobab House

Ground Floor

Cnr Lynnwood Road & Jacobson Drive,

Lynnwood Ridge,

0081

Contact details:

Telephone: +27 12 470 9080

Facsimile: +27 12 348 3447

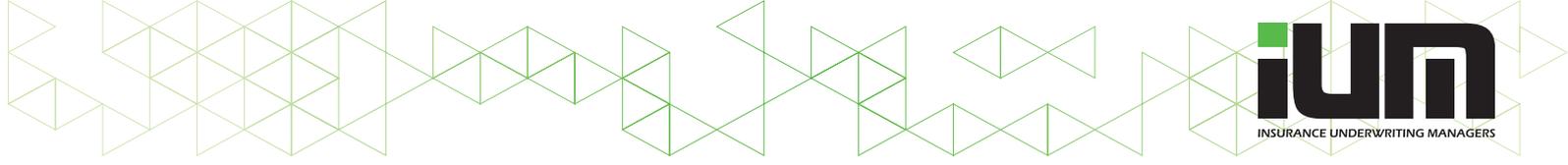
E-mail Address: info@faisombud.co.za

Website: www.faisombud.co.za

Postal Address:

P.O.Box 74571

Lynnwood Ridge



0040

Approximate GPS coordinates:

25° 46' 2" S, 28° 17' 58" E.

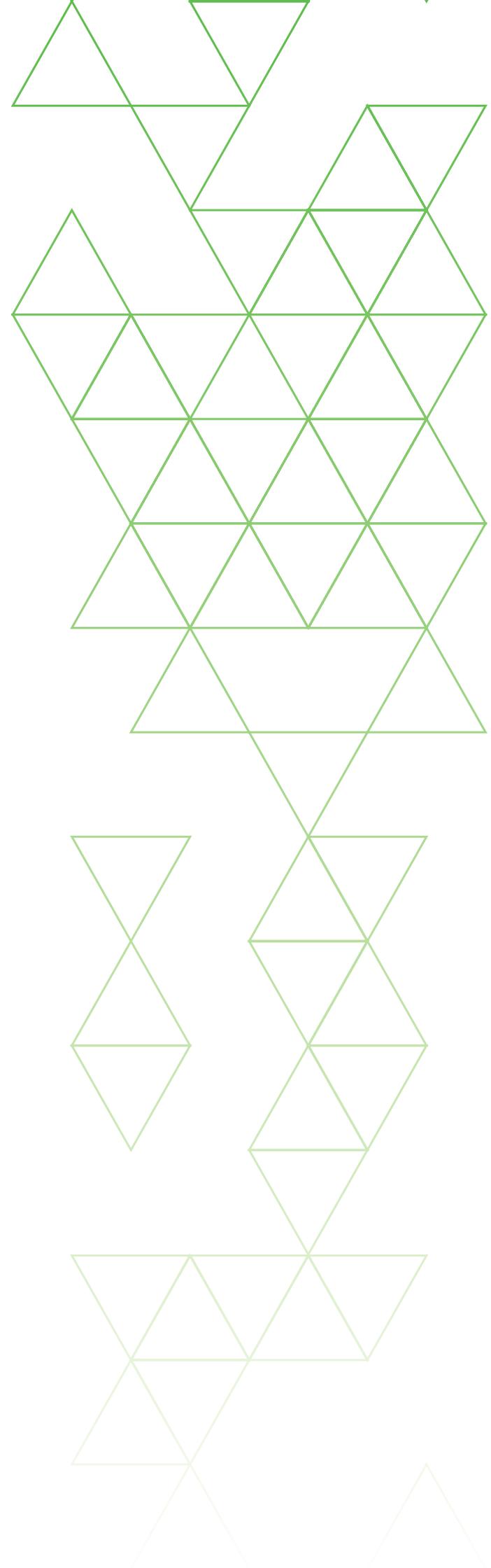
Personnel Acknowledgement

I, acknowledge that I have read and understand the contents of the Insurance Underwriting Managers Complaints Resolution Policy.

Employee Name

Signature

Date



CONTACT DETAILS

EMERGENCY NUMBERS

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0861 464 666

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