

## Integral Wealth Management

# COMPLAINTS MANAGEMENT FRAMEWORK

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## 1. PURPOSE

The FAIS General Code of Conduct requires that a financial services provider (FSP) must establish, maintain and operate an adequate and effective complaints management framework to ensure the effective resolution of complaints and the fair treatment of complainants.

Treating Customers Fairly (TCF) Outcome 6 provides that *“Customers do not face unreasonable post-sale barriers imposed by firms to change a product, switch providers, submit a claim or lodge a complaint”*.

This document provides a complaints procedure in conformance with legislative expectations and sets out the process that the FSP will follow in order to resolve the complaint.

## 2. OBJECTIVES

The objectives and key principles of **Integral Wealth Management’s** Complaints Management Framework is to set out the approach that is taken to manage complaints in order to mitigate business and client risks and to achieve compliance with the FAIS Act and subordinate legislation. The FSP is committed to ensure that appropriate measures are in place to enable the FSP to investigate and resolve any complaints received with due regard to the fair treatment of customers.

The Complaints Management Framework aims to assist our staff to apply a consistent, high-quality, fair, and accountable response to complaints.

All complaints will be treated in line with the overall regulatory requirements and Treating Customer Fairly outcomes.

## 3. KEY DEFINITIONS

The definitions relating to Complaints Management as defined in the FAIS General Code of Conduct as amended on 26 June 2020 are listed in **Annexure A**.

## 4. COMPONENTS

*The Complaints Management Framework may be made up of different components which address measures to achieve the effective resolution of complaints and the fair treatment of complainants. These components may include a Complaints Policy, Complaints Register, etc. which altogether make up the Complaints Management Framework.*

*The Complaints Management Framework should provide the business, staff, and clients with a clear and considered process to manage and resolve client complaints. It should explain the steps you would like customers to take when making complaints. It should identify the steps you will take in discussing, considering, addressing, and resolving complaints and indicate some of the solutions you offer to resolve complaints.*

*Your Complaints Management Framework should be an opportunity to describe to your clients your positive attitude towards discussion and continuous improvement. It should tell clients how much you value their feedback and state your commitment to resolving complaints quickly, fairly, efficiently, and courteously.*

*The framework must:*

- *be proportionate to the nature, scale, and complexity of the FSP's business and risks;*
- *be appropriate for the business model, policies, services, and clients of the FSP;*
- *enable 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 (clients); and*
- *not impose unreasonable barriers to complainants (clients).*

The components of **Integral Wealth Management's** Complaints Management Framework are this Complaints Management Framework Policy document and the Complaints Management Framework Register. Ensuring that staff are trained on these and that they utilise them effectively should ensure fair outcomes for all clients who feel aggrieved.

## 5. REVIEW

An FSP must regularly review its Complaints Management Framework and document any changes thereto. Refer to **Annexure B** for a Review Register.

**Integral Wealth Management** undertakes to review its Complaints Management Framework and document the changes thereto on a *bi-annual* basis, alternatively whenever there are changes in the business that impact the Complaints Management Framework. A Review Register is set out in **Annexure B**.

**Lara Warburton** is responsible for reviewing and updating the Complaints Management Framework.

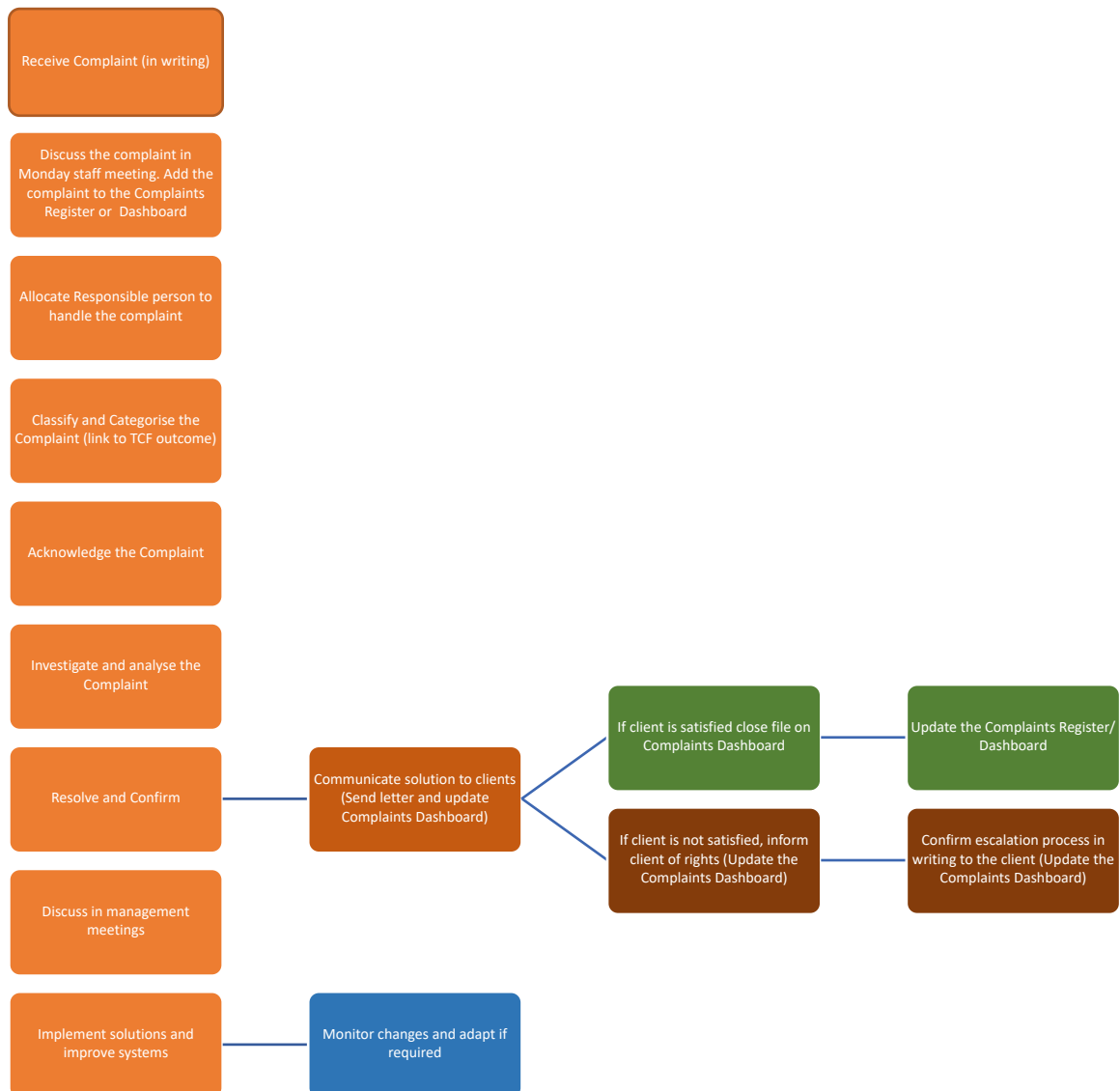
## 6. PERFORMANCE STANDARDS

In order to ensure objectivity and impartiality, **Integral Wealth Management** has the following performance standards and remuneration and reward strategies for complaints management (These are applicable internally and where any functions are outsourced):

Any client complaints are discussed at the Monday morning weekly staff meetings, and staff and management will agree on the required company response, actions and recording process. TCF is the overriding objective in achieving a suitable outcome. Any breach of this

policy will be dealt with in a disciplinary process. Adhering to the company Complaints Management Framework is an automatic job requirement for all staff.

## 7. COMPLAINTS PROCESS OVERVIEW



## 8. ALLOCATION OF RESPONSIBILITIES

### 8.1 COMPLAINTS MANAGEMENT

The board of directors and key individuals of the FSP are responsible for the effective complaints management and must:

- approve and oversee the effectiveness of the implementation of the business complaints management framework.

**Lara Warburton** is responsible for the effective management of complaints.

### 8.2 DECISION MAKING

Any person that is responsible for making decisions or recommendations in respect of complaints generally or a specific complaint must:

- be adequately trained,
- have an appropriate mix of experience, knowledge, and skills in complaints handling, fair treatment of customers, the subject matter of the complaints concerned and relevant legal and regulatory matters,
- not be subject to a conflict of interest, and
- be adequately empowered to make impartial decisions or recommendations.

**Lara Warburton** is responsible for making decisions or recommendations in respect of complaints received within the FSP.

## 9. CATEGORISATION OF COMPLAINTS

*An FSP must categorise reportable complaints. There are prescribed minimum categories that must be used to categorise complaints.*

*Any other additional categories need to be added that is relevant to the FSP's chosen business model, financial products, financial services and client base that will support the effectiveness of its complaint management framework in managing conduct risks and effecting improved outcomes and processes for its clients.*

*The FSP must categorise, record and report on reportable complaints by identifying the categories to which a complaint most closely relates and group complaints accordingly.*

*These categories can be added to the Complaints Register when recording a complaint.*

### 9.1 PRESCRIBED MINIMUM CATEGORIES

At a minimum, the following categories will be used to categorise complaints:

Complaints relating to -

- the design of a financial product, financial service, or related service, including the fees, premiums or other charges related to that financial product or financial service,
- information provided to clients,
- advice,
- financial product or financial service performance,

- a service to clients, including complaints relating to premium or investment contribution collection or lapsing of a financial product;
- financial product accessibility, changes or switches, including complaints relating to redemptions of Investments,
- complaints handling,
- insurance risk claims, including non -payment of claims,
- other complaints.

## 9.2 ADDITIONAL CATEGORIES

**Integral Wealth Management** has not identified any further additional categories of complaints that are relevant to the FSP's business model, financial products, financial services and client base.

## 9.3 PROCEDURE

**Integral Wealth Management** will follow this process for the appropriate categorisation of complaints:

- discuss the complaint in the Monday staff meeting, or sooner if it arises shortly after a meeting
- agree on the most appropriate categorisation or categorisations
- identify any new category if those on the existing list under 9.1 are insufficient
- add such new category to this Framework Policy

## 10. COMPLAINTS RESOLUTION PROCESS

An FSP must have a detailed process that will be followed for all customer complaints within the business. **Annexure C** provides an example process which can be customised as may be relevant and appropriate to the FSP's business. The Complaints Resolution Process may also be provided to Clients to inform them of the process followed.

10.1. **Integral Wealth Management** will follow the process outlined in **Annexure C** for all complaints received:

10.2. Upon receipt of a complaint, **Integral Wealth Management** will follow the procedure outlined in Section 7 above, and the appropriate person dependent on the type of complaint will be designated to analyse and respond to the client. If the complaint is found to be a routine query rather than a complaint, it will be recorded on the client file on iManage and responded to accordingly.

10.3. Once identified as a complaint, **Integral Wealth Management** will use the Complaints Management Framework Register – Administrative sheet - to analyse the complaint in relation to linking it to the identified TCF outcome:

10.4. The timeline will be determined and recorded on that CMFR sheet, dependent on the nature of the complaint and the time required to analyse and resolve the complaint. The complaint will be tasked on the Planner Hub to ensure appropriate timelines are adhered to.

10.5. **Integral Wealth Management** will use the following process when breaking down the complaint to analyse the root cause of the complaint and any possible trend that can be identified:

- Common sense
- Industry knowledge
- The combined experience of the team
- Knowledge of the industry, products and product providers
- And any other relevant information
- And request outside assistance if required

10.6. **Integral Wealth Management** will use the Monday morning staff meeting or a more urgent ad hoc meeting if required to discuss the complaints received at the FSP. The frequency at which these discussions will take place is at least weekly.

10.7. **Integral Wealth Management** will implement any process change or updates that need to be applied to the Complaints Management Framework as a result of such meetings and discussions.

## 11. REPRESENTATIVES AND SUPPLIERS

A Complaints Management Framework must have a process for managing complaints relating to the FSP's representatives and service suppliers, insofar as such complaints relate to services provided in connection with the FSP's financial products, financial services or related services. This process must:

- enable the FSP to reasonably satisfy itself that the representative or service supplier has adequate complaints management processes in place to ensure fair treatment of complainants;
- provide for monitoring and analysis by the FSP of aggregated complaints data in relation to complaints received by its representatives and service suppliers and their outcomes;
- include effective referral processes between the provider and its representatives and service suppliers for handling and monitoring complaints that are submitted directly to either of them and require referral to the other for resolution; and
- include processes to ensure that complainants are appropriately informed of the process being followed and the outcome of the complaint.

**Integral Wealth Management** will follow the process below for managing complaints relating to representatives and service suppliers:

- contact the Complaints Department of the relevant company and as for their complaints procedure

- Follow their procedure and escalate to senior management if necessary
- Keep the client updated throughout the process, and ensure the client is treated fairly
- If necessary, terminate the relationship with the representative or service supplier in the most equitable manner possible for existing clients.

## 12. DECISIONS RELATING TO COMPLAINTS

**Integral Wealth Management** undertakes to ensure that:

- where a complaint is upheld, any commitment by the FSP 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 FSP will provide the complainant with clear and adequate reasons for the decision and inform the complainant of any applicable escalation or review processes, including how to use them and any relevant time limits.

## 13. COMPLAINTS ESCALATION AND REVIEW PROCESS

An FSP must establish and maintain an appropriate internal complaints escalation and review process. These procedures should not be overly complicated or impose unduly burdensome paperwork or other administrative requirements on complainants.

The complaints escalation and review process should:

- follow a balanced approach, bearing in mind the legitimate interests of all parties involved including the fair treatment of complainants
- provide for internal escalation of complex or unusual complaints at the instance of the initial complaint handler
- provide for complainants to escalate complaints not resolved to their satisfaction
- be allocated to an impartial, senior functionary within the provider or appointed by the provider for managing the escalation or review process of the business.

The FSP is small enough to ensure that the **CEO, MD, Chair of the Board** and any other important management people are all included in the initial findings. Any further escalation would need to be to the Ombud or through a legal process.

## 14. RECORD KEEPING, MONITORING AND ANALYSIS

A provider must ensure accurate, efficient and secure recording of complaints and complaints related information. The Complaints Register is a useful tool in this respect.

The following must be recorded 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, and decisions,
- the complaint categorisation,
- progress and status of the complaint, including whether such progress is within or outside any set timelines.

A provider must maintain the following data, on categorised reportable complaints, on an ongoing basis:

- number of complaints received,
- number of complaints upheld,
- number of rejected complaints and reasons for the rejection,
- number of complaints escalated by complainants to the Internal complaints escalation process,
- number of complaints referred to an ombud and their outcome,
- number and amounts of compensation payments made,
- number and amounts of goodwill payments made,
- total number of complaints outstanding.

Complaints Information that has been recorded, must be scrutinised and analysed by the FSP on an ongoing basis. The FSP must use this information to manage conduct risks and implement improved outcomes and processes for its clients, and to prevent recurrences of poor outcomes and errors.

An FSP must establish and maintain appropriate processes for reporting the information to its governing body or senior management.

14.1. The FSP will follow the process outlined in **Annexure C**, and the Complaints Management Framework Register to record, monitor and analyse all complaints.

14.2. The monitoring and analysis of complaints will be reported to the FSP's senior management at least weekly at the Monday morning staff meetings. The verbal report will include:

- Information on the categorisation of complaints
- What risks have been identified since the last report
- What trends have been identified
- What actions will be taken to manage risks and implement improved outcomes.

14.3. The FSP will keep records of these reports, monitor changes and consider whether the Complaints Management Framework may need to be adapted in response to the findings.

#### 14.4. Responsible person/s

The **CEO or Managing Director** will be responsible for the recordkeeping requirements.

The **CEO or Managing Director** will be responsible for the monitoring requirements.

The **CEO or Managing Director** will be responsible for the analysis requirements.

### 15. COMMUNICATION WITH COMPLAINANTS

**Integral Wealth Management** will ensure that:

- its complaint processes and procedures are transparent, visible and accessible through channels that are appropriate to the provider's clients.
- It does not impose any charge for a complainant to make use of complaint processes and procedures.
- All communications with a complainant will be in plain language.
- Wherever feasible, it will provide clients with a single point of contact for submitting complaints.
- The following information is disclosed to a client:
  - the type of Information required from a complainant
  - where, how and to whom a complaint and related information must be submitted
  - expected turnaround times in relation to complaints
  - any other relevant responsibilities of a complainant
- within a reasonable time after receipt of a complaint, it will acknowledge receipt thereof and promptly inform a complainant of the process to be followed in handling the complaint including:
  - contact details of the person or department that will be handling the complaint
  - indicative and, where applicable, prescribed timelines for addressing the complaint
  - details of the internal complaints escalation and review process if the complainant is not satisfied with the outcome of a complaint
  - details of escalation of complaints to the office of a relevant ombud and any applicable timeline
  - details of the duties of the provider and rights of the complainant as set out in the rules applicable to the relevant ombud.
- Complainants will be kept adequately informed of:
  - the progress of their complaint
  - causes of any delay in the finalisation of a complaint and revised timelines, and
  - the FSP's decision in response to the complaint.

## 16. ENGAGEMENT WITH OMBUD AND REPORTING

An FSP must:

- Ensure there is an appropriate process in place for engagement with any relevant Ombud concerning its complaints
- clearly and transparently communicate the availability and contact details of the relevant ombud services to complainants at all relevant stages of the relationship with a client, including at the start of the relationship and in relevant periodic communications,
- Display and/or make available information regarding the availability and contact details of the relevant Ombud services, at the premises and/or on the company website
- Maintain specific records and carry out specific analysis of complaints referred to your business by the Ombud and the outcomes of such complaints
- Monitor determinations, publications, and guidance issued by any relevant Ombud to identify failings or risks in their policies, services, or practices
- Maintain open and honest communication and co-operation between itself and any Ombud with whom it deals; and
- Endeavour to resolve a complaint before a final determination or ruling is made by an Ombud, or through the business' internal escalation process, without impeding or unduly delaying a complainant's access to an Ombud.

16.1. The FSP will follow the process outlined in **Annexure G** when engaging with an Ombud:

16.2. If the FSP is required to report to any other designated authority or to the public, it will investigate the correct proceed for that authority at the relevant time and it will follow that required process.

## Annexure A – DEFINITIONS

**"client query"** means a request to the provider or the provider's service supplier by or on behalf of a client, for information regarding the provider's financial products, financial services or related processes, or to carry out a transaction or action in relation to any such product or service;

**"complainant"** means a person who submits a complaint and includes a –

- a) client;
- b) person nominated as the person in respect of whom a product supplier should meet financial product benefits or that persons' successor in title;
- c) person whose life is insured under a financial product that is an insurance policy;
- d) person that pays a premium or an investment amount in respect of a financial product;
- e) member;
- f) person whose dissatisfaction relates to the approach, solicitation marketing or advertising material or an advertisement in respect of a financial product, financial service or related service of the provider,

who has a direct interest in the agreement, financial product or financial service to which the complaint relates, or a person acting on behalf of a person referred to in (a) to (f);

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

- a) the provider 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 the provider or to which it subscribes;
- b) the provider or its service supplier's maladministration or wilful or negligent action or failure to act, has caused the person harm, prejudice, distress or substantial inconvenience; or
- c) the provider or its service supplier's has treated the person unfairly;

**"compensation payment"** means a payment, whether in monetary form or in the form of a benefit or service, by or on behalf of a provider to a complainant to compensate the complainant for a proven or estimated financial loss incurred as a result of the provider's contravention, non-compliance, action, failure to act, or unfair treatment forming the basis of the complaint, where the provider accepts liability for having caused the loss concerned, but excludes any -

- a) goodwill payment;
- b) payment contractually due to the complainant in terms of the financial product or financial service concerned; or
- c) refund of an amount paid by or on behalf of the complainant to the provider where such payment was not contractually due;

and includes any interest on late payment of any amount referred to in (b) or (c);

**"goodwill payment"** means a payment, whether in monetary form or in the form of a benefit or service, by or on behalf of a provider to a complainant as an expression of goodwill aimed at resolving a complaint, where the provider does not accept liability for any financial loss to the complainant as a result of the matter complained about;

**"member"** in relation to a complainant means a member of a -

- a) pension fund as defined in section 1(1) of the Pension Funds Act, 1956 (Act 52 of 1956);
- b) friendly society as defined in section 1(1) of the Friendly Societies Act, 1956 (Act 25 of 1956);
- c) medical scheme as defined in section 1(1) of the Medical Schemes Act, 1998 (Act 131 of 1998); or

- d) group scheme as contemplated in the Policyholder Protection Rules made under section 62 of the Long-term Insurance Act, 1998, and section 55 of the Short-term Insurance Act, 1998;

**"rejected"** in relation to a complaint means that a complaint has not been upheld and the provider 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 provider as unjustified or invalid, or where the complainant does not accept or respond to the providers proposals to resolve the complaint;

**"reportable complaint"** means any complaint other than a complaint that has been -

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

**"upheld"** means that a complaint has been finalised wholly or partially in favour of the complainant and that -

- a) the complainant has explicitly accepted that the matter is fully resolved; or
- b) it is reasonable for the provider to assume that the complainant has so accepted; and

all undertakings made by the provider to resolve the complaint have been met or the complainant has explicitly indicated its satisfaction with any arrangements to ensure such undertakings will be met by the provider within a time acceptable to the complainant.



Process Step	Step Details
<p><b>1. Lodge/Receive a Complaint</b></p>	<ul style="list-style-type: none"> <li>• The client is to submit the complaint to the FSP <b>in writing</b> to the contact details that appear in the Complaints Management Framework.</li> </ul> <p>The complaint can be submitted by:</p> <ul style="list-style-type: none"> <li>○ Hand</li> <li>○ Post</li> <li>○ Fax</li> <li>○ Email</li> </ul> <p><i>(If a complaint is submitted telephonically, the FSP will send the client an email to request the relevant details regarding the complaint. The client needs to respond and provide the requested information in writing (e.g. hand, post, fax or email).</i></p> <ul style="list-style-type: none"> <li>• The client must submit sufficient detail of the complaint, this includes their: <ul style="list-style-type: none"> <li>○ Name and surname</li> <li>○ Policy number</li> <li>○ ID number</li> <li>○ Postal address</li> <li>○ Financial Advisor</li> <li>○ Product Supplier</li> <li>○ Product Type: Risk, Investment, Short term, Endowment, Employee Benefits, Disability, Medical Aid, Unit Trust, Wills etc.</li> <li>○ Complaint Category: Product features and charges; Information Disclosures; Advice; Product performance; Client Services; Access; Changes or Switches; Complaints Handling; Claims; or Other complaints.</li> <li>○ Brief detail of the complaint</li> </ul> </li> </ul>

Process Step	Step Details
<p><b>2. Acknowledge</b></p>	<p>The FSP will:</p> <ul style="list-style-type: none"> <li>• Acknowledge all complaints within 24 hours of receipt.</li> <li>• Clearly and transparently communicate the availability and contact details of the relevant Ombud services to complainants (clients) at all relevant stages of the relationship with a client, including at the start of the relationship and in relevant periodic communications.</li> <li>• Ensure all communication with a complainant is in plain language.</li> <li>• Provide, wherever feasible, clients with a single point of contact for submitting complaints.</li> <li>• Promptly inform a complainant of the process to be followed in handling the complaint, including- <ul style="list-style-type: none"> <li>○ Contact details of the person or department that will be handling the complaint;</li> <li>○ indicative and, where applicable, prescribed timelines for addressing the complaint;</li> <li>○ details of the internal complaints escalation and review process if the complainant is not satisfied with the outcome of a complaint;</li> <li>○ details of escalation of complaints to the office of a relevant Ombud and any applicable timeline; and</li> <li>○ details of the duties of the provider and rights of the complainant as set out in the rules applicable to the relevant Ombud</li> </ul> </li> <li>• Follow up telephonic acknowledgments with a written response either by SMS or email.</li> <li>• Despatch a complaint reference number to the complainant on the acknowledgment of the complaint.</li> <li>• Disclose to the client: <ul style="list-style-type: none"> <li>○ the type of information required from a complainant;</li> <li>○ where, how, and to whom a complaint and related information must be submitted;</li> <li>○ expected turnaround times concerning complaints; and</li> <li>○ any other relevant responsibilities of a complainant.</li> </ul> </li> <li>• Despatch the details of the person allocated to the complaint to the complainant within 48 hours from receipt.</li> </ul>
<p><b>3. Allocate a Responsible person</b></p>	<p>The FSP will ensure that:</p> <ul style="list-style-type: none"> <li>• The complaint is allocated and dealt with by a trained staff member.</li> <li>• The person responsible for the clients' complaint will furnish the client with his/her contact details and the reference number of the complaint (if applicable)</li> <li>• The Complaints Manager/Key Individual has oversight over the complaints allocated to various personnel. <i>(Specify who will perform this function)</i></li> </ul>

Process Step	Step Details
<p><b>4. Classify</b></p>	<p>The FSP will:</p> <ul style="list-style-type: none"> <li>• Ensure that all potential issues are captured and classified for escalation, review, and action, as required</li> <li>• Reduce any complaint, issue or negative client interaction to writing then log and classify for action</li> <li>• Where a third party is acting on behalf of a complainant, the FSP will ensure that such third party delivers a certified or original consent or power of attorney to act on behalf of a complainant: <ul style="list-style-type: none"> <li>○ no further dealings will be pursued with such a third party until the proper authority is obtained, however</li> <li>○ the complaint will be taken up directly with the complainant on whose behalf the complaint is made</li> </ul> </li> <li>• Formally log all complaints using a relevant process / Complaints Register (whether manual or via computer database system)</li> </ul> <p><b>Risk</b></p> <p>All complaints will be prioritised as follows:</p> <p><u>Risk 1</u> - These are routine complaints with potentially low business impact.</p> <p>Routine complaints:</p> <ul style="list-style-type: none"> <li>• require a response to the client within 15 working days</li> <li>• have the potential of becoming serious or official complaints if disregarded or ignored by the FSP</li> <li>• require staff to review the complaint and its priority with the Complaints Manager/Key Individual before proceeding to the next step</li> <li>• requires the Complaints Manager/Key Individual to decide on the appropriate person(s) to carry out subsequent steps, including the investigation</li> </ul> <p><u>Risk 2</u> - These complaints are urgent and can have a serious business impact.</p> <p>Serious complaints:</p> <ul style="list-style-type: none"> <li>• require a response to the client within 5 - 10 working days</li> <li>• are logged on media platforms, received from Legal Advisors or immediately evidence contravention of legislation requirements such as failure to conduct a proper Needs Analysis</li> <li>• can cause reputational harm to a business and/or may cause financial loss to a client</li> <li>• need to be handled by the Complaints Manager/Key Individual or a suitable senior person delegated to the task by the Complaints Manager/Key Individual - <b>Lara Warbuton</b></li> <li>• Complaints received from third parties and/or Legal Advisors will be responded to within 24 hours: <ul style="list-style-type: none"> <li>○ acknowledge receipt of the complaint</li> <li>○ further requesting authority to act on the complainant's behalf such as a power of attorney or consent by the complainant to deal with the complaint on the complainant's behalf</li> </ul> </li> </ul>

Process Step	Step Details
5. Categorisation	<p><b>The FSP will categorise reportable complaints as per the following minimum categories:</b></p> <ul style="list-style-type: none"> <li>• The design of a financial product, financial service, or related service, including the fees, premiums, or other charges related to that financial product or financial service;</li> <li>• Information provided to clients;</li> <li>• Advice;</li> <li>• Financial product or financial service performance;</li> <li>• Service to clients, including those relating to premium or investment contribution collection or lapsing of a financial product;</li> <li>• Complaints handling;</li> <li>• Insurance risk claims which include non-payment of claims; and</li> <li>• Other complaints which can be additional categories relevant to the FSPs chosen business model, financial products, financial services, and client base that will support the effectiveness of its Complaints Management Framework in managing conduct risks and effecting improved outcomes and processes for its clients</li> </ul> <p><b>Group the Complaints</b></p> <p>The FSP will thereafter:</p> <ul style="list-style-type: none"> <li>• Categorise, record, and report on reportable complaints by identifying the category to which a complaint closely relates and group complaints accordingly.</li> <li>• Narrow down the categories to the impact on clients</li> <li>• Measure the impact of the complaint by further categorising it according to the following TCF Outcomes</li> </ul> <p><u>TCF Outcome 1</u> Includes complaints:</p> <ul style="list-style-type: none"> <li>• other complaints relating to management issues</li> </ul> <p><u>TCF Outcome 2</u> Includes complaints:</p> <ul style="list-style-type: none"> <li>• relating to the design of a product/service</li> <li>• relating to product features and charges that affect this TCF outcome</li> </ul> <p><u>TCF Outcome 3</u> Includes complaints:</p> <ul style="list-style-type: none"> <li>• relating to unsuitable or inaccurate, misleading, confusing, or unclear information provided to a client throughout the life cycle of a product</li> <li>• FSP to include the Conflict of Interest disclosures required by the FAIS General Code of Conduct (Code); Section 4 and 5 of the Code or any other disclosure requirements in terms of the Code or any other legislation in these disclosures</li> </ul> <p><u>TCF Outcome 4</u> Includes complaints:</p> <ul style="list-style-type: none"> <li>• relating to the advice given to a client by an Advisor which was misleading, inappropriate, and/or tainted with conflicts of interest which were not</li> </ul>

Process Step	Step Details
6. Investigate	<p>The FSP will:</p> <ul style="list-style-type: none"> <li>• Analyse the root cause of the complaint to enable the complaint to be appropriately dealt with and avoid, if possible, its re-occurrence</li> <li>• Identify and clarify internal and external key facts.</li> <li>• Escalate complaints relating to product features or services handled solely by a Product Supplier.</li> <li>• Whenever a complaint is escalated or reviewed ensure that: <ul style="list-style-type: none"> <li>○ A balanced approach is followed, bearing in mind the legitimate interests of all parties involved including the fair treatment of clients</li> <li>○ Internal escalation of complex or unusual complaints at the instance of the initial complaint handler is provided for;</li> <li>○ Clients may escalate complaints not resolved to their satisfaction</li> <li>○ the escalation is allocated to an impartial, senior functionary within the provider or appointed by the provider for managing the escalation or review process of the provider.</li> </ul> </li> <li>• Ensure that procedures within the complaints escalation and review process are not overly complicated or impose unduly burdensome paperwork or other administrative requirements on complainants (clients)</li> <li>• Document all areas of interaction and communication.</li> <li>• Ensure accurate, efficient, and secure recording of complaints and complaints-related information</li> <li>• In respect of each reportable complaint, keep a record of: <ul style="list-style-type: none"> <li>○ All relevant details of the complainant and the subject matter of the complaint</li> <li>○ Copies of all relevant evidence, correspondence, and decisions</li> <li>○ The complaint categorisation</li> <li>○ The progress and status of the complaint, including whether such progress is within or outside any set timelines</li> </ul> </li> <li>• Concerning reportable complaints categorised on an ongoing basis record the number of complaints: <ul style="list-style-type: none"> <li>○ Received,</li> <li>○ Upheld,</li> <li>○ Rejected and their reasoning,</li> <li>○ Escalated by complainants (clients) to the internal complaints escalation process,</li> <li>○ Referred to an Ombud and their outcomes;</li> <li>○ and amounts of Compensation payments made,</li> <li>○ and amounts of goodwill payments made,</li> <li>○ the total number of complaints outstanding.</li> </ul> </li> <li>• Ensure complaints information recorded is scrutinised and analysed on an ongoing basis and utilised to manage conduct risks and effect improved outcomes and processes for clients, and to prevent recurrences of poor outcomes and errors</li> <li>• Obtain consent from the complainant to ensure that no personal information is divulged or processed without the complainant's knowledge or consent.</li> <li>• Keep the complainant appropriately updated on the progress of the investigation.</li> </ul>

Process Step	Step Details
<b>7. Resolve and Confirm</b>	<p>The FSP will:</p> <ul style="list-style-type: none"> <li>• Ensure that the proposed resolution meets the Treating Customers Fairly Outcomes, does not prejudice the FSP or complainant, and does not involve any unnecessary legal or financial implications.</li> <li>• Document and assess the proposed action agreed upon with the Complaints Manager and/or affected Key Individual and Representative.</li> <li>• Discuss and review the signed off resolution with the complainant to ensure fairness and clarity and to further ensure that the resolution deals with the root cause of the complaint.</li> <li>• Include recognition and documentation of any underlying issues that have contributed to the complaint and recommendations for actions to prevent the further occurrence in the review.</li> </ul>
<b>8. Respond to Client</b>	<p>The FSP will:</p> <ul style="list-style-type: none"> <li>• Ensure the complaint process is accessible through channels that are appropriate to the FSP's clients</li> <li>• Ensure there are no charges for making use of the complaint process</li> <li>• Ensure communication is in plain language</li> <li>• Clearly explain the details of the findings and proposed resolution to the client - within the agreed timeframes.</li> <li>• Where a complaint is upheld, if there has been any commitment by the FSP to make a compensation payment, goodwill payment, or to take any other action ensure it is carried out without undue delay and within the agreed timeframes</li> <li>• Where a complaint is rejected, the complainant must be provided with clear and adequate reasons for the decision and must be informed of any applicable escalation or review processes, including how to use them and any relevant time limits.</li> <li>• Send a written acknowledgment of the complaint to the complainant, with contact details of the FAIS Ombud, if the complaint cannot be addressed within three weeks and a single point of contact for submitting complaints.</li> </ul> <p>If within six weeks of receipt of a complaint the FSP has been unable to resolve the complaint to the satisfaction of a complainant, the complainant may:</p> <ul style="list-style-type: none"> <li>• refer the complaint to the Office of the FAIS Ombud if he/she wishes to pursue the matter; and</li> <li>• the complainant must do so within six months of receipt of such notification.</li> <li>• Appropriate processes for engagement with the Ombud</li> </ul>

Process Step	Step Details
<p><b>9. Follow up and review</b></p>	<p>The FSP will:</p> <ul style="list-style-type: none"> <li>• Diarise complaints to ensure it remains within the appropriate turnaround times.</li> <li>• Keep complainant appropriately informed of the progress of their complaint,</li> <li>• Keep complainant appropriately informed of causes of any delay in the finalisation of a complaint and revised timelines, should a complaint exceed the turnaround time due to unforeseen and reasonable circumstances.</li> <li>• Keep complainant appropriately informed throughout the complaints process of the resolution being sought.</li> <li>• Conduct a follow-up on the resolution of the complaint, to ascertain whether the client was satisfied with the complaints-handling process and the resolution sought and whether the resolution was proper and fair.</li> <li>• Action any negative responses in the review of complaints.</li> </ul>
<p><b>10. Quality Assurance and Close</b></p>	<p>The FSP will:</p> <ul style="list-style-type: none"> <li>• Ensure the Board of Directors/Governing Body/Complaints Manager/Key Individual ensures that all employees of the business have access to the Complaints Management Framework.</li> <li>• Ensure the Board of Directors/Governing Body/Complaints Manager/Key Individual approves and oversees the effectiveness of the implementation of the Complaints Management Framework.</li> <li>• Ensure the responsible person, making a decision or recommendation is adequately trained, has an appropriate mix of experience, knowledge, and skills in complaints handling, fair treatment of customers, subject matter concerned, relevant legal and regulatory matters also not subject to conflict of interest and be adequately empowered to make impartial decisions or recommendations.</li> <li>• Ensure clients will be made aware of the Complaints Management Framework and will have access to the manual upon request.</li> <li>• All complaints will be reviewed <b>quarterly</b> and will be used as TCF Management Information to improve overall TCF outcomes.</li> <li>• Action all complaints to prevent re-occurrence of poor outcomes and errors, where feasible.</li> <li>• Ensure complaints are scrutinised and analysed on an ongoing basis</li> <li>• Ensure complaints are utilised to manage conduct risks</li> <li>• Ensure complaints effect improved outcomes and processes for its clients</li> <li>• Update the Complaints Register.</li> <li>• Ensure compliance with any prescribed requirements for reporting complaints information to any relevant designated authority or the public as may be required by the Registrar.</li> <li>• Close the matter.</li> </ul>



## Annexure D – ACKNOWLEDGEMENT LETTER

### Explanatory note:

The General Code of Conduct requires that an FSP must promptly acknowledge receipt of a complaint in writing with particulars of the staff involved in the resolution of the complaint.

This template letter should be pasted onto a letterhead with full details of the FSP. Keep a record or proof that the letter has been sent. The style and format may be changed according to the FSP's own style and individual requirements.

Dear Mr / Mrs **[Name of Customer]**

We acknowledge receipt of your written complaint, received by us on **[date]**.

We will investigate the matter and attempt to resolve the complaint within a period of **[timeframe]**. If we are unable to resolve the complaint within this time, we will notify you of the reasons for the delay.

The staff member who will be dealing with your complaint is **[staff member's name]**. **[He/She]** may be contacted at the details that appear above.

While we regret that you have cause for concern regarding our financial services rendered, be assured that we will investigate and attempt to resolve your complaint in a timely and fair manner.

Thank you for bringing this to our attention, and for your patience while we investigate this matter.

A copy of our Complaints Resolution Manual is available from our offices, upon request.

Yours faithfully

**[FSP]**

**Annexure E – LETTER WHERE OUTCOME IS NOT IN FAVOUR OF CUSTOMER**

**Explanatory note:**

The General Code of Conduct requires that where the complaint cannot be resolved in favour of the customer, the customer must be informed in writing of the full reasons for not resolving the complaint. The customer must be informed that he/she may refer the matter to the FAIS Ombud within 6 months of this notification. This template letter may be used for this purpose and should be pasted onto a letterhead with the date. Insert full details of the reasons why the complaint could not be settled as this letter will be considered by the Ombud if the matter is referred to him.

Dear Mr / Mrs **[Name of Customer]**

We refer to your written complaint that was received by us on **[date]**.

Thank you for your patience whilst we conducted a thorough investigation into the matter.

We unfortunately regret to advise that we were unable to resolve the complaint in your favour. Our decision is based on the following reason(s):

- 1.
- 2.
- 3.

Should you wish to pursue the matter further with us, the details of our internal complaints escalation and review process is as follows **[include the relevant timeframes and staff member to contact]**:

.....  
.....

Alternatively, should you wish to pursue the matter further; you may refer the complaint to the FAIS Ombud. This should be done within six months of receipt of this letter.

**The office of the FAIS Ombud may be contacted at:**

Postal Address	FAIS Ombud P.O. Box 74571 Lynwood Ridge 0040
Telephone	012 762 5000 / 0860 663 247
E-mail	info@faisombud.co.za
Website	www.faisombud.co.za

Further steps available to you include seeking legal advice from an Attorney or you may refer the matter to arbitration.

Yours faithfully

**[FSP]**

## **Annexure F – LETTER WHERE OUTCOME IS IN FAVOUR OF CUSTOMER**

### **Explanatory note:**

The General Code of Conduct requires that where the complaint is resolved in favour of the customer, the FSP must ensure that a full and appropriate redress is offered to the customer without any further delay.

This template letter may be used for this purpose and should be pasted onto a letterhead with the date. Insert full details of the settlement offer including the amount payable, whether any costs will be covered and the manner in which the amount will be settled.

It is suggested that if the offer is acceptable to the customer, he or she acknowledges in writing that the complaint has been resolved to his or her satisfaction.

Dear Mr / Mrs **[Name of Customer]**

We refer to your written complaint which was received by us on [date].

Thank you for your patience whilst we conducted a thorough investigation into the matter.

It gives us pleasure to advise that the complaint has been resolved in your favour. The decision is based on the following reasons:

- 1.
- 2.
- 3.

We would like to offer you the following redress:

- 1.
- 2.
- 3.

Kindly advise whether this is acceptable to you, so that we can confirm our agreement in writing.

Once again, our sincere apologies for the cause which led to this complaint. We hope that we can still be of service to you in the future.

Yours faithfully

**[FSP]**

## **Annexure G – PROCEDURE TO FOLLOW FOR OMBUD COMPLAINT**

Step 1 – FSP receives complaint from the office of the Ombud

- Respond to the Ombud acknowledging receipt and confirm that a full response will be sent to the Ombud within 6 weeks
- Record the date of receipt
- Record the Ombud case manager's name

Step 2 – FSP records complainant details

- Record the name of the complainant
- Record the policy number
- Record the case number / Ombud reference
- Acknowledge receipt of the complaint to client

Step 3 – FSP records claim information

- Record the claim amount/issue
- Record the reason for the complaint
- Gather information and documentation to submit to the Ombud

Step 4 – FSP informs PI Scheme

- Inform your PI Scheme of the potential claim

Step 5 – FSP responds to Ombud

- Provide reasons and feedback to the Ombud of the steps you will take to rectify the situation

OR

- If you are not in agreement with the facts the client has provided, submit your version of events and include documentation to support this

Step 6 – The Ombud replies to FSP with a recommendation ito s27(4)

Step 7 – FSP responds to the Ombud's recommendation

- Respond to the Ombud within 2 weeks of receipt

Step 8 – Ombud decision

- If the Ombud agrees with the FSP, the Ombud will finalise the case and provide a determination
- If the Ombud is not in agreement, the Ombud will engage further with the FSP so they can delve deeper into the matter in order to make a decision and arrive at a determination

Official complaints should be handled by the Complaints Manager/Key Individual. The investigation of the complaint may be delegated to a suitable senior person however the Complaints Manager/Key Individual, remains the responsible person.

## Annexure H – IMPORTANT CONTACT DETAILS

### FAIS Ombud

Postal Address           FAIS Ombud  
                                  P.O. Box 74571  
                                  Lynwood Ridge  
                                  0040  
Telephone                012 762 5000 / 0860 663 247  
E-mail                    info@faisombud.co.za  
Website                  www.faisombud.co.za

### Long Term Insurance Ombudsman

Postal Address           The Ombudsman for Long Term Insurance  
                                  Private Bag X 45  
                                  Claremont  
                                  Cape Town  
                                  7735  
Telephone                021 657 5000 / 0860 103 236  
Facsimile                021 674 0951  
E-mail                    info@ombud.co.za  
Website                  www.ombud.co.za

### Short Term Insurance Ombudsman

Postal Address           The Ombudsman for Short Term Insurance  
                                  P.O. Box 32334  
                                  Braamfontein  
                                  2017  
Telephone                011 726 8900 / 0860 726 890  
Facsimile                011 726 5501  
E-mail                    info@osti.co.za  
Website                  www.osti.co.za

### Pension Fund Adjudicator (PFA)

Postal Address           Pension Fund Adjudicator  
                                  P.O. Box 580  
                                  Menlyn  
                                  0063  
Telephone                012 346 1738 / 012 748 4000  
Facsimile                086 693 7472  
E-mail                    enquiries@pfa.org.za  
Website                  www.pfa.org.za

### Ombudsman for Banking Services / Banking Adjudicator

Address                  The Ombudsman for Banking Services  
                                  34-36 Fricker Road, Ground Floor,  
                                  34 Fricker Road, Illovo  
                                  Johannesburg  
Telephone                011 712 1800 / 0860 800 900  
E-mail                    info@obssa.co.za  
Website                  www.obssa.co.za