



COMPLAINTS POLICY & PROCEDURE FOR X'S SURE

1. **Basis of Complaints resolution**

The provider is committed to discharge the duties imposed by the Financial Advisory and Intermediary Services Act and the Treating Customers Fairly principles as it relates to the handling and resolution of client complaints.

The provider is contractually obliged to render its services to the client in line with the prescripts of the FAIS Act, the General Code and the Policyholder Protection Rules issued in terms of the Short-term Insurance Act. Complaints handling, should a complaint be submitted by any client on the complaints form, will be performed as provided for contractually as well as in line with the prescripts contained in this policy.

As a financial services provider we herewith undertake to adhere to the following principles in complaints handling and resolution:

- to consider the facts and circumstances surrounding all complaints in a fair manner, review the complaint and derive value therefrom;
- to investigate or cause to investigate all complaints in a transparent manner and report thereon in full;
- all complaints will be deemed important and receive adequate consideration;
- the process of investigation and reporting of all complaints will be managed in a professional manner by the responsible person appointed;
- in the event of a complaint being rejected the client will receive a standardised rejection letter;
- it will be required of all personnel to be appointed by the provider to have sufficient knowledge and experience to minimise the risk of error and consequentially the filing of complaints;
- all personnel will be properly trained, informed and managed to avoid errors that may lead to the filing of complaints.

2. **Appointment of a Responsible Person**

The person assigned with the responsibility of complaints management, allocation of investigations, complaints resolution and reporting to clients is Ronel Collins.

3. **Description of a complaint**

A complaint for purposes of the FAIS Act is described as a specific complaint of a client with regards to a financial service rendered by the provider. The following 3 descriptions of complaints set out what type of complaints or actions of the provider will be regarded as complaints in terms of this policy:

1. Where it is alleged that the provider and/or its representatives and/or personnel have:
 - contravened a section or rule contained in the General Code; or
 - failed to adhere to any section contained in the Act; and through the aforesaid failure or contravention:

- caused a client to suffer damage or prejudice the client; or
 - the client is likely to suffer damage or be prejudiced.
2. Where it is alleged that the provider and/or its personnel and/or its representatives:
 - were negligent in the rendering of financial services; or
 - delivered financial services wrongful and with intent; and
 - the client has suffered damages as a result of the wrongful services delivered; or
 - the client has been prejudiced by the wrongful services delivered; or
 - the client is likely to suffer damage or be prejudiced by the wrongful services delivered.
 3. Where it is alleged that the client has been treated unfairly by the provider and/or its personnel and/or its representatives.

4. Basic principles of complaint systems and procedures

The provider will at all times maintain a robust internal complaints resolution system and will, in each instance of a complaint levelled at the provider, actively seek to resolve the complaint.

The following principles shall apply:

- All complaints will be dealt with as prescribed in this policy.
- No complaint shall be neglected or regarded as more important than another.
- The resolution of all complaints shall be approached in a manner that is fair to the complainant. All complaints will be documented.
- The procedure will be transparent so that clients can be assured that there is a commitment to the resolution of their complaints.
- The procedure will be easily accessible and clients can lodge complaints using convenient communication systems.

5. Complaints Procedure

The responsible person will deal with complaints from complainants promptly, in a fair manner and respond to all client complaints. A copy of the short version of the Complaints Procedure is appended hereto.

The following procedures will apply to the resolution of all complaints:

5.1 Initial stage (decision-making stage)

- Any client complaint must be reduced to writing and delivered to the provider by hand, e-mail, post or fax.
- All complaints received must be submitted to the office of the responsible person for recording in the complaints register. A complaint will only be elevated for resolution once all the prerequisites have been satisfied and all information required has been received.
- All relevant information and documentation must be attached to the complaint.
- If the information is insufficient to establish the basis of the complaint or the documentation provided is incomplete, the client must be requested to clarify issues and/or furnish additional information or documentation.
- The provider's personnel must offer to assist complainants to reduce their complaints to writing in the event of any telephonic or verbal complaint. This will be offered to any client that has a verbal complaint but has not reduced it to writing. In the event that a complaint is

reduced to writing by any staff member of the provider, the complainant must be provided a copy of the recorded complaint and he or she must sign it prior to submitting it to the responsible person

- If a complaint is not reduced to writing it will not be investigated and the complainant must in all such cases be informed that it can only be resolved if reduced to writing.
- The provider will record all complaints in the Complaints Register. This is irrespective of whether it relates to any advice provided or a specific intermediary service delivered. A complaint received verbally but that is not reduced to writing must be recorded but it may be closed as if being resolved, even though a note must be made to record the fact that it is unresolved. The reason for recording all complaints in the register is for TCF purposes and establishing a database of TCF risk issues.
- All complaints must be classified in the complaints register according to the type of complaint and taking into account the basis of the complaint as set out in the TCF Outcomes. The classification of complaints can therefore be set out as follows:

Category	Outcome	Description
Product or service design	2	Features of the product or service are unfair, inadequate, confusing, too complex or unsuitable for the target market. The pricing or costs are excessive or confusing.
Marketing & information	3	Complaints relating to documentation supplied that is confusing, inadequate, inaccurate, misleading or confusing. Covers marketing and advertising material and any other information specific to a product or service. May relate to failure to provide information on a product.
Advice	4	Any allegation that advice was inaccurate, misleading, did not take client circumstances into account, advice withheld when it should have been given, etc. Allegations of conflict of interests or integrity lapses. Allegations that the adviser was unskilled or inexperienced.
Product performance	5	Limitations on products, failure to keep the client informed of product changes, insurers' rights to unilaterally terminate a product, etc. Does not include repudiation of claims. May include poor investment returns.
Services provided	5	Complaints regarding processing of transactions such as applications and requests such as amendments. Includes complaints regarding employee behaviour such as rudeness or incompetence. May relate to systems and technology that is inadequate. Complaints regarding third parties are included.
Switches, changes or accessibility to products	6	Barriers or limitations to access to funds or transfer to another supplier and barriers to changes to the product. Complaints regarding penalties, termination charges or administrative hurdles.
Complaints handling	6	Delays in outcomes, failure to communicate progress, poor communication, inaccessibility to complaints procedure. Complaints regarding adverse outcomes are not regarded as new complaints and are not reclassified.
Claims repudiation and claims handling	6	Includes delays, poor administration, inaccessible processes and poor workmanship of third parties. Non-payment of claims may relate to documentation or evidence not submitted or issues regarding claims criteria (client failed to keep to policy requirements, specific event not covered under the policy, etc.). Disbursements of savings, investments or retirement funds are not included here but relate to product performance or accessibility to products.

- The responsible person will evaluate any complaint and make a decision on the classification of any complaint received. Such a decision must be made within 48 hours of receipt of a complaint and the complainant must be informed in writing of the outcome of the initial evaluation. The initial decision can be that:
- The complaint is not valid and cannot be investigated. The client must be informed of the fact and be advised that the matter can be referred to the Ombud. The reasons for not investigating the complaint must be provided in full. Where applicable, documentary proof or supporting documentation must accompany the letter, setting out the reasons for the decision in full. All relevant information and supporting documentation must be obtained prior to making a decision, including copies of documentation held by third parties, such as product providers and administrators.
- The complaint may be valid but additional information is required. The complainant must be informed in full of what documentation, description, proof is required as well as the date by which the additional information is sought. The complainant must further be informed that the investigation into the complaint cannot commence before the additional information is furnished.
- The complaint is valid and will be investigated.
- The responsible person shall either investigate the complaint personally or, within 24 hours of deciding that any complaint is valid, appoint a person internally to investigate it.
- The responsible person will, within a 24-hour period after deciding that a complaint is valid and that it will be investigated, send a confirmation letter to the complainant. The process that will apply to the investigative process must be explained to the client in the confirmation letter. The name and contact details of the investigator must also be included. A copy of this letter must be sent to the compliance officer for monitoring of the process.
- For purposes of compliance with section 18 (b) and (d) of the Act details of the investigation officer must be properly recorded internally.

5.2 The resolution stage (investigation stage)

- If the complaint can be resolved immediately the complainant must be informed without delay and be fully informed of the steps that would be taken to resolve the matter. The expected date of final resolution must be supplied.
- If the complaint can't be resolved immediately, but will be resolved within 4 weeks, the complainant must be furnished with a summary of steps to be taken to resolve the matter as well as the expected date of resolution.
- If the complaint affects a product provider, administrator or any third party, the relevant party must be informed thereof and be given an opportunity to comment on the issues brought up in the complaint.
- If the complaint is actually against a party that is not the provider, for example a product provider that repudiated a claim on grounds outside of the control of the provider, the complainant must be informed of the fact and given an opportunity to withdraw the complaint and direct it at the correct party. If the complainant however chooses to keep the complaint active, the provider and the product supplier should jointly investigate and attempt to resolve the complaint.
- The responsible person or internal investigator must ensure that the complaint and all allegations levelled or demands made, is fully investigated and considered during the process.

- The investigation must be conducted as if independently and the process must be left completely unfettered by management of the provider. The investigator must be objective and impartial at all times during the process, even if the result of the investigation may be damaging to the provider.
- In the event that there is any delay during the process of investigation and resolving the complaint, the complainant must be informed thereof and be provided a date of expected resolution.
- The investigator must issue a full report to management of the provider (or, if the responsible person is not the investigator, to the responsible person) upon conclusion of the investigation, setting out all findings emanating from the investigation as well as recommendations on resolving the issues. The compliance officer must be provided a copy of any final or interim report relating to any internal investigation.
- The report must be considered for the manner of resolving the complaint (including restitution, apology, PI claim, etc.), disciplinary action in the event of wrong-doing. And corrective action to be taken in processes affected by the complaint.
- Any steps necessary to be taken avoid a recurrence of the event.
- If the complaint cannot be resolved within the 4-week period after receipt thereof, the complainant must be informed thereof as well as his or her right to: refer the matter to the FAIS Ombud, or approach a court of law for legal aid.
- The complainant must be advised that the complaint may within 6 months be pursued with the Ombud whose name, address and other contact particulars will be recorded in the rejection letter to the complainant.
- If the complaint is one that is subject to the jurisdiction of an Ombud other than the FAIS Ombud, the complainant must be made aware of this fact and he must be provided the details of such Ombud as well as any time restrictions for submission that applies to such complaint.
- In any rejection letter the prescripts of the TCF Policy must be carried out and the complainant must be fully apprised of the reasons for rejection of the complaint and he must be provided documentary proof of the reasons why his complaint cannot succeed in overturning the original decision of the product provider (in the event of repudiation of a claim). Specific reference must be made to the clause(s) in his policy that he for instance did not comply with and the relevant clauses or sections must be quoted. Where relevant, legal precedent or Ombud decisions may be referred to or quoted.
- In any case where a complaint is resolved in favour of a complainant, the provider will ensure that a complete and appropriate level of redress is offered to the complainant, without any delay.
- All steps taken must be recorded in the Complaints Register.

5.3 The final stage (Follow-up procedures)

- Follow-up procedures to avoid repeated complaints will be instituted after each complaint is resolved or otherwise dealt with and this will enable the provider to improve its service.
- If it appears that the mistake may have an influence on any other client's portfolio, immediate steps will be taken to remedy such affected portfolio or portfolios.
- If disciplinary steps are required, such steps must be instituted without delay.
- The complete information and result of all complaints must be taken up in the management information of the provider, to be utilised for review of processes as required in terms of the TCF policy.
- The Complaints Register and all documentation relating to a complaint will be kept for a period of at least 5 years from date of notification of the result of any complaint.

6. **Rules of the office of the FAIS Ombud**

In all instances where a client is informed of his or her right to refer a complaint to the Ombud, the letter to the complainant must contain the following wording, informing the complainant properly of the rules of the office of the Ombud:

Rule 6(b): If the respondent (service provider) can't resolve a complaint to the satisfaction of the complainant within 4 weeks of receipt of the complaint, the complainant has to be informed that:

- the matter may be referred to the Office of the FAIS Ombud if the complainant is desirous of taking the matter further; and
- the referral has to be made within 6 weeks of receipt of the abovementioned notification.

7. **General**

- The internal complaint resolution system and procedures of the provider will be reviewed and updated annually. Any improvements required will be implemented immediately when identified.
- The policy will be accessible to clients at all times and copies will be furnished if so requested. Access will be facilitated through electronic mail, fax or postal services, according to the preference of the client. An abridged version of this policy will be posted on the provider's website or may be distributed to new clients together with their compliance documentation.
- Access to the complaints procedure and facilities will be available at all offices of the provider.
- Documents will include a reference to the duties of the provider and the rights of a client.
- Care will at all times be taken to ensure that clients are aware of the procedures to be followed relating to complaints investigation and resolution.
- Personnel must have a sound working knowledge of this policy and be equipped to resolve and investigate complaints.

Complaints Handling Procedure

- Step 1: The customer complaint and any supporting documentation must be submitted to X'S Sure in writing.
- Step 2: X'S Sure will acknowledge receipt of the customer's complaint in writing.
- Step 3: X'S Sure will investigate the complaint and where necessary, escalate the complaint internally for review.
- Step 4: In the event that the complaint is resolved and the customer is satisfied with the outcome the procedure is concluded.
- Step 5: In the event that the complaint remains unresolved within 6 weeks after lodging the complaint or if the complaint is not resolved to the customer's satisfaction, X'S Sure will provide the customer with an explanation and reasoning for the decision taken, in writing. The customer will also be provided with the contact details of the FAIS Ombud and Short Term Insurance Ombud.

COMPLAINTS PROCEDURE: YOUR RIGHTS AS CONSUMER OF FINANCIAL SERVICES

X'S Sure is a financial services provider and registered with the Financial Services Board in terms of the Financial Advisory and Intermediary Services Act. In terms of the FAIS Act all providers are required to deal with any client complaints according to each provider's Complaints Policy. As a client of X'S Sure you have the following rights to complain regarding a financial service that was delivered to you:

1. You are entitled to complain about the following:
 - a contravention or failure by the provider to comply with the provisions of the FAIS Act as a result of which you have suffered or is likely to suffer financial prejudice or damage;
 - the wilful or negligent rendering of a financial service to you by the provider which has resulted in prejudice or damage to you or which is likely to cause you prejudice or damage; or
 - any form of unfair treatment by the provider.

2. If you have a complaint against X'S Sure the following applies:
 - The complaint must be lodged in writing with TharinaDenysschen, who carries the overall responsibility for complaints handling. The contact details of X'S Sure appear on the website of X'S Sure as well as in the disclosure document, quotes and policy schedules issued by X'S Sure.
 - The complaint must be relevant and relate to actions of X'S Sure. If it doesn't we will attempt to address it or refer you to the relevant forum or to a product supplier (if it relates to a repudiated claim). Complaints will rarely relate to advice but may relate to the repudiation or settlement of a claim.
 - Your complaint must set out the basis of your complaint and contain all information relevant to what led you to complain. The complaint must be accompanied with copies of all relevant documents.
 - The complaint will be dealt with in a fair and transparent manner and we will actively seek to resolve it.

3. We will acknowledge receipt of your written complaint within 3 (three) days of receipt thereof.

4. We will attempt to address your complaint and communicate to you in writing within a further 5 (five) working days, failing which we will communicate with you but please bear in mind that we have 3 (three) weeks from receipt thereof to resolve the matter. If we, after a period of 3 (three) weeks have lapsed, realise that we cannot resolve your complaint to your satisfaction, we have to send you a letter confirming this and refer you to the Ombud for Financial Services Providers should you wish to further pursue the matter.

4. If we are unable to resolve your complaint to your satisfaction within 6 (six) weeks after receipt thereof you may refer the matter to the Office of the Ombud. You must refer a complaint within 6 (six) months of receipt of the notification that your matter cannot be resolved or, if no notification was sent, within 6 (six) months that such a letter was due (therefore from 6 weeks after submission of the complaint).

5. The 6 (six) month time period within which you must submit your complaint to the Ombud applies from receipt of the final response regarding the solution of the complaint or from the time such a response was due i.e. 6 (six) weeks after we received your complaint.
6. A complaint must be submitted to the Ombud in writing, accompanied by the available documentation in your possession. **The contact details of the Ombud are:**
PO Box 74571, Lynnwood Ridge, 0081.
Tel: (012) 470 9080.
Fax: (012) 348 3447
7. On submitting a claim to the Ombud you must satisfy the Ombud that you attempted to resolve the dispute with us and you must produce the final response (if any) as well as your reasons for disagreeing with our final response.
8. The complaint may not exceed of R800 000. The Ombud may however adjudicate a complaint in excess thereof if we waive this limit. If not, and your claim exceeds R800 000 you have to abandon the excess amount or institute a civil claim against us.
9. The Ombud will inform us of the complaint and require a written response thereto. The Ombud will advise you of our response whereupon you may react to the response and decide whether the complaint should be proceeded with. You must advise the Ombud within 2 (two) weeks of your decision.
10. Take note that the Ombud is empowered to grant a costs order against you if in the opinion of the Ombud your conduct was improper or unreasonable or if you were responsible for an unreasonable delay in the finalisation of the investigation. Cost orders may also be granted against the X'S Sure.
11. Electronic copies of the complete Complaints Procedure of X'S Sure may be obtained from its offices.