



# COMPLAINTS MANAGEMENT FRAMEWORK

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## **1. PURPOSE**

The FAIS General Code of Conduct requires that a financial services provider A1 Group 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 A1 Group will follow in order to resolve the complaint.

## **2. OBJECTIVES**

The objectives and key principles of A1 Group Complaints Management Framework is:

The Complaints Management Framework sets out the approach that A1 Group is taking to manage complaints in order to mitigate business and client risks and to achieve compliance with the FAIS Act and subordinate legislation. A1 Group is committed to ensure that appropriate measures are in place to enable A1 Group 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**

As per our agreement with our Product Providers, AVBOB they would prefer to deal with complaints relating to them internally and follow their complaints process. However, we at A1 Financial Services do not distance ourselves for the responsibility and accountability when it comes to implementing a Complaints Management Framework.

The components of A1 Group Complaints Management Framework are.

- How to lodge a Complaint
- Responsible Person
- Receive & Classify
- Acknowledge
- Investigate
- Resolve & Confirm
- Respond to Customer
- Follow Up
- QA & Close

## **5. REVIEW**

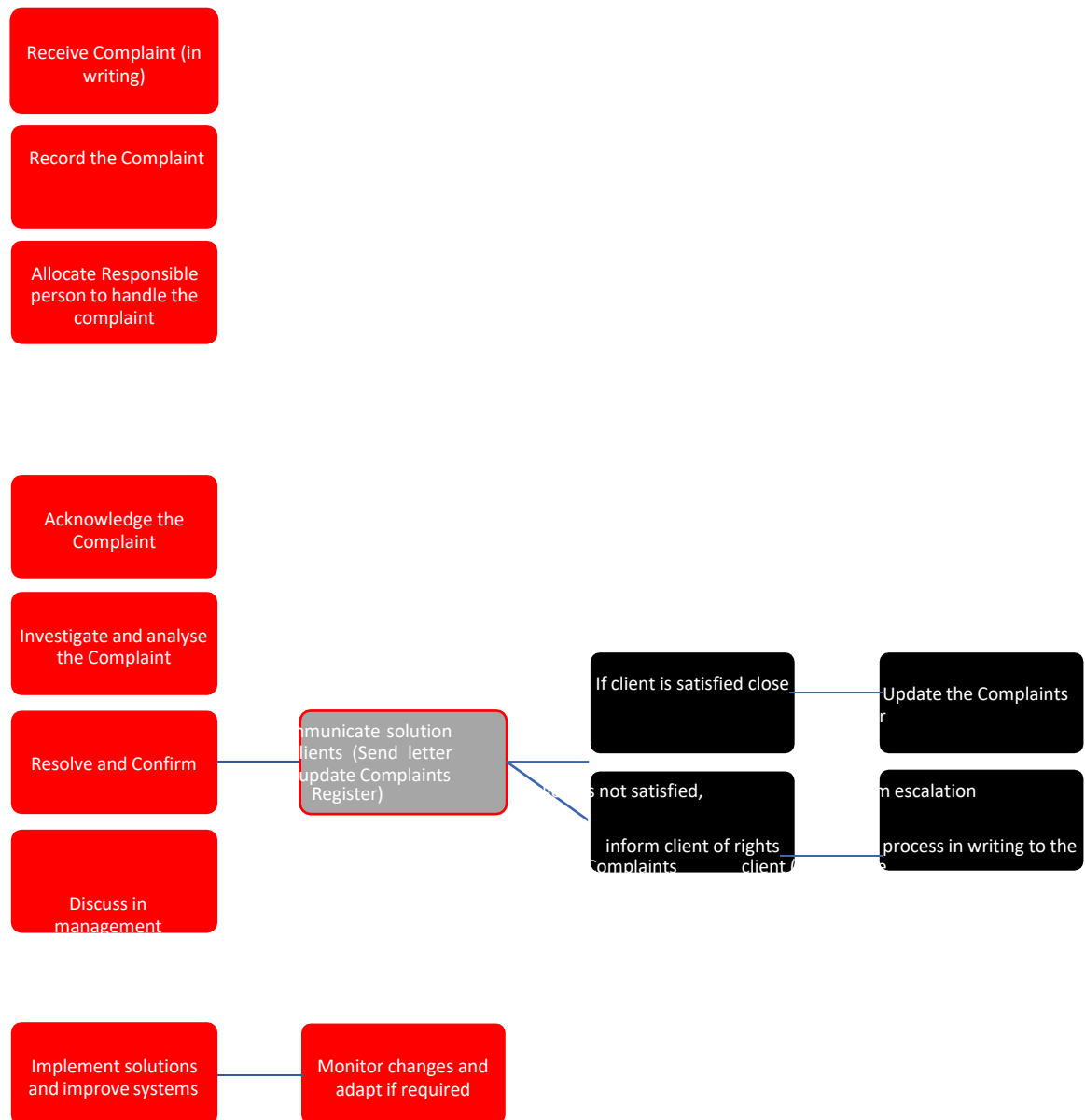
A1 Group undertakes to review its Complaints Management Framework and document the changes thereto on a bi-annual basis, alternatively whenever there are changes in the business that impact the Complaints Management Framework. A Review Register is set out in Annexure B.

Sanjay Maharajh is responsible for reviewing and updating the Complaints Management Framework.

## 6. PERFORMANCE STANDARDS

As part of staff performance review, we discuss and focus on the handling of complaints as per our complaint's management process

## 7. COMPLAINTS PROCESS OVERVIEW



## 8. ALLOCATION OF RESPONSIBILITIES

### 8.1 COMPLAINTS MANAGEMENT

Sanjay Maharajh is responsible for the effective complaints management and must:

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

### 8.2 DECISION MAKING

Sanjay Maharajh, or the person to whom the complaints handling process is delegated, will ensure that at all times he is:

- 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.

## 9. CATEGORISATION OF COMPLAINTS

9.1 All Complaints will enjoy priority attention.

### 9.2 PROCEDURE

Refer to A1 Group Complaints Process Overview

## 10. COMPLAINTS RESOLUTION PROCESS

10.1. A1 Group will follow the steps below for all complaints received:

- How to lodge a Complaint
- Responsible Person
- Acknowledge
- Investigate
- Resolve & Confirm
- Respond to Customer
- Follow Up
- QA & Close

10.2. Upon receipt of a complaint, A1 Group will take the following action:

- Respond to Customer and explain the process that will be followed to resolve the complaint
- 10.3. Upon receipt of a complaint, it will be assigned to Sanjay Maharaj to analyse the complaint.
- 10.4. A1 Group will use the following process to determine whether the complaint received is indeed a complaint or whether it is a routine query:
  - We will look to our Complaints Register to determine whether it is a complaint or a general inquiry.

10.5. Once identified as a complaint, A1 Group will use the following approach to analyse the complaint in relation to linking it to the identified TCF outcome: Our Complaints Management Process guides us accordingly.

(i) The following timelines will apply to complaints that need to be addressed and resolved:

(ii) Routine complaints, potential low business impact. This requires a response to the customer within 24 hours;

(iii) Routine complaints have the potential of becoming serious or official complaints should they be disregarded or ignored by a financial services provider.

(iv) Sanjay Maharajh will decide on the appropriate person(s) to carry out subsequent steps, including the investigation.

Urgent, serious business impact. This requires a response to the customer within 2-4 working days.

- Serious complaints are complaints logged on media platforms, received from legal advisors or immediately evidence contravention of legislation requirements such as failure to conduct a proper needs analysis.
- These complaints from the outset may cause reputational harm to a financial services provider and/or may cause financial loss to a customer.
- These complaints should ideally all be handled by Sanjay Maharajh
- Complaints from third parties and/or legal advisors will be responded to within 24 hours, acknowledging receipt of the complaint and 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.
- No information will be divulged to a third party who does not have the proper authority to act on a complainant's behalf.

Official complaints received from regulators e.g., FAIS Ombud (30 days) as per the Ombud timeline

- Official complaints should be handled by Sanjay Maharaj
- Sanjay Maharajh will be ultimately responsible for compiling the response to the regulator.
- The response to the Regulator should be made within the stipulated turn-around time

10.7. A1 Group 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:

- Our Complaints management Dashboard guides us accordingly.

10.8. A1 Group will either contact our Compliance Officer or PI Cover Provider to discuss the complaints received. The frequency at which these discussions will take place, will depend on the seriousness of the complaint.

10.9. A1 Group will implement any process change or updates that need to be applied to the Complaints Management Framework or Dashboard as a result of our monthly meetings taking into account the risk to our clients and the business.

## 11. SUPPLIERS

A1 Group will follow the process below for managing complaints relating to suppliers:

- Ensuring that we are fully aware of what the complaints process is
- Ensuring that we stay up to date if there are any changes in our suppliers' complaints process

## 12. DECISIONS RELATING TO COMPLAINTS

A1 Group undertakes to ensure that:

- where a complaint is upheld, any commitment by A1 Group 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, A1 Group 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

Sanjay Maharaj (KI) will at all times handle all complaints where possible.

### 14. RECORD KEEPING, MONITORING AND ANALYSIS

- 14.1. The A1 GROUP will follow the process below for: record keeping, monitoring and analysing of complaints.
  - All complaints will be entered into our Complaints Register that will be monitored constantly and the Register will be saved electronically and backed up accordingly.
- 14.2. The monitoring and analysis of complaints will be done by Sanjay Maharaj. When analysing complaints Sanjay Maharajh will take into account the following points.
  - 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. A1 Group 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
  - Sanjay Maharaj (KI)

### 15. COMMUNICATION WITH COMPLAINANTS

A1 Group 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, the business 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 complaint's 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 A1 GROUP's decision in response to the complaint.

Any additional measures that A1 Group will follow to communicate effectively with a complainant.

## 16. ENGAGEMENT WITH OMBUD AND REPORTING

16.1. A1 Group will ensure that they at all times are aware of what the process and timelines are when engaging with the Ombud when it comes to a complaint against A1 Group. We will also call on our Compliance Company for guidance regarding following the 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 willful or negligent action or failure to act, has caused the person harm, prejudice, distress or substantial inconvenience; or
- c) the provider or its service suppliers 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.



## Annexure A – REVIEW REGISTER

[illegible]

Annexure B – ACKNOWLEDGEMENT LETTER

Explanatory note:

The General Code of Conduct requires that an A1 GROUP 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 A1 GROUP. Keep a record or proof that the letter has been sent. The style and format may be changed according to the A1 GROUP'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

[A1 GROUP]

Annexure C – 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

[A1 GROUP]

#### Annexure D – 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 A1 GROUP 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

[A1 GROUP]

Annexure E – 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.faisombu

d.co.zaLong Term Insurance Ombudsman

Postal Address                      The Ombudsman for Long Term  
                                                 InsurancePrivate 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 580Menlynyn 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  
                                                 Services34-36 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