



Complaints Management Policy

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1. INTRODUCTION

The Financial Advisory and Intermediary Services Act (FAIS Act) Complaint resolution mechanisms provides for speedy and cost-effective measures and allows redress through the courts. This is read together with the Policyholder Protection Rules (PPR's) and the Treating Customers Fairly (TCF) framework to promote financial consumer protection. In addition, the General Code of Conduct requires Financial Services Providers (FSP's) to maintain an internal Complaint resolution system and procedures.

Yard Insurance Limited (Yard) has established and maintains a Complaints Management Policy to ensure the fair treatment of Complainants and or policyholders.

2. DEFINITIONS

“Advice” means any recommendation, guidance, or proposal of a financial nature furnished, by any means or medium, to any Complainant or group of clients:

- in respect of the purchase of any financial product; or
- in respect of the investment in any financial product; or
- on the conclusion of any other transaction, including a loan or cession, aimed at the incurring of any liability or the acquisition of any right or benefit in respect of any financial product; or
- on the variation of any term or condition applying to a financial product, on the replacement of any such product, or on the termination of any purchase of or investment in any such product, and irrespective of whether such advice:
 - is furnished during or incidental to financial planning in connection with the affairs of the Complainant; or
 - results in any such purchase, investment, transaction, variation, replacement or termination, as the case may be, being effected; or
 - results in the purchase by the Complainant of any product based on the advice;

“Business Day” means any day except a Saturday, Sunday or public holiday;

“Business Partner” means a person, an Underwriting Manager, Affinity Group, legal entity and or duly registered entity who are in an agreement with or are entering into an agreement with Yard Insurance Limited (Yard) to underwrite their own risks or those that are connected to third parties;

“Compensation Payment” means a payment, whether in monetary form or in the form of a benefit or service, by or on behalf of Yard to a Complainant to compensate the Complainant for a proven financial loss incurred as a result of Yard 's contravention, non-compliance, action, failure to act, or unfair treatment forming the basis of the Complaint, where Yard accepts liability for having caused the loss concerned, but does not include the following:

- goodwill Payment;
- payment contractually due to the Complainant in terms of a policy;
- refund of an amount paid by or on behalf of the Complainant to Yard where such payment was not contractually due; and
- includes any interest on late payment of any amount referred to above;

“Complainant” means a person who submits a Complaint and includes:

- business Partners;
- intermediaries;
- service providers;
- policyholder or the policyholder’s successor in title;
- potential policyholder whose dissatisfaction relates to the relevant application, approach, solicitation or advertising or marketing material, who has a direct interest in the agreement, policy, or service to which the Complaint relates; or
- a person acting on behalf of a person referred to in any of the above;

“Complaint” means any expression of dissatisfaction by a person to Yard or its Business Partners, Service Providers in respect of a service provided or offered by Yard which indicates or alleges, regardless of whether such an expression of dissatisfaction is submitted together with or in relation to a policyholder query, that:

- Yard or its Service Provider(s) or its Business Partners has contravened or failed to comply with an agreement, a law, a rule, or a code of conduct which is binding on Yard or to which it subscribes;
- Yard or its Service Provider or Business Partners’ maladministration or wilful or negligent action or failure to act, has caused the person harm, prejudice, distress or substantial inconvenience;
- Yard or its Service Provider or its Business Partner has treated the person unfairly;

“Complaints Management” means the management of the entire lifecycle of a Complaint which includes the following:

- the ease of process for the Complainant to lodge Complaints and the associated communication;
- the way Complaints are handled, recorded, resolved and quality controlled;
- the way people involved in the Complaints Management processes are managed and trained;
- the way decisions are made;
- the way Complainant’s trust is restored;
- the way the reports are compiled and analysed; and ultimately;
- the way Yard learns from the feedback gleaned from Complaints and takes corrective and proactive action accordingly;

“Complaints Handling” means the process of attending to and resolving Complaints including ongoing interaction with Complainants. It is expected that this process meets certain minimum standards;

“Complaints Review and Escalation Process” means the system and procedures established and maintained by Yard for the resolution of Reportable Complaints lodged against Yard by Complainants;

“Evidence” means the information Yard, or its Service Provider or Business Partner has obtained to review, adjudicate, and resolve a Complaint and shall include all information submitted and shall be stored and recorded in any other repositories for storing and recording information. This shall include, but is not limited to, administration documentation, sales and other recordings, application forms, policy documentation, premium payment history etc;

“FAIS Act” means the Financial Advisory and Intermediary Services Act, 2002 (Act No. 37 of 2002);

“FAIS Complaint” means a specific Complaint, submitted by a Complainant to the FAIS Ombudsman or to Yard for purposes of resolution by Yard, relating to a financial service rendered by Yard or its Representative to the Complainant on or after the date of commencement of the FAIS Act, and in which Complaint it is alleged that Yard or its Representative has:

- contravened or failed to comply with a provision of the FAIS Act and that as a result thereof the Complainant has suffered or is likely to suffer financial prejudice or damage;
- wilfully or negligently rendered a financial service to the Complainant which has caused prejudice or damage to the Complainant, or which is likely to result in such prejudice or damage; or
- has treated the Complainant unfairly;

“Goodwill Payment” means a payment, whether in monetary form or in the form of a benefit or service, by or on behalf of Yard to a Complainant as an expression of goodwill aimed at resolving a Complaint, where Yard does not accept liability for any financial loss to the Complainant as a result of the matter complained about;

“OSTI” refers to the Ombudsman for Short Term Insurance;

“PPR” means Policyholder Protection Rules;

“Policyholder Query” means a request to Yard or its Service Provider by or on behalf of a policyholder, for information regarding Yard’s or its Representative’s policies, services, or related processes, or to carry out a transaction or action in relation to any such policy or service;

“Rejected” in relation to a Complaint means that a Complaint has not been upheld and Yard 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 Yard as unjustified or invalid, or where the Complainant does not accept or respond to Yard’s proposals to resolve the Complaint;

“Reports (or reporting)” means any periodic or ad-hoc reports (and related documents) which shall be used for analysis, monitoring, submissions to regulatory authorities, and the making of recommendations to the business;

“Reportable Complaint” means any Complaint other than a Complaint that has been:

- upheld immediately by the person who initially received the Complaint;
- upheld within Yard’s ordinary processes for handling policyholder queries in relation to the type of policy or service complained about, provided that such process does not take more than five business days from the date the Complaint is received; or
- submitted to or brought to the attention of Yard in such a manner that Yard does not have a reasonable opportunity to record such details of the Complaint as may be prescribed in relation to Reportable Complaints.

“Representative” means Yard staff members or an agent who solicits, negotiates, or effects contracts of insurance, and provides service to the policyholder for or on behalf of Yard and can also handle insurance for Yard’s Business Partners, generally selling insurance of various kinds, usually for a commission on the premium payments;

“Service Provider” means another person or legal person, business, or organisation with whom Yard has an arrangement in relation to the marketing, distribution, administration or provision of such products or services, regardless of whether such other person is the agent of Yard;

“Upheld” means that a Complaint has been finalised in that:

- the Complainant has explicitly accepted that the matter is fully resolved; or
- it is reasonable for Yard to assume that the Complainant has so accepted, and all undertakings made by Yard to resolve the Complaint have been met or;
- the Complainant has explicitly indicated its satisfaction with any arrangements to ensure such undertakings made by Yard to resolve the Complaint have been met within a time acceptable to the Complainant.

“Yard” means Yard Insurance Limited, a limited liability public company duly incorporated in the Republic of South Africa and whose registration number is 1997/006545/06.

3. PURPOSE

The purpose of this policy is to provide principles to guide the way Complaints will be managed within Yard and formalises practices required for the Complaint Management process. The Financial Services Conduct Authority (FSCA), through various legislative provisions, has set specific requirements that Yard needs to adhere to.

4. COMPLAINTS MANAGEMENT POLICY OUTCOMES

To achieve its outcomes, Yard has established this policy which outlines Yard’s commitment towards the fair, transparent and effective resolution of Complaints. Yard seeks to achieve the following outcomes:-

The fair treatment of Complainants and or policyholders that:

- is proportionate to the nature, scale and complexity of the business and risks;
- is appropriate for the business model, policies, services, policyholders, and beneficiaries of Yard;
- enables Complaints to be considered after taking reasonable steps to gather and investigate all relevant information and circumstances, with due regard to the fair treatment of Complainants; and
- does not impose unreasonable barriers to Complainants.

5. SCOPE

This Policy applies to Yard, its employees (including permanent and temporary employees). This policy sets out the principles which must be adhered to by Yard’s employees, agents, and contractors to comply with the applicable legislative obligations.

Yard management is responsible for educating its staff members within their respective areas of work in this Policy. Agreements with outsourced Business Partners that have any part to play in the Complaints handling or resolution or record keeping process must include minimum standards necessary for the management of Complaints.

This policy also applies to all entities that have “A” Shareholders Agreements with Yard and shall ensure that they and/or their outsourced Business Partners have a Complaint management process that aligns to this policy and to TCF, FAIS as well as the Policyholder Protection Rules (PPR’s).

6. SUCCESS FOR YARD INSURANCE – Key Drivers underpinning the policy

The value that this policy has to the organisation and the main desired outcomes for Yard out of this policy are to:

- make all Complaints reporting accessible, convenient and visible to Complainants on all key documents provided to them as well as on our website;
- take reasonable steps to gather and investigate all relevant information and circumstances when handling Complaints;
- ensure that there is no bias when handling Complaints so that principles of fairness and objectivity are upheld;
- enable us to respond to issues raised by Complainants making Complaints in a timely and cost-effective way;
- boost public confidence in our administrative process;
- maintain the confidentiality of customers and Complainants' personal information and comply with the relevant legislation to ensure that internal controls are in place;
- provide information that can be used by us to deliver quality improvements in our services and Complaint handling process;
- protect and enhance Yard's reputation;
- ensure fair outcomes for customers; and
- ensure that Complaints are resolved in a timeous manner.

The Portfolio Management department is responsible for ongoing monitoring that the above outcomes are achieved and for making a periodic assertion relating thereto (at least annually).

7. ROLES AND RESPONSIBILITIES

THE BOARD OF DIRECTORS (BOARD)

The Board has overall responsibility for ensuring an effective Complaints Management process and will therefore oversee and approve the effectiveness and implementation of this policy. The internal Complaints Review and Escalation Process is delegated to the Executive Committee (EXCO), management, claims forum, and other relevant persons.

THE AUDIT AND RISK COMMITTEE (ARC)

ARC approves changes and monitors adherence to this policy. ARC is also responsible for monitoring that all individuals who have responsibilities under this policy fulfil them in a timely and diligent manner.

EXECUTIVE COMMITTEE (EXCO)

Exco's responsibility is to implement and oversee the effectiveness of the policy, as well as review and recommend the policy for approval.

8. PROCEDURE FOR COMPLAINTS

- 8.1 If a Complainant has any query or Complaint about their policy or are in any way unhappy with the service that they have received, they can refer to the Disclosure Document which is an annexure to the policy. This Disclosure Document provides information about the Complainant Care Consultant or Intermediary or Administrator or Business Partner who is the first point of contact if they have a query or a Complaint.
- 8.2 If the Complaint is not resolved or is not satisfactorily addressed by the Complainant Care Consultant or Intermediary or Administrator, the Complainant may contact Yard Insurance on yardcomplaints@yardinsurance.co.za and or on the phone number on the website or by completing the form on the Yard Insurance website.

8.3 On receipt of any Complaint made through various platforms including online, on the website, through email or any other way used by a Complainant, Yard will issue an acknowledgement of receipt which will be sent to the Complainant within **2 (two) business days** and the acknowledgement will contain the following information:

- contact details of the person that will be handling the Complaint;
- indicative timelines for addressing the Complaint;
- details of the internal Complaints Escalation and Review Process if the Complainant is not satisfied within the indicative timeline provided; and
- details of escalation of Complaints to the office of OSTI or a relevant ombudsman where applicable.
- Should the Complaint be in relation to the actions of any of Yard's Service Providers or Business Partners, Yard Insurance will contact the Service Provider or Business Partner to request for information and documentation in order to gather and investigate all relevant and appropriate information giving due regard to the fair treatment of the Complainant.

8.4 A decision will be made on the Complaint as soon as is reasonably possible within a period not exceeding a maximum of **15 working days** after taking reasonable steps to gather and investigate all relevant and appropriate information and circumstances.

8.5 Each Complainant must be timeously kept adequately informed of:

- the progress of their Complaint; and
- causes of any delay in the finalisation of a Complaint and revised timelines.

8.6 A written response will be sent to a Complainant and/ or their authorised representative once the Complaint is finalised.

8.7 Where a Complaint is upheld, any commitment 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.

8.8 Where a Complaint is rejected, the Complainant will be provided with clear and adequate reasons for the decision and informed of the escalation or review process, including how to use it and any relevant time limits namely:

- details of information required from Complainants;
- where, how and to whom the Complaints and related information must be submitted;
- expected turnaround times in relation to Complaints; and
- any other relevant responsibilities of Complainants.

9. MONITORING PROCESS FOR COMPLAINTS RELATING TO YARD'S BUSINESS PARTNERS

Yard Insurance ensures that each of its Service Providers or Business Partners has adequate Complaints management processes in place as well as other recourse avenues available to the policy holder to ensure the accurate recording of all Reportable Complaints and the fair treatment of Complainants including an obligation on the Business Partner or Service Provider to submit Complaints data to Yard Insurance to allow Yard Insurance to analyse and aggregate Complaints.

Any Complaints raised directly to the Service Provider or to the Business Partner where they do not satisfactorily resolve such Complaint the Service Provider or the Business Partner must escalate the Complaint to Yard Insurance, as the Insurer.

As a management tool, Yard Insurance will identify trends in Complaints received with regards to a particular product and or services and align business practices with its Business Partners accordingly to address the concerns raised where applicable.

10. MANAGEMENT OF SOCIAL MEDIA COMPLAINTS

Yard Insurance is cognisant that some Complaints are made on social media. These are monitored by Yard Insurance's information officer.

All Complaints received via social media will be recorded by the information officer. Yard Insurance will investigate the Complaints and handle them in accordance with this policy.

Further, the information officer will immediately liaise with the relevant Business Partner to formulate a response. This response will be posted to the relevant social media platform within 48 hours.

11. COMPLAINTS ESCALATION AND REVIEW PROCESS

When a complaint is received either by way of an email or any other method of communication, it is registered by the Portfolio Administrator in the complaints register.

The Complaints are handled by the Portfolio Administrator and the Chief Risk Officer. If they are unable to satisfactorily resolve a Complaint, the Complaint will be escalated to the Claims Forum which consists of key staff members.

The Complainant may be requested to resubmit the Complaint in writing together with any supporting documentation which will then be addressed by the Complaints Forum. The Claims Forum shall ensure that the Complaint is handled in accordance with Policyholder Protection Rules ("PPR") and Treating Customers Fairly outcomes.

This Forum deliberates on all conduct of business matters, in particular claims repudiated and complaints. In these meetings, all proposed repudiations from business partners are reviewed and rejected when there is evidence of unfair rejection of a claim or suspicion of failure to treat customers fairly. Complaints received from Business Partners are discussed and responses are provided in line with the processes outlined in the Complaints Framework together with regulatory frameworks.

The Chief Risk Officer will acknowledge receipt of the Complaint escalation within **48 hours** from the day of receipt of the Complaint and may request the following:

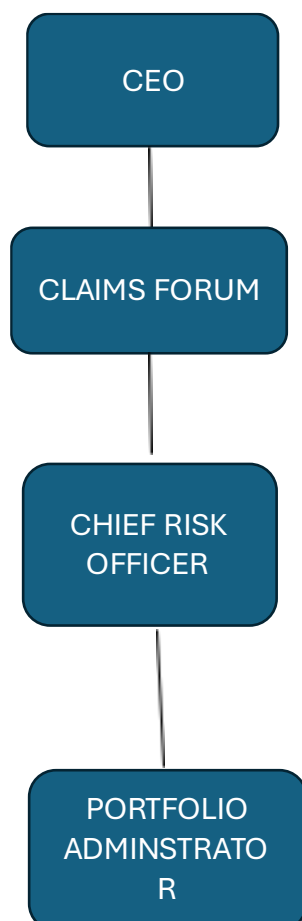
- details of information required from referrer;
- where, how and to whom the Complaints and related information must be submitted;
- expected turnaround times to finalise the Complaint escalation or review;
- any other relevant responsibilities of the referrer;
- the Adjudicator will inform the referrer of the outcome of the referral within **15 working days** after receipt; and
- the Adjudicator will make decisions that are impartial and will always ensure fair treatment of a Complainant.

The Chief Risk Officer on behalf of the Claims Forum will send a written correspondence/report to the Complainant informing them of the investigation and outcome decided by the Claims Forum.

If the Complainant is not satisfied with the decision of the Claims Forum, he/she may escalate the matter to the Chief Executive Officer.

12. ORGANOGRAM FOR MANAGEMENT OF COMPLAINTS

Given the size, nature and complexity of Yard Insurance's business, the insurer only handles contentious complaints as the rest is managed at binder holder level. To this extent the organogram is detailed below.



13. COMPLAINTS REFERRED TO THE OMBUD

If the Complainant decides to escalate their complaint to the FAIS Ombudsman, Yard Insurance will provide the Complainant with a written report regarding the investigation and the outcome thereof as well as the contact details of the relevant Ombudsman which are also on the Disclosure Document. The details of the relevant Ombudsman services are also available on the company website.

13.1 Fais Ombudsman

Where a Complainant remains unreasonable in the opinion of Yard, and /or rejects any reasonable offer made by Yard, this will be communicated to the FAIS Ombudsman. Their contact details are as follows:

Telephone: 012 470 9080

E-Mail: info@faisombud.co.za

Website: www.faisombud.co.za

Any offer made that is accepted by the Complainant must also be communicated to the FAIS Ombudsman by Yard Insurance.

For a FSP's Complaint, a Complainant can approach the office of FAIS Ombudsman within six (6) months of the date of the final correspondence from Yard who have 6 weeks in which to respond to a Complaint received from the FAIS Ombudsman.

Yard Insurance is a registered FSP and in terms of the FAIS Act, a Complaint must relate to a financial service rendered by Yard to the Complainant, in which it is alleged that Yard:

- has contravened or failed to comply with the FAIS Act and that as a result thereof the Complainant has suffered or is likely to suffer financial prejudice or damage;
- has wilfully or negligently rendered financial service to the Complainant which has caused prejudice or damage to the Complainant or which is likely to result in such prejudice or damage;
- or has treated the Complainant unfairly.

FAIS Complaints must be submitted in writing and must contain all relevant information, and copies of all relevant documentation must be attached thereto.

Yard Insurance will comply with external communication and reporting to the Financial Sector Conduct Authority ("FSCA") on an appropriate basis in respect of all FAIS Complaints received for the reporting period, or as requested by the FSCA.

13.2 National Financial Ombud Scheme

In the event that the Complainant decides to escalate their complaint to the National Financial Ombudsman, Yard Insurance will provide the Complainant with a written report regarding the investigation and the outcome thereof as well as the contact details of the relevant Ombudsman which are also on the Disclosure Document. The details of the relevant Ombudsman services are also available on the company website.

Yard Insurance shall adhere to the guidelines and definitions stipulated in the Rules for the National Financial Ombud Scheme (NFO), respectively. In addition, Yard Insurance will provide a Complainant with the contact details the NFO which are detailed below:

Website: www.nfosa.co.za

Email address: info@nfosa.co.za

Telephone number: 066 473 0157

Mail

The NFO
PO Box 32334
Braamfontein 2017

Turnaround times for resolving Complaints and the quality standards applied to such Complaints must adhere to the stipulations and requirements prescribed by the NFO as applicable.

When handling NFO Complaints, the responsible officials will request comprehensive information and related documentation from Yard Insurance or Business Partner Intermediary or Administrator to ensure that all relevant facts are properly considered in the resolution of the Complaint.

Where the NFO submits Complaints directly to Yard Insurance, responses are to be directed to the appointed officer of the NFO following timelines set out by the said officer. Pursuant to receiving responses and defences together with supporting documentation from both the Complainant and the insurer, the NFO will make decision.

Although Yard Insurance will comply with any decision made by the NFO, this does not preclude Yard Insurance from appealing to any ruling made by the NFO against it.

14. RECORD KEEPING

Yard Insurance shall ensure accurate, efficient, and secure recording of Complaints related information. Its Service Providers or Business Providers are required to provide Yard with all the relevant documents for record keeping. The following shall be recorded in respect of each Reportable Complaint namely:

- all relevant details of the Complainant and the subject matter of the Complaint;
- copies of all relevant Evidence, correspondence and decisions;
- the Complaint categorisation; and
- progress and status of the Complaint, including whether such progress is within or outside any set timelines.

Yard shall maintain the following data in relation to 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
- number of Complaints referred to an Ombudsman and their outcome;
- total number of Complaints outstanding.

Using the Complaints information recorded, Yard Insurance shall scrutinise, analyse utilise information (on an ongoing basis) to manage conduct risks and effect improved outcomes and processes for policyholders, and prevent recurrences of poor outcomes and errors.

15. REVIEW

This policy shall be reviewed once in two years or earlier when there is change in legislation or changes in the circumstances of the business that would require the need to change this policy or and/ or where there are proposals to do so by the Board.