TREATING CUSTOMERS FAIRLY: POLICY, PROCEDURES AND PROCESS

Relating to the licenced insurance entities in the Constantia Risk and Insurance Holdings (Pty) Ltd group of companies.

Comprising:

Licensed Insurance entities:
CONSTANTIA LIFE LIMITED
CONSTANTIA INSURANCE COMPANY LIMITED
CONSTANTIA LIFE AND HEALTH ASSURANCE COMPANY LIMITED
AND
HURRICLAIM (PTY) LIMITED
TRANSQUA ADMINISTRATIVE SERVICES (PTY) LIMITED
GENERAL LEGAL AND ADMINISTRATION SERVICES LIMITED

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The Insurance companies within the Constantia Risk and Insurance Holdings (Pty) Ltd group of companies recognise the value as well as the risks associated with the Regulatory requirements pertaining to their activities. This policy statement has been approved by the Board of Directors of each of the above listed insurers who have duly authorised the signatories to this document.

Signed on behalf of the Boards of the above listed insurers:

Director

Director

Date 7. August 2014.

1. BACKGROUND

The Constantia Insurance Group has always considered its clients to be of paramount importance and since 2003 has advocated the fair treatment of all its policyholders. We are by this Policy now further embedding the TCF approach into the culture of the Group and in all aspects of business interactions with clients.

In the earlier years, all business was conducted via external Underwriting Managers, in terms of what is today referred to as a Binder Agreement. As part of an Underwriting Management Agency (UMA) Agreement, at the time, the "Quality Control Principles" mentioned below (see bullet points hereafter) were included as a requirement encapsulating a particular Code of Conduct AND A CULTURE WITHIN OUR Group of ethical principles. These principles as listed below contained a quasi "treating customers fairly" approach and each of the UMAs was required to adhere to the principles contained hereafter and noted below.

- Generally speaking, our clients will not enjoy paying for their insurances, but they should understand that we will treat them fairly and honestly.
- Our conduct will be ethical and not merely be in compliance with all statutory requirements, but exceed them.
- Our employees will be fully trained and instructed on how to deal with all complaints.
- For the protection of our Policyholders, we will "contest" all fraudulent claims and vigorously fight clear-cut cases. We will not "agree" to pay merely because it seems cheaper to do so.
- We will not tolerate bad behaviour towards our clients.
- Rate increases will be conveyed personally (in writing), timeously and clearly to all our clients.
- As required, we will provide explanations for our actions towards clients clearly and thoroughly.
- Our claims management/handling philosophy will be consistent with a willingness to compromise in appropriate circumstances and concede where a client is owed the benefit of doubt.
- We will maintain a quality control of brokers, assessors, adjusters and other service providers who can impact – for good and bad – our clients and ultimately our reputation.
- Our clients can expect good "customer service" at all times irrespective of staff's moods or the times of day.
- All key members of staff will support our efforts towards "world-class" quality.
- Any employees' efforts and endeavours to improve and maintain quality and customer service will be recognised and rewarded.

In instances where no outsourcing occurred – such as Constantia Life Limited (CLL) – and later in the Constantia Insurance Group where UMAs were incorporated as divisions of the insurer - MTR, Legal Defender and later SGI Guarantee Acceptances – the aforesaid principles were still and remain applicable.

Whilst the aforesaid principles have not been revoked or amended, they have now, in a practical sense, been overtaken by the greater detail in the Treating Customers Fairly (TCF) established regime as enunciated by the Financial Services Board (FSB). The aforesaid is comparable to the TCF Policy as originally outlined and envisaged by the Financial Services Authority (FSA) in the United Kingdom. Our Group of Insurance Companies has implemented and will continue to refine the processes to enhance the required six strategic outcomes of TCF.

The International Association of Insurance Supervisors' (IAIS) Insurance Core Principles (ICP), which were revised in 2011/2012, and adopted at the IAIS Annual General Meeting on 12 October 2012, includes ICP 9 "Supervisory Review and Reporting" set out the basis upon which local insurance supervisors or regulators should handle such matters.

The ICP states;

"The supervisor takes a risk based approach to supervision that uses both off-site monitoring and on-site inspections to examine the business of each insurer, evaluate its conditions, risk profile and conduct, the quality and effectiveness of its corporate governance and its compliance with relevant legislation and supervisory requirements. The supervisor obtains the necessary information to conduct effective supervision of insurers and evaluate the insurance market."

The appropriate TCF type section (below) states:

"E. Assessment of the insurer's fair treatment of customer can be done through:

assessing the culture of the insurer in relation to customer treatment, including the extent to which the insurer's leadership, governance, performance management and recruitment, complaints handling policies and reward practices demonstrate a culture of fair treatment to customers;

checking the adequacy, appropriateness and timeliness of the information given to consumers;

reviewing the handling and timing of claims and other payments;

reviewing the frequency and nature of customer complaints, disputes and litigation; and

reviewing any customer satisfaction or other customer experience measures used by the insurer."

The overarching principles of "Treating Customers Fairly" have been uppermost in our minds since early 2003 and remain an integral part of the manner in which we treat our policyholders. In our Group of Companies we issue no unusual insurance products, but focus on similar types of policies that are marketed in the wider Retail Insurance Market. Our business strategy has purposefully constrained us from pursuing particular types and kinds of insurance which do not meet with our target market requirements and our risk retention capabilities.

The company slogan "Insurance Made Personal" further identifies the manner and form in which we interact with policyholders and which is instilled as a deep culture in our Group.

Customer fairness is captured in our commitment to our policyholders and partners to perform and conduct insurance in a "personal" manner.

Many of the six outcomes, as required by TCF, fall to be dealt with automatically and appropriately in the ordinary course of our business activities and future strategy. Since the Group Insurers do generally not deal directly with customers/policyholders (except in the case of Constantia Life Limited), but via independent intermediaries and Underwriting Managers (outsourced activities), no advice is generally provided by staff within our Group. Nevertheless, it is incumbent upon us to ensure absolute compliance with the TCF Regulatory environment. The independent intermediaries (generally referred to as Insurance Brokers), in particular, are the frontline entities who sell our financial products alongside the many other insurers in the market place (81 in all Short-Term and Long-Term), to their own identified customer groups. Our UMAs do not and are not empowered to deal directly with policyholders, but only via independent intermediaries in compliance with the Binder Regulations and the Short- and Long-term Insurance Acts.

Our insurance products have stood the "test of time" although, in very few occasions over the years, we have had instances where a level of ambiguity in a policy wording might need more generous interpretation for and on behalf of the policyholder. In such circumstances, we have erred on the side of the policyholder.

Constantia Insurance Company Limited (CICL) has fully signed and adopted the South Africa Insurance Association (SAIA) Code of Conduct and adheres to the principles enunciated therein. Our UMAs have also bound themselves to act and conduct themselves in a similar fashion.

The two Life Assurers in the Group adhere to the TCF principles as part of the Association for Savings and Investment South Africa (ASISA) (CICL only at present). From earlier times, the Insurers adopted a righteous approach to the manner, form and conduct of insurance business and interactions with policyholders. We shall maintain this approach and continue to monitor our compliance with the TCF required outcomes and regularly address the matter with staff and report effectively as and when it is necessarily required.

Notwithstanding all of the aforementioned, the Group Insurers and the separate Financial Services Providers (FSP) have proper governance structures in place to monitor TCF compliance. These include:

- The Board of Directors of each Insurer;
- The Insurance Group Chief Executive Officer, who takes a very personal interest in all matters of conduct with external parties/policyholders (Intermediaries, UMAs);
- EXCO control and oversight with applicable Management Information and Reporting;
- The Constantia Insurance Group's Business and Claims Operations Department;
- Compliance Department involvement – assessment and monitoring;

- Internal Audit control functions - assessment and reporting;
- A Complaints Officer was appointed;
- Internal Audit by the Insurers in respect of Outsourced Activities (UMAs) and/or Non-Mandated Intermediaries, where applicable; and
- Reporting and Control functions by means of the Complaints Handling Policy, the Complaints Register and other Internal Reporting activities.

2. TREATING CUSTOMERS FAIRLY

TCF is a Regulatory approach that seeks to ensure that specific, clearly articulated fair outcomes for financial services customers are demonstrably delivered by regulated financial institutions.

The further intention is that delivery of these specific outcomes will in turn ensure the supply of appropriate financial products and services to customers and enhanced transparency and discipline in financial institutions, resulting in improved customer confidence.

The six TCF principles and outcomes are listed hereafter.

- **Outcome 1:** Customers are confident that they are dealing with firms where the fair treatment of customers is central to the firm culture.
- **Outcome 2:** Products and services marketed and sold in the wider insurance market are designed to meet the needs of identified customer groups and are targeted accordingly.
- **Outcome 3:** Customers are given clear information and are kept appropriately informed before, during and after the time of contracting.
- **Outcome 4:** Where customers receive advice, the advice is suitable and takes account of their circumstances.
- **Outcome 5:** Customers are provided with products that perform as firms have led them to expect, and the associated service is both of an acceptable standard and what they have been led to expect.
- **Outcome 6:** Customers do not face unreasonable post-sale barriers to change product, switch provider, submit a claim or make a complaint.

The six TCF principles, activities and expected outcomes and management processes to ensure compliance are enunciated hereafter.

OUTCOME 1: The fair treatment of customers is central to the company's culture.

As Insurance Group, our principled approach in dealing with policyholders has always been one of equity. We have the proper governance structures in place to ensure that the original culture, as formulated in the earlier times, is maintained and embraces the TCF principle.

We have a zero-tolerance approach to dishonesty, poor conduct by staff in dealing with policyholders and/or clients as well as intermediaries and business entities in general. No incentives are provided to staff in respect of purported "claims saving" which might prejudice a policyholder. Appropriate reporting via the Risk and Audit Committees takes place. The enactment of applicable Internal Audit and Compliance monitoring exists. Integrity and honesty is the pillar of our day-to-day management principles.

Policy wordings are in plain English. In certain instances, these are being further refined and continuously form part of the on-going process of improving the clarity, transparency and understanding of our policy wordings.

- Regular meetings are held with Heads of Departments to evaluate the impact of the six TCF outcomes on daily basis activities.
- High level strategic planning sessions are held, formally including TCF insights.
- TCF training takes place, incorporating general processes and procedures into the business.
- A complaints resolution forum was established.

3. PRODUCTS AND SERVICES

OUTCOME 2: Products and services marketed and sold in the wider insurance market via Independent Intermediaries are designed to meet the needs of the identified customer groups. It should be noted that our policies are not sold on a direct basis.

- Reporting to the Risk Committee of the Board of Directors.
- Other mitigating processes.
- Internal Audit Processes.
- Regular internal training, as and when required.
- Customer groups, for whom the product/s will be suitable, need to be identified.

The target market of the products purchased through the Constantia Insurance Group is broad and is considered anyone who responds to a product advertisement, if and when these take place and/or deals with our UMAs via their appointed independent intermediary.

Any new product design will automatically fulfil the requirements of the six outcomes of TCF, as applicable to the product type. Policy wordings will be in plain English and all documentation for such products will have the sign-off of both of the Insurance Operations

Department, Compliance Department, the Sales and Marketing Department and the Group Chief Executive Officer to ensure rigid adherence to the required outcomes.

- Customers must be identified.

  As the target market is broad we ensure that the product explanations provided are straight-forward and clear.

  Our insurance policies, in the respective areas of business, and types and kinds of policies are clear and in plain English language. There is one particular area where this is not entirely apposite. CLL issues Guarantee policies whose wordings are generally provided by the ultimate beneficiary (an Employer is defined in the Guarantee) and contain substantial legalese which is not in plain English language.

- Considering the risks associated with the product type, appropriate distribution channels need to be identified.

  The Constantia Insurance Group provides the products by way of UMAs and independent intermediaries. No direct marketing takes place and the suitability and optional products or services is identified by the independent Insurance Intermediaries acting for and on behalf of the original policyholders.

- The suitability of promotional and distribution material used must be identified.

  All advertising and promotional materials and campaigns are subjected to a rigorous approval process in which both the legal compliance and suitability of the materials is evaluated in light of the average respondent/policyholder and target audience. Generally speaking, very little advertising, other than of a simple Company nature, is enacted. Each UMA targets insurance intermediaries with whom it wishes to do business.

  Absolute adherence to terms, conditions (and exigencies) as contained in the FSB Draft Information Letter regarding advertising, etc. is followed. Continuous assessment in this regard will take place.

- The level of financial understanding of the identified customers' needs to be evaluated before distribution.

- The suitability of promotional and distribution material used must be identified. We continue to review and ensure that our marketing is as accurate as possible and that we consistently highlight both the benefits and risks of insurance.

  In micro-insurance activities only, a minimal level of financial literacy is assumed. All advertising materials are required to be readily understandable and in plain language.

- Sales need to be tracked to determine whether products are sold to the identified customers.

  Insurance Intermediaries deal with our Insurance Company on a direct basis and standard insurance products are sold and provided. UMAs themselves deal with Insurance Intermediaries and thus no detailed tracking of such products is required.

- Measures are put in place to mitigate risks where it is apparent that the product distribution and/or administration method is not suitable for the product (considering its risks) and the identified customer group.

  The straightforward nature of the products and the non-advice distribution method allows for easy application to a wide range of personal needs. In such instances, the Insurance Intermediary provides detailed advice as and when required.

  Fax and e-mail communication channels are appropriately available and "wired" into our systems. The simple nature [of the process] eliminates the need for face-to-face meetings, but on occasion interaction of this nature takes place. On the rare occasion where advice is requested we have appropriately qualified Representatives in each department or UMA, who are able to handle such queries. Regular product training is performed to keep our staff and our brokers abreast of current product developments, etc.

- Any issues regarding distribution method/s used must be identified and addressed.

  To date no serious issues concerning the indirect distribution methods (Insurance Intermediary/UMA) used have been identified. On the contrary, we have found this method to be best suited to the convenience and financial capability of responding customers.

- Customer testing must be undertaken.

  We rarely conduct direct customer feedback as we deal via Intermediaries, but the Constantia Insurance Group's customer service and claims management and administration is the most cost effective and accurate way of evaluating the customer experience and any expectation gaps.

- The risk profile of the customer must match the product/s sold (i.e. no mis-selling).

  None of the products supplied are complex or have investment components to them. They are single need products that are distributed on a non-advice basis with a full factual explanation of their function terms and conditions as provided by an Independent Intermediary. Consequently, each customer should be able to evaluate the product according to his/her own needs. Advice is provided by the Independent Intermediary.

- There are processes to ensure that bundled "add-ons" are fairly included and correctly targeted.

  There is no automatic bundling of products. All benefits are presented to the customer and fully explained by the Insurance Intermediary.

- Processes are in place to identify and mitigate risks that the products may pose to particular customer groups.

  Although we are presently unaware of any particular threats to our customer groups, processes are in place to assist the Insurance Intermediaries in resolving any concerns which they might have in relation to the original customer needs.

4. PROVIDING INFORMATION

OUTCOME 3: Customers are to be given clear information and kept appropriately informed before, during and after the time of contracting.

- Policy schedules, advertising material and information must be evaluated prior to distribution to customers to assess the clarity, appropriateness and fairness of information provided to customers.

  All marketing materials used by the Constantia Insurance Group are pre-approved by its Insurance Operations Department. Strict monitoring processes are in place between the sales and marketing department and the Group EXCO. All proposed materials must first be vetted by the insurance operations department and appropriately approved by applicable signatories. In all instances, materials are evaluated for clarity, correctness and completeness by the Insurers and the UMAs. All policy schedules and wordings are reviewed and approved by the senior management of the Constantia Insurance Group who have made a number of improvements to the product wordings to ensure that they are easy to understand and read. A continuous and annual assessment of wordings takes place via the Underwriting Department under the auspices of our General Manager: Insurance Operations and where applicable, the CEO and his executive team.

- In case of direct marketing, scripts must be vetted and approved prior to implementation.

  At present no direct marketing takes place. Should this become apparent in the future and form part of the Group's strategy, then all tele-assistants will be carefully scripted by the Constantia Insurance Group's future quality assurance department in such an event. Should this take place, they will operate under the direct aegis of the Constantia Insurance Group's Key Individuals and Representatives.

  Furthermore, in such an event the Constantia Insurance Group will inspect and sign-off the proposed scripting and client communication used by the Constantia Insurance Group where such documentation and scripting is completed by an Underwriting Manager. Any change in the scripting and documents will only be implemented with the approval and written consent of the Constantia Insurance Group. The Constantia Insurance Group shall, within its sole discretion, be entitled to change the proposed scripting, should it deem it deem a change necessary.

  The Insurers within the group carefully consider the feedback from OSTI and the LT Ombudsman in regard to these matters. A review of the principles adopted by the two Ombudsman offices is made annually after study of their general market reports. The Constantia Insurance Group responds thereto by implementing changes as and when required, and to address concerns raised.

- As distribution is solely done through Independent Intermediaries and via UMAs and not on a direct basis, a due diligence is performed to establish whether they are authorised FSPs and comply with the FAIS Act requirements.

  This is the standard procedure within the Constantia Insurance Group.

- We regularly review standardised product information we use (whether produced by us or not) to ensure that it remains accurate, clear and appropriate to the applicable customer groups.

  This is a constant and an on-going feature of the business within the Constantia Insurance Group and its UMAs shall, always, be required to provide more detailed product documentation and information to the Insurance Operations Department within the Group to ensure appropriate conformity.

- We monitor and act on feedback, complaints and suggestions received from UMAs, Independent Intermediaries, policyholders, customers, staff or any others that identify the need for improvement in product information.

  Many of our product innovations, improvements, optional extras, etc. have been developed as a direct result of UMA and Independent Intermediary feedback.

  In addition, feedback from the OSTI and the LT Ombudsman and regulator is carefully considered and changes are made where necessary.

- We have a process in place to ensure relevant and adequate product information is provided to our customers, whether by our own staff/representatives or by others, at an appropriate time to enable them to make an informed decision as to whether to enter into the relevant contract.

  In the main, all policy documentation and other detail is handled is handled by the Insurance Intermediary acting for and on behalf of an ultimate customer. Our UMAs are required to have their own appropriate policies in place, meeting the requirements of the Binder Regulation and Outsourcing Directive and the wider TCF principles.

  Our policy documentation and Key Information Statements/Key Information Documents are reviewed on a regular basis.

- Key information is provided throughout the product life cycle.

  - Clear and concise advertising, as and when applicable.

  - The product life cycle generally runs from month to month, in terms of monthly policies and ultimate customers have the right to cancel at their own discretion and with immediate effect.

  - No changes are made to the product during the life cycle without prior interaction with the UMA and/or Independent Intermediary acting on behalf of the customer.

- Key Information Documents (KIDs) and standardisation.

  Implementation in this regard will be implemented as and when the process has finally been evolved.

- We ensure that customers have current and accessible contact points if they need product or service information or need to get in touch with us for any reason.

  Generally speaking, contact is made between the customer and the insurance Intermediary who, in all instances, deal with the Insurance Underwriting and Claims Department within the Insurer and/or UMAs. Notwithstanding the aforesaid, the:-

  - The Group website has up to date contact information
  - All policy documents include all critical contact numbers
  - The Constantia Insurance Group's full administration function is available during office hours

- We have accurate, retrievable, secure records of all product information we have provided to customers and any other material interactions with customers.

  - All telephone calls are voice logged/recorded
  - All interactions with Insurance Intermediaries are recorded
  - All e-mail correspondence is recorded and backed up
  - All faxes sent are recorded
  - All UMAs maintain comprehensive records, product information and customer details. [A weakness is the present inability to access all appropriate claims data – this is work in progress.]
  - Newsletter to Intermediaries and Brokers to ensure their awareness of pending changes.

5. PROVIDING ADVICE

OUTCOME 4: Where customers receive advice, the advice is suitable and takes account of their circumstances.

- Before distributing a product, the FSP needs to ascertain whether it is necessary for advice to be given.
- Before appointing an FSP to sell our product/s we conduct a due diligence to satisfy ourselves that their advice processes and service levels are likely to meet our expectations and that of our customers.
- We monitor and record feedback or complaints received from customers regarding the quality of advice received.
- We satisfy ourselves that the conflict of interest policy of the FSP has adequate controls in place to provide suitable advice.

- We provide training to brokers on products (where applicable).

  The Constantia Insurance Group will inspect and sign-off the proposed scripting and client communication used by its Intermediaries, if and when required.

- Sales incentives are not of such a nature that quantity is more important than quality of advice.

  However, it is very rare that our Insurers embark on sales incentives as sales are completed by Independent Intermediaries.

- There are agreements in place setting out service expectations relating to standard of advice provided.

- Record of advice and needs analysis records are kept by Independent Insurance Intermediaries. The Insurers in the Group, as well as the UMAs, are not entitled to provide any incentives of any nature whatsoever, other than payments of standard intermediary commissions in terms of the STIA and LTIA.

- Review and analysis of existing products to ensure they remain suitable for the market.

- The Constantia Insurance Group has a database of third party service providers which will be tracked to enable the company to monitor the quality and cost effectiveness of different providers.

6. PRODUCT PERFORMANCE

OUTCOME 5: Customers are provided with products that perform as Insurers have led them to expect, and the associated service is of an acceptable standard and in line with what they have been led to expect.

- Product retention and termination behaviour are analysed.

  This is performed throughout the Constantia Insurance Group. The number one reason for cancellation is a change in the customer's financial circumstances resulting in the cancellation of "non-essential" expenses like insurance and a transfer to a different competitor Insurer.

- We monitor and act on feedback from customer and brokers on products and their suitability and the need for improvements in types of services or service standards.

  - The Constantia Insurance Group's Insurance Operations Department feedback
  - Compliance Department feedback, as and when applicable
  - Management Information (MI) with Executive Oversight
  - Feedback from TA staff who deal directly with Independent Intermediaries
  - Feedback from UMAs who deal in the specific types and kinds of insurance

- Compliments and complaints records are monitored on a monthly basis by the Constantia Insurance Group. Where patterns are noted relating to service complaints, processes are implemented to improve on service with immediate effect.

- We have agreements in place regarding the division of responsibility between the insurer, underwriting manager and intermediary.

- Standard operating procedures are in place to deal with claims, complaints etcetera.

- GAP analysis and root cause analysis is performed in respect of all complaints.

- Customer information confidentiality controls have been implemented.

  - The Constantia Insurance Group uses multiple firewalls, anti-virus and anti-spam filters and maintains a strict information usage policy and IT systems access policy (both physical and logical). Equipment has multiple lines of redundancy and mail is additionally archived by Mimecast.

  - Staff are trained to ensure that security checks are performed before any information is conveyed in regard to a policy to a caller requesting same.

- Clear service standards are in place for employees and third providers.

- Policyholders are informed of the risk of their actions (i.e. cancellation and non-payment of premium).

  The Constantia Insurance Group's collections and customer service teams are well trained to inform clients about the potential consequences of their decisions. As and where and when appropriate and applicable, the collections team mention the 15 day grace period and the re-commencement of waiting periods where a policy lapses. SMS communication is system driven to ensure that clients are informed.

- There is on-going training of employees regarding the expectations. Incorporating TCF training with general initiation into the business.

  A formal training register is maintained by the Human Resources Department.

- Processes are in place to mitigate the risks to our customers where it becomes apparent that products are not performing or are unlikely to perform as they have been led to expect.

  Prior to purchasing a product the following is provided to the client:

  - Clear and detailed advertising, as and where and when this takes place

  - Comprehensive Website

  - Validation

- Detailed policy documents

Where a customer has reviewed the aforesaid Independent Intermediary and realises that the product will not perform to his/her expectations he/she is easily able to cancel the policy.

A possible expectation gap is expediently addressed in the most equitable manner.

7. CHANGING PRODUCT/S, SWITCHING PROVIDER/S, SUBMITTING A CLAIM AND/OR LODGING A COMPLAINT

OUTCOME 6: Customers do not face any post sale barriers to change product/s, switch provider, submit a claim and make a complaint.

- A formal and written complaints register and complaints policy is in place.
- A claims policy or standard operating procedure to deal with claims is in place.
- Records of claims and complaint ratios are in place.
- Cancellation, Complaints, switching and declinature rates are continuously monitored.
- Post claims and/or complaint feedback from customers are reviewed.
- Sufficient procedures are in place to inform customers of potential consequences of changing or cancelling a policy.
- A standard operating procedure is in place when processing product changes.
- Customers are given clear reasons for decisions that are made (i.e. rejections and cancellations).
- There are clear service standards in place to deal with claims and complaints and to provide regular feedback to customers.
- When a claim is rejected the customer is informed of other options that are available (i.e. internal complaint or OSTI or LT Ombudsman etcetera).
- Complaints are analysed to identify the cause thereof (i.e. root cause analysis).
- Meetings are held for relevant staff members to discuss actual claims, complaints or staff errors as case studies. This enables us to use these for TCF training purposes and to identify process improvements.
- Central complaints handling, ensuring that feedback is obtained from the responsible departments and once settled or resolved, incorporated into the staff management and training processes and application.

- If any claim presents some difficult aspect, the claim shall be included in the agenda of meetings, to be discussed in conjunction with the policy and consensus is to be reached on how to deal with the claim.

- Our claims team ensures that the broker/UMA is informed of the process and that the procedures that are in place are flexible enough to ensure that the policyholder's needs are adequately addressed.

- The Claims procedure ensures efficient claims management and consistent policy interaction.

- Changing product/s, switching provider/s, submitting a claim and/or lodging a complaint.

- Claims staff shall ensure regardless of the outcome, that the customer (ie the Insured), feels that he/she has been treated fairly throughout the process. To achieve this, all relevant information must be considered when addressing a claim.

8. WHAT WILL THE IMPACT OF TREATING CUSTOMERS FAIRLY BE ON FINANCIAL INTERMEDIARIES, GIVEN THEIR EXISTING FAIS OBLIGATIONS?

The FAIS Act already imposes extensive obligations on authorised FSPs and their representatives that are relevant to the TCF fairness outcomes. However, it does not follow that TCF will have no additional impact on FAIS regulated intermediaries. Where the FAIS obligations are largely compliant and rules based, the outcomes based TCF framework will require Intermediaries to ensure that their adherence to FAIS is complemented by being able to demonstrate that they have embedded the broader TCF culture framework within their organisations.

From a risk-based perspective, the culture and governance dimensions will require particular attention by larger FSPs. Intermediaries will, however, also be expected to consider their role in delivering the TCF fairness outcomes related to appropriate product and service design, product performance, service levels and post-sale barriers. Although the primary responsibility for these outcomes will rest on product suppliers themselves, Financial Intermediaries can and should bring greater pressure to bear on product suppliers to ensure that inappropriately designed and marketed products, poor post-sale service practices and unreasonable post-sale barriers are challenged. TCF will require product suppliers and Intermediaries to share accountability for the fair treatment of their mutual customers.