

**4D GROUP
SOLUTIONS**

THE EXTRA DIMENSION IN FINANCIAL SERVICES

COMPLAINTS MANAGEMENT FRAMEWORK & PROCEDURES

2021

1. INTRODUCTION

The Financial Advisory and Intermediary Services (“FAIS Act”) and The General Code of Conduct for Authorised FSPs (“GCOC”) provides a duty on all Financial Services Providers to establish, maintain and implement an adequate and effective Complaints Management Framework to ensure the effective resolution of Complaints and the fair treatment of Complainants.

This document embodies the **Complaints Management Framework and Procedures** (hereinafter referred to as “**this Policy**”) of **4D Group Solutions (Pty) Ltd, FSP 14854** and **4D Group Support (Pty) Ltd, FSP 36555** (hereinafter referred to as “**the FSP**”).

The objective of this Policy is to ensure that Clients are provided with the best possible Complaint resolution service and to align the actions of the employees and Representatives of the FSP with the prescriptions of the relevant legislation in the Financial Services Industry, as regulated by the Financial Sector Conduct Authority (“FSCA”). It serves to guide the manner in which Complaints are handled and formalise the processes to effectively, fairly and promptly resolve Complaints.

The FSP is committed to deliver services of the highest quality with a strong focus on Client satisfaction that is in alignment with Treating Customers Fairly (“TCF”) and to treat all Complainants with respect. This Policy will be binding on all employees and Representatives of the FSP, and they should abide by the provision thereof and pledge their cooperation and commitment.

2. DEFINITIONS

Unless the context clearly indicates otherwise, the following definitions shall have the meanings for purposes of this Policy:

“**Client**” means the Funeral Services Provider or Group (also authorised Financial Services Providers) who has entered into a Business Relationship with the FSP including all its policyholders and members;

“**Client query**” is a request to the FSP or the FSP's product provider (Insurer) by or on behalf of a Client –

- for information regarding the FSP'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**” is a person who submits a Complaint and includes a -

- Client;
- person nominated as the person in respect of whom a product provider (Insurer) should meet financial product benefits or that persons' successor in title;
- person whose life is insured under a financial product that is an insurance policy;
- person that pays a premium or an investment amount in respect of a financial product;

- member of a pension fund, friendly society, medical scheme, or group scheme;
- 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 FSP, 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 above;

“Complaint” is an expression of dissatisfaction by a person to the FSP or the FSP’s product provider (Insurer) relating to a financial product or financial service provided or offered by the FSP which indicates or alleges, regardless of whether such an expression of dissatisfaction is submitted together with or in relation to a Client query, that the FSP or its product provider (Insurer) –

- has contravened or failed to comply with an agreement, a law, a rule, or a code of conduct which is binding on the FSP or to which it subscribes;
- whose maladministration or wilful or negligent action or failure to act, has caused the person harm, prejudice, distress, or substantial inconvenience; or
- has treated the person unfairly.

“Compensation payment” is a payment, whether in monetary form or in the form of a benefit or service, by or on behalf of the FSP to a Complainant to compensate the Complainant for a proven or estimated financial loss incurred as a result of the FSP’s contravention, non-compliance, action, failure to act, or unfair treatment forming the basis of the Complaint, where the FSP accepts liability for having caused the loss concerned, but excludes any -

- **goodwill** payment;
- payment contractually due to the Complainant in terms of the financial product or financial service concerned; or
- refund of an amount paid by or on behalf of the Complainant where such payment was not contractually due.

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

“Rejected” means that a Complaint has not been **upheld** and the FSP 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 FSP –

- as unjustified or invalid; or
- where the Complainant does not accept or respond to the FSP’s proposals to resolve the Complaint.

"**Reportable complaint**" is any Complaint other than a Complaint that has been -

- **upheld** immediately by the person who initially received the Complaint;
- **upheld** within the FSP'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 5 (five) business days from the date the Complaint is received; or
- submitted to or brought to the attention of the FSP in such a manner that the FSP does not have a reasonable opportunity to record such details of the Complaint as may be prescribed in relation to Reportable Complaints.

"**Representative**" of the FSP, includes all employed Representatives (Natural Persons), as well as the contracted Juristic Representatives (Legal Persons) who are mandated to render financial services on its behalf.

"**Upheld**" means that a Complaint has been finalised wholly or partially in favour of the Complainant and that:

- the Complainant has explicitly accepted that the matter is fully resolved; or
- it is reasonable for the FSP to assume that the Complainant has so accepted; and
- all undertakings made by the FSP 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 FSP within a time acceptable to the Complainant.

3. DESCRIPTION AND RESPONSIBILITY OF THE BOARD OF DIRECTORS AND KEY INDIVIDUALS

Board of directors and Key individuals of the FSP

- Theunis Johannes Pieter Ebersohn – Director
- Elizabeth Cornelia Botha – Director & Key Individual
- Jackie Gerber – Key Individual
- Julie Loretz – Key Individual & Internal Compliance Officer

Responsibilities:

The board of directors and Key Individuals of the FSP are responsible for effective Complaints management and must approve and oversee the effectiveness of this Policy and all the processes implemented. They must provide training to all employees and Representatives receive to ensure they understand the processes to be followed in respect of Client Queries or Complaints received.

Designated Key Individual of the FSP

Ms. Jackie Gerber

Contact no: 061 533 8064

Email: jackie@4d.co.za

She has been appointed by the board of directors to act as the designated Key Individual responsible for effective Complaints management and the implementation of this Policy.

She is adequately trained and has the necessary experience, knowledge and skills in complaints handling, TCF, the subject matter of the Complaints concerned and relevant legal and regulatory matters. She is not subject to any conflict of interest and has the required power to make impartial decisions or recommendations.

Responsibilities:

The designated Key Individual will monitor and analyse the aggregated Complaints data and their outcomes to ensure that Complaints are managed properly and in line with the requirements of this Policy.

Any risks and trends identified during the monitoring and analyses process will be reported to the board of directors and Key individuals and based on this information this Policy will be reviewed and updated accordingly. These changes will be documented and communicated to all the employees and Representatives.

External Compliance Officer of the FSP

Adv. Adriaan van Wyk (CO 6870)

Contact no: 072 351 1653

Email: adriaan@horizoncompliance.co.za

Responsibilities:

The external Compliance officer has been appointed to act as an impartial functionary should a Complaint not be resolved internally, as part of the Complaints escalation process. He will monitor and review the Complaints management framework and processes on a regular basis and report any shortcomings or changes, if applicable, to the Designated Key Individual.

In the case where the FSP needs to engage with an Ombud in relation to its Complaints, the FSP will rely on his assistance and he also forms part of the process implemented to report Complaints information prescribed by a relevant designated authority, should it be required.

4. COMPLAINTS MANAGEMENT MISSION

This document serves to state the commitment of the FSP in terms of the resolution of Complaints. The FSP views Complaints as a serious issue and all interactions with a Complainant are to be conducted with the highest possible level of courtesy and professionalism.

The FSP will -

- maintain an effective and comprehensive Complaints Management Framework outlining the procedures that must be followed to ensure prompt resolution of Complaints;
- be transparent in the resolution process to ensure that the Complainant has full knowledge of the procedures for the resolution of the Complaint;
- ensure that these procedures are easily accessible online and at all the offices from where the Representatives render financial services, or through any other channels that are appropriate for the Clients;
- not impose unreasonable barriers to Complainants;
- not impose any charge for a Complainant to make use of the Complaint processes and procedures;
- ensure that all communications with the Complainant are in plain language;
- take all necessary steps to investigate and respond promptly after receipt of the Complaint and recording thereof;
- address and try to resolve any Complaints received in a timely and fair manner;
- keep the Complainant informed of the progress of the Complaint, causes of any delay in the finalisation of the Complaint and revised timelines, if applicable, as well as the FSP's decision in response to the Complaint;
- furnish comprehensive reasons and provide procedural advice to any further steps which may be available in terms of the Act as well as the contact details of the relevant Ombud or regulatory body in the instances where the Complaint is not resolved to the satisfaction of the Complainant;
- maintain accurate, efficient, and secure records of all Complaints for a period of 5 (five) years;
- have follow-up procedures and implement remedial actions to prevent similar Complaints from occurring and improve services and procedures;
- have appropriate processes in place for engagement with any relevant Ombud or regulatory body in relation to its Complaints;
- maintain open and honest communication and co-operation between itself and any Ombud or regulatory body with whom it deals and endeavour to resolve Complaints before a final determination or ruling is made without impeding or unduly delaying the Complainant's access to an Ombud;
- monitor determinations, publications and guidance issued by any relevant Ombud with a view to identifying failings or risks in the Complaints Management Framework and procedures;
- review the Complaints Management Framework and procedures regularly.

5. COMPLAINTS PROCEDURE

A quick and appropriate response must be ensured when a Complaint is lodged and therefore proper procedures must be in place to facilitate the response times and to whom each step will be escalated.

All Complaints will be managed by the Designated Key Individual of the FSP. She will be responsible for ensuring the Complaint is brought to an effective, speedy, and fair resolution.

The primary objective of these procedures is to -

- Resolve the matter at hand;
- Avoid escalation to the Ombud or litigation;
- Identify the aspects that led to the Complaint and ensure procedures are improved or established to prevent a reoccurrence.

GENERAL PROCEDURES TO FOLLOW

Should a Complainant contact the FSP, any of its employees or Representatives, and he / she wishes to complain about a matter that **does not** fall within the ambit of the definition of a Complaint in this Policy, such a complaint should be dealt with as follows:

- a) Listen carefully to the complaint by the Complainant.
- b) Empathize with the Complainant (where appropriate).
- c) Judge whether the complaint has merit -
 - (i) If so, offer an apology to the Complainant.
 - (ii) If not, ensure that any misunderstanding that might exist is removed by explaining material issues to the Complainant for instance where the complaint has arisen because of circumstances beyond the FSP's control.
- d) Record the complaint in the routine complaints register.

STEP 1 - Submission / Lodging a Complaint

- a) All Complaints received must be referred to the Designated Key Individual.
- b) If the Complaint is lodged verbally, the person (Employee or Representative of the FSP) that received the Complaint should request the Complainant to note the details of the matter he / she is complaining about in writing and send it to the Designated Key Individual's email address. If the Complainant does not have access to email facilities, he / she should give the documentation with the written details of the matter to the person per hand.

- c) The Complainant should be requested to include the following information in the email / document(s):
 - (i) Client / Complainant's details (*name, surname, ID number, contact details*)
 - (ii) Date of Complaint and description thereof
 - (iii) Any documentary proof, if applicable
- d) If a Complaint is submitted directly to the external Compliance Officer of the FSP, he will inform the Designated Key Individual and refer the Complainant to her. Depending on the seriousness of the Complaint he might remain involved or will step in again if the Complaint cannot be resolved internally and the matter is escalated.

STEP 2 - Acknowledgement & Recording of Complaint

- a) The Designated Key Individual will acknowledge receipt of the Complaint in writing to the Complainant within 2 (two) working days.
- b) From the details received, she must determine whether the Complaint is a **Complaint**, a **Client Query** or both as defined in this policy.
- c) If it is determined that it is a **Client Query only**, she must:
 - (i) refer it to the applicable Product Provider (Insurer) who can assist with the information or carry out the action / transaction requested by the Complainant; or
 - (ii) provide the information or carry out the action / transaction herself; or
 - (iii) refer it to the person within the FSP that can provide the information or carry out the action / transaction requested by the Complainant.
- d) If it is determined that it is a **Complaint**:
 - (i) It must be validated, categorised, and logged as a new Complaint on the Complaints Register.
 - (ii) The Complaint must be recorded on the 4D Net where all relevant documentation, correspondence, controls, and subsequent retention of the Complaint will be saved and stored.
 - (iii) The Designated Key Individual must now determine whether it is a **Reportable Complaint** as defined in this policy. If it is a Reportable Complaint continue with the steps below:
 - 1) The Complaints Resolution procedures must be emailed or given to the Complainant.
 - 2) Where appropriate the Product Provider (Insurer) involved should be formally notified in writing as to the nature and extent of the Complaint.
 - 3) Should the Complaint be of a serious nature or if it involves the Designated Key Individual, the external Compliance Officer must be informed at the soonest reasonable opportunity.

- 4) If the Complaint is such that a simple investigation into the matter will resolve the problem, the incident must still be logged as a formal Complaint and all other aspects of this procedure are to be followed.
- (iv) If it is a **Non-Reportable Complaint** the Key Individual must ensure that:
- 1) the Complaint is resolved and **Upheld** immediately; or
 - 2) the Complaint is resolved and Upheld as per the 'Client Query' (section (c)) **within 5 (five) working days** from the date the Complaint was received.

STEP 3 – Investigation and Response

- a) The Designated Key Individual must investigate the Complaint immediately, and the necessary action must be taken to resolve the Complaint **within 5 (five) working days**.
- b) If the above timeframe is not possible, she must advise the Complainant of steps taken and expected date of Resolution.
- c) The nature of the Complaint and the product type will also be taken into account when the above points are considered.
- d) The Complaints Register must be updated continuously with all developments and activities.
- e) A "Task" must be created on Outlook to ensure ongoing management of the Complaint until it is resolved.
- f) Where applicable, she must ask the external Compliance Officer to assist with the investigation.
- g) The Complainant must be informed in writing of the Resolution and outcome of the Complaint.

STEP 4 - Specific steps to be followed in respect of the following outcomes:

Complaint resolved & Upheld:

- a) If the matter is minor and quickly resolved, to the satisfaction of the Complainant, a formal written note is to be sent to the Complainant confirming the action taken. A file note is to be drawn up on the nature of the Complaint, what the cause was and how the matter was resolved.
- b) Any commitment by the FSP to make a **Compensation Payment, Goodwill Payment** or any other action offered to rectify the matter must be made formally in writing and a formal written response should be asked for in return.
- c) The abovementioned commitment must be carried out without undue delay and within the agreed timeframes.
- d) Once totally resolved, the Complaints register is to be completed and the file closed.

Complaint without foundation:

- a) If the matter is investigated and the Complaint is found to be without foundation or based on incorrect or poor facts a formal response is to be sent to the Complainant detailing that the matter will not be taken further. This response should be sent within a reasonable time taking into consideration the complexity of the matter.
- b) If the Complainant does not accept the decision, he / she must be informed in writing of the Complaints Escalation Process as defined in this Policy.

Complaint Rejected:

- a) If the matter is investigated and the Complaint is rejected or is not resolved **within 6 (six) weeks**, the Complainant must be notified in writing.
- b) The Complainant must further be informed in writing of the Complaints Escalation Process as defined in this Policy.

6. COMPLAINTS ESCALATION PROCESS

- a) Should a Complainant not be satisfied with the outcome of a Complaint, the Complainant has the right to have the decision **reviewed** by the board of directors or other Key Individuals that holds the appropriate knowledge, expertise, experience, seniority and authority to deal with the review and escalation process.
- b) When a decision has been made, a response should be given to the Complainant in writing detailing the outcome of the review and the reasons for the decision.
- c) If the Complainant is not satisfied with the outcome of the review an offer of mediation must be made. This mediation should involve the external Compliance Officer and all other interested parties that also need to be involved depending upon the nature of the Complaint.
- d) Should mediation not achieve a resolution the Complainant must be advised in writing of his / her right to approach the relevant Ombud or the FSCA within **6 (six) months** of the occurrence of the conduct giving rise to the Complaint. The relevant contact details are noted at the end of this policy (section 10)

7. RECORDKEEPING, MONITORING & ANALYSIS OF COMPLAINTS

The FSP must ensure that all Complaints and related information are recorded accurately and that these records are kept secure and for a minimum period of **5 (five) years**.

The FSP will update its Complaints Register as and when new **Reportable Complaints** are received, progress has been made or Complaints has been resolved.

The following in respect of Reportable Complaints will be recorded in the Complaints Register -

- All relevant details of the Complainant and the subject matter of the Complaint;
- A list of all the copies received of relevant evidence, correspondence, and decisions and which are kept in the relevant Complaints' folders.
- The category of the Complaint.
- Progress and status of the Complaint, including whether such progress is within or outside any set timelines.

A separate Register will be kept for analysis purposes and will be updated on an ongoing basis. This Register will include the following data in respect of Reportable Complaints –

- number of Complaints **received**
- number of Complaints **upheld**
- number of **rejected** Complaints and reasons for the rejection
- number of Complaints **escalated** by Complainants to the internal Complaints Escalation process
- number of Complaints **referred** to an **Ombud** and their outcome
- number and amounts of **compensation payments** made
- number and amounts of **goodwill payments** made
- total number of Complaints **outstanding**

Complaint's information recorded in both these registers will be scrutinised and analysed by the Designated Key Individual on an ongoing basis and utilised to manage conduct risks and affect improved outcomes and processes for the FSP's Clients, and to prevent recurrences of poor outcomes and errors.

All the Complaints will also be investigated by the external Compliance Officer on an annual basis to ensure that remedial action was taken to avoid that a similar Complaint arises in the future

8. RIGHTS AND DUTIES OF THE FSP

If the Complaint was submitted to the office of the FAIS Ombud directly, the Rules governing the proceedings make provision for the following rights and duties of the FSP:

- The FSP has a right to be informed of the Complaint submitted to the Ombud to enable the FSP to respond thereto fully.
- The FSP may submit any information or documentation that is relevant to the Complaint.
- The FSP has a duty to submit further information if requested by the Ombud and if needed, to discuss the matter with the Ombud.
- The FSP has a duty to act professionally and reasonable.
- The FSP must cooperate with a view to ensuring efficient Resolution of the Complaint.

9. CATEGORISATION OF REPORTABLE COMPLAINTS

The FSP has determined that the following categories of Complaints might be applicable according to its business model, product providers (Insurers), financial products, financial services, and client base –

Complaints in respect of the FSP
1) Contravention or non-compliance with an agreement, a law, a rule, or a code of conduct which is binding on the FSP
2) Willful or negligent action or failure to act, that has caused the Complainant harm, prejudice, distress, or substantial inconvenience
3) The Complainant has been treated unfairly
4) Dissatisfaction with financial services or related services received from the FSP, Representatives and Employees
5) Complaints relating to factually incorrect information provided regarding financial product/s or services
6) Complaints relating to financial advice received
7) Complaints relating to complaints handling
8) Breach of an agreement with the Client / Complainant
9) Any complaints of bad faith, malpractice, impropriety, repetition or recurrence of any matter about which there has been a recent complaint /s

Complaints in respect of the Product Provider
1) Contravention or non-compliance with an agreement, a law, a rule, or a code of conduct which is binding on the Product Provider
2) Maladministration or wilful or negligent action or failure to act, that has caused the person harm, prejudice, distress, or substantial inconvenience
3) The person has been treated unfairly
4) Complaints relating to: <ul style="list-style-type: none"> – the design of a financial product – financial service or related service received – fees, premiums / other charges related to that financial product / service
5) Complaints relating to factually incorrect information provided regarding financial product/s or services
6) Complaints relating to financial product performance
7) Complaints relating to complaints handling
8) Complaints relating to financial product accessibility or changes
9) Complaints relating to premium or lapsing of a financial product
10) Complaints relating to insurance risk claims, including non -payment of claims

10. REGULATORY AUTHORITIES

FAIS OMBUD:

PO Box 74571, LYNNWOOD RIDGE, 0040

Tel: 012 470 9080

Fax: 012 348 3447

www.faisombud.co.za

OMBUDSMAN LONG-TERM INSURANCE:

Private Bag X45, CLAREMONT, 7735

Tel: 021 657 5000

Fax: 021 674 0951

www.ombud.co.za

FINANCIAL SECTOR CONDUCT AUTHORITY (FSCA):

PO Box 35655, MENLO PARK, 0102

Tel: 0800 20 20 87

Fax: 0800 11 04 43

www.fsca.co.za

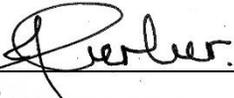
11. OWNERSHIP & APPROVAL

This Policy is owned by 4D Group Solutions (Pty) Ltd & 4D Group Support (Pty) Ltd and is approved by the board of directors and Key Individuals.

As the designated Key Individual and authorised signatory of the FSP I, **Jackie Gerber**, ID 870808 0058 084, hereby confirm the adoption of the policy.

I understand that I am ultimately responsible for effective Complaints management and the implementation of this Policy.

I will ensure that the FSP remains true to its Complaints Management Mission as stated in this Policy and that the Complaints Management Framework will be maintained, reviewed, and updated on a regular basis.



Signature

2021/05/12

Date