

RAILWAY FURNISHERS (PTY) LTD (FSP 46186)

COMPLAINTS MANAGEMENT FRAMEWORK

VERSION 6 DATE 17 December 2021

Railway Furnishers (Pty) Ltd ("**Railway**") is a Financial Services Provider ("**FSP**") in terms of the Financial Advisory and Intermediary Services Act No 37 of 2002 ("**FAIS**"), and offers financial services in respect of financial products.

Railway views Complaints as a serious issue, and all interactions with a Complainant, be they our existing Customers or third parties, are conducted :

1. with the highest possible level of courtesy and professionalism; and
2. in terms of the principles of Treating Customers Fairly required by the Financial Sector Conduct Authority ("**FSCA**"); and
3. in alignment with Rule 18 of the Policyholder Protection Rules applicable to the insurance industry; and
4. subject to any applicable legislation.

Objective

This Framework ("**Framework**") is maintained, and operated adequately and effectively, to ensure that :

- (a) it is proportionate to the nature, scale and complexity of Railways' business and risks
- (b) it is appropriate for Railway's business model, policies, services, and Customers and beneficiaries
- (c) enables Complaints to be considered after taking reasonable steps to gather and investigate all relevant and appropriate information and circumstances, with due regard to the fair treatment of Complainants
- (d) does not impose unreasonable barriers to Complainants

The objective of this Framework is to ensure that Customers are provided with the best possible Complaint resolution service and to align the actions of Railway's personnel with the prescriptions of South African law regarding Complaints management in the financial service industry, as regulated by the FSCA. The FAIS General Code of Conduct furthermore requires every FSP to maintain and manage a Complaints management framework in order to ensure resolution of Complaints.

Internally, our Operations Manager (contact: deon@railfurn.co.za) manages all Complaints. S/he is responsible for ensuring a Complaint is resolved effectively, speedily and fairly. The primary objective of these procedures is to resolve the matter at hand and avoid progressive escalation.

The procedure we follow is set out below :

STEP 1 : 2 TO 15 BUSINESS DAYS FROM INITIAL COMPLAINT

1. Whether the initial Complaint is received verbally or in writing, it is immediately escalated to our **Operations Manager**. The Complaint must include at least the information set out on the attached Complaint Form.

The Operations Manager ensures that all Complaints received are treated according to this Framework. The Operations Manager ensures that adequate resources are allocated to Complaints handling and that any person dealing with Complaints is :

- (a) adequately trained
- (b) experienced, knowledgeable, and skilled in Complaints handling, fair treatment of Customers, the subject matter of the Complaints, and legal and regulatory matters
- (c) not subject to a conflict of interest
- (d) adequately empowered to make impartial decisions or recommendations

2. The Operations Manager contacts a Complainant within twenty-four (24) hours (1 business day) of being made aware of a Complaint, in order to :

- verify the details of the Complaint, and categorise it based on its nature
- ensure the Complaint is reduced to writing where such Complaint was made verbally
- provide the Complainant with a reference number/receipt confirmation in respect of the Complaint, and an estimated

timeframe to resolve the matter

- attempt to resolve the Complaint to the Complainant's satisfaction within forty-eight (48) hours (2 business days), but no longer than fifteen (15) business days, of making contact. This may require a detailed investigation, and the Complainant may be requested to furnish all supporting documents, policy information, and any additional information necessary to such investigation. Should additional clarity or information be required, the Complainant or other related stakeholders may be contacted.

STEP 2 : 2 BUSINESS DAYS FROM ESCALATION

3. Should a Complaint not be resolved, the Operations Manager communicates this to the Complainant, as well as the reasons, and next steps to be taken. S/he escalates the Complaint to a Railway director (contact : jeff@railfurn.co.za) for resolution within a further forty-eight (48) hours (2 business days).

4. A Complainant is regularly notified in writing as to the progress of the resolution of the Complaint, and all formal responses to Complaints are reviewed by the Operations Manager.

STEP 3 : 6 WEEKS FROM INITIAL COMPLAINT

5. Should no resolution be possible by Railway's director, the Operations Manager communicates this to the Complainant, as well as the reasons, and next steps to be taken. S/he escalates the Complaint to Railway's compliance officer (contact : info@forbestbusiness.com) for resolution or possible mediation.

6. Where a Complaint is resolved by any of the Operations Manager, Railway's director, or Railway's compliance officer,

such resolution is furnished to the Complainant in the form of a written advice, within six (6) weeks of the first receipt by Railway of the Complaint.

7. If the resolution is not favourable to the Complainant, that is, it is Rejected, such written advice also sets out full written reasons for the rejection, as well as details of the escalation procedure followed, as well as further steps available to the Complainant, how to use such further steps and any relevant time limits.
8. Where a Complaint is resolved in favour of the Complainant, that is, it is Upheld, we offer to the Complainant without delay a full and appropriate level of redress, whether by Compensation payment or other redress.

STEP 4 : 6 WEEKS FROM INITIAL COMPLAINT

9. In the event that mediation is unsuccessful, the Complainant refuses mediation, or the Complainant is not satisfied with the resolution of the Complaint (whether the Complaint is Rejected or Upheld), the Complainant may refer the Complaint to the Internal Dispute Arbitrator at the insurer. The insurer may be contacted at the following details:

DEATH BENEFIT (SHORT-TERM INSURANCE) COMPLAINT :

GUARDRISK INSURANCE COMPANY LIMITED, Tower 2, 102 Rivonia Road Sandton, 2196; Postal Address : P O Box 786015, Sandton, 2196; Tel : (011) 669 1000; Email : info@guardrisk.co.za / Complaints@guardrisk.co.za

FUNERAL POLICY (LONG-TERM INSURANCE) COMPLAINT :

GUARDRISK LIFE LIMITED, Tower 2, 102 Rivonia Road, Sandton, 2196; Postal Address : P O Box 786015, Sandton, 2196; Tel : (011) 669 1000; Email : info@guardrisk.co.za / Complaints@guardrisk.co.za

STEP 5 - WITHIN 6 MONTHS OF INITIAL COMPLAINT

10. In the event that mediation is unsuccessful, the Complainant refuses mediation, or the Complainant is not satisfied with the resolution of the

Complaint (whether the Complaint is Rejected or Upheld), the Complainant may also refer the Complaint to either the Long-Term Insurance Ombud, or the Short-Term Insurance Ombud, or the FAIS Ombud, whichever one is relevant to the Complaint. These Ombuds may be contacted at the following details :

OFFICE OF THE SHORT-TERM INSURANCE OMBUD, 1st Floor, Block A, 1 Sturdee Avenue, Rosebank, Johannesburg, 2196; Postal Address : P O Box 32334, Braamfontein, Johannesburg, 2017; Tel : (011) 726 8900; Sharecall : 0860 726 890; Fax : (011) 726 5501; Email : info@osti.co.za; Website : www.osti.co.za

OFFICE OF THE LONG-TERM INSURANCE OMBUD, Third Floor, Sunclare Building, 21 Dreyer Street, Claremont, Cape Town, 7700; Postal Address : Private Bag X45, Claremont, Cape Town, 7700; Tel : (021) 657 5000; Sharecall : 0860 103 236; Fax : (021) 674-0951; Email : info@ombud.co.za; Website : www.ombud.co.za

OFFICE OF THE OMBUD FOR FINANCIAL SERVICES PROVIDERS, Second Floor, Orange Building, Kasteel Park Office Park, 546 Jochemus Street, Erasmusloof, Pretoria; Postal Address : P O Box 74571, Lynnwood Ridge, 0040; Tel : (012) 762 5000; Sharecall : 0860 663 247; Email : info@faisombud.co.za; Website : www.faisombud.co.za

NOTE : IF THE COMPLAINT IS REFERRED TO THE FAIS OMBUD :

- The Complaint must not constitute a monetary claim for more than Eight Hundred Thousand Rand (R800,000.00), unless the FSP has agreed in writing that the Complaint may exceed this amount.
- The Complaint must not relate to the investment performance of a financial product which is the subject of the Complaint, unless such performance was guaranteed in express terms or such performance appears to the FAIS Ombud to be so deficient as to raise a prima facie presumption of fraud, negligence or maladministration on the part of the FSP.

11. All Complaints (whether they are Reportable Complaints or not Reportable Complaints) are entered into the Complaints Register and stored by the Operations Manager on file or preferable electronically and available for inspection for five (5) years from date of receipt.
12. Even where it is determined that the Complaint is baseless, details are retained in the Complaints Register.
13. A full record is maintained of all Reportable Complaints received for each period 1 June to 31 May, with :
- o in respect of each Complaint :
 - all relevant details of the Complainant and the subject matter of the Complaint
 - copies of all relevant evidence, correspondence, and decisions
 - the Complaint categorisation as set out in 15. below
 - progress and status of the Complaint, including whether such progress is within or outside any set timelines
 - o in respect of the full record:
 - 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.
14. Railway scrutinises and analyses on an ongoing basis :
- o Complaints information per the above record
 - o Complaints referred to it by the Ombud, and the outcomes of such Complaints
 - o determinations, publications, and guidance issued by any relevant Ombud

utilising such information to manage conduct risks and effect improved outcomes and processes for its Customers, and to prevent recurrences of poor outcomes and errors. Railway's executive management receives regular reports in this regard.

15. The above record categorises Complaints into categories that:

- support the effectiveness of this Framework in managing conduct risks
- effect improved outcomes and processes for its Customers
- are relevant to Railway's chosen business model, financial products, financial services, and Customer base

at all times ensuring that Railway categorise Complaints in at least categories as relating to :

- o the design of a financial product, financial service, or related service, including the fees, premiums or other charges related to that financial product or financial service
- o information provided to Customers
- o advice
- o financial product or financial service performance
- o a service to Customers, including a Complaint relating to premium or investment contribution

collection or lapsing of a financial product

- o financial product accessibility, changes or switches, including a Complaint relating to redemptions of investments
- o Complaints handling
- o insurance risk claims, including non-payment of claims
- o other Complaints.

16. All terms defined in the attached annexure and used in this Framework shall have the meaning set out in the attached annexure.

This Framework replaces any previous Complaints Resolution Policy, and is binding on all Railway's personnel working with the financial products within South Africa. This Framework must be reviewed regularly, and meets the requirements of :

- Section 62 of the Long-Term Insurance Act No 52 of 1998
- Section 55 of the Short-Term Insurance Act No 53 of 1998
- The Policyholder Protection Rules
- FAIS

Railway is committed to :

- (a) resolving Customer Complaints in a fair manner for Customers, our business and our personnel
- (b) ensuring that Customers are fully informed of our Complaints procedures
- (c) ensuring access to our Complaints resolution facilities by way of email, telephone or post
- (d) ensuring the training of our personnel to deal with Complaints, and escalate any matters where required
- (e) dealing with Complaints in a timely manner, with each Complaint being treated on a case by case basis, based on the merits of the matter
- (f) offering full and appropriate redress where a Complaint is resolved in favour of a Customer (Upheld)
- (g) informing Customers of their right to refer their Complaints to the insurer, the relevant Ombud, and the FSCA should a Complaint not be resolved to their satisfaction (Rejected)
- (h) maintaining records of all Complaints received for a minimum period of five (5) years
- (i) considering the trends, risks, and remedial actions apparent from the Complaints Register annually in order to assess and improve the effectiveness of this Framework

CHAIRMAN/SECRETARY
COMPLAINTS MANAGEMENT FRAMEWORK
ADOPTED BY BOARD
2021-12-17 (date)

VERSION HISTORY				
VERSION	APPROVED BY	REVISION DATE	DESCRIPTION OF CHANGE	AUTHOR
6	J Shankman obo Board of Directors	17/12/2021	Add version history	N S Norval
5	J Shankman obo Board of Directors	24/08/2020	None - compliance review	N S Norval
4	J Shankman obo Board of Directors	19/07/2020	Business and regulatory updates	N S Norval
3	J Shankman obo Board of Directors	17/04/2019	Business and regulatory (including Policyholder Protection Rule 18) updates	N S Norval
2	J Shankman obo Board of Directors	09/03/2019	Business and regulatory updates	N S Norval
1	J Shankman obo Board of Directors	28/09/2015	None - First Draft	J Shankman

PREPARED BY	N S Norval	TITLE	External FAIS Compliance Officer	DATE	17/12/2021
APPROVED BY	J Shankman obo Board of Directors	TITLE	Director	DATE	17/12/2021

COMPLAINT FORM

COMPLAINANT FULL NAME :	
POLICY / REFERENCE NUMBER :	
PHYSICAL ADDRESS :	
CONTACT NUMBER/S :	
NATURE OF THE COMPLAINT :	
SPECIFIC DETAILS OF THE COMPLAINT :	
DESIRED RESULT (HOW DOES THE COMPLAINANT WANT THE MATTER RESOLVED) :	
SIGNATURE OF COMPLAINANT* :	

**Where a complaint is lodged by a third party on behalf of a customer, we require a signed mandate from the customer consenting to us dealing with such person.*

DEFINITIONS ANNEXURE

“Compensation payment” means a payment, whether in monetary form or in the form of a benefit or service, by or on behalf of an insurer to a Complainant to compensate the Complainant for a proven or estimated financial loss incurred as a result of the insurer’s wrongdoing, where the insurer accepts liability for having caused the loss concerned, but excludes any :

- a) goodwill payment;
- b) payment contractually due in terms of a policy; or
- c) refund of an amount which was not contractually due.

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

- (a) Customer or the Customer’s successor in title;
- (b) policy beneficiary or the beneficiary’s successor in title;
- (c) person whose life is insured under a policy;
- (d) person that pays a premium in respect of a policy;
- (e) potential Customer 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 paragraphs (a) to (e).

“Complaint” means an expression of dissatisfaction by a person to an insurer or, to the knowledge of the insurer, to the insurer’s service provider, relating to a policy or service provided or offered by that insurer which indicates, regardless of whether such an expression of dissatisfaction is submitted together with or in relation to a Customer query, that –

- (a) the insurer or its service provider has contravened or failed to comply with an agreement, a law, a rule, or a code of conduct which is binding on the insurer or to which it subscribes;
- (b) the insurer or its service provider’s maladministration or wilful or negligent action or failure to act, has caused the person harm, prejudice, distress or substantial inconvenience; or

- (c) the insurer or its service provider has treated the person unfairly.

“Customer query” means a request to the insurer or the insurer’s service provider by or on behalf of a Customer, for information regarding the insurer’s policies, services or related processes, or to carry out a transaction or action in relation to any such policy or service. A query will not be treated as a Complaint unless some form of dissatisfaction is expressed.

“Framework” means the Framework to which this Annexure is attached.

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

“Customer” means the person entitled to be provided with the policy benefits (that is one or more sums of money, services, or other benefits), under a policy.

“potential Customer” means a person who-

- (a) has applied to or otherwise approached an insurer or an intermediary to become a policyholder;
- (b) has been solicited by an insurer or an intermediary to become a policyholder; or
- (c) has received advertising, as defined in Policyholder Protection Rule 10, in relation to any policy or related service of an insurer.

“Railway” means Railway Furnishers (Pty) Ltd with registration number 1961/002488/07 and FSP No 46186;

“Rejected” means that a Complaint was not upheld and the insurer 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 insurer as unjustified or invalid, or where the Complainant does not accept or respond to the insurer’s proposals to resolve the Complaint.

“Reportable Complaint” means any Complaint (as per the definition above) other than a Complaint that has been –

- a) upheld immediately by the person who initially received the Complaint;
- b) upheld within the insurer’s ordinary processes for handling Customer queries in relation to the type of policy or service complained about, provided that such process does not take more than five (5) business days from the date the Complaint is received; or
- c) submitted to or brought to the attention of the insurer in such a manner that the insurer does not have a reasonable opportunity to record such details of the Complaint as may be prescribed in relation to reportable Complaints.

“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 insurer to assume that the Complainant has so accepted; and
- c) all undertakings made by the insurer 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 insurer within a time acceptable to the Complainant.