

PWV COMPLAINTS RESOLUTION POLICY

1. PURPOSE OF THIS DOCUMENT

We are a licensed Financial Services Provider (FSP) with the authority to provide financial advice and intermediary services in terms of the Financial Advisory and Intermediary Services Act No 37 of 2002. As such we have certain specific duties to you, our clients. One of these duties is to offer you a formal complaints resolution system, which will enable you to exercise your rights as provided for in the Financial Advisory and Intermediary Services Act. The purpose of this document is to inform you of how you can make use of our complaints resolution system, to your advantage.

2. COMPLAINTS MANAGEMENT MISSION

We are committed to providing our clients with quality service and undertake to manage the affairs of our clients in such a way that it should not be necessary to have a complaint about our service, integrity and commitment. Should it however happen that a client does have a complaint, we undertake to:

- 2.1 resolve client complaints in such a way that is fair to our clients, our FSP and our staff
- 2.2 ensure easy access to our complaints resolution process at our offices, or by way of post, email or telephone
- 2.3 empower and properly train the people in our FSP to deal with complaints, as well as with the escalation of non-routine complaints
- 2.4 appoint an independent mediator, if necessary, to resolve the complaint to the benefit of both the client and our FSP
- 2.5 deal with complaints in a timely and fair manner, with every complaint receiving proper consideration in a process that is managed appropriately and effectively by the responsible staff member
- 2.6 offer appropriate remedy in all cases where a complaint is resolved in favour of a client
- 2.7 inform clients of their right to refer their complaints to the FAIS Ombudsman, should a complaint not be resolved to their satisfaction within six weeks from the date on which the complaint is received
- 2.8 maintain records of all complaints received for a period of five years, which will specify the outcome of all the complaints lodged
- 2.9 implement follow-up procedures, if so required, to:
 - 2.9.1 implement remedial actions to prevent similar complaints from occurring
 - 2.9.2 improve services and procedures where necessary within the FSP.

3. DEFINITION OF A COMPLAINT

A complaint in this instance refers to a specific dissatisfaction or grievance relating to a financial service rendered to the client on or after the 30th of September 2004, being the commencement of FAIS, alleging that the FSP:

- 3.1 contravened or failed to comply with a provision of FAIS and that, as a result, the client has suffered or is likely to suffer financial prejudice or damage
- 3.2 wilfully or negligently rendered a financial service to the client which has caused prejudice or damage to the client or which is likely to result in such prejudice or damage, or
- 3.3 treated the client unfairly.

The complaint must not be about the investment performance of the product unless the financial performance was guaranteed or the financial performance was so deficient that it creates the presumption that there has been misrepresentation, negligence or maladministration.

4. SUBMITTING YOUR COMPLAINT

Should you wish to lay a complaint with us please follow the procedure as outlined below.

If any of our representatives provided you with financial advice or any other intermediary service, and you feel that we or our representative did not comply with the Financial Advisory and Intermediary Services Act and that you suffered financial prejudice as a result; intentionally or negligently gave financial advice or rendered an intermediary service to you which caused prejudice or damage or is likely to cause damage; or treated you unfairly, please submit the complaint in writing and forward it to complaints@pwvbrokers.co.za or fax it to 011 475 3011 or post it to P O Box 6436, Weltevreden Park, 1715 or contact our office on 0861 798 798.

Please include the following details with your complaint:

- 4.1 Your name, surname and contact details
- 4.2 A complete description of your complaint
- 4.3 The name of the person who provided you with financial advice or an intermediary service
- 4.4 The date on which the matter complained about occurred
- 4.5 All documentation relating to your complaint
- 4.6 How you would prefer to receive communication from us regarding your complaint, i.e. by email, fax, or post. Please provide us with the relevant contact information such as email address, fax number or address where you would prefer to receive such communication.

5. OUR COMPLAINTS PROCEDURE

As soon as we receive your complaint, we will send you an acknowledgement of receipt. Please take into consideration that the method of communication chosen by you will determine how quickly we will receive and respond to your complaint.

We will investigate and attempt to resolve your complaint to your satisfaction within six weeks of receipt of your complaint.

If we are unable to resolve your complaint within six weeks, or are unable to resolve the complaint to your satisfaction, you have the right to refer your complaint to the Office of the Ombudsman for Short-Term Insurance who provides consumers with a free, efficient and fair dispute resolution mechanism. It offers consumers a “no risk” mechanism to resolve disputes with insurers. The Office can assist consumers with the following personal lines short-term insurance:

- Motor
- Houseowners (Buildings)
- Householders (Contents)
- Cell phone
- Travel
- Disability
- Credit protection insurance
- Commercial Insurance on a Limited basis, i.e. claimants such as small businesses, including a sole proprietor or trader, a juristic person, partnership or trust that has a turnover in the last financial year of less than R25 million. Claim disputes, which the Office can assist with, include fire and allied perils, glass, theft, motor, travel, sickness and accident and SASRIA claims (affiliated to the aforesaid covers).

The contact details of the ombud are as follows:

Telephone: +27 12 762 5000/+27 12 470 9080

Facsimile: +27 86 764 1422/+27 12 348 3447

Email address: info@faisombud.co.za

Website: www.faisombud.co.za

Please remember however that you must refer the complaint to the ombud within six months from the date of the notice in which we inform you that we cannot resolve the complaint to your satisfaction bearing in mind the following:

The period under the Prescription Act would also apply to disputes between an insurer and an insured under a Short-Term Insurance Policy.

In fact, policies themselves contain a number of time-barring clauses, some of which stipulate much shorter periods of time than those provided for in the Prescription Act in which to commence legal action against the insurer.

Typical clauses are those which compel the insured to take legal action within ninety days of the rejection of any claims, or within a year of the event giving rise to the claim.

The Ombudsman has an agreement with all insurers who are Members of the office of The Ombudsman for Short Term Insurance that if an insured completes and lodges with the Ombudsman a formal complaint form challenging a rejection, BEFORE any time-barring clause in the policy has run out, then "the clock stops" for the whole period during which the matter is under consideration by this Office, and by this means, even if the Ombudsman cannot eventually make any finding in favour of the insured, the insured's right to challenge the rejection in Court is preserved.

In addition, in the event that the Ombudsman finally determines that he cannot rule in favour of the insured, the insured shall have thirty days or the remaining period of the time-barring provision of the relevant policy, whichever is the longer, within which to institute proceedings against the insurer.

The Constitutional Court recently considered the constitutionality of time-bar clauses in insurance policies. The Court upheld the validity of such clauses on the facts of a case before it, but did indicate that there may be circumstances in which it would be manifestly unjust and against public policy to uphold such a clause. It is thus imperative that immediate steps be taken after the rejection of liability in respect of any claim for the decision of the insurer to be challenged through a complaint to the Ombudsman or through the institution of legal proceedings.

HOWEVER, if the Ombudsman only receives the complaint after the time-limit has already expired, the position is that, although the Ombudsman can try to debate the merits of the complaint on an equitable basis, the Ombudsman can never compel the insurer to meet the claim because it has a legal defence available to it, based on the time-barring clauses in the policy. IN THE RESULT, UNLESS equitable grounds of the complaint are very strong indeed, the Ombudsman sometimes has to tell the Insured that there is no real prospect of being able to persuade the Insurer to alter its attitude.