Internal
Complaints Resolution Process
For

CMAC
HEALTHCARE CONSULTING

an authorised Financial Services Provider

COMPLAINTS RESOLUTION PROCESS FOR CMAC

1. Introduction

In terms of the Financial Advisory and Intermediary Services Act (FAIS, Act 37 of 2002) every Financial Services Provider (FSP) who is authorised to provide financial advice and/or intermediary services to clients, have the duty to offer clients a formal process to resolve complaints. The complaint resolution process must offer the client the opportunity to lodge a complaint and have the complaint resolved within 6 weeks. In the event of the complaint not being resolved within 6 weeks the client can escalate the complaint to the FAIS Ombud for a final ruling. Such complaint must be lodged within six months after the determination that the complaint could not be resolved by the FSP.

2. Complaints Management Mission

As an authorised FSP in terms of the Financial Advisory and Intermediary Services Act (Act 37 of 2002) 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 would not be necessary to have a complaint about our service, integrity and commitment. However, should it happen that a client does have a complaint, we undertake to:

- Resolve client complaints in such a way that is fair to our clients, our business and our staff.
- We undertake to inform all our clients of the procedures established for the internal resolution of their complaints, details of which will be given to them in writing.
- We undertake to ensure easy access to our complaint’s resolution process at our offices, or by way of post, e-mail or telephone.
- Empower and properly train the people in our business to deal with complaints, as well as with the escalation of non-routine complaints.
- If necessary, appoint an independent mediator to resolve the complaint to the benefit of both the client and our business.
- 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.
- Offer appropriate remedy in all cases where a complaint is resolved in favour of a client.
- Inform clients of their right to refer their complaints to the FAIS Ombud, should a complaint not be resolved to their satisfaction within six weeks from the date on which the complaint is received.
- Maintain records of all complaints received for a period of 5 years, which will specify the outcome of all the complaints lodged.

- Implement follow-up procedures to:
  - Implement remedial actions to prevent similar complaints from occurring.
  - Improve services and procedures where necessary in the business.

3. Definition of a Complaint

Complaint means a specific complaint relating to a financial service rendered to the client on or after the 30th September 2004, being the commencement of FAIS, alleging that we:

- 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;
- 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
- 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 mal-administration.

4 Conditions applicable to complaints:

For a complaint to be valid, the following conditions must be met:

- Where appropriate, a complainant refers to the client and includes the complainant's lawful successor in title or the nominated beneficiary of the financial product which is the subject of the relevant complaint.
- The act or omission complained of must have been done on or after 30 September 2004.
- The complaint must be received by the Ombud within 3 years of the act or omission that resulted in the complaint – if the complainant was not aware of the act or omission, the 3 years starts running from the date on which the complainant became aware, or from the date on which the reasonable person in his circumstances would have become aware, whichever date is the earliest.
- If the complainant already instituted action in a court of law relating to the matter forming the subject of the complaint submitted to the Ombud, the Ombud will not consider the complaint.
- We must have been given the opportunity to resolve the complaint first. Only if we failed to resolve the compliant to the satisfaction of the complainant within 6 weeks of receipt, may the complainant take the matter to the Ombud.
- The complainant has 6 months after he received a final response from the person complained against, to go to the Ombud.
- Complaints must be in writing and must be accompanied by relevant documentation.

- The Ombud may refuse to consider a complaint if he believes that the complaint should be dealt with in court.

5. Our Complaints Procedure

To ensure a quick and appropriate response to complaints, the following process should be used at all times by all relevant staff:

5.1 Log the date and contents of the complaint in the Complaints Register.

5.2 If a complaint is not in writing, ask the client to lodge the complaint in writing.

5.3 Send the external complaints resolution system document to the client.

5.4 Appoint a staff member responsible for the resolution of the complaint.

5.5 Acknowledge receipt of the complaint in writing within 5 days of receipt, and give the client the name(s) and contact details of the staff responsible for the resolution of the complaint (Steps 4.3 and 4.5 may happen simultaneously).

5.6 Investigate the complaint to ascertain whether the complaint is legitimate and/or can be resolved immediately.

5.7 If the complaint can be resolved immediately, take the necessary action and inform the client accordingly.

5.8 If the complaint cannot be resolved immediately, request supporting documentation (if any) from the client that may be necessary to resolve the matter and indicate the expected date of resolution.

5.9 If unable to resolve the complaint within 6 weeks of logging the complaint in the Complaints Register, notify the client accordingly and advise the client of his/her right to:

- proceed in terms of Rule 6(a) and 6(b) of the Rules on Proceedings of the Office of the Ombud for Financial Services Providers (see 6(a) and 6(b) below); or
- Seek legal redress in another forum.

5.10 Update the register with all developments/activities.

6. The FSP's Rights and Duties

In terms of the RULES ON PROCEEDINGS OF THE OFFICE OF THE OMBUD FOR FINANCIAL SERVICES PROVIDERS, 2002, the FSP has the following rights and duties:

(*a*) Where a complaint cannot be addressed within three weeks by the FSP, the FSP must as soon as reasonably possible after receipt of the complaint send to the complainant a written acknowledgment of the complaint with contact references of the respondent.

(*b*) If within six weeks of receipt of a complaint the FSP has been unable to resolve the complaint to the satisfaction of the complainant, the FSP must inform the complainant that -

(i) the complaint may be referred to the Office of the Ombud if the complainant wishes to pursue the matter; and

(ii) the complainant should do so within six months of receipt of such notification.

(*c*) The FSP must be informed of the complaint submitted to the Office of the Ombud to the extent necessary to respond thereto fully.

(*d*) The FSP is entitled to submit any fact, information or documentation in relation to the complaint and must disclose relevant information or documentation to the Ombud.

(*e*) If deemed necessary by the Ombud, the FSP must discuss the complaint with the Ombud and furnish such further relevant information as the Ombud may require.

(*f*) The FSP is required to act professionally and reasonably and to cooperate with a view to ensuring the efficient resolution of the complaint.

7 Determinations by the Ombud and its legal status

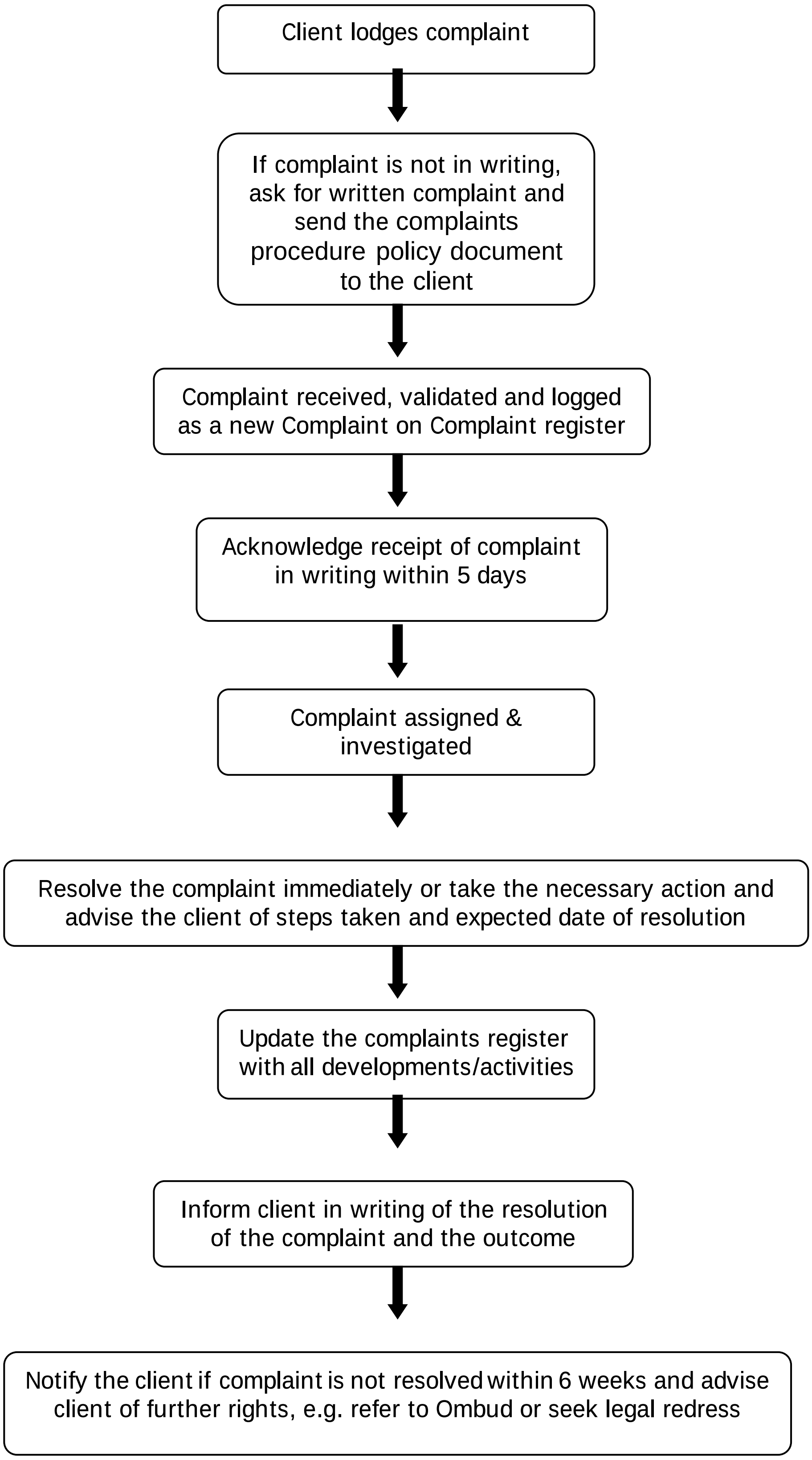
- The Ombud may, when accepting a complaint in terms of section 27(5) of the Act, require the FSP to pay a case fee to the Office not exceeding R1 000.00.
- If the complaint was not resolved through conciliated settlement, the Ombud will make a determination which has the legal status of a civil judgement of court.
- The determination can be a monetary award (not exceeding R800 000, unless the person complained against agrees to it), or any other order that can be made by a court.
- An award of costs may be made against the person complained against.
- An award of costs may be made against a complainant if the conduct of the complainant was improper or unreasonable, or if the complainant caused an unreasonable delay in the finalisation of the investigation.

8 Appeals to Board of appeal

- It is possible to appeal to the Board of Appeal, only if the Ombud gives leave to appeal. If the Ombud refuses, the chairperson of the Board of Appeal can be requested for permission to appeal.
- Application for leave to appeal must be made to the Ombud within 1 month of the Ombud's determination.
- If the Ombud refuses leave to appeal, application for leave to appeal may be made to the Chairperson of the Board of Appeal, within 1 month of the Ombud's refusal – the applicant must inform the Ombud of his application.
- A determination by the Board of Appeal has the same status as a judgement of a civil court.

9. Annexure A

Complaints Process Flow Chart



10. Annexure B

Description of Complaints Register

The register must contain the following fields:

Received: This field will reflect the date on which the letter was received. The receipt period starts its calculations here.

Date Captured: The date of the day on which the complaint is captured.

Received From: The name and designation of the person that submitted the complaint must be entered here. It may be the client or a representative of the client.

Product: The product or service involved.

Client Surname and Initials: Enter the surname of the client making the complaint.

Complaint Description/Type: Short summary of the complaint.

Captured by: The name of the person who captured the complaint.

Responsible Person: Who will deal with the complaint and ensure that it is resolved.

Outcome of Complaint: Summary of what decision was taken.

Date of Final Communication to Client: Date of letter to the client.

CMAC Dedicated Complaints Contact Person

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Contact Us

For questions regarding our CMAC Complaints Resolution, contact CMAC at: info@cmac.co.za