

Treating Customers Fairly (TCF) Policy

1 Introduction

At LSG Insurance Services (Pty) Ltd (“LSG”) we understand that the customer is at the heart of our business and that the fair treatment of customers is essential to our success. Our customers are our most valuable asset.

As part of our overall approach we are fully committed to treating our customers fairly and as such we endeavour to consistently deliver fair outcomes to our customers and take responsibility for the firm and staff. We recognise that our employees, irrespective of their role, are critical to delivering a positive customer experience and ensuring our customers are treated fairly. Our culture and values encourage and support our employees to deliver this.

As a short term insurance intermediary, we take all regulatory requirements seriously, in particular, the requirement to treat customers fairly.

Our TCF policy is based on the following principles (or “fairness outcomes”):

1. The fair treatment of customers must be central to LSG’s culture.
2. Products and services marketed and sold in the retail market must be designed to meet the needs of identified customer groups and targeted accordingly.
3. Customers must be given clear information and be kept appropriately informed before, during and after the point of sale.
4. Where customers receive advice, this must be suitable and must take account of their circumstances.
5. Our products must perform as we have led our customers to expect and our service must be of an acceptable standard and must be what our customers are expecting.
6. There must be no unreasonable post sale barriers to change product, switch provider, submit a claim or make a complaint.

Below we set out how we aim to ensure these principles are embedded in our approach to dealing with customers.

2 Our TCF culture

2.1 Management and the Board

TCF is considered at the highest levels of our firm. The subject of TCF is a standing item on the agenda of the meeting of our Board of Directors.

2.2 Business strategy

TCF is considered at all stages and forms an integral part of any strategic planning processes.

2.3 Employee involvement

Employees are frequently encouraged to consider the TCF outcomes and continually provide feedback, concerns, observations or suggestions on how our treatment of our customers might be further enhanced. A feedback mechanism has been established in the form of an electronic mail address: complaints@lsginsurance.co.za

2.4 Interaction with customers

We interact closely with our customers and target market. Our products, service and business is shaped by listening to our customers' needs and understanding what is important to them. As part of this process we become aware of any further needs that we can help with.

2.5 Decision making

When making decisions, of any kind, we consider the impact on our clients first. Decisions are taken in the interests of the clients.

2.6 Continuous development

To ensure success and provision of excellent customer service, employees receive appropriate training and are aware that TCF is at the heart of LSG's culture. This leads to fully trained and dedicated employees who understand the importance of providing excellent customer service and maintaining LSG's reputation.

3 Product design

3.1 Know the target market

We make sure to identify the specific characteristics of customers and ensure that any new products are tailored to fit in with these characteristics of the target market.

3.2 Needs of the target market

We identify the needs of the target market in order to provide appropriate and suitable products.

3.3 Understandable products

We design new products in such a manner that it is fully understood by the identified target market, and by intermediaries recommending the products.

3.4 Transparent products

We ensure that the benefits and charges of a new product is clearly defined where the scope for any discretionary decisions on our part is minimised.

3.5 Fair charging structures

Our products have charging structures that are fair and are in line with the actual expenses associated with the products.

4 Sales and marketing

4.1 Product to market

Before bringing a new product to the market we will endeavour to test whether customers or the identified target market will be able to understand the product, its suitability to them and its risks and rewards.

4.2 Product suitability

We will make sure that the product being offered to the target market is the product that was designed according to the characteristics of that target market.

4.3 Clear and balanced promotions

Our promotional material provides a well-balanced message, using plain language that is suitable for the target market. It is clear, fair and not misleading; thereby accurately reflecting the product being offered.

4.4 Reputable and knowledgeable intermediaries

We distribute products only through intermediaries who we believe treat their customers fairly, and strive to ensure that intermediaries selling our products fully understand them and the risks that they need to consider with their customers.

4.5 Fair intermediary remuneration

Our intermediary remuneration scales are designed so that remuneration can be disclosed clearly to customers, and intermediaries are not encouraged to recommend unsuitable product characteristics.

5 Product servicing

5.1 Meet customer service needs

We understand our customers and provide them with services that meet their needs, and ensure the service is in accordance with the contract and promotional material we have issued them.

5.2 Provide appropriate product information

We ensure that customers are given appropriate, and balanced, information on their products to enable them (with advice if necessary): to plan adequately for the future and to review the product if external factors change.

5.3 Fair business decisions

We balance fairly the interests of customers, intermediaries and LSG when making decisions relating to product servicing. This applies to both discretionary decisions within the product terms and day-to-day business decisions.

6 Claims handling and premium collection

LSG always considers the needs of the client and understands that, when a client pays a premium, it is not only for insurance but for a service.

6.1 Prompt claim payment

LSG operates efficient claim procedures to ensure that customer claims are handled promptly.

6.2 Claim rejection

We ensure that no claims are unreasonably rejected. Should a claim be rejected, we provide a clear explanation for the rejection or partial settlement. Details of the ombudsman are given to the client to make further discussions possible and easy.

6.3 Claims training

Appropriate training is provided to ensure that claims are handled appropriately with fair and consistent outcomes being achieved for customers.

6.4 Policy premium

Should there be any error in collecting premiums, on the part of LSG, the client will not be negatively impacted.

7 Management information

We ensure we have adequate reporting processes and information systems relating to these principles to measure how well we are performing against them.

Complaints

We have in place a complaints procedure and complaints policy which adhere to rules governing complaints. We consider fully customers' requests, concerns and complaints, and respond to them in a fair manner.



Chairman of the TCF Committee

