

Capitec Bank Credit Insurance: Claims Management Framework

1. Introduction

Capitec Bank Limited (FSP No. 46669) acts as the intermediary and binderholder of Guardrisk Life Limited. Guardrisk Life Limited is the underwriter of the Capitec Credit Insurance policies. Capitec Bank is an authorised financial services provider. Capitec receives and manages the Claims on behalf of the Insurer. In terms of the Policy Protection Rules an insurer must ensure that the claims process are transparent and visible to policyholders. This Claims Management Framework serves to meet the requirements of the Long Term Insurance Act and the Policyholder Protection Rules.

2. Establishment of a Claims Management Framework

The Insurer must establish, maintain and operate an adequate and effective Claims Management Framework to ensure the fair treatment of policyholders and Claimants that:

- 2.1 is proportionate to the nature, scale and complexity of the Insurer's business and risks;
- 2.2 is appropriate for the Insurer's business model, policies, services and policyholders;
- 2.3 enables Claims to be assessed after taking reasonable steps to gather and investigate all relevant and appropriate information and circumstances, with due regard to the fair treatment of Claimants; and
- 2.4 does not impose unreasonable barriers to Claimants

3. Definitions

"Claim/s" means, unless the context indicates otherwise, a demand for any policy benefits by a Claimant in relation to a policy, irrespective of whether or not the Claimant's demand is valid;

"Claimant" means a person who makes a claim;

"Claims Outcome" shall relate to the following:

- 3.1 **"Approved"** shall mean that the Claim has been finalised in such a manner that Capitec has accepted that the claim has met all policy criteria and the policy benefit will progress with the usual monthly payment run
- 3.2 **"Repudiated/ Repudiation"** shall mean that the Claim has been wholly or partly rejected (or repudiated) and Capitec, with approval from the Insurer, regards the Claim as finalised
- 3.3 **"Disputed/ Disputes"** shall mean the Claim is neither accepted nor rejected, but that Capitec, on behalf of the Insurer, disputes the Claim or the quantum of the Claim
- 3.4 **"Insurer"** shall mean Guardrisk Life Limited (Registration No. 1999/013922/06 and FSP No. 76)
- 3.5 **"Goodwill Payment"** means that the Insurer does not accept liability for the Claim, but as an expression of goodwill aimed at resolving a Claim, the Insurer is willing to make an ex gratia payment of a benefit

4. The Claims process

The process that a Claim will follow at Capitec:

- 4.1 The Claims department will receive the claim from a Claimant by submission of the required documents through any channel in paragraph 9 below
- 4.2 An acknowledgement of receipt of the Claim will be sent to the Claimant by SMS when the Claim is submitted
- 4.3 The Claim will be assessed and the Claims Outcome will be completed within a reasonable period after receipt of the Claim
- 4.4 Any outstanding or additional information and documentation required to complete the assessment of the Claim will be communicated to the Claimant telephonically, by SMS and/or by email, depending on which channel of communication is successful
- 4.5 Where Capitec recommends that a Claim should be Repudiated, Capitec will refer the recommendation to the Insurer
- 4.6 Should the Insurer decide to proceed with the Repudiation, a repudiation letter will be sent to the Claimant detailing the reason for the Repudiation
- 4.7 All communications with a Claimant will be done telephonically, by SMS and/or by email, depending on which channel of communication is successful. Should any of these communications be unsuccessful, the relevant Capitec branch that submitted the Claim will be notified of the Claim Outcome

- 4.8 All Approved Claims will be settled within 45-60 working days from the last day of the month in which the Claim was submitted by the Claimant
- 4.9 Where a Claimant is dissatisfied with the claims handling procedure or the Claims Outcome, the Claimant may escalate his/her dissatisfaction in accordance with paragraph 7 below
- 4.10 Where Capitec, on behalf of the Insurer, assesses a Claim, which Claim would in the ordinary course of business be repudiated, but due to mitigating factors that allow for the application of fairness and equity on the specific facts of the Claim, Capitec may escalate the Claim to the Insurer with a motivation to Approve the Claim and make a Goodwill Payment

5. Repudiations or Disputes

If Capitec on behalf of the Insurer, Repudiates a Claim or the Claimant Disputes a Claim, Capitec will communicate the following to the Claimant:

- 5.1 The reason for the Repudiation and the facts that informed the decision;
- 5.2 That the Claimant has the right to make representations directly to the Insurer in respect of the decision;
- 5.3 Details of the internal claim escalation and review process;
- 5.4 That the Claimant has the right to lodge a complaint to the relevant Ombud and the relevant contact details of the relevant Ombud;
- 5.5 If applicable, any time limitation provision for the institution of legal action by the Claimant;
- 5.6 If applicable, the prescription period that will apply in terms of the Prescription Act;
- 5.7 The contact details of the Insurer and that any recourse or enquiries must be directed to the Insurer

6. Capitec internal Claim escalation process for complex and unusual Claims

Complex or unusual Claims shall be escalated from the initial claims assessor at Capitec as follows:

- 6.1 Capitec Credit Insurance Team Leader;
- 6.2 Capitec Credit Insurance Claims Manager;
- 6.3 the Insurer;
- 6.4 the Reinsurer (where applicable)

7. Claim escalation process for ordinary Claims

- 7.1 Should a Claimant be dissatisfied with the Claims Outcome, the Claimant may direct their dissatisfaction to Capitec Complaints Management, who will refer the matter to the Insurer for review of the decision or the Claimant can direct their dissatisfaction directly to the Insurer
- 7.2 The Insurer will respond to the Claimant within 45 working days
- 7.3 Should the Insurer's response result in a decision that is still unsatisfactory to the Claimant, the Claimant may refer the matter to the Internal Dispute Arbitrator at the Insurer, before referring it to an external body, such as the Ombudsman for Long Term Insurance
- 7.4 In addition, the Claimant may send a formal complaint to ComplaintManagement@capitecbank.co.za
- 7.5 Capitec will acknowledge receipt of the complaint within 2 working days
- 7.6 The Insurer's contact details are:

Guardrisk Life Limited
PO Box 786015
Sandton, 20196
Tel: (011) 669-1000
Email: info@guardrisk.co.za

- 7.7 The Ombud for Long Term Insurance, contact details are:

Private Bag X45, Claremont, 7735
Tel: (021) 657 5000
Sharecall: 0860 103 236
Fax: (021) 674 0951
Email: info@ombud.co.za

8. Prohibited claims practices

Capitec and the Insurer may not:

- 8.1 Repudiate a Claim without performing a reasonable assessment of the Claim;
- 8.2 Dissuade a Claimant from obtaining the services of an attorney;
- 8.3 Repudiate a Claim based solely on the outcome of a polygraph or lie detector test

9. Claim Submission Contact Details

- 9.1 The notification of your Claim may be done:
 - 9.1.1 at any Capitec branch; or
 - 9.1.2 by calling Capitec Collection Services Enquiries on 0860 66 77 83; or
 - 9.1.3 by e-mail to creditinsuranceclaims@capitecbank.co.za; or
 - 9.1.4 by fax to 0860 11 11 52
- 9.2 The claim form and list of required claim documents are available on capitecbank.co.za or will be provided to you when you lodge a Claim

capitecbank.co.za

Conditions apply. Fees include VAT.

All information correct at time of going to print, 04/02/2019, and subject to change.
Capitec Bank is an authorised financial services provider (FSP 46669) and registered credit provider (NCRCP13) Capitec Bank Limited Reg. No.: 1980/003695/06



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