



TREATING CUSTOMERS FAIRLY

As a trusted underwriter our Client is both the insurance policyholder and the insurance broker. We understand the relationship between the policyholder and the broker.

OUTCOME 1 : CULTURE

AnimalSure Underwriting Managers (Pty) Ltd is committed to Treating Customers Fairly. Our ethics and general business practice is to maintain a high ethical standard and a belief in mutual respect and we consider Treating Customers Fairly as a foundation for Client loyalty and sustainable business practice.

Strategy:

In all our business planning and development the Client is at the centre of our considerations. This is reflected in our "Trust is Earned" slogan as we believe in building long term relationships with both our brokers and our clients and in protecting the precious investments (animals) of our clients.

Decisions:

It is expected that all activity is mindful of Treating Customers Fairly. During the course of any day many decisions are made and all activities are performed keeping in mind that we are expected to treat the clients fairly. The following is how we achieve a fair outcome for Clients:

Risk assessment, selection and pricing;

With regards to our tariffs, we have developed a tariff chart based on predetermined and consistent risk profile inputs, indemnity limits required and keeping up to date with the average value paid for specific specie of animal.

The insurance of animals (our only product) has also been categorised into 4 different types of categories, based on the risk factor of such individual species. The tariff has been adjusted according to these specific risk areas and risk exposure.

Variations to the tariffs are determined based on claims, broker inputs, policies written, risk management practices and Customer loyalty as this is a niche market with a unique insurance product.

Review and ad hoc discussions relating to underwriting standards and risk exposures are constantly taken into account and based on these the tariffs have been increased in some risk areas and decreased in other risk areas as well as taken into account the changing of a specific animal from one category to another depending on the risk factor that was exposed or "vice versa".

Claims management, acceptance and rejection;

AnimalSure Underwriting Managers (Pty) Ltd has adopted an approach that requires support of any Policyholder and working with the Broker to ensure policy fulfilment and by implementing this we also protect the reputation of the customer.

In our policy wording the defining of excesses payable are stipulated in respect of a certain event. The policy wording also stipulates the percentage payable in the event of cancellation or the terminating of a policy before the expiry date.



Prompt acknowledgement and response with clear explanations as well as the procedure forward is communicated as soon as a claim is received.

AnimalSure Underwriting Managers (Pty) Ltd uses independent forensic and investigative expertise to assess claims and this is communicated to the brokers and the clients. When a claim is repudiated, the services of external independent legal experts are used and this is a good example that the client is treated fairly.

Claim rejections are strictly supported by legal input, director level decision making and a full explanation is provided to the Client.

Administration and Finance.

Proven systems are in place and these support accurate information. This includes policy and claims records.

We respond to Customer queries in a timely manner.

Controls:

We recognise that we need to monitor and ensure that the Client is being treated fairly and this is achieved by;

Maintaining and having Client information readily available. This information is updated at least once a year or changed in a reasonable time, once the changed information is received from the client via the broker.

Our systems is restricted to unauthorised personnel and only the director and general manager have the capacity to intervene and monitor this information at any time.

Management meetings occur weekly and are intended to co-ordinate effort, compile feedback and review any concerns relating to or opportunities to improve Treating Customers Fairly. These meetings are managed by the director.

Monitoring of renewal policies with the previous year's pricing information ensures consistency with the renewal premium. Referral to management is required where inconsistencies are identified.

Claim values and claim reports are reviewed monthly. On a constant basis, claims are reviewed to ensure consistency of approach and fairness.

Performance:

We have employed positive capable and skilled personnel with a positive behaviour towards understanding the need and/ or insurance of the client. This is a key ingredient to delivering fair outcomes and a sustainable business proposition.

We achieve this through individual performance review, weekly discussions and review of our values as to how to treat customers fairly. For example if a client requests a quote through 5 different brokers, all quotes for all brokers will be issued with the same tariff and the same cover. This is what it means to us to Treat Customers Fairly.

Awareness and impact of applicable legislation, in particular: FAIS (fit and proper), TCF (fairness), FICA (money laundering), Short Term Insurance Act (governance) and POPI (information security). This is achieved through the promotion of reading and general discussion.

Individual review of understanding of fair practice and in the event of either positive or negative external feedback, reinforcement of good behaviour or reorientation, through learning, in the event of unacceptable behaviour. This is generally shared where possible.



Reward:

AnimalSure Underwriting Managers (Pty) Ltd is a specialist underwriting administrator business contracted by Mutual & Federal Risk Financing Limited (FSP# 0012). AnimalSure Underwriting Managers (Pty) Ltd is an exclusive product supplier in the insurance of game and wildlife. AnimalSure Underwriting Managers (Pty) Ltd is precluded from providing advice to the Policyholder.

To support this position, to avoid conflict of interest and as evidence of fairness;

- AnimalSure Underwriting Managers (Pty) Ltd has a written Conflict of Interest policy.
- AnimalSure Underwriting Managers (Pty) Ltd remuneration and profits are directly related to the underwriting profit of the "book of business". This business is gained exclusively through the Broker market channel.
- AnimalSure Underwriting Managers (Pty) Ltd does not receive any commission related to the selling of or advice to the policyholder. To do otherwise would create a behaviour of bias to our product and would be a conflict and not in the interests of the policy holder.
- We pay Brokers a commission as prescribed by legislation.
- We subscribe to the legislative conflict of interest values as prescribed in terms of any entertainment or similar expenses in building relationships with insurance brokers. This is embedded in our Conflict of Interest policy and is monitored monthly.
- We do not pay any bonuses or staff remuneration based on volume of business or any other remuneration that may influence undesirable behaviour or effort contrary to Treating Customers Fairly or creates Conflict of Interest.

Our employee remuneration policy is restricted to an annual package and in the event of a positive business financial return there may be an additional bonus in December each year.

OUTCOME 2 : PRODUCTS and SERVICES

Our product and services are intended to meet the needs of the client.

We are precluded from providing advice to Policyholders. We therefore do not engage in any practice that may persuade any Policyholder to enter into a policy contract. However we are concerned that any policy we issue does in fact respond to the Policyholder's needs.

We achieve this by:

- Continuously reviewing our product through claim experience, Policyholder and Broker feedback, market practice, legislation and risk exposures as they vary and develop.
- Any Broker will be and is supported with direct explanation as to the meaning of our policy wordings and how it may respond in certain instances.
- Our policy wordings are written in plain language and are easy to understand.
- Responding to Broker communication as to cover requirements.



- Continuously doing broker training and follow-ups with regards to changes in the policy wordings.

OUTCOME 3 : INFORMATION

When contracting with us we will communicate clearly and keep the Brokers appropriately informed before, during and after the time of contracting.

Although we rely on brokers to provide relevant information to any policy holder we contribute to the delivery of fairness by:

- Providing renewal reminders to brokers four to six weeks before renewal dates and following up with further reminders all geared to the policy renewal date.
- Issuing policies in plain language.
- Highlighting the need to provide all material information relating to the description of an insured's insurable interest, claims history and other key risk assessment information.
- Clearly setting out policy premium terms and when payment is due and what happens in the event of non-payment of premium.
- Confirming how and when to report claims.
- Setting out in our disclosure notice all the information necessary for any Policyholder to identify who we are who we are associated with and contact details are also provided.

OUTCOME 4 : ADVICE

Although we do not provide advisory services, we recognise our product requires advisory support. We will contribute to this advisory support and where possible ensure that it is suitable and takes account of Policyholder circumstances.

Our strategic position is as a product supplier but we assist in the advisory process and fairness by:

- Registering and entering into agreements with Brokers. These agreements clearly set out responsibilities and obligations on the part of Brokers and define their advisory duties.
- Conducting an assessment as to the capabilities of the Broker in relation to our specific product.
This assessment acknowledges that the Policyholder has chosen the Broker and has performed his own due diligence, before a broker code is issued.
- This assessment also relies on the regulatory framework in place that requires Brokers to register and be approved practitioners.
- Our input relates to our knowledge of the broker and where relevant we will support the Broker with training and direct input in relation to risk profiles submitted to us.
- Intentionally intervening in the event that we witness the Broker has misunderstood or where the Broker requires assistance in defining risk exposures and potential insurance solutions.



OUTCOME 5: SERVICE DELIVERY PERFORMANCE

Our products will fulfil Client expectations and will be supported through the provision of quality support services by our brokers.

As we are precluded from dealing with the public or any Policyholder directly, we are reliant on and work with Brokers to deliver policy fulfilment and service.

We fulfil our obligations by:

- Entering into agreements with Brokers that confirm our obligations and commitments.
- We have established clear business processes to ensure service delivery.
- Policy quotations in a timely manner. These include proposed policy wordings, clarity on special conditions and requirements, payment options and terms and regulatory information.
- Response times to claims reported from acknowledgement to initial decisions regarding claims management and subsequent follow through.
- Monitoring any feedback from Brokers. This feedback is dealt with as and when given and any service method change is implemented where and if required.
- Ensuring we have the capacity to continue to deliver service in the event of disaster. This is evidenced and delivered by way of a written Risk Management review which occurs quarterly and in addition a written clear disaster management plan which is integrated into our risk mitigation activity.
- When we appoint external specialists to assist us, service is monitored on a case by case basis. In every appointment we continue to take ownership and responsibility for service delivery.

OUTCOME 6: CLAIMS, COMPLAINTS and CANCELLATION

We will ensure that there are no unreasonable or unnecessary constraints when any Policyholder wishes to:

- register claims with us,
- complain to or about us or
- alter or cancel their contract with us.
- Our evidence in delivering on this outcome follows:

Claims

- The process to register a claim is embedded in our policy documentation.
- This is managed by working with the Policyholder and with the Broker of record.
- We do not outsource ownership and responsibility to manage claims.
- No claim is rejected without internal and external legal input and decision making at director level.



Complaints

- We view complaints as a learning experience and consequently welcome this form of feedback as an opportunity to improve Customer service and in particular to enhance Treating Customers Fairly.
- We have a complaints process that details how we deal with complaints and who will deal with complaints. Any complaint is dealt with at director level.
- We do not prescribe how these complaints may be made. Anyone who has a complaint is at liberty to complain in any way they wish. In addition to our normal contact information we also have a dedicated e-mail address: Lizette@animalsure.co.za
- We maintain a register of complaints. We share this register internally and use the lessons learnt for improvement. This is done during our monthly meetings.
- We set out in our Disclosure Notice all the necessary details relating to reporting complaints and to contact our Regulator.

Contract changes

- Our policy contracts may be cancelled on notice of 30 business days' notice. This notice period has been chosen as it is aligned to the Consumer Protection Act.
- The ramification of a cancellation is specifically communicated to the policy holder, via the broker, to ensure that the consequences are clearly understood.

Any request to alter the policy in any way is received from the broker on behalf of the policy holder. We will not unreasonably reject any request for a change but should we do so this will be accompanied by a clear and detailed explanation

AnimalSure Team