



Groups *R* Us

Group Benefit Specialists

REFUND AND CANCELLATION POLICY

**FOR GROUPS ARE US (PTY) LTD, T/A GROUPS R US
(FSP NO: 45735)**

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INDEX

Contents

1. Definitions:	3
2. Introduction:	5
3. Purpose:	5
4. TCF Outcomes:.....	5
5. CPA (Consumer Protection Act South Africa).....	5
6. Refund & Cancellations.....	6
11. Customer complaints:.....	6

1. Definitions:

a) “Administrator”

(1) Refers to Groups Are Us (PTY) Ltd or GRU who sells insurance and administrates insurance policies on behalf of the underwriter.

b) “Financial services provider”

(1) Refers to a registered financial services provider as defined in the FAISAct 37 of 2002

c) “Underwriter”

(1) Refers to the FSP responsible for underwriting of policies. Underwriting is the process through which an individual or institution takes on financial risk for a fee. This risk most typically involves loans, insurance, or investments.

d) “Natural Representative or Juristic Representative”

(1) A representative may be either a natural person or a juristic person mandated to sell or market a product on behalf of the FSP.

e) “Client”

(1) Refers to the Juristic Representative and/or Natural Representative mandated to sell or market a product on behalf of the FSP.

f) “Policy holder or Customer”

(1) Refers to A policyholder (or policy holder) is the person who owns the insurance policy. In most cases, the policyholder is the only person who can change the policy. The policyholder is also the person that is responsible for making sure premium payments are up-to-date.

g) “Beneficiary”

(1) A beneficiary is the person or entity that you legally designate to receive the benefits from your financial products. For life insurance coverage, that is the death benefit your policy will pay if you die. The beneficiary of a life insurance policy is the person who receives the payment of the amount of insurance after the death of the insured.

h) “Claims agent or Claim Processor”

(1) Refers to the GRU employee who receives an insurance claim, investigates the insurance claims and recommends an effective settlement. The claim agent only administrates the application process and do recommendation to the underwriter. The final decision for payment lies with the underwriter that ultimately carries the risk of the claim.

i) “Claim Supervisor”

(1) The Claims Supervisor is responsible for the analysis and management of claim files within their unit. Supervision includes: claim assignments, coverage analysis, establishment of and adherence to action plans in claim files, reserve accuracy, effective negotiation and appropriate resolution as well as basic QA of all incoming and processed claims.

j) “Debit Orders”

(1) A debit order is defined as an agreement between you and a third party. This agreement can be written, electronic or recorded voice approval and gives the third party permission to deduct money from your account on a recurring basis.

k) “Internal ombudsman”

(1) Refers to underwriter’s adjudication panel that normally will consist of the claim agent, risk officer, compliance officer and key individual that will collaborate around numerous factors taking in account TCF Outcomes, ethical fairness, LTIAAct guidelines before approving and/or repudiating the customer/policy holder claim.

l) “External ombudsman”

(1) Refers to the Ombudsman for Long-Term Insurance that has the main duty of resolving

complaints through mediation, recommendation and then, as a last resort, determination (or rulings).

m) “LTIAAct or Long Term Insurance Act”

(1) Refers to the Long-term Insurance Act 52 of 1998 that governs long term insurance in South Africa. It provides for the registration of long-term insurers and for the control of certain activities of long-term insurers and intermediaries.

n) “FAISAct”

(1) Refers to Financial Advisory and Intermediary Services Act 37 of 2002 that regulates the rendering of certain financial advisory and intermediary services to clients.

o) “Financial Services Conduct Authority or FSCA”

(1) The FSCA is the market conduct regulator of financial institutions that provide financial products and financial services, financial institutions that are licensed in terms of a financial sector law, including banks, insurers, retirement funds and administrators, and market infrastructures.

p) “Compliance officer or CO”

(1) Refers to the person internally or externally providing support and guidance to Management and Senior Management in responding to compliance matters and resolving queries.

q) “Key individual or KI”

(1) Refers to the person who is responsible for managing and overseeing the activities relating to the rendering of any financial service.

r) “Repudiation”

(1) Refers to when a customer makes a claim on the grounds or conditions which are not covered under the policy conditions, the insurer repudiates the claim. The conditions or the loss are not covered under the policy. This is called claim repudiation. In such a case, companies aren't liable to pay.

s) “Adjudication”

(1) Refers to the process of paying claims submitted or denying them after comparing claims to the benefit or coverage requirements. Adjudication normally takes place when or where the claim agent is uncertain or unsure if the claim qualifies for cover due to conditions of claim and/or missing documentation that cannot be attained.

t) “TCF Outcomes or TCF Guidelines”

(1) Treating Customers Fairly (TCF) is an outcomes based regulatory and supervisory approach designed to ensure that regulated financial institutions deliver specific, clearly set out fairness outcomes for financial customers.

u) “CPA or Consumer Protection Act South Africa”

(1) The Consumer Protection Act (CPA) in South Africa, which came into effect in 2011, aims to protect consumers from harmful or unfair business practices

v) “NCC or National Consumer Commission”

(1) The mission of the National Consumer Commission (NCC) is to promote compliance with the Consumer Protection Act through advocacy and enforcement, in order to ensure fair business practice and uphold the social and economic welfare of consumers.

w) “HANIS or Home Affairs National Identification System”

(1) A initiative that allows access to the Home Affairs National Identification System (HANIS) to verify the identity of prospective and current clients in pursuit to minimise fraud.

2. Introduction:

- a) This entity Groups Are Us (PTY) LTD, T/A Groups R Us is an authorised financial services provider that provides financial advice and renders intermediary services to clients on financial products under a license issued in terms of the Financial Advisory and Intermediary Services Act, Act 37 of 2002.

3. Purpose:

- a) The purpose of the refund policy is to clearly explain and communicate the refund process.
- b) These stakeholder typically consist of:
 - i) The customer/policy holder requesting a refund.
 - ii) The Natural Representative acting on behalf of FSP (GRU).
 - iii) The Juristic Representative acting on behalf of the FSP (GRU).
 - iv) The administrator/FSP (GRU) and its employees (i.e. claim administrators and claim supervisors validating refunds if due).
 - v) The underwriter/FSP and its employees (internal ombudsman staff, compliance officers/key individuals reviewing complaints where refunds might be rejected).
 - vi) The external ombudsman.

4. TCF Outcomes:

- a) Groups Are Us is committed to comply with TCF outcomes as outlined in the National TCF guidelines and referenced in the FAISAct and LTIAct.
- b) These outcome are:
 - i) TCF Outcome 1 – Principle of Culture & Governance
 - ii) TCF Outcome 2 – Principle of Product Suitability
 - iii) TCF Outcome 3 – Principle of disclosure
 - iv) TCF Outcome 4 – Principle of Suitable Advice
 - v) TCF Outcome 5 – Principle of Performance and Service in line with Expectations
 - vi) TCF Outcome 6 – Principle of Claims, Complaints & Changes.
- c) Groups Are Us' commitment towards these commitments are also outlined in a separate standing policy referred to as "GRU TCF Policy"

5. CPA (Consumer Protection Act South Africa)

- a) The Consumer Protection Act (CPA) in South Africa, which came into effect in 2011, aims to protect consumers from harmful or unfair business practices by providing them with certain rights and remedies. One of these rights is the right to a refund, which is an important aspect of the CPA that businesses must comply with.
- b) The CPA also provides consumers with the right to take legal action against businesses that refuse to provide them with a refund when they are entitled to one. Consumers can approach the National Consumer Commission (NCC) to file a complaint against a business. If the NCC finds that a business has violated the CPA, it can issue fines or penalties, or even revoke the business's operating license. Consumers can also take legal action through the courts, where they can claim damages and/or an order for specific performance, which would require the business to provide a refund or perform the promised service.
- c) If a business refuses to issue a refund when a customer is entitled to file a complaint with the National

Consumer Commission (NCC): The NCC is responsible for enforcing the CPA and protecting consumers' rights.

- d) A customer can file a complaint with the NCC, providing evidence of their entitlement to a refund and the business's refusal. If the NCC finds that the business has violated the CPA, it can issue fines or penalties, or even revoke the business's operating license.
- e) NCC contact details:
 - i) Postal: PO Box 36628, Menlo Park, 0102
 - ii) Physical: Building C South African Bureau of Standards Campus, 1 Dr Lategan Road, Groenkloof Pretoria
 - iii) Tel: 012 428 7000 / 012 428 7726
 - iv) Web www.thencc.gov.za

6. Refund & Cancellations

- a) Refund & cancellations requests can be done via the following solutions;
 - i) E-mail Groups Are Us at complaints@groupsrus.co.za/info@groupsrus.co.za
 - ii) Call Groups Are Us at +27 861273342
 - iii) Incoming call via our in-bound Callbell solution on following number +27 861273342
 - iv) Whatsapp request solution via following number +27 616657971
- b) Groups Are Us refunds become applicable in instances where:
 - i) A client was debited incorrectly/erroneously due to following
 - (1) Duplicate debits/deductions
 - (2) Debits deductions after a clients' cancellation notice
 - (3) If client policy is still active but all the members have been deceased on the policy
 - (4) POS Service Provider errors on month-end bulk deduction upload
- c) When a refund is requested the following process is applied to validate if refund is true and correct:
 - i) Client is correctly identified via
 - (1) Provided ID no
 - (2) The payers Name and Surname
 - (3) Copy/proof of bank account that shows erroneous deduction
 - ii) Policy or Bordereaux data is validated against bank journal to validate if actual funds due for refund was actually received by GRU.
 - iii) To make sure that the client is with Groups R Us
 - iv) To validate if the client has not reversed their debit order
- d) Typically the TAT (Turn Around Time) to process a refund takes between 7 – 12 working days to ensure fund have actually cleared and erroneous debit cannot be recalled post refund approval.
- e) Once refund is validated by claims manager via above process the refund will typically actioned via supervisor as an additional oversight measure.

11. Customer complaints:

- a) As per TCF outcomes the customer/policy holder has the right to complain.
 - i) Groups Are Us will minimise unreasonable post-sale barriers by ensuring that queries and complaints are handled in a timeous manner and that we respond to clients as soon as possible. We will ensure fair and consistent handling of refunds within the 7-12 days committed and our complaints management policy will also be made available to the clients as and when required.

- ii) We have developed a mechanism to deal with a refund complaint or request timeously and fairly. When a refund complaint or request is received by any person in the office the complaint will be escalated to the key individual who will deal with the complaint and the client. The client will be requested to put the complaint in writing, the complaints management policy will be made available and the complaint will be recorded in the complaints register. This will all be done within the 7-12 day time period where the FSP will do everything possible to handle the refund if due.
- iii) If/where a policy holder/customer refund is rejected the full details of internal and external ombudsman details will and currently is disclosed on application and claim process by the administrator and/or any juristic or natural Representative acting on behalf of said administrator.
- iv) Any uncertainties can be directed to compliance@gorupsrus.co.za

Process Illustration:

