



# **ABC BANKING CORPORATION LTD**

## **Complaints Handling Policy and Procedures**

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## **1.0 INTRODUCTION**

### **1.1 Purpose**

ABC Banking Corporation Ltd (hereafter referred to as the “bank”) is committed to continually improve the service it provides to its customers. It aims to always put its customer first and it is little things that often matter the most in delivering customer service excellence. The cCustomer Complaints Handling Policy and procedure is designed to ensure that complaints are dealt with efficiently, fairly and effectively.

The policy aims to:

- Provide a framework for the bank’s staff to work with when handling complaints thereby ensuring adherence to the Guideline on Complaints Handling Policy and Procedures issued by the Ombudsperson for Financial Services and to Section 96A of the Banking Act 2004 (As amended).
- Provide employees with guidance in dealing with complaints efficiently, fairly, effectively and in a timely manner;
- Ensure consistency within the bank in handling and resolving complaints from customers;
- Assist the bank in its commitment to provide quality products and customer service;
- Support the provision of the highest possible quality service to our customers;
- Increase the level of customer satisfaction; and
- Enhance our relationship with our customers.

### **1.2 Ombudsperson for Financial services Act 2018**

The Act sets up the Office of Ombudsperson for Financial Services – the “Office”. The primary mandate of the Ombudsperson is to deal with complaints made by consumers of financial services against financial institutions with a view to give a better protection to consumers of financial services.

The Ombudsperson may for the purposes of the Ombudsperson for Financial Services Act request any institution to furnish within such time and in such form and manner as he may determine such information as he may require. He may also by notice in writing to financial institutions falling under his purview, issue instructions and guidelines and impose such requirements as he may determine.

### **1.3 Importance of Handling Complaints**

Customer complaints may be the first indication of serious irregularities, fraud, mistakes, services or procedural deficiencies as well as potential defection to competitors. Complaints are an important way for the management of the bank to be accountable to its stakeholders as well as providing valuable prompts to review organisational performance and the conduct of people that work within and for it. Cognisant of same, the bank has put in place a strong and effective complaint handling policy and requires that all employees to strictly comply with same.

## **2.0 GUIDING PRINCIPLES OF COMPLAINT HANDLING**

All employees receiving customer complaints must follow the principles outlined below:

- Listen and understand the customer regardless of the nature of the complaint;
- Acknowledge for any inconvenience the customer may have experienced;
- Take ownership and always strive to the best of their ability to resolve a customer complaint;
- Never refuse or delay clients (without a reasonable cause) should they wish to register the complaint; and
- Treat complaints fairly and objectively.

Complaints logged by the bank's employees should be handled in line with the normal customer complaints handling procedure.

Complaints made by the relatives or friends of staff members must be handled completely independently of the staff member with whom they have the relationship.

The bank will provide a copy of the Complaints Handling Policy & Procedures to its consumers free of charge upon request and will be available on the bank's website and available to whoever wishes to take cognizance.

### **3.0 APPOINTMENT OF COMPLAINTS OFFICER**

In line with Section 96A of the Banking Act 2004 and Section 12.2 of the Guideline on Complaints Handling Policy and Procedures and with a view to enhancing the communication with the Office of the Ombudsperson for Financial services (OFS, the bank has duly appointed a complaints coordinator to deal with complaints and grievances from customers.

As required, the bank will notify the Ombudsperson for Financial Services as soon as reasonably practicable of any subsequent change with regard to the complaint's coordinator.

#### **4.0 ESTABLISHMENT OF A COMPLAINTS OWNER**

##### **▪ Complaint Handling or Investigation**

The employee receiving the complaint should contact the Complaints coordinator and send her/him the details of the complaint, in cases the complaints are not being resolved. It is advisable for heads of department to keep a track of all complaints that may have been raised by customers. Relationship Managers and other frontline staff should ensure that all complaints are looked into within the set deadline. The concerned department should become the complaints owner and should try to resolve the matter with the help of the Complaints coordinator who, as well as the department concerned, has the responsibility to ensure that the complaint is dealt with in a timely manner.

The Complaints handling policy & Procedure is binding on the bank and all of its staff.

In the event that the complaint may not be handled fairly because the complaint owner caused complaint, the Line Manager/Head of Department can either designate another independent complaint owner or otherwise handle the complaint directly.

Heads of Departments/Line Managers should ensure that complaints assigned to their departments for resolution are dealt with in a timely manner and as far as possible to the satisfaction of the bank's customers.

In circumstances the complaint is still not resolved, the matter should be referred to the Complaints Officer who will then drive the issue as per procedures.

Regarding complaints received from the Bank of Mauritius or from the Ombudsperson for Financial Services, it will be the responsibility of the Complaints Officer who will need to notify the concerned department in order to deal with the matter and respond to the Authorities as appropriate and in a timely manner.

##### **▪ Contact Customer**

The complaint owner should make contact with the customer to reply and seek complaint resolution.

## **5.0 TIME LIMITS FOR DEALING WITH COMPLAINTS**

- (i) Complaints should be resolved preferably at the first point of contact on the spot.
- (ii) The bank shall, except where the complaint has been made verbally or over the phone, send a written acknowledgement of the complaint within two working days of its receipt, giving the name, job title and contact details of the person handling the complaint.
- (iii) In the event that the employee is unable to resolve the complaint within 2 working days, the complaints Officer should be informed immediately, and, clients should then be advised to submit their complaints in writing at the counter or by letter through the post, facsimile or by email.
- (iv) A written reply containing the decision of the bank should be sent to the complainant within 10 days as from the date the complaint is received by the bank covering all points raised by the customer advising on corrective action(s) taken for complaints resolution.
- (v) Complainants should be informed that in case they are still aggrieved by the decision provided to them by the bank, or that they do not receive a reply from the bank within 10 days as from the date of their complaint, they may refer their complaint to the Office of the Ombudsperson to be dealt with in the manner the Office considers appropriate.
- (vi) The bank will need to have an efficient information management system capable of monitoring and reviewing the quality of complaint handling, detect underlying problems and take actions to address issues that may be identified.
- (vii) A regular assurance exercise will need to be undertaken by the internal auditor which will aim at examining whether the procedures on complaints handling are operating effectively.

## 6.0 ESCALATION PROCESS

All complaints will need to be escalated to the complaints coordinator who will then redirect the complaint to the Line Manager/Head of Department/ Complaints Officer for closure of the complaint. However, certain types of complaints will need to be reported to Managing Director, General Manager and Strategic Business Executive. Typical examples include, inter alia:

- Complaint is so severe that customer cannot be pacified and/or might be escalated to Senior Management;
- Customer insists to speak with senior executives such as Head of department/General Manager/Managing Director;
- Compensation amount or adjustment for error exceeds entitled limit;
- Customer is dissatisfied with the performance of the complaint owner;
- Final result for handling complaint is closed as 'Disputed' status;
- Complaint remains unresolved after 10 working days;
- Complaint relates to fraud or irregularity or it is in doubt;
- Complaint might result in law suits;
- Complaint due to defects in our processing or provision in respect of regulation;
- Complaint which might be raised to external regulators;
- Complaint which might come to public knowledge via the media; and
- \*Complaint due to a sale mis-representation.

*\*The definition of mis-representative is the sale of a product or service to a customer without regard to customer's interests and also includes the provision of inaccurate or misleading information about the bank, its product or service, which exposed the bank to regulatory penalties, reputation damage and legal action by customers.*





## **7.0 OMBUDSPERSON FOR FINANCIAL SERVICES**

The Ombudsman for Financial Services Act 2018 provides for the establishment of the Office of the Ombudsman for Financial Services (OFS). With a view to giving a better protection to consumers of financial services, the OFS will receive and deal with complaints from consumers of financial services against financial institutions and may make an award for compensation, where appropriate, and give such directives as he may determine to financial institutions.

## **8.0 RECORD KEEPING**

All complaints should be logged in by the Complaints officer., showing the details as shown at **Annex 1**. The details will be used to complete the quarterly return that need to be submitted to the Bank of Mauritius on XBRL (SUP 1400) and to the Ombudsperson for Financial Services, as appropriate

The bank shall record and retain details of complaints for at least a period of 7 years as from the date of their receipt.

The details to be recorded should include:

- a) the complainant's name;
- b) the substance of the complaint;
- c) any correspondence between the institution concerned and the complainant, including the manner in which the complaint was resolved and details of any redress offered by the financial institution concerned; and
- d) Whether any alleged problem, if substantiated, were rectified and the manner in which this was done.

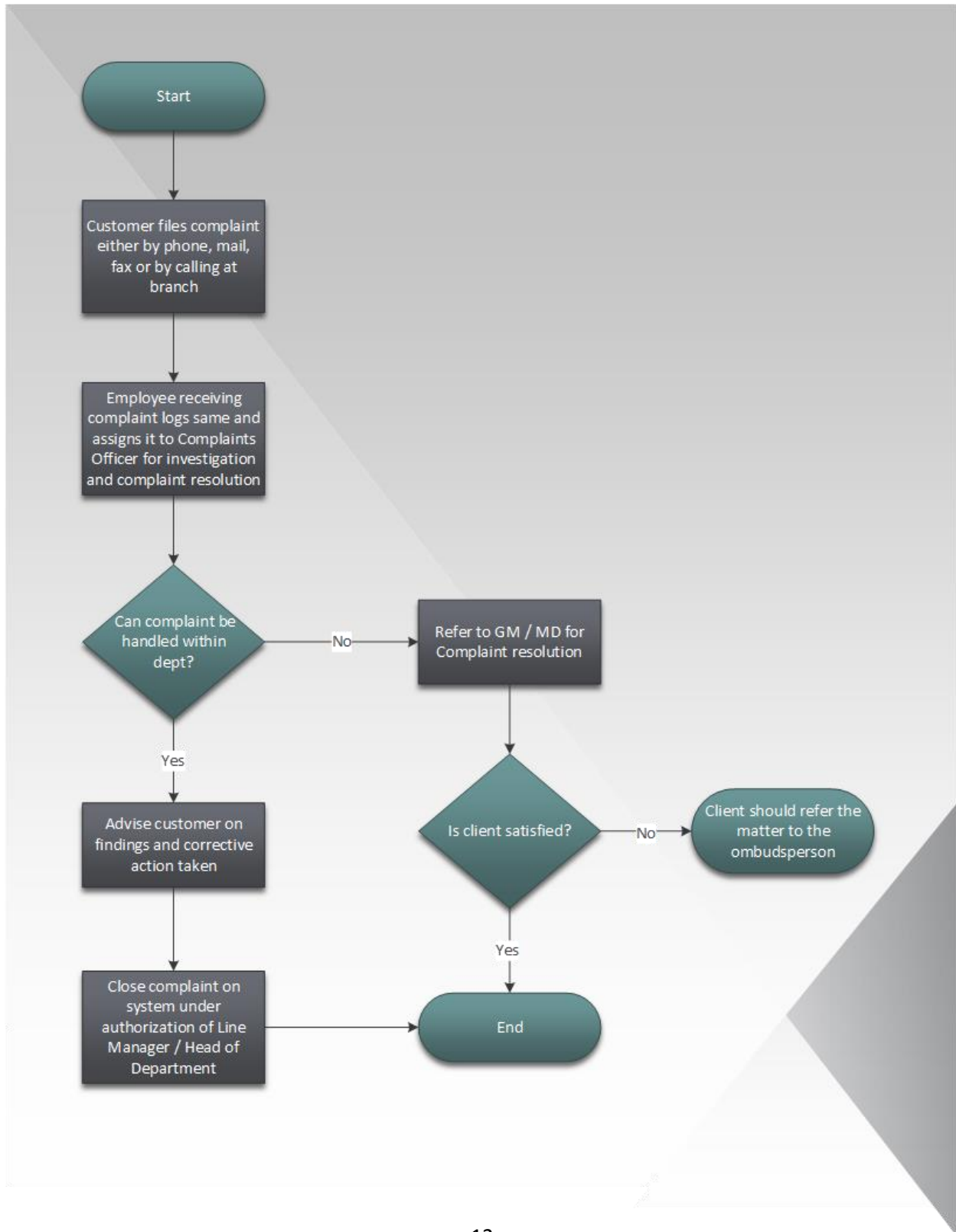
The records should be kept in a convenient and accessible form to facilitate discharge by the Ombudsperson or its Officers of its powers under section 5 (3A) of the Act.

## **9.0 REGULATORY REPORTING**

In line with Section 8 and sub-section 26 of the Bank of Mauritius Guideline on Complaints Handling Procedures, the bank will provide the Bank of Mauritius, on a quarterly basis, with information on complaints as per format in **Annexure 1**.

Furthermore, the bank is required by the Ombudsperson for Financial Services to submit a return on a quarterly basis and within twenty working days in soft copy, duly protected by a password and in case there is no complaint by the bank's customers during the said quarter, a nil return should to be submitted as per **Annexure 2**.

## 10.0 COMPLAINT HANDLING PROCESS FLOW





## **11.0 REVIEW OF POLICY**

The policy shall be reviewed annually by the Complaints Officer and the General Manager.

Any change or modification brought to the policy shall be approved at the Supervisory Monitoring Committee and thereafter tabled at the Risk Management Committee and Board for ratification.