



BMW (South Africa) (Pty) Ltd
Registration Number: 1960/000196/0

Complaints Management – Regulatory Authorities and Industry Ombud
Schemes Procedure Manual



Contents

1	PURPOSE	3
2	SCOPE.....	3
3	ROLES AND RESPONSIBILITIES	3
4	PROCESS.....	4
4.1	GENERAL	4
4.2	COMPLAINT RECEIPT.....	4
4.3	BU ACTION	4
4.4	CS REVIEW.....	5
4.5	HEAD OF COMPLIANCE (HOC) REVIEW.....	5
4.6	LEGAL MANAGER (LM) REVIEW	5
4.7	HOC AND BU MANAGER SIGN-OFF	5
4.8	SUBMISSION	6
4.9	FOLLOW-UP QUERIES	6
4.10	CLOSURE	6
4.11	RECORD KEEPING	6
5	TIMELINES.....	6
5.1	RESPONSE DEADLINE – 10 WORKING DAYS	6
5.2	RESPONSE DEADLINE – 21 WORKING DAYS	7
5.3	FOLLOW-UP QUERIES	7
5.4	ACRONYMS.....	7
6	DOCUMENT CONTROL	8



1 PURPOSE

The purpose of this document is to detail the process, roles and responsibilities for the effective management of customer complaints received from Regulatory Authorities and Industry Ombud Schemes in South Africa.

2 SCOPE

Customer complaints in the context of this process refers to those received from: -

Regulatory Authorities	National Credit Regulator (NCR) Financial Sector Conduct Authority (FSCA)
Industry Ombud Schemes	National Financial Ombudsman (NFO) Financial Advisory Intermediary Services (FAIS) Ombud ¹

3 ROLES AND RESPONSIBILITIES

Compliance Department	<ul style="list-style-type: none"> ▪ Monitor compliance mailbox compliance-za@bmwfinance.co.za for incoming complaints from Regulatory Authorities and Industry Ombud Schemes. ▪ Manage correspondence with Regulatory Authorities and Industry Ombud Schemes i.e. single point of contact. ▪ Maintain Complaints Register. ▪ Inform BU about complaint. ▪ Review feedback (Internal Memos and supporting annexures) from BU. ▪ Prepare final draft letter with supporting annexures and send to Legal Department for review and release.
-----------------------	---

¹ In terms of FAIS, a complaint means an expression of dissatisfaction by a person to BMW Finance or, to the knowledge of BMW Finance or to BMW Finance's service provider relating to a financial product or service (as defined by FAIS) provided or offered by BMW Finance's Insurance Administrator/s or the Insurer which indicates or alleges, regardless of whether such an expression of dissatisfaction is submitted together with or in relation to financial products/ services, a customer query, that

- a) BMW Finance or the Insurer or its service provider has allegedly contravened or failed to comply with an agreement, a law, a rule or a code of conduct which is binding on the Insurer or to which it subscribes;
- b) BMW Finance or the Insurer or its service provider's maladministration or wilful or negligent action or failure to act, has caused the person harm, prejudice, distress or substantial inconvenience or financial loss(es); or
- c) BMW Finance or the Insurer or its service provider is being accused of allegedly having treated the person unfairly.

BMW Finance is a shareholder in a cell-captive structure of a licenced insurer in terms of the Insurance Act No.18 of 2017. BMW Finance Insurance products are underwritten by an Insurer and administered by either a non-mandated intermediary, underwriting manager or administrative FSP. The insurance policy is between the customer (insurance policy holder) and the Insurer. As such there is no contractual relationship between BMW Finance and the customer.

If BMW Finance receives a financial services related complaint from Regulatory Authorities/Industry Ombud Schemes, same will be referred to the Insurer/ Insurance administrator to provide a detailed written response to BMW Finance.

The CS will co-ordinate and facilitate the response to the Regulatory Authorities/Industry Ombud Schemes as per the process detailed below.



	<ul style="list-style-type: none"> Submit final letter with supporting annexures to Regulatory Authorities and Industry Ombud Schemes
Business Unit	<ul style="list-style-type: none"> Prepare feedback (Internal Memo (case details) with supporting annexures and Root Cause Analysis) and send to Compliance Department for review.
Legal Department	<ul style="list-style-type: none"> Review draft final letter with supporting annexures and send to Compliance Department

4 PROCESS

4.1 General

Complaints from Regulatory Authorities and Industry Ombud Schemes are received via a dedicated e-mail address compliance-za@bmwfinance.co.za which is monitored by the Compliance Specialist (CS) daily.

4.2 Complaint Receipt

Complaint is analysed by the CS to determine the following: -

- Sender (the complainant and customer representative thereof).
- Nature of matter(s) raised in the complaint.
- Responsible BU for the complaint.

CS sends acknowledgement of receipt via e-mail to the sender of the complaint.

CS performs COIN check to establish if the complainant is a Politically Exposed Person (PEP). If yes, this information is noted in internal correspondence dealing with the complaint.

CS sends the complaint via e-mail to the relevant BU for action noting the deadline for feedback. The e-mail is addressed to the BU Manager and BU Specialist with the Head of Compliance and Legal Manager in copy.

CS logs the complaint in the Complaints Register.

4.3 BU Action

BU Manager and BU Specialist reviews the complaint and prepares (1) Internal Memo (case details) with supporting annexures and (2) Internal memo detailing deviations from legislation and/or internal processes material to the complaint (Root Cause Analysis).

BU Manager and BU Specialist sends (1) and (2) above via e-mail to the CS within deadline date.



4.4 CS Review

CS reviews the Internal Memo (case details) with supporting annexures and Internal Memo detailing deviations from legislations and/or internal processes material to the complaint (Root Cause Analysis).

CS addresses questions, clarification points, need for different or more information etc. via e-mail to the BU Specialist with the BU Manager in copy.

CS prepares draft final response with supporting annexures and saves on shared folder ZA-data (drive: P).

CS sends e-mail to Head of Compliance with link to draft final response with supporting annexures requesting review and deadline date for feedback.

4.5 Head of Compliance (HoC) Review

HoC reviews draft final response letter with supporting annexures and addresses questions, clarification points, need for different or more information etc. via e-mail with the CS.

Once all topics are resolved CS updates the draft final response letter with supporting annexures and sends e-mail to HoC with link to draft final response with supporting annexures requesting review and deadline date for feedback.

HoC sends a release e-mail to the CS within deadline date.

CS sends the draft final response letter with supporting annexures via e-mail to the Legal Manager for final review with deadline date.

4.6 Legal Manager (LM) Review

LM reviews draft final response letter with supporting annexures and addresses questions, clarification points, need for different or more information etc. via e-mail with the CS.

Once all topics are resolved following agreement by LM and HoC, CS updates the draft final response letter with supporting annexures into a final response letter and sends via e-mail to LM with HoC in copy.

LM sends a release e-mail to the CS within deadline date.

4.7 HoC and BU Manager Sign-Off

CS sends e-mail to HoC with link to final response letter with supporting annexures requesting sign-off within deadline date.

HoC signs within deadline date.

CS sends e-mail to BU Manager attaching final response letter with supporting annexures requesting sign-off



within deadline date.

BU Manager signs within deadline date.

4.8 Submission

CS sends final response letter with supporting annexures to Regulatory Authorities or Industry Ombud Scheme.

CS updates Complaints Register accordingly.

4.9 Follow-up Queries

Follow up queries from the Regulatory Authorities or Industry Ombud Schemes will be handled in the same way as described in points 4.3 – 4.7.

CS updates the Complaints Register accordingly.

4.10 Closure

Once the Regulatory Authorities or Industry Ombud Schemes confirm closure of the complaint, same is recorded by the CS in the Complaints Register.

4.11 Record Keeping

All correspondence (internal and external) as well as letters and annexures will be saved by the CS on the ZA-data (drive: P) in the specific customer folder.

5 TIMELINES

The Regulatory Authorities and Industry Ombud Schemes have different response deadlines. Based on historical complaints, response deadlines can be estimated as follows: -

- NCR = 10 working days
- FSCA = 10 working days
- NFO = 21 working days

Based on these response deadlines the following timelines will be following internally: -

5.1 Response Deadline – 10 working days

Action	Responsible	Timeline
Receipt	CS	Day 01
Inform BU	CS	Day 01
BU Response sent to CS (Internal Memos and supporting annexures)	BU Manager and BU Specialist	Day 02 - 04 (3 days)



Compliance Dept Review and Finalization with BU	CS, BU Specialist, BU Manager and HoC	Day 05 - 07 (3 days)
Legal Dept Review and Finalization with Compliance Dept.	LM, CS and HoC	Day 08 - 09 (2 days)
Sign-Off	HoC and BU Manager	Day 10

5.2 Response Deadline – 21 working days

Action	Responsible	Timeline
Receipt	CS	Day 01
Inform BU	CS	Day 01
BU Response sent to CS (Internal Memos and supporting annexures)	BU Manager and BU Specialist	Day 02 - 09 (8 days)
Compliance Dept Review and Finalization with BU	CS, BU Specialist, BU Manager and HoC	Day 19 - 16 (8 days)
Legal Dept Review and Finalization with Compliance Dept.	LM, CS and HoC	Day 17 - 19 (3 days)
Sign-Off	HoC and BU Manager	Day 20 (1 Day)

5.3 Follow-up Queries

The timeline for responding to follow up queries from the Regulatory Authorities or Industry Ombud Schemes will vary depending on the deadlines prescribed by their offices. Follow-up queries will therefore be managed by the CS on a case-by-case basis with the possibility of same day or very short turn-around times from the BU.

5.4 Acronyms

Acronym	Description
NCR	National Credit Regulator
FSCA	Financial Services Conduct Authority
NFO	National Financial Ombudsman
FAIS	Financial Advisory Intermediary Services
CS	Compliance Specialist
BU	Business Unit
HoC	Head of Compliance
LM	Legal Manager



6 DOCUMENT CONTROL

Record of Revisions

Version Control

BMW Group	Document class: Procedure Manual	Doc.-No.: 2.1
	Range of validity: BMW Financial Services (South Africa) (Pty) Ltd	Version: 1.0
	Name of Document: Complaints Management – Regulatory Authorities and Industry Ombud Schemes	Status: <Valid> from <02.09.2024>
	Coordinated with (person, dept, circle):	Compliance SF3-ZA-F-C Legal AJ-6-ZA CollectionsSF3-ZA-S-4 Credit SF3-ZA-S-1 Customer Interaction Centre SF3-ZA-S-2 Insurance SF3-ZA-V-5

Version	Content of Changes	Written by Dept. code Date	Reviewed by Date	Released by Date
1.0	Initial version	Compliance ZA-SF03, 19 August 2024	Amith Patel and Celene-Celesta Moonsamy, 20 August 2024	Amith Patel, 02 September 2024
1.1	Financial Advisory and Intermediary Services (FAIS) Complaints included as paragraph 4.2	Compliance ZA-SF03, 05 November 2024	Amith Patel and Celene-Celesta Moonsamy, 05 November 2024	Amith Patel, 13 November 2024