

**STEAMSHIP INSURANCE AGENCY (EUROPE) LIMITED & STEAMSHIP MUTUAL  
UNDERWRITING ASSOCIATION (EUROPE) LIMITED**

**Complaints Handling Procedure**

**1. Scope of the Procedure**

Steamship Insurance Agency (Europe) Limited (the “**Company**”) uphold effective and transparent procedures for prompt complaint handling relating to the insurance distribution activities of the Company - including the complaints handling relating to the insurance distribution activities of Steamship Mutual Underwriting Association (Europe) Limited to which this procedure equally applies - and maintain records of complaints and measures taken for complaint resolution, in line with the Law on Insurance and Reinsurance Business and Other Related Issues of 2016-2019 (the “**Law**”) (in particular sections 394IH and 394IΘ of the Law), as well as with the relevant Guidelines and Regulations issued by the Superintendent of Insurance of Cyprus and the Law Relating to the Establishment and Operation of a Single Agency for the out of Court Settlement of Disputes of Financial Nature by the Financial Ombudsman of 2010-2017.

This Complaints Handling Procedure is made available to all relevant staff of the Company.

All complaints should be dealt with in accordance with the sections 1 to 7 and 9 below. In addition, section 8 should be applied in regard to consumer complaints (this is only likely to relate to some yacht and EISSF business).

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**2. Introduction**

This Procedure provides for the handling of all complaints lodged by customers and other interested parties.

The types of complaints may fall under the following headings:

- Documents
- Communication
- Rules and terms of entry
- Reimbursement
- Payments to third parties
- Late payments
- Guarantees
- Time limits
- Selection of lawyers and experts
- Wrong or poor advice given by the Company
- Improper/inadequate instructions
- Improper/incomplete setup
- Late/Non delivery
- Support not available

- Surveys
- Other

### **What constitutes a complaint?**

Complaint is a statement of dissatisfaction addressed to the Company by a person relating to the insurance distribution activities of the Company.

Complaints-handling should be differentiated from claims handling as well as from simple requests for execution of the insurance contract, information or clarification.

An eligible complaint does not include:

- a complaint about activities other than those supervised by the Superintendent of Insurance of Cyprus and regulated in accordance with the Law, as amended or replaced from time to time, or
- a complaint on behalf of another financial institution under the legal provisions applicable to that institution.

In cases where a complaint does not constitute an eligible complaint, the Company should respond, where possible, explaining the reasons why the Company is not the right person to complain to.

In addition, in cases where a complaint is received by the Company for which the insurance company (on behalf of which the Company provides insurance distribution services and which is not Steamship Mutual Underwriting Association (Europe) Limited) is responsible and the Company does not handle the complaint on behalf of the relevant insurance company, the Company should inform the complainant and direct the complaint to the relevant insurance company. In case where the complaint relates to another financial institution, the Company should follow the same procedure, as long as the said financial institution is identifiable.

### **Who is a complainant?**

Complainant is a person, whether a natural person or legal entity, who is presumed to be eligible to have a complaint considered by the Company and has already lodged a complaint, being a customer or other interested party, e.g. a policyholder, insured person, beneficiary, etc.

See section 8 for a more specific definition of complaints applicable to 'consumers'.

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## **3. Receiving a Complaint**

Any complaint received must be passed to the relevant Head of Complaints Management Department who should discuss the complaint with the relevant Director in order to decide

upon the response. The Head of Complaints Management Department should designate the individual(s) responsible for handling the complaint.

It is the responsibility of the relevant Director to record details of the complaint on the Complaints System, and report it at the next departmental meeting, where it will be minuted.

If the complaint is received by telephone, full written notes should be made.

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#### **4. Entering Details into the Complaints System**

The Company must register internally all complaints received within three (3) working days of their receipt in the Complaints System and in a corresponding separate file.

The Complaints System can be found in the “Shortcuts” menu of the homepage of the Company’s SharePoint Intranet. Select the appropriate department from the “Department” box, and the appropriate “Complaint Type” from the relevant options.

To enter a complaint, enter the relevant details in the text boxes as described below:

- Complainant
- Date complaint was received
- Department receiving the complaint; Accounts, IT, Claims, Underwriting
- Who the complaint was against i.e. the Club or against an external party
- Complaints type, details
- Name / Initials of the Director or Syndicate Manager responsible for managing the complaint
- Name / Initials of the member of staff assigned to investigate the complaint
- Action taken to resolve the complaint
- Whether the complaint was justified or unjustified
- Priority of the complaint; High or Low
- The status of the complaint (open or closed)
- Date the complaint was closed

The complaint is recorded by clicking on the “Submit” button.

There is a free text space in the “Action Taken” box to record how the complaint was dealt with and resolved. These initial and subsequent entries should be dated. The information concerning the complaint should be as detailed as possible to enable a comprehensive analysis of the cause of the complaint. A progress update should be provided to the relevant Syndicate meeting in respect of each live complaint.

If a complaint cannot be resolved within fifteen (15) working days of notification or forty-five (45) working days of notification in case a revised timescale is given to the Complainant, in accordance with Section 6 of this Procedure, an explanation must be entered in the “Action Taken” field and dated.

All the documents related to the handling of the complaint including any communication with the Complainant should be placed on the relevant complaints folder in a separate file for future reference.

Each complaint file should at least contain the following:

- a) Document of the complaint's submission and date of submission.
- b) Personal data of the Complainant.
- c) Description of the complaint and cause of the complaint.
- d) Insurance Class related to the complaint.
- e) Result/outcome of the complaints-handling procedure, e.g. if the complaint was resolved and how, if it was not resolved and why, if it was brought to out-of-court redress for the settlement of the dispute and why.
- f) If the complaint occurred from a gap or lack of the internal processes of the Company or from incorrect application of the internal procedures by persons directly or indirectly connected with the Company.
- g) Date that the case was closed.

The files related to the complaint should be kept and archived in a secure manner as long as the complaint is pending.

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## **5. Investigating the Complaint**

The designated member of staff should investigate the complaint with the objective of determining its root cause. This will involve:

- gathering and investigating all relevant evidence and information regarding the complaint;
- reviewing the circumstances giving rise to the complaint;
- talking to members of staff involved including the Manager responsible;
- forming a conclusion.

A report from the staff member(s) most directly involved with the emergence of individual complaints shall be completed for each complaint. A report template for this purpose is attached at Appendix 1. This report will assist the Company with the review of complaint trends to identify emerging patterns which may have a wider effect on the Company.

If, following discussion with a Director, the investigation finds no grounds for the complaint, the complaint should be designated as unjustified.

If, following discussion with a Director, the investigation finds that the complaint is justified, it should be recorded as such and a distinction drawn between complaints justified as against the Company, and complaints justified against other parties. Corrective action should be implemented following discussion with the Director involved to address the root cause of the complaint.

The procedures, operations and processes relevant to the task which was the source of the complaint, should be reviewed. Changes, which are agreed by the Director to be necessary, should be put in place to control the risk of a recurrence.

Root cause analysis must include the review of complaint trends to identify emerging patterns or trends which may have had a wider effect on Club policy or procedure. To assist with this, it may be useful to obtain a report from the staff member(s) most directly involved with the emergence of individual complaints. A report template for this purpose is attached at Appendix 1.

The Manager handling the complaint should summarise his/her findings in a report. A template for this purpose is attached at Appendix 2. This report must be shared with the Director and the Head of Complaints Management Department, who signs off the corrective action.

Any procedures that require amendment should be revised accordingly and the change communicated to staff.

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## **6. Responding to the Complaint and Timescale**

Every complaint is regarded as high priority, and must therefore be acknowledged within two (2) working days in writing by way of a fax, email or letter. The response must provide the name of the person handling the complaint.

A final written response on the complaint must be provided within fifteen (15) working days if a decision can be taken within this period.

When a response cannot be provided within the expected time limits, the relevant Company should inform the Complainant in writing about the causes of the delay before the expiry of the deadline and indicate the time period within which the Company's investigation is likely to be completed. The additional time limit should not be more than thirty (30) working days from the expiry of the initial deadline of the fifteen (15) working days.

When replying to the Complainant whether in fifteen (15) or forty-five (45) working days, as the case may be, the Manager responsible must draft a letter or email responding to the complaint. The letter should be based on an even-handed appraisal of the investigation. The letter must be checked and approved by the relevant Director and the Head of Complaints Management Department and then sent to the Complainant.

All communication with the Complainants should be in plain language which is clearly understood.

The Manager responsible must update the Complaints System to reflect the result of the complaint investigation.

On request or when acknowledging receipt of a complaint, the responsible Manager shall provide written information regarding their complaints-handling process. In any case, the responsible Manager shall, during the investigation stage, keep the Complainant informed about the progress of the handling of the complaint, as well as when and if requested by the Complainant.

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## **7. Closing the Complaint**

Once the complaint has been resolved, the "Action Taken" field should be completed, the status should be changed to "closed" and the date entered in the "Date Closed" box. The box can be amended when either entering or updating the details of the complaint. The relevant Director is responsible for authorising the change of the complaint status from "open" to "closed".

The Manager responsible must update the Complaints system to reflect the result of the complaint investigation.

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## **8. Alternative Dispute Resolution (ADR) scheme and eligibility**

When providing a final decision that does not fully satisfy the Complainant's demand, the responsible Manager should include a thorough written explanation of their position on the complaint and set out explicitly the Complainant's option to insist on the complaint and to appeal to the Financial Ombudsman of Cyprus, any other ADR mechanism or to the relevant Courts of Justice.

The Financial Ombudsman is an independent service for settling disputes between the financial firms and their clients. More information on the Financial Ombudsman of Cyprus can be found in its website: <http://www.financialombudsman.gov.cy>.

If a Complainant wishes to escalate its complaint, it shall be advised to submit its complaint to the Financial Ombudsman at: [complaints@financialombudsman.gov.cy](mailto:complaints@financialombudsman.gov.cy) with all relevant information/documentation and evidence of its complaint.

Contact Details of the Financial Ombudsman are the following:

- Postal Address: 13 Lordou Vironos Avenue, 1096 Nicosia, Cyprus
- Telephone: +357 22 848900
- Email: [complaints@financialombudsman.gov.cy](mailto:complaints@financialombudsman.gov.cy)

The Financial Ombudsman will deal with complaints from consumers only.

Consumers are defined as:

- a. a natural person;

- b. a legal person whose annual turnover in the year preceding the year in which the complaint is submitted to the Financial Ombudsman, did not exceed two hundred and fifty thousand euro (€ 250.000);
- c. a charity foundation or association or a society of persons, whose annual revenues in the year preceding the year in which the complaint is submitted to the Financial Ombudsman, do not exceed two hundred and fifty thousand euro (€ 250.000);
- d. a trust, the net assets of which on 31 December of the year preceding the year in which the complaint is submitted to the Financial Ombudsman, does not exceed two hundred and fifty thousand euro (€ 250.000);
- e. a provident fund, the net assets of which on 31 December of the year preceding the year in which the complaint is submitted to the Financial Ombudsman, does not exceed two hundred and fifty thousand euro (€ 250.000).

Complaint is defined as a written submission to the Financial Ombudsman of protest or objection or dispute against a financial undertaking, the amount of which does not exceed the amount of one hundred and seventy thousand euro (€ 170.000). Provided that from the definition of the term “complaint”, complaints by third parties are exempted, except in cases where the complainant is a person to whom the benefit of the claim is assigned under an insurance against the undertaking, on the basis of a contract concerning the assignment of rights or a contract of substitution or by law.

When a Complainant exercises its right of referral to Financial Ombudsman, the relevant Company must cooperate fully and promptly with the Financial Ombudsman. All files, documents and other materials that the Financial Ombudsman deems relevant to the complaint must be supplied.

When a complaint is referred to the Financial Ombudsman, the Complaints System database must be updated to reflect this. The database must also be updated to record the final outcome.

Upon receipt of a request for information from the Financial Ombudsman the complaint handler should immediately contact the Head of Complaints Management Department, which will, after discussion with the relevant Manager:

- forward a copy of the complaint file to the Financial Ombudsman;
- make a statement of the Company’s case or send a letter that points to where that statement may be found in the file papers;
- retain the original paperwork to facilitate liaison with the Financial Ombudsman;
- advise the Board of Directors of the relevant insurance company.

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## 9. Reporting

The Company’s Complaints Management Department should always keep updated and detailed records for all complaints received and provide those to the Superintendent of Insurance or other competent authority when requested.

The Company's records should at all times include the following information on complaints and complaints-handling received per year:

- a. The total number of complaints received.
- b. Detailed statistical data on the number of complaints received per type of complaint, per cause and per class of insurance.
- c. The number of complaints resolved, the number of unresolved complaints and the reasons for failing to be resolved, as well as the number of complaints brought to out-of-court redress for the settlement of disputes and the reasons for it.

In addition to the above, the Company, if and when requested, should submit the following to the Superintendent of Insurance:

- a. The number of complaints occurred from a gap or lack of the internal processes of the Company and what was the corrective action taken.
- b. The number of complaints occurred from incorrect use of the internal procedures and what was the corrective action taken.



## Appendix 1: Adviser's Report

<b>COMPLAINT – ADVISER'S REPORT</b>	
Please type your responses in the areas marked * and return the completed form by e-mail to the Complaint Handler named below.	
Name of Complainant:	*
Name of Complaint Handler:	*
Name of Adviser:	*
What knowledge do you have of this complaint?	
*	
When was your last contact with the Complainant? (please give full details)	
*	
Why do you think the complaint has arisen?	
*	
Please answer all of the specific issues raised in the complaint:	
*	
How would you resolve the complaint?	
*	
Date:	*

## Appendix 2: Complaint Handler's Report

<b>Complaint Handler's Report</b>	
(Please type your responses in the areas marked *).	
Name of Complainant:	*
Name of Complaint Handler:	*
Date Complaint Received:	*
Underwriting reference:	*
Name of adviser:	*
Summary of Complaint (include a list of all of the specific issues raised):	
*	
Comments for Company's position (include <b>all</b> positive factors):	
*	
Comments against Company's position (include <b>all</b> negative factors):	
*	
Has the Financial Ombudsman's technical advice desk been contacted for informal guidance on how the Financial Ombudsman would be likely to view specific issues of this case?	
* Yes / No.	
If Yes, what was the advice and how has it influenced your approach to dealing with the complaint?	
*	
Summary including, where possible, recommendations for corrective action	
*	
Director's Signature, confirming corrective action	
*	
Head of Complaints Handling Department's Signature, confirming corrective action	
*	
Date:	*