



Insurance Consumer Protection Principles



Saudi Arabian Monetary Agency
Consumer Protection Department
July 2014



Table of Contents

PART 1. INTRODUCTION	1
1. Financial Consumer Protection in the Kingdom of Saudi Arabia	1
2. Definitions	2
PART 2: PRINCIPLES OF PROTECTION OF CONSUMERS AND BENEFICIARIES OF INSURANCE SERVICES	5
3. Introduction.....	5
4. General Principles.....	6
5. Consumers' Responsibilities.....	9
PART 3: COMPANIES' MAIN OBLIGATIONS	12
6. Terms and Conditions	12
7. Prices and Commissions	12
8. Data and Information Protection and Confidentiality	13
9. Advertisement and Marketing.....	13
10. Pre-sale Contact	15
11. Selling Insurance Products and Services	15
12. After Sale Service	16
13. Policy Cancellation	17
14. Personnel	18
15. General Provisions	19
PART 4: CLAIMS AND COMPLAINTS	20
16. Claims	20
17. Complaints	21



PART 1: INTRODUCTION

1. Financial Consumer Protection in the Kingdom of Saudi Arabia

The Saudi Arabian Monetary Agency (SAMA) is the regulator and supervisor of licensed financial institutions including banks, finance companies, leasing and real estate companies, insurance companies, money exchanger companies and credit information companies in the Kingdom of Saudi Arabia.

SAMA has been a strong advocate of the protection of consumer interests since obtaining its charter in 1952 and the issuance of the Banking Control Law in 1966. Consequently, over this period, SAMA has played an important role ensuring that consumers are dealt with fairly and honestly by the financial institutions under its supervision.

In 2005, SAMA was designated as the regulator for the insurance sector under the Cooperative Insurance Law thus further extending SAMA's role in the licensing and supervision of financial institutions.

As the Saudi financial sector evolves and grows, SAMA will continue to review these developments and decide on appropriate legislative, regulatory and organizational changes. SAMA is now setting an objective that those consumers who have dealings with licensed financial institutions in the Kingdom of Saudi Arabia will receive the expected level of fair treatment, honesty and ease of access to financial products and services.



2. Definitions

SAMA: Saudi Arabian Monetary Agency.

Licensed Entities: all entities licensed by SAMA to carry out businesses related to insurance, re-insurance or insurance-related service providers in Saudi Arabia.

Company/Companies: insurance and re-insurance companies and insurance-related service providers, including insurance brokers and agents, claim settlement specialists, examiners, loss adjusters, advisors and actuaries.

Employee: every natural person working for the interest of a company and under its management or supervision for a financial consideration, whether inside or outside its headquarters, including outsourced employees.

Insurer: insurance company which accepts to insure an insured.

Insured: a natural person or juristic entity which has entered into an insurance contract.

Insurance Brokers: a juristic entity that, for a financial consideration, negotiates with an insurance company to complete the insurance process for an insured.

Insurance Agent: a juristic entity that, for a financial consideration, represents the company, marketing and sells policies thereof, and performs all works carried out by it usually for the interest of the insurance company or on its own behalf.

Consumer: every natural or juristic entity that contracts, directly or indirectly, with an insurance company for issuance of a policy.

Insurance Policy: a contractual relationship between an insurer and an insured that presumes the insured may encounter a risk and the insurer will,



through a specific commitment to the insured or beneficiary, cover such risk in the event of its occurrence.

Beneficiary: a natural or juristic entity to whom the benefit(s) under the insurance policy is assigned as a result of a covered damage or loss.

Subscription (premium): the financial cost of a policy paid by an insured to an insurer as a lump sum or in several payments so the insurer agrees to compensate the insured for damages or loss resulting directly from a covered risk.

Insurance Product: an insurance policy or insurance coverage that the insurance company is marketing for the purpose of satisfying a consumer's needs for insurance against future risks that may be encountered by the insured and cause personal losses or damage of properties, or against a third-party liability.

Advice: a recommendation or advice given by a company to a consumer after taking into consideration the consumer's circumstances, needs and objectives of applying for insurance coverage.

Claim: a request submitted by an insured or beneficiary to a company for payment of the amount of compensation under the insurance policy's provisions.

Complaint: an objection or grievance submitted to a company as a result of a breach by the company leading to noncompliance with policy's provisions/related regulations and instructions.

Dispute: a dispute between an insurer and an insured or a beneficiary the settlement of which requires obligating one of the dispute parties to fulfill a certain obligation.

Complaint Processing: taking necessary arrangements and measures to deal with and settle consumers' complaints fairly, efficiently and without any delay.



Disclosure: revealing information and data clearly, transparently and credibly and refraining from concealment of any information that may be significant to any of the parties to an insurance policy, i.e. the insurer and insured.

Awareness: spread of insurance knowledge and related guidance principles with the aim of raising the consumer's awareness and understanding of insurance key terminologies and principles and, consequently, assisting the consumer to differentiate between insurance products and services provided by companies.

Advertising: a commercial message in any medium that directly or indirectly promotes an insurance product or service.



PART 2: PRINCIPLES OF PROTECTION OF CONSUMERS AND BENEFICIARIES OF INSURANCE SERVICES

3. Introduction

3.1. Protection of consumers and beneficiaries of companies in the Kingdom is a strategic goal, which SAMA always seeks to achieve through its keenness on provision of the required level of fair treatment, honesty and insurance coverage. Insurance Consumer Protection Principles will assist companies in achieving the goal pursued, because they are applicable to all activities of the insurance companies licensed by SAMA. They are also applied to any party the service of which is sought by companies and beneficiaries to carry out some assignments. The Principles include companies' current and future retail and corporate consumers and beneficiaries.

3.2. These Principles are binding for companies and complementary to instructions and controls issued by SAMA. They should be complied with no later than September 1, 2014.

3.3. Companies should provide free paper copies of these Principles at all of their branches and hand over the same to consumers at the beginning of the dealing or upon obtaining a new product or service. In addition, they should be posted on companies' websites.

3.4. Companies should provide all records, documents and information required by SAMA in this regard.

3.5. These Principles were issued pursuant to the powers vested upon SAMA under the Cooperative Insurance Companies Control Law and its Implementing Regulations issued under Royal Decree No. M/32, dated 2/6/1424H (31/7/2003) and as amended under Royal Decree No. M/30 dated 27/5/1434H (8/4/2013).



4. General Principles

PRINCIPLE 1: Fair and Equitable Treatment

Companies should deal fairly and honestly with consumers and beneficiaries at all stages of their relationship. They should fulfill their obligations under laws, regulations, and instructions of SAMA. Companies should follow best international practices in fulfillment of their obligations towards consumers, so that sound practices should be an integral part of the companies' culture. Care should also be made and special attention given to consumers and beneficiaries, especially the elderly and those with limited education and special needs of both genders.

PRINCIPLE 2: Disclosure and Transparency

Companies should clarify rights, responsibilities and duties of each party to insurance relationship along with details of premiums, commissions, types of risks and the mechanism of ending such relationship or cancellation of an insurance policy, with all arising effects whatsoever on the insured. Companies should ensure that the policy's terms, exclusions and main benefits are clear, summarized, easy to understand, accurate and not misleading, so that consumers can obtain and read the same without difficulty. Companies and their employees should answer all enquiries of consumers related to insurance products or policies. Companies should also periodically update all information related to insurance services and products and post all necessary and updated information on their websites.

PRINCIPLE 3: Insurance Awareness

Companies should develop appropriate programs and mechanisms to promote knowledge and skills of current and future consumers and beneficiaries, raise their insurance awareness, assist them in understanding benefits and essential risks of any insurance product, and explain their rights and duties without deception to enable them to take fully elaborate and effective decisions. Consumers should also be directed to the appropriate entity to obtain any additional information if they need so.



PRINCIPLE 4: Work Ethics and Conduct

Companies should work in a professional and responsible manner and render their services and carry out their duties and obligations timely and with high quality for the interest of consumers and beneficiaries throughout the duration of the relationship between them, as the company is primarily responsible for the protection of the interests of consumers.

PRINCIPLE 5: Non-discrimination

Companies and their employees should not discriminate in dealing with their current and future consumers based on race, gender or religion.

PRINCIPLE 6: Protection against Fraudulence

Companies should apply maximum security arrangements and measures to control insurance operations and protect them against fraudulent or illegitimate use.

PRINCIPLE 7: Protection of Privacy of Information

Companies should protect consumers' financial, insurance and personal information and use them only for specific professional and legal purposes and with the consumer's consent. They should not disclose such information to any third party without a prior permission of SAMA, except for their auditors, actuaries, re-insurance companies and relevant entities.

PRINCIPLE 8: Complaints Processing

Companies should have a mechanism in place for consumers to submit their complaints. The mechanism should be fair, clear, effective and through which complaints could be followed up and processed in accordance with laws, regulations, and instructions issued by SAMA and relevant authorities.

PRINCIPLE 9: Competition

Companies should compete to provide best products, services and prices for the purpose of satisfying consumers' needs without prejudice to regulations and instructions related to the mechanism and method of pricing insurance



products.

PRINCIPLE 10: Providers of Services on Behalf of Companies

Companies should ensure that external entities entrusted with some assignments are compliant with the requirements of these Principles, working for the interest of their consumers and assuming the responsibility of protecting their consumers. Insurance service providers should be held responsible for the measures taken on behalf of insurance companies or consumers in accordance with the Outsourcing Regulation issued by SAMA. However, this should not mean relieving insurance companies from their responsibility of supervising, examining and monitoring the actions and works carried out by contracted service providers or those entities entrusted with performing some tasks related to these Principles.

PRINCIPLE 11: Conflict of Interests

Companies should have in place a written conflict of interest policy. This policy should define necessary measures to ensure fair dealing with all consumers. Companies should also ensure that the policies, helping in detecting potential conflict of interests, are in place and implemented. If a conflict of interests arises between the company and any other party and may have any potential impact on a consumer, the company should disclose such conflict of interests to the consumer as required by relevant laws, regulations and instructions.

PRINCIPLE 12: Adequate Resources

Companies should exercise due diligence to provide adequate administrative, financial, operational and human resources necessary for performance of their works and for provision of services to their consumers throughout the Kingdom's regions where they have a presence.



5. Consumers' Responsibilities

Companies should enhance consumers' responsibilities through continuously publishing awareness and education programs by all companies collectively and launching individual initiatives by each company separately as a part of the services provided to its consumers.

Consumers' responsibilities include:

5.1. Be honest when providing information

Always present full and accurate information when filling out any form required by a company. Do not give any misleading, false or incomplete information or conceal important and material information.

5.2. Read carefully all the information provided by the company

When applying for a service or product, you will receive full information on your obligations. Read all these obligations thoroughly and make sure that you understand them clearly and you are able to meet them.

5.3. Ask questions

In case of an ambiguity in any item or condition in the insurance policy or any document provided by the company to the consumer, the consumer has the right to enquire and ask questions about it. The company's employees must answer these questions in a clearly professional manner to assist the consumer in taking an appropriate decision.

5.4. Be sure of insurance policy data

Make sure that the issued version of the insurance policy contains all data, including, but not limited to, your personal particulars, effective date of the insurance coverage, policy terms, limits and exclusion of coverage and policy appendices.

5.5. Learn how to submit a complaint

The company will furnish you with necessary information about the mechanism of filing a complaint, such as contact numbers and addresses for filing a complaint and following it up and the timeframe for providing you with the result. Use these services and find out how to escalate a complaint to higher levels, if necessary.

5.6. Use the insurance service or product in accordance with terms and conditions

Use the insurance service or product only in line with the terms and conditions set forth in the insurance policy and after understanding them



fully.

5.7. Avoid risks

Some insurance services or products include varying levels of risks. Therefore, the company should explain this matter to you clearly. Do not ask for a service or product when you feel that the risks associated therewith do not suit your financial position.

5.8. Apply for products or services commensurate with your needs

When applying for any insurance product or service, make sure that it is commensurate with your needs and you are able to meet the obligations arising therefrom.

5.9. Inform the company of any illegal measures

If you discover any illegal measure that may affect the product or service provided to you, you must inform the company of that measure immediately. In case you receive no response from the company, you have the right to submit a complaint to SAMA.

5.10. Consult the company when encountering insurance difficulties

In case you face financial difficulties and you are unable to meet your obligations under an insurance service or product, talk to the company you are dealing with to seek its advice so that you can discuss available alternatives that may suit your financial position.

5.11. Update your information

You should update your personal information, including contact information, on a continuous basis and whenever required by the company. You should be aware that failing to update your personal information, especially material information, might make you held responsible or lose your insurance rights.

5.12. Your mail address

Use your own postal or email address and contact numbers when requested by the company you are dealing with. Do not use friends' or relatives' mail addresses that may disclose your personal information to others.

5.13. Power of attorney

Be careful when giving a power of attorney for executing your insurance transactions. Know to whom you are giving the power to conduct your financial affairs related to insurance and to whom access is given.

5.14. Do not sign incomplete forms



Make sure that all the required fields and figures are complete in the form presented to you for signing. Do not sign any blank or incomplete form(S).

5.15. Review all of your information

You should review all information filled by you in the products or services applications to ensure that the submitted information is authentic and error-free. Your signature is an approval and agreement of the document content.

5.16. Do not disclose your personal information

- Under no circumstances whatsoever, you should not disclose any personal or insurance information to any party other than the company or official authorities.
- You should disclose to the company any information related to the required insurance product or service, as well as any information necessary for defining your insurance needs and assessment of risks that you may be exposed to.

5.17. You have the right to obtain your copies

- Make sure that you obtain a copy of policies and documents that you sign with the company and keep them in a safe place.
- With regard to compulsory motor insurance policies, your policy should be compatible with the terms of the Unified Compulsory Motor Insurance Policy published on SAMA website (www.sama.gov.sa)
- Regarding insurance e-policies issued by a company through its website, the insured is entitled to request from the company and/or any of its branches to provide a paper copy of the insurance policy that was issued electronically and any other document related to this policy. This copy should be signed and sealed by the company. The insured may also request it to be sent by registered mail and delivered within seven business days from the request.



PART 3: COMPANIES' MAIN OBLIGATIONS

This part gives details on obligations and regulations related to insurance services that support the General Principles of consumer protection.

6. Terms and Conditions

6.1. Updated terms and conditions for products and services, either in the form of a booklet or leaflet, must be provided to the consumer through the consumer's preferred channels available at the company. Consumers should be encouraged to read these terms and conditions before committing to a product or service.

6.2. All terms and conditions should be included in the insurance product or service application form in a comprehensive, clear, legible and easy to understand language. They should be written in Arabic and a translation into English should be provided upon the consumer's request.

6.3. All terms and conditions and application forms should include warning statements, stating clearly the potential consequences that the consumer may be exposed to when using the product or service contrary to the conditions agreed upon in the application form.

6.4. Except for correction of spelling mistakes and requirements of laws in force, the company should comply with the provisions of the insurance policy and its appendices, and it should not make any amendment thereon without obtaining the consumer's written consent in this regard. The company should issue an appendix to the policy after the approval on the amendment is obtained.

7. Pricing and Commissions

7.1. Company should apply the pricing method presented to SAMA and agreed upon previously by the consumer as part of the insurance product approval request.

7.2. The insurance broker should exert effective efforts in order to obtain the best quotation from different insurance companies and clarify the reasons for its recommendation to the consumer regarding the adequacy of any offer.

7.3. In case of terminating the insurance policy before its expiry date, the



company should refund a proportionate part of the subscription amount for the insurance policy for the remaining period, as set forth in the insurance policy.

8. Information Protection and Confidentiality

8.1. The company should bear responsibility for protecting the consumer's and beneficiary's data, maintain their confidentiality and not to use such data for illegal purposes as set forth in Principle (7).

8.2. Company should take all necessary security measures and procedures to protect information exchanged with the consumers electronically and provide latest technologies and programs when providing sale or renewal services through its website, to ensure protection and safety cash payment processes through the company's website.

8.3 The company should bear responsibility for maintaining the confidentiality of consumers' and beneficiaries' information and should not disclose it except:

- a. when the disclosure of such information is compulsory by a competent authorities (e.g. the Ministry of Interior, courts, etc.);
- b. When the information is revealed upon a written consent of the consumer or beneficiary.

8.4. Company should have in place appropriate work procedures and effective control systems for protecting consumers' and beneficiaries' information and detecting and addressing any current or expected infringements.

8.5. Permanent and temporary employees of companies, insurance related service providers and representatives of companies, whether they are on-the-job or after leaving their posts, should sign the information confidentiality form, ensure not to disclose such personal information and limit access thereto to authorized persons only.

9. Advertisement and Marketing

9.1. Company should communicate with consumers through at least two preferred communication means, such as e-mail, registered mail, SMS and telephone. The company may also use its main communication means (branches and website) as well as the media (audio, visual, printed, etc.) for marketing its products by using advertisement and marketing methods it deems suitable for the targeted segment of the public, and in line with



regulations, rules and instructions issued by SAMA.

9.2. Company should be cautious when sending notices or advertisements to more than one consumer by e-mail or any other means of communication and ensure that the notice sent does not contain any personal information of other consumers.

9.3. Company should follow professional methods when advertising its products and avoid using misleading methods when marketing a product. It should not exaggerate, directly or indirectly, the product or service advantages and take into consideration not to harm the interests of other insurance companies. All terms and figures used, including footnotes, should be clear and easy to understand.

9.4. Companies are prohibited from:

- a. providing an offer, statement or allegation that is false or phrased in a way that leads directly or indirectly to deceiving or misleading the consumer;
 - b. presenting an advertisement that contains a logo or a trade mark with no right to use it, or using an imitation trademark
 - c. making false or misleading advertisements, whether related to prices or the company's position.
- SAMA may compel the company in violation of the terms set forth in this article to withdraw the violating advertisement within one working day from notifying the company by SAMA.

9.5. Company should ensure that the advertisement's design and presentation are appropriate so that the consumer would notice that it is a guided advertisement for a product or service the obtaining of which requires specific conditions to be met by the consumer.

9.6. Company should ensure that the abbreviations included in any advertisement are explained explicitly and clearly.

9.7. The company should designate, at all its branches, an area from which consumers may obtain, fill up and review the required form(s).

9.8.

Consumers have the right to receive short messages (SMS) or promotional material for services and products provided by The company, and The company should obtain the prior approval of the consumer, whether in writing or electronically, according to the preferences of the consumer.



9.9. Company should never send marketing materials on insurance products which are not suitable for individuals under 18 years old, especially if such marketing products or services that carry inappropriate risks for this segment.

10. Pre-sale Contact

10.1. Company communicating with consumers in order to present insurance offers and products should provide sufficient information to them, including, as a minimum:

- a. information on the company's activity, and whether it is an insurance company, working for the interest of an insurance company or working independently for the consumer's interest;
- b. informing the consumer of any financial relationship between the broker and insurance company other than the regular commission agreements and if there is any joint ownership between them;
- c. information on the nature and scope of the insurance products and services that can be provided by the company.

10.2. The company should obtain a reasonable level of information on the consumers to estimate their needs for insurance products and services and provide suitable offers depending on the needs of each consumer.

10.3. Company should give advice and recommendations to consumers to select the insurance services or products that adequately meet their needs.

10.4. When giving advice regarding the replacement of an existing protection and saving policy with a new one, the company should clarify the amount of increase in the initial expenses in a justifiable manner and explain the consecutive financial effects on the consumer when replacing such policy.

11. Selling Insurance Products and Services

11.1. Prior to entering into an insurance contract, the company should disclose to its consumers all information related to the insurance coverage required by consumers or suggested by the company, and provide them with the basic terms and conditions of the insurance product or



service to be purchased, including, but not limited to:

- Company name;
- Benefits, exclusions and deductions;
- The coverage period;
- Prices and costs;
- The claim and complaints handling procedures Commitments and obligations of each party under the insurance policy;
- Any item which the company has the right to amend after the contract entering into force;
- Any unusual restrictions or conditions that may result in harming the consumer's interest; and
- The company's postal address and contact information.

11.2. In addition to the aforementioned terms, the company should provide its consumers with sufficient information concerning the protection and saving policies in terms of the manner of participation in profits, amounts of insurance coverage, financial returns, potential risks and any other information in order that the consumer fully understands the offered insurance product.

11.3. All consumers are entitled to obtain the required insurance product. The company should have convincing reasons for rejecting, cancelling or refusing to renew an insurance policy. However, other insurance companies' decision should not be considered solely a convincing reason.

11.4. When issuing an insurance policy and its appendices, the company should immediately provide the consumer with an official written confirmation of the insurance coverage's effective date. In case the whole documents are not available, the company should issue a temporary certificate of the insurance coverage to be used as a formal certificate of the effective coverage.

11.5. Company should provide the consumers with all insurance documents after signing such documents immediately.

12. After Sale Service

12.1. After the sale of an insurance product, the company must provide services to consumers in a timely and appropriate manner, including responding to their inquiries, administrative requests, and others related to amending the terms of



insurance policies.

12.2. Companies must present a written confirmation on any amendments made to the insurance policy and any additional amounts due on the insured owing to such amendment.

12.3. Companies must, at the time of entering into the insurance contract, promptly notify consumers of any changes in the disclosures or conditions set to consumers, including changes made in the companies' contact details or in the claims filing procedures.

12.4. Company should inform the consumer of the renewal or expiry date of the insurance policy 15 working days prior to the expiry date thereof to allow consumers to renew it or arrange for another insurance coverage by another company.

12.5. The company must, upon the issuance of an insurance policy through its website, provide a special section for after sale services to allow the consumer, without limitation, to request any amendment to the policy, such as addition, renewal or cancellation; verify the policy's status; check the effective and expiry date of the insurance coverage; and review the premiums paid and their maturity and payment dates.

12.6. When the insurance cost is divided into premiums, the company should maintain the consumers' funds on their behalf in accordance with the provisions set forth in The Law on Supervision of Cooperative Insurance Companies and its Implementing Regulation and regulations and instructions issued by SAMA.

12.7. With regard to the compulsory motor insurance, the company should not disclaim liability for indemnity, in accordance with the provisions of the Unified Compulsory Motor Insurance Policy, due to any violation committed by the insured or the driver whether the violation has been before or after the accident or because of the non-compliance by the insured or driver with the provisions set forth in the Policy, without prejudice to the right of the company to resort to the insured or driver by using all appropriate channels after payment to the third party, if the resource is justifiable.

13. Policy Cancellation

13.1. The company should not cancel a valid insurance, unless the insurance policy provides for such cancellation terms and the company's right to do so. The company should refund a proportional sum of the premium paid for the



valid period of the canceled insurance policy. However, the insured should be given a minimum period of 30 days before the effective date of by the company, provided that the company should inform the consumer in writing of the justifications of such cancelation and indicate the method for refunding the proportional sum that the insured is entitled to upon cancelation of the insurance policy.

13.2. The insured may cancel the insurance policy and recover part of the premium value in accordance with the short term schedules after settling the claims, if any.

13.3. The company should have convincing reasons for canceling or rejecting renewal of the insurance policy. Other companies' decisions should not be the sole convincing reason.

13.4. The companies offering sale or renewal services on their website should set procedures and measures necessary for verifying the compatibility of the cancellation mechanism of compulsory insurance policies on their website with the provisions and guidelines governing the cancellation mechanism of policies of such type.

13.5 Company must set a clear mechanism for cancellation of insurance policy issued via its website, which should include the consumer's desire for cancellation. In case of cancellation of a policy due to a deficiency or ambiguity of regulations or website operating systems, the company should compensate the consumer for the damages incurred for to the cancellation of the insurance policy.

14. Employees

14.1. The company should ensure that its employees dealing with consumers and beneficiaries are:

- a. carrying out their tasks efficiently, professionally and are capable of rendering the services assigned to them;
- b. following good conduct and dealing in a professional manner when serving current and prospective consumers and beneficiaries at all times; and
- c. having full knowledge of best practices to be able to assist consumers and beneficiaries.

14.2. The company should ensure that its employees have the required



professional qualification and meet competency requirements by enrolling them in specialized training programs to get professional certificates that qualify them to deal with consumers and beneficiaries.

15. General Terms

15.1. The company should make available within 7 business days, or as agreed upon in writing with the consumer, the following documents, if requested by the consumer:

- A copy of the original forms, documents or terms related to any insurance service or product.
- A copy of the original updated terms and conditions.

15.2. The company should announce the working hours of each branch at the main entrance thereto and on its website as well, so that the branch should open and close in accordance with the announced working hours.



PART 4: CLAIMS AND COMPLAINTS

16. Claims

16.1. Company must establish a claim settlement function and set specific measures to appropriately receive, respond to, study and settle claims.

16.2. In case the company is offering its insurance products and services on its website, it should provide electronic channel and forms for submission of claims via its website and provide the consumer or the third party (claimant) with a reference number for the claim after filling out the necessary forms, provided that the company should verify the original documents before paying the settlement amounts.

16.3. Company must provide the consumer with a written confirmation of receipt of the claim and should notify the consumer in writing of any missing information or documents within 7 days of the receipt of the claim form.

16.4. Company must give guidelines and instructions to the consumer at the time of filing a claim and should provide the consumer with sufficient information on procedures to be followed for the completion of the claim settlement process.

16.5. Company should settle claims in fair and a fully honest manner and without any discrimination.

16.6. Company must settle the claims received from individuals in a timely manner within 15 days from the date of receiving all requested and necessary documentation related to the claim . However, the period may be extended for another 15 days after notifying the regulatory compliance officer with reason(s) of such extension . In case of corporate claims, the settlement period should not exceed 45 days after the receipt of all requested and necessary documents and the report of the loss adjuster, if its appointment is required.

16.7. The company should appoint an expert examiner or loss adjuster if necessary. The consumer or beneficiary should be informed of such action within 3 working days from the date of appointment.

16.8. The company should notify the consumer or beneficiary in writing of acceptance or rejection of the claim. In case of full or partial rejection, the company should give reasons for such rejection in a clear and transparent manner. The company should give the consumer or beneficiary all documents



related to the claim against a documented receipt.

16.9. In case of the acceptance of the claim, the company should state the mechanism through which the amount of settlement has been calculated, along with necessary justifications for reduction or non-acceptance of part of the claim.

16.10. In case the claim is eligible, the company should settle it without any unwarranted delay in accordance with Article (44) of the Implementing Regulation of the Cooperative Insurance Companies Control Law.

16.11. With respect to the compulsory motor insurance, the company should undertake to compensate the beneficiary, in accordance with the coverage provided for in the insurance policy, for any expenses incurred due to the company's delay in settling the claim beyond 15 days from the date of the completion of required documents.

17. Complaints

17.1. The company should describe procedures for filing a complaint if the consumer or beneficiary does not accept the settlement made.

17.2. The company should put in place a mechanism for filing complaints in a conspicuous place at the company's premises and branches. In addition, the mechanism should be posted on the company's website, and a hard copy of which should be provided to consumers in case of their desire to obtain a written form thereof. A toll free telephone number for receiving complaints should be provided as well.

17.3. Upon receiving consumers' and beneficiaries complaints, the company should:

- a. confirm the receipt of complaints in writing;
- b. give a time estimate for processing the complaint;
- c. provide the consumer or beneficiary with a contact reference to follow up the filed complaint;
- d. provide the consumer or beneficiary with the name and telephone number of the employee in charge of the complaint so that the consumer can contact and follow up;
- e. inform the consumers or beneficiaries of the progress made with respect to their complaints;
- f. settle the complaint in a timely and fair manner within a period of 15



- days from the date of receiving the complaint;
- g.** notify the consumer or beneficiary in writing of the acceptance or rejection of the complaint, explain the reason for rejection and any compensation offered to the consumer, and clarify any unclear points in terms of the value of the compensation offered;
 - h.** describe the method for contacting the Consumer Protection Department at the Saudi Arabian Monetary Agency; and
 - i.** describe the mechanism for submitting a complaint to the Committees for Resolution of Insurance Disputes and Violations formed under Article (20) of The Law on Supervision of Cooperative Insurance Companies

Note: This document has been prepared in the Arabic and the English languages, each of which shall be treated as an original. The English version is an exact translation of the Arabic version of this policy. However in the event of a conflict between the Arabic and the English text, the Arabic text shall prevail.