



# **Insurance Consumer Protection Principles of Insurance Sector Companies**

**Saudi Arabian Monetary Agency  
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## Section One: Introduction

### 1-Consumer Financial Protection in the Kingdom of Saudi Arabia

The Saudi Arabian Monetary Agency (SAMA) monitors and supervises on its licensed financial institutions authorised to operate in the Kingdom of Saudi Arabia (the banks and finance companies including the finance leasing companies, the real estate finance companies, the insurance and reinsurance companies and entrepreneurships, money exchange companies and credit information companies). Since the issuance of the constitution of SAMA in 1371 AH and the Banking Control Law in 1386AH, SAMA has been working on the protection of interests of costumers and ensuring that the banks deals with consumers in fair and professional manner. The role SAMA plays has gradually developed with the expansion of the financial sector, wherein SAMA has assumed the responsibility of the insurance sector since 1424 AH as per the Cooperative Insurance Companies Control Law. Due to the development of the financial sector in the Kingdom of Saudi Arabia, SAMA continued to review such developments and issue the instructions necessary for enhancement of the consumers and beneficiaries' protection principles. Some of the strategic goals of SAMA aimed to ensure that the consumer dealing with the financial institutions enjoys fair, transparent and honest treatment by such institutions and that the consumer avails easily and at a reasonable cost from the quality services and products offered by such institutions.



## 2-Definitions

**The Agency:** The Saudi Arabian Monetary Agency (SAMA)

**Licensed entities:** shall mean all entities licensed by the Saudi Arabian Monetary Agency (SAMA) to operate in business related to insurance, reinsurance and liberal professions in the Kingdom of Saudi Arabia.

**The company or companies:** shall mean the insurance and reinsurance companies and the liberal professions such as mediators and insurance agents, insurance claims adjusters, survey experts, loss adjusters, insurance consultants and actuary experts.

**The employee:** shall mean any natural person working for the interest and under the management and supervision of a company against a wage be it at the premises of the company or outside, including contracting employees through award of jobs.

**The insurer:** Shall mean the insurance company which accepts to offer insurance cover to the insured.

**The insured:** the natural or legal person entering into a policy with the insurer.

**The insurance mediator:** shall mean the legal person entering into negotiations with the insurance company to complete the insurance process in favour of the insured against a sum of money.

**The consumer :** shall mean any natural or legal person contracting with the insurance company for issuance of a policy be it directly or indirectly.

**The insurance contract:** is represented by the contractual relation between the insurer and the insured , wherein a risk faces the insured and hence such risk is covered by an undertaking to meet specific obligation to the insured or the beneficiary in case a damage / loss occurs.

**The beneficiary:** shall mean the natural or legal person availing from the insurance policy on occurrence of damage or loss.

**The insurance amount (premium):** shall mean the total cost of the policy paid by the insured to the insurer as a lump sum amount or in the form of payments against the insurer's consent to reimburse the insured for the damage or loss directly caused by an insured risk.

**Insurance product:** shall mean the insurance policy or cover marketed by the insurance companies in order to meet the insurance needs and interests of consumers against the potential risks that may cause losses to the consumer whether to the consumer in person or related to the consumer's property or responsibility toward a third party.

**Counseling:** shall mean the recommendation or advice the company offers to the consumer taking into account the consumer's circumstances, needs and interest when asking for the insurance cover.

**The claim:** the application the insured or the beneficiary submits to the company asking payment of the compensation amount as per the policy terms.



**The complaint:** any opposition or grievance the insured or beneficiary submits to the company due to any breach to the policy terms and / or the related regulations and instructions.

**The dispute:** any difference between the insurer and the insured or beneficiary which settlement requires obligating one of the parties to the dispute or difference with certain obligation/s.

**Handling the complaint:** taking the measures and arrangements necessary for handling the consumers complaints and settlement of the same fairly and honestly without any delay.

**Disclosure:** shall mean the disclosure of information and data in complete transparency and honesty and refraining from non-disclosure of any information that may affect or which is important to any of the parties to the insurance contract (that is: the insured and the insurer).

**Awareness:** dissemination of insurance culture and related principles in order to raise the consumer's awareness and understanding of the main insurance terminologies and principles and hence helps the consumer distinguish between the insurance products and services offered by the companies.

**The Advertisement:** a commercial message promoting insurance product or services whether directly or indirectly.



## **Section Two: Protection Principles of Consumers and Beneficiaries from Insurance Services**

### **3-Introduction**

3.1 The protection of the consumers and beneficiaries of insurance companies in Saudi Arabia is a strategic goal SAMA has always aimed to achieve by ensuring that the companies offer the required level of fairness, honesty and integrity when it comes to insurance. The companies consumers' protection principles help maintain this goal as they apply to all activities of insurance companies licensed by SAMA and to any party from which the company's consumers and beneficiaries seek assistance in performing certain tasks. The principles comprise consumers of sole property companies (the current and potential consumers).

3.2 The Consumer Protection Principles are binding to the companies and conform to the instructions and measures issued by SAMA and should be adhered to not later than 1<sup>st</sup> September 2014.

3.3 The company has to make available free hard copies of such principles at each branch of the company and has to deliver the same to the consumer as they commence dealing with the company or when they obtain a new product or service. The principles should be posted at the company's website.

3.4 The company has to keep available all records, documents and information SAMA asks to this effect.

3.5 The Consumer Protection Principles are issued on the basis of the powers assigned to SAMA as per the Cooperative Insurance Control Law and its Executive Regulation issued by RD No. R/32 on 2/6/ 1424 AH (corresponding to 31/7/2003) and amended by RD No. R/30 on 27/5/1434AH (corresponding to 8/4/2013).



## **4-General Principles**

### **Principle 1: fair and honest treatment**

The companies should fairly and honestly deal with consumers and beneficiaries throughout all stages of the relation with them. Companies should also meet their obligations as per the regulations and instructions of SAMA. Companies must adopt the best practices internationally followed in meeting the consumers' obligations as to make such practices an integral part to the company's culture. The company should also accord due care to the consumers and beneficiaries in general and particularly those with limited education, old – age consumers and individuals with special needs of both genders.

### **Principle 2: Disclosure and transparency**

Companies should also make clear the rights, responsibilities and duties of each party to the insurance relationship as well as details of the premiums, commissions, types of risks and the mechanism for termination of the insurance relation or cancellation of the policy and the consequences and impacts of the same on the insured. The companies should ensure that the policy terms, exclusions and main benefits are clear, short, easily understood, precise and not misleading so that the consumers may have access to the policy and acquaint with its terms and exclusions. The companies and their personnel should respond to all inquiries of the consumers in relation to the insurance products they offer or in relation to the insurance policies they issued. Companies should periodically update information related to the insurance products and services and have to make available the necessary and updated information to the consumers on the insurance products and services they offer via their websites.

### **Principle 3: insurance education and awareness**

Companies should set the programmes and mechanisms for development of the skills and knowledge of the current and potential consumers and beneficiaries and to raise their insurance awareness level and to assist them in understanding the basic risks of the insurance product and its benefits. Companies should also support them in understanding their rights and duties in order that they take effective and information-based decisions besides guiding them to the right department where they can obtain additional information whenever necessary.



## **Principle 4: work disciplines and ethics**

The company should work in a professional and responsible manner. Companies should timely and efficiently provide their services and professionally assume their obligations and duties for the interest of their consumers and beneficiaries throughout the relation between them. The company shall be the first to shoulder the responsibility for protection of the insurance interests of consumers and beneficiaries.

## **Principle 5: No discrimination**

The company and its employees should not exercise any discrimination in dealing with consumers (current or potential) in an unfair manner on the basis of race, gender or religion.

## **Principle 6: Protection against frauds**

The company should strictly implement the security arrangements and measures in monitoring insurance operations and protect insurance operations from frauds or illegitimate usage.

## **Principle 7: Protection of information privacy**

Companies should protect the financial and personal information of consumers and should not use the same except for specific professional and regulatory purposes with the consent of the consumer. Companies should not disclose the same to any third party without the prior approval of SAMA with an exception to the company's auditors, actuary experts, reinsurance companies and the departments / parties concerned.

## **Principle 8: handling complaints**

The company shall make available appropriate mechanisms for consumers to submit their complaints. Such mechanisms should be fair, unambiguous and effective and allow following with and remedial of the complaints without delay as per the regulations and instructions of SAMA and the other departments concerned.





## **Principle 9: competition**

Companies should compete in offering the best services, products and prices in a way that meets the needs and interests of consumer without prejudice to the stipulations of the regulations and instructions related to the mechanisms and method of pricing insurance products.

## **Principle 10: Service providers on behalf of the companies**

Companies should ensure that other parties assigned with jobs should adhere to the requirements of such principles and that they work for the interest of the consumers. Furthermore, the company should ensure that such other parties bear the responsibility of protecting the consumers. Insurance services providers are responsible for the procedures taken on behalf of the companies or consumers as stated in the award chart issued by SAMA; this does not release the companies from the responsibility of supervising on, reviewing and following with the procedures and jobs undertaken by the insurance services providers contracting with the companies or which are awarded some tasks related to such principles.

## **Principle 11: Conflict of interests**

The company should have a written policy on conflict of interests. Such policy should set the procedures necessary for fair treatment for all consumers. The company has to ensure that the policies which help unveiling the probable conflict of interests are available and implemented. Whenever a probable conflict of interests seems to occur between the company and any other party and that such conflict of interests may affect the consumer, then the company has to disclose to the consumer such conflict of interests as stipulated by the related regulations and instructions.

## **Principle 12: Adequate resources**

The company should accord due care and attention on making available the sufficient administrative, financial, operational and human resources necessary for its business and serving its consumers across Saudi Arabia.



## **5- Consumer responsibilities**

Companies have to work on enhancement of the responsibility of consumers through the continued education and awareness programmes offered by all companies collectively, besides the individual initiatives of each company for serving its consumers.

The consumer responsibilities comprise the following:-

### **5.1 Be honest when giving information**

Always provide complete and precise information when filling any samples / forms required by the company. Do not provide misleading, improper or incomplete information and refrain from non-disclosure of significant or material information.

### **5.2 Read carefully all information presented by the company**

You will receive complete information on your obligations against obtainment of the service or product. Make sure you clearly understand such obligations and that you are able to meet the same.

### **5.3 Ask Questions**

In case any clause or term in the insurance policy or other documents presented by the company is found ambiguous, then the consumer shall have the right to inquire and ask the company employees to clarify the same. The company employees have to respond to the inquiries of consumers in a professional manner as to help consumers take the right decision.

### **5.4 Check details of the policy**

Make sure that the copy of the policy issued incorporated all contents of the policy, for instance your personal details, date of commencement of insurance cover, the policy terms, limits and exclusions of the insurance cover and schedules of the policy.



### **5.5 How to submit a complaint**

The company will provide you with the necessary information and data on the mechanism for submission of complaints; such as the contact name and address for submission and following with the complaint and the turnaround for receiving the response to your complaint. Avail yourself of such services and escalation of the complaint when necessary.

### **5.6 Use the insurance service or product as per the terms and conditions**

Do not use the insurance service or product except as per the terms and conditions set forth in the policy and after fully understanding such terms and conditions.

### **5.7 Non-exposure to risks**

Some insurance products and services involve different levels of exposure to risks. The company should clarify the same to consumers. Do not as a service or product when you feel that the risks do not fit with your financial position.

### **5.8 Apply for the products and /or services which meet your needs**

When applying for any of the insurance products or services, make sure such products or services meet your needs and conform to your ability to meet your obligations resulting from obtainment of the insurance product or service.

### **5.9 Inform the company on the non-conforming procedures**

When you become aware of any non-conforming procedure related to the product or the service offered, you should immediately inform the company. In case you received no response from the company, then you shall have the right to submit your complaint to SAMA.

### **5.10 Seek the advice of the company when facing insurance constraints**

Ask the advice of the company you are dealing with when you face financial difficulties which made you unable to meet the obligations related to the insurance service or product. This will provide you with the opportunity to discuss the available options which meet your financial position.



### **5. 11 updating information**

You should update your personal details including the contact information. Such updating of information and data should be on a regular basis and whenever required by the company. You may become liable for not updating your information mainly the material information.

### **5.12 mail address:**

Use the mail dress (ordinary mail and/or the email address) and your contact number/s when asked by the company you are dealing with. Do not use other addresses of your friends or relatives which may lead to disclosing your personal details.

### **5. 13 Official Authorisation**

Exercise due caution when giving an official authorization for handling your insurance transactions. Know who you are giving the authority to act on your behalf in terms of your financial affairs related to insurance and who has to become familiar with such transactions.

### **5. 14 do not sign incomplete samples (forms)**

Make sure that all the fields and numbers required in the samples presented to you to sign, are complete. Do not sign any blank or incomplete sample / form.

### **5. 15 Review all information**

You have to review all information and data you have mentioned in insurance products / services application as to ensure the accuracy of the information presented and that such forms do not contain any mistakes. Be aware of the fact that putting your signature on the sample / form shall mean giving your consent on the same.

### **5. 16 Do not disclose personal information**

-Do not disclose any personal or insurance information to any party other than the company or the official departments /authorities concerned under no circumstances.

-You should disclose to the company any information related to the required insurance product or service and the information necessary for identifying your insurance needs and assessment of the risks that you may face.



### **5. 17 Your eligibility for your copy**

-Make sure you obtain copies of the contracts and documents signed by the company and keep he same in a safe place.

-Regarding the mandatory motor insurance policies, your policy should conform to the provisions of the unified document for mandatory motor insurance shown at SAMA website ( [www.sama.gov.sa](http://www.sama.gov.sa))

-Regarding the electronic insurance policies issued by the company thorough its website, the insured has the right to ask the company and / or one of its branches to provide the insured directly with hard copies of the insurance policies issued electronically or any other document related to the policy. Such hard copies should be signed and bearing the company seal. The insured has the right to ask the company send the same to his / her / its registered mail within seven working days from the date of application of the insured.



### **Section (3) : Main obligations of companies**

This section features the obligations and systems of insurance service supportive to the " general principles" for consumer protection.

#### **6-rules and terms**

6.1 the company should make available the updated rules and terms to the consumer through a general booklet including the terms and conditions or through a brochure on the same. The company should encourage reading such booklets or brochures before complying with the insurance services and products.

6.2 all terms and conditions should be compiled in the application form for the insurance product or service which application should be filled in Arabic by the consumer, provided that such terms and conditions should be clearly written and understandable, not misleading and in clear writing along with an English copy in case the consumer so required.

6.3 the terms and conditions and the application forms should incorporate details clearly stating the probable consequences the consumer might bear on usage of the insurance product or services if other than the agreed upon terms set forth in the application sample ( form).

6.4 on the amendment of the writing mistakes the company should abide with the content of the policy and its schedules and should not amend the same except by a written approval from the consumer, provided that the company issues an annexure to the policy showing its approval of such amendment.

#### **7. Pricing and commissions**

7.1 the company should implement the pricing method presented by SAMA which is previously approved by the consumer as part of the approval application for the insurance product.

7.2 the insurance mediator should extend its best efforts to obtain the best price offers from a number of companies and to clarify the reasons for recommending any of the offers to the consumer.

7.3 in case of cancellation of the policy prior to expiry of its term, the company should refund the proportional amount against the amount paid for the unexpired term of the policy as stated in the policy.



## **8. Protection of data and information and preserving confidentiality**

8.1 protection of the consumer and beneficiary along with preserving the confidentiality of the same and non-usage of such details except for regulatory purposes rests with the company.

8.2 on offering the sale and renewal services through its website, the company should take all precautions and security measures in order to preserve and protect the information electronically exchanged with the consumers. The company has to make available the state-of –the art technology and programmes to ensure protection and safety of the cash payments through company's website.

8.3 The responsibility of preserving the confidentiality of the details of consumers and beneficiaries and non-disclosure of the same rests with the company with an exception to the following:-

A-when such disclosure is mandatory imposed by the government authorities concerned (such as the foreign ministry, the courts ...etc).

B- When disclosure of such information is made by the written consent of the consumer or the beneficiary.

8.4 The company should have the appropriate work procedures and effective control systems for protection of the details of consumers and beneficiaries and for identifying and remedial of the breaches occurred or which are probably to occur.

8.5 the company's employees whether permanent or temporary employees and free professions employees or representatives of the companies have to sign the form for preserving confidentiality of the details of consumers and beneficiaries and have to ensure non-disclosure of the personal information and access to the same and that such information should be restricted to the authorised persons be it during their service with the company or after they leave the company's service.

## **9. Communication through advertising and marketing**

9.1 the company has to communicate with the consumers through two communication methods at least; for instance the email, the registered mail, text messages or phone. The company may also use its own channels (the branches, the company's website) and the media of all type to promote its products by use of advertising and marketing means that fit the targeted sector and in conformity to the regulations, instructions and rules issued by SAMA.

9.2 the company should exercise due diligence and caution when sending a notice or advertisement to more than a consumer through the email or any other means of communication to ensure that the communication sent does not incorporate personal information of a consumer.



9.3 the company has to follow professional methods of advertising its products and has to refrain from misleading methods when promoting /marketing its products without any exaggeration on the benefits of the product or service promoted directly or indirectly taking into account no harm should affect the interests of other companies. All expressions, words or figures used in advertising should be clear, easily understood and in clear writing including the margins.

9.4 The companies are prohibited from:-

- A. presenting fake offers, details or statements or use any expressions that could be directly or indirectly misleading to the consumers.
- B. Presenting and advertising with a logo or a trademark without having the right to use the same or a trademark that is not genuine.
- C. Use of incorrect marketing ads or ads that are misleading to the public be it related to prices or the company status.

**\* SAMA shall have the right to obligate the company not complying with the content of this clause to withdraw the notice or advertisement within one working day from being notified with the same by SAMA.**

9.5 the company should ensure that the presentation and design of the advertisement is fit and noticeable to the consumer and that the service or the product advertised requires meeting specific terms from the consumer's side.

9.6 the company should ensure that the advertisements including abbreviations are clearly explained.

9.7 companies should make available to the consumers at all branches spaces for filling the necessary samples ( forms) and for keeping the booklets and forms where the consumer could get the required forms / booklets.

9.8 customers may show their interest in receiving (SMS), service or product marketing brochures offered by the company. The company should obtain the approval of the consumer on the same whether in writing or electronically as the customer may see fit.

9.9 the company should not send marketing materials of insurance products to individuals aged 18 years or less, mainly in case of marketing products or services with risks that are not fit to such category.

## **10. Communication with customers**

10.1 the company should communicate with consumers in order to invite for offers and insurance products and has to provide adequate information to consumers including at least the following:-





A-Information on the company activity and whether it is an insurance company or working for the interest of an insurance company or working independently for the interest of the consumer.

B. to inform the consumer with any financial relation other than the regular commission agreements, between the broker and the insurance company and whether is any shared ownership between the parties.

C. Information on the nature and scope of insurance products and services that could be offered by the company.

10.2 the company should seek to obtain the reasonable information on consumers in order to assess their needs regarding insurance products and services and to present the offers which fit the consumers.

10.3 The company should offer the advice and recommendation to the consumers in terms of selection of the insurance products and services which meet their needs.

10.4 the company has to offer the advice in terms of replacement of insurance protection and savings policy and has to clarify the increase in the initial expenses and the financial impacts on the consumer when replacing the policy.

## **11. Sale of insurance products and services**

11.1 prior to entering into the insurance contract, the company should disclose to its consumers all that relates to the insurance cover they require or propose and has to provide them with the basic terms and conditions of the insurance product of service they purchase, including –but not limited – to the following:-

- The company's name
- The benefits, exclusions and deducts
- The insurance cover term
- Prices and costs
- Procedures for settlement of claims and handling complaints
- The obligations and duties of each party as per the policy.
- Any clause the company has the right to amend following commencement of the contract.
- Any restriction or unusual term that could harm the interest of the customer
- Addresses of the company and means of communicating with it.

11.2 in addition to the foregoing , the company should provide its consumers with sufficient information in relation to the protection and saving programmes contracts in terms of way of sharing the profits, insurance cover amounts , financial revenues, the potential risks and any information related to the



programmes in a way that ensure the consumer's understanding of the insurance product offered.

11.3 All consumers shall have the right to get the insurance product required. The company should have solid reasons for rejection, cancellation or non-acceptance for renewal of the insurance policy. The decision of other companies on the same is not a convenient reason / justification.

11.4 On issuance of the policy and its annexures, the company has to immediately provide the consumers with an official written confirmation on the date of policy commencement. In case all policies are not available, then the company should issue a temporary certificate on the insurance cover to be used as evidence on validity of the cover.

11.5 The company has to provide all policy documents to the consumer immediately after issuance of such policies.

## **12. Consumer after –sale service**

12.1 following selling the insurance product, the company has to provide the consumers with the services on time and in an appropriate manner. This includes responding to the consumers' inquiries and other requests related to amendment of the policy terms and conditions.

12.2 The company has to provide a written confirmation for any amendment to the policy in addition to any additional amounts due from the insured as a result of the amendment.

12.3 the company has to immediately notify the consumers with any changes to the disclosure or the terms prepared for the consumers on issuance of the policy or any changes to the details of the company or the procedures for submission of claims.

12. 4 the company shall notify the consumer with the date of renewal or expiry of the policy fifteen (15) working days prior to expiry as to enable the consumer renew the same or maintain insurance cover from another company.

12. 5 On issuance of the policy, the company – through its website- makes available a section for after-sale services in a way that enables the consumer make any changes to the policy such as addition, renewal, cancelation, verification of the policy, acquainting with the date of insurance cover commencement, expiry of the policy, the installments paid and due and date of maturity and payment of installments.

12. 6 on payment of the premium in installments by the consumer, the insurance company shall ensure preserving the consumers' money on their behalf as per the measures set forth in the Cooperative Insurance Companies



Control Law and its Executive Regulation and the instructions issued by SAMA.

12.7 regarding the mandatory motor insurance, the company should not keep to its irresponsibility toward the others in terms of compensation as per the unified policy terms as a result of violation by the insured or driver whether the violation occurred before or after the accident or is caused by the driver or due to the insured non-compliance with the provisions of the policy, without any prejudice to the right of the company in being subrogated by the insured or driver after payment to other parties –if such subrogation is justified.

### **13. Cancellation of the policy**

13.1 The company shall not have the right to cancel a valid insurance unless the policy indicated the cancellation terms and the company's right to cancel the policy. The company in such a case has to refund the paid insurance premiums in proportion to the unexpired term of the insurance policy cancelled and that the minimum notice period to be given to the insured shall be thirty days prior to date the cancellation of the policy takes effect as set by the company, provided that the company undertakes to provide the consumer with the justifications in writing in addition to the method of refunding the premiums due to the consumer as a result of cancellation of the policy.

13.2 the insured may cancel the insurance and refund part of the amount paid as per the short terms table after settlement of the claims – if any.

13.3 The Company should have convenient reasons for cancellation or non-renewal of insurance. The decision of other companies on the same shall not be considered as convenient reason.

13.4 the companies offering sale or renewal services through their websites should set the procedures and arrangements necessary for conformity of the mechanism of cancellation of the mandatory insurance policies via the websites with the rules and instructions regulating such class of insurance policies.

13.5 the company should set a clear mechanisms for cancellation of insurance polices issued through its website, which mechanism should incorporates the intent of the consumer for cancellation of the policy. In case the policy is cancelled due to shortage or ambiguity in the systems or the programme of operating the website, then the company shall reimburse the consumer on the damages incurred as a result of cancellation of insurance.



#### **14. employees**

14. 1 the company should ensure that its employees dealing with the consumers or beneficiaries enjoy the following:-

A. That they perform their tasks and duties effectively and in a professional manner and that they are capable of furnishing the services they are assigned with.

B. That they follow the right conduct and antique and deal in a professional manner with the current and potential consumers and beneficiaries at all times.

C. That they are well-versed with the best occupational practices as to assist the consumers and beneficiaries.

14. 2 the company should ensure that its employees are well-qualified and competent through their enrollment in specialised programmes to obtain the qualifications which qualify them to deal with the consumers and beneficiaries.

#### **15. General Rules**

15. 1 the company should make available within seven working days or as per the written agreement with the consumer, the following documents in case the consumer so requires:-

-As original copies or the samples (forms), documents or special terms of any insurance service or product.

- As original copy of the updated terms and conditions

15. 2 the company should inform with the working hours of the branch at the main entrance of the branch and in its website so that the branch opens and closes in accordance with such working hours.



## **Section (4) : Claims and complaints**

### **16. Claims**

16. 1 the company should form a department for settlement of claims and has to set specific procedures for receiving and responding to the claims as well as for settlement of the same as required.

16. 2 when the company offers its products and services through its website, it should make available electronic channels and samples (forms) for submission of claims through its website and has to provide the consumer of the third party with a referral number for the claim after filling the necessary sample, provided that the company verifies the original documents of the claim before payment of the settlement amount.

16. 3 the company should acknowledge in writing that it has received the claim and has to notify the consumer in writing with any information or documents it requires within seven days from receiving the form of the claim.

16. 4 the company should provide the consumer with the advice and consoling on submission of the claim as well as with sufficient information on the procedures followed for completion of the claim settlement process.

16. 5 the company should settle the claims honestly, fairly and with no discrimination.

16. 6 the company should promptly settle the claims received from individuals within not later than fifteen days from receiving the claims with complete documents. This duration could be extended for further fifteen days along with a notice to be sent to the regulatory body. In case the claim relates to companies, the settlement of the claim should not exceed forty five days from receiving all necessary documents and the report of the loss adjuster – in case appointment of a loss adjuster is required-.

16. 7 the company undertakes to appoint a survey expert or a loss adjuster whenever required. The consumer or beneficiary should be informed with such procedure within three working days from date of appointment.

16. 8 the company should inform the consumer or beneficiary in writing with the acceptance or rejection of the claim. In case of total or partial rejection , the company should clearly and transparently serve the reason for rejection of the claim and has to hand over to the consumer or beneficiary all documents related to the claim against a receipt to this effect.

16. 9 On acceptance of the claim, the company should clarify the mechanisms through which it has reached the settlement amount and has to serve the



necessary justifications in case of any reduction or non-acceptance of part of the claim.

16. 10 the company should pay the claim amounts in case the claims are proved to be genuine, without any unjustified delay as per article (44 ) of the executive regulation of the Cooperative Insurance Companies Control Law.

16. 11 Regarding the mandatory motor insurance, the company undertakes to reimburse the beneficiary availing from the insurance cover as stated in the policy, all expenses incurred as a result of the company's delay in settlement of the claim for any period exceeding fifteen days in case the documents required were complete.

## 17. Complaints

17. 1 the company should explain the procedures for submission of complaints in case the consumer or beneficiary does not accept the settlement reached.

17. 2 the company should display the mechanism for submission of complaints at noticeable place at the company's premises and branches along with posting the same at the company's website. The company has to make available a hard copy of the same to the consumer if so desires and has to make available a toll free phone number for receiving the complaints.

17. 3 on receiving the complaints of consumer, the company should do the following:-

A. to acknowledge receiving the complaint in writing

B. To provide the consumer with an estimated time for handling the complaint.

C-To provide the consumer of beneficiary with he contact reference for following with the complaint submitted.

D. To provide the consumer or beneficiary with the name of the employee responsible for handling the complaint along with his /her phone number as to enable the consumer contact such employee whenever required for following with the complaint.

E. To notify the consumers or beneficiaries with the progress made on the complaints submitted.

F. To promptly and honestly settle the complaint within not later than fifteen days from date of receiving the complaint.

G. To notify the consumer or beneficiary in writing with the acceptance or ejection of the complaint and to serve the reason for the same along with any reimbursement offered to the consumer and has to clarify any difference in the compensation amount offered to the consumer.

H. To explain the mechanism for communicating with the Consumer Protection Department at SAMA.

I. To explain the mechanism for submitting and escalating the cases and disputes to the committees for settlement of insurance disputes and differences formed as per article ( 20) of the Cooperative Insurance Companies Control Law.