

# MARKET BULLETIN

REF: Y4943

<b>Title</b>	International Complaints Handling: New Procedures in Italy
<b>Purpose</b>	To advise of new complaints handling arrangements for Italy
<b>Type</b>	Event
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<b>Date</b>	3 December 2015
<b>Deadline</b>	Immediate
<b>Related links</b>	<a href="http://www.lloyds.com/complaintshandling">www.lloyds.com/complaintshandling</a>

Following new complaints handling regulations introduced by the insurance regulator in Italy, IVASS, this bulletin is to notify managing agents that the pilot arrangements for international complaints (see [Market Bulletin Y4896](#)) are being extended to the handling of Italian complaints at Lloyd's.

Managing agents should therefore review [Market Bulletin Y4896](#) and ensure that their processes for handling Italian complaints comply with the requirements set out in that bulletin.

The new arrangements apply with immediate effect in respect of all complaints made on or after 1 October 2015.

## Background

On 7 May 2015, Lloyd's issued [Market Bulletin Y4896](#) setting out new pilot arrangements for the handling of international complaints. For the pilot period the new arrangements only applied to Ireland, Sweden and Norway.

IVASS has recently issued Provision No. 30 of March 2015 amending ISVAP Regulation No. 24 of 19 May 2008. This introduces new rules for the the handling of complaints in Italy.

To ensure managing agents can comply with the new rules for Italian complaints, Lloyd's is extending the pilot complaints arrangements at this time to include Italy.

Lloyd's will shortly begin the wider roll-out of the new international complaints handling arrangements. A further bulletin will be issued in January 2016 to begin that process.

### **Complaints handling in Italy**

With immediate effect, managing agents are asked to review [Market Bulletin Y4896](#) and implement the arrangements set out in that bulletin for all Italian complaints. The updated arrangements apply to all complaints received on or after 1 October 2015. This means managing agents must:

- Take full responsibility for complying with the relevant complaints handling rules for complaints arising in Italy. Accordingly, Lloyd's Italian office will no longer provide responses to complaints on behalf of managing agents, coverholders or TPAs. All complaints received by the Lloyd's Italian office will be forwarded to the relevant managing agent, coverholder or TPA to respond to;
- Notify to Lloyd's all new complaints received (including those received from 1 October 2015). Please note that whereas [Market Bulletin Y4896](#) asked for notification of new complaints within one week of receipt, Lloyd's Complaint Team is revising its approach and complaints must be notified within two weeks of receipt; and
- Promptly send to Lloyd's a copy of each complaint received and a copy of each complaint response after the response has been sent.

The arrangements for notifying complaints and the responses are set out in [Market Bulletin Y4896](#). Managing agents should also engage with their coverholders and third party administrators to ensure that they are able to comply with the new procedures.

The new arrangements replace the complaints handling arrangements operated by Lloyd's Italian Office to date.

### **Further guidance on Italian complaints**

To assist managing agents with the handling of Italian complaints, Lloyd's has produced:

- A summary process map for Italian complaints handling at Lloyd's – see Appendix 1
- A complaints handling guidance note for managing agents for Italy – see Appendix 2.
- Summary details of Italian requirements for complaints handling - see Appendix 3.

For managing agents wishing to provide guidance to their coverholders/TPAs, the instructions set out in Appendices 2 and 3 have been translated into Italian.

Copies of all documents (and all other relevant material) can be downloaded from [www.lloyds.com/complaintshandling](http://www.lloyds.com/complaintshandling).

**Further information**

If you have any queries regarding this bulletin, please contact:

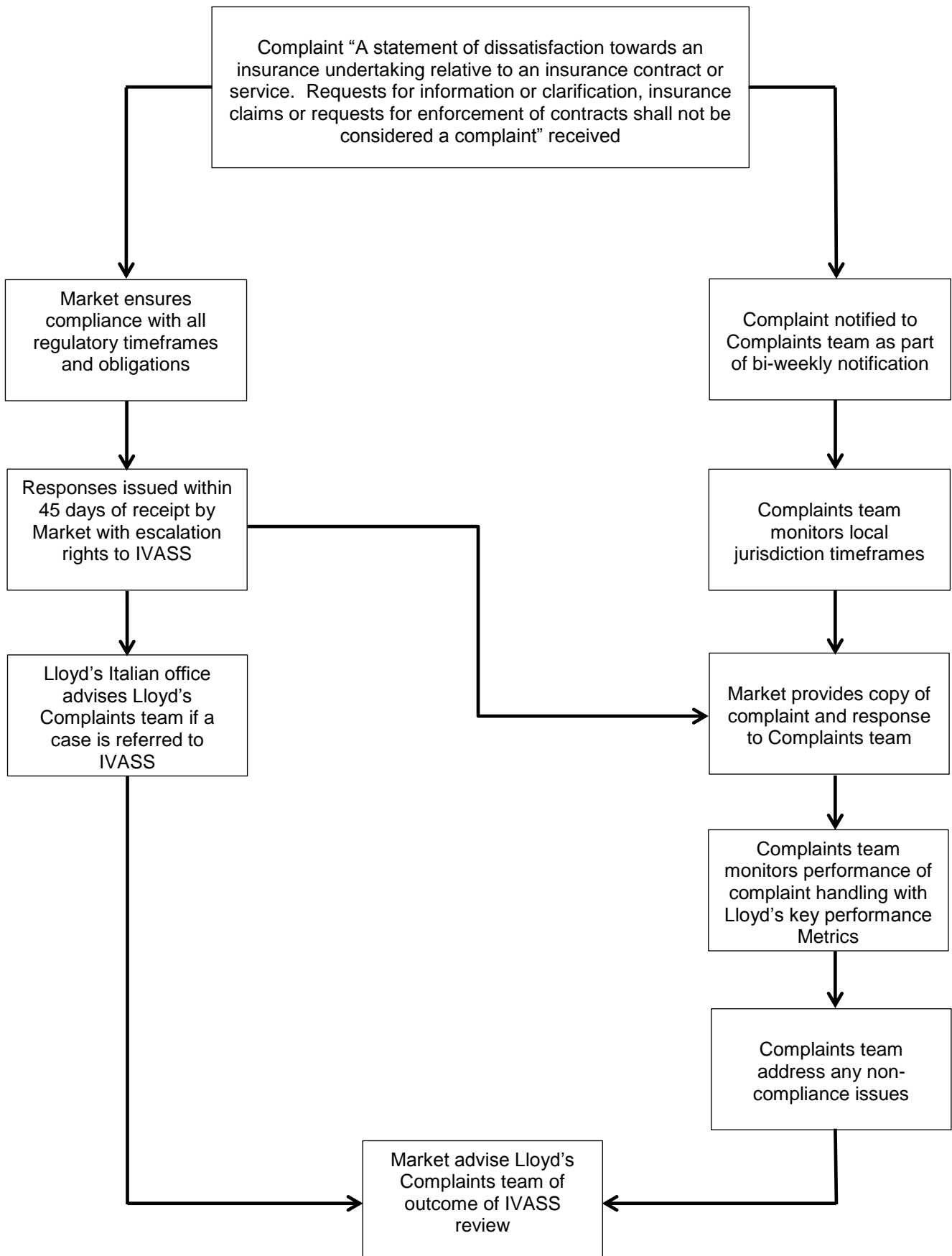
Complaints Team

Tel: +44 (0) 20 7327 5696

E-mail: [complaints-enquiries@lloyds.com](mailto:complaints-enquiries@lloyds.com)

## Appendix 1

### International Complaints Process - Italy



# LLOYD'S INTERNATIONAL COMPLAINTS - ITALY

## Handling International Complaints at Lloyd's: Guidance for managing agents and their representatives

This guidance note provides a practical process for handling complaints received from complainants in Italy.

Where complaints arise complainants should expect to have their complaint dealt with in a prompt and reasonable way. At the same time, different countries have different local rules for the handling of complaints. Lloyd's revised arrangements for international complaints will allow for better oversight of the handling of complaints outside of the UK, consistent with the regulatory expectations of the Financial Conduct Authority (FCA), whilst allowing flexibility for managing agents in the way they handle complaints.

Managing agents should ensure they are able to comply with local regulations in Italy as well as Lloyd's requirements for handling complaints in that territory. Any questions should be directed to the Complaints team.

**Note:** This note is only intended to provide summary guidance. It is important that managing agents continue to refer to Crystal for territory specific complaints regulations.

For more information about International Complaints Handling at Lloyd's please refer to [www.lloyds.com/complaintshandling](http://www.lloyds.com/complaintshandling).

### Expression of dissatisfaction by complainant to managing agent/representative

- Managing agents must have in place procedures that allow complaints to be made by any reasonable means, including orally. The definition of a complaint in Italy is:

*"A declaration of dissatisfaction towards an insurance undertaking with regard to an insurance contract or service; requests for information or clarification are not considered complaints, as well as requests for indemnification or contract fulfilment."*

- It is the responsibility of managing agents to handle all international complaints appropriately and ensure they are compliant with all relevant local rules. This includes any requirement to acknowledge complaints, provide information to the complainant and meet applicable time limits.
- On a fortnightly basis, managing agents or their representative (which could be a coverholder or third party administrator) must complete the Lloyd's International Complaint Notification template,

providing details of all complaints received from policyholders during the preceding fortnight. This includes but is not limited to all complaints that are subject to the local regulatory complaints handling rules or where the complainant has a right of referral to the local EDR facility.

- There is no need to include complaints which were brought to the attention of the managing agent by Lloyd's.
  - There is no requirement for a "nil return" where no complaints are received.
  - On policies or binding authorities where there is more than one syndicate participating, Lloyd's expects the lead syndicate to notify the complaint.
- The Complaint Notification Template should be downloaded from [www.lloyds.com/complaintshandling](http://www.lloyds.com/complaintshandling) and sent once completed via email to: [internationalcomplaints@lloyds.com](mailto:internationalcomplaints@lloyds.com). Managing agents must use the template provided by Lloyd's and should not create their own templates.
  - The following table explains how to complete the International Complaint Notification template. Completion of all fields is mandatory, with the exception of the Address field. Managing agents should ensure that they provide the information in a way that is compliant with the Data Protection Act 1998.

Field	Comments
Submitting company	This is the name of the managing agent or its representative who is completing and submitting the template.
Coverholder	If the policy was underwritten by a coverholder, select the coverholder name from the drop down list.
Third Party Administrator (TPA)	If a TPA is involved, select the TPA name from the drop down list.
Policyholder Surname / Company Name	This is the name of the insured individual/entity.
Address (Optional)	Insert a correspondence address for the complainant.
Post Code	The Post Code, Mailing Code, Zip Code etc for the policyholder.
Policy Number	Please ensure that the Policy Number detailed on the spreadsheet is referenced on the complaint response.
Risk Location	The territory in which the insured is located. Select from drop down list.
Date Received	Insert the date the complaint was first received by the managing agent or its representative. For example where the complaint was initially received by a coverholder who subsequently notifies the managing agent of the matter the date the complaint was first received by the coverholder will be the operative date.
Complaint Code	Select from drop down list.
Class of Business	Select from drop down list.

Placement Type	Select from drop down list.
Syndicate Number	Lead syndicate on the coverage.

- Complaints will be entered onto the complaints monitoring database by Lloyd's to enable effective monitoring and regulatory reporting.
- Managing agents must also keep their own record of each complaint received and the measures taken for their resolution.
- Lloyd's reserves the right to review and take over coordinating the response to individual complaints where, in the view of Lloyd's, this is appropriate in all the circumstances, including to meet local regulatory expectations of Lloyd's.

### Response to complainant

- In all cases a written response must be sent to the complainant by the regulatory deadline. Where the complainant is in Italy, a response should be sent within 45 days of the complaint being received.
- Responses must outline the right of the complainant (where applicable) to refer their complaint to the relevant External Dispute Resolution (EDR), i.e., the Institute for the Supervision of Insurance (IVASS).
- The letter should set out details of any redress or remedial action being offered. Redress includes:
  - Payments to put the complainant back into the position the complainant should have been in had the act or omission complained about not occurred, including any claim payments.
  - Amounts paid for distress and inconvenience.
  - Goodwill payments and goodwill gestures.
  - Interest on delayed settlements.
  - Waiver of any excess.
- A copy of the response together with a copy of the original complaint must be emailed to [internationalcomplaints@lloyds.com](mailto:internationalcomplaints@lloyds.com) promptly following the response being sent. There is no requirement for these documents to be translated to English; this will be arranged by Lloyd's. The covering email should confirm the root cause of the complaint, selecting the main reason from :
  - Claim – coverage / terms and conditions
  - Claim – delay
  - Claim – quantum
  - Claim – standard / duration / delay of repair
  - Cancellation / refund
  - Customer Service
  - Product suitability
  - Other (we would expect this option to be rarely used)

- Lloyd's Complaints team will monitor each complaint against Key Performance Metrics to ensure:
  - the response to the complaint addresses all issues raised;
  - regulatory deadlines are complied with;
  - appropriate EDR rights are provided to the complainant.

### **Referral to Regulator or Ombudsman Service**

- Complainants may refer their complaint to Institute for the Supervision of Insurance (IVASS) 45 days after submitting the complaint to the insurer or after they have received a non-satisfactory response.
- Managing agents or their representatives must inform the Lloyd's Complaints team as soon as they are aware that a complaint has been referred to any EDR facility.
- When the EDR process has been concluded a copy of the EDR outcome must be provided to Lloyd's Complaints team. Where the EDR facility operates on a "non-binding" basis Lloyd's will also require confirmation as to whether the EDR decision is being accepted or rejected.

### **FCA complaints return**

- Every six months, Lloyd's is required to submit a return to the FCA, detailing the number of complaints received, how quickly they were resolved, how many were upheld in the period and the amount of redress paid. A separate report will be submitted for UK and International complaints.
- Managing agents will be required to confirm on a quarterly basis that they (and anybody acting on their behalf) have notified Lloyd's of all complaints received by them.
- As required by the FCA, Lloyd's publishes figures in respect of UK complaints on its website at [www.lloyds.com/complaints](http://www.lloyds.com/complaints).



## Appendix 3

### International Complaints Handling at Lloyd's: Italy

Definition of a complaint	A declaration of dissatisfaction towards an insurance undertaking with regard to an insurance contract or service; requests for information or clarification are not considered complaints, as well as requests for indemnification or contract fulfilment.
Definition of a complainant	A subject [individual person or legal entity] entitled to file a complaint with the insurance undertaking, for example, the policyholder, the assured, the beneficiary and the claimant.
Application of Lloyd's procedure and local complaint regulations	All insurance policies written on a freedom of services or establishment basis.
Timescale	<ul style="list-style-type: none"><li>• A prompt acknowledgement of the complaint</li><li>• A response should be sent within 45 days of the complaint being received.</li></ul>
EDR referral	<p>Institute for the Supervision of Insurance (IVASS)</p> <p>Tel: 800-486661 Calls from abroad +39.0642021095 <a href="http://www.ivass.it">www.ivass.it</a></p> <p>IVASS will deal with complaints made by individual persons or legal entities in respect of policies underwritten at Lloyd's.</p> <p>All correspondence with IVASS will be co-ordinated by Lloyd's Italian Office.</p>
Local Regulatory Reporting Requirements	Six monthly to IVASS
Lloyd's complaints notice	<p>LSW1862. This complaints notice has been included in the pre-contractual information booklets LSW1694F, LSW1695F and LSW1696F. LSW1862 must be included in the pre-contractual information and policy documents issued to all policyholders in Italy, including policies written under binding authority agreements.</p> <p>The above clauses are available on the Lloyd's Wordings Repository in English or Italian.</p>