

# MARKET BULLETIN

REF: Y4788

<b>Title</b>	France: New complaints handling procedure
<b>Purpose</b>	To inform the market of a new Lloyd's complaints handling procedure for freedom of services and establishment business in France.
<b>Type</b>	Event
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<b>Date</b>	10 April 2014
<b>Deadline</b>	12 May 2014
<b>Related links</b>	<a href="#">Crystal report for France</a>

## Summary

The regulator in France, the Autorité de Contrôle Prudentiel (ACPR), has announced new guidance for the handling of complaints. The requirements apply to all complaints, regardless of whether the complainant is an individual person or a corporate entity, that relate to business written on a freedom of services or establishment basis.

Given the unique structure of the Lloyd's market, it has been necessary to introduce a new complaints handling procedure for French business to ensure that underwriters comply with the new requirements.

## Background

The ACPR published its [Recommendation on the handling of complaints 2011-R-05](#) on 15 December 2011 and it came into effect on 1 September 2012. The Recommendation was introduced to complement existing legislation and regulations on consumer protection and to provide a consistent approach to the handling of complaints by insurance undertakings, insurance intermediaries and other types of financial services organisations. The Recommendation is intended as a guide to good practice so that customers have: clear information on how their complaint will be handled; easy access to the complaint handling system; effective treatment of their claims; and the implementation of corrective action regarding errors or disagreement that gave rise to the complaint.

Please refer to Appendix 1 for the definitions of “complaint” and “complainant” used in the Recommendation.

### **Lloyd’s complaints handling procedure**

The new Lloyd’s procedure is set out in Appendix 2 and must be followed for complaints received with effect from 12 May 2014. It contains a two stage process that is similar to the procedure for handling complaints for UK personal lines business (see [Market Bulletin Y4683](#) for details of this) in order to provide an approach for the market that is as consistent as possible.

In Stage 2 of the procedure, Lloyd’s France will work in conjunction with Lloyd’s Policyholder and Market Assistance department regarding the review of complaints and the preparation of a final response to the complainant.

### **Provision of pre-contractual complaints information**

Under Article 31 of EU Directive 92/49/EEC (Third Non-Life Directive) and Article 36 of the EU Directive 2002/83/EEC (Consolidated Life Directive) an insurer must, prior to inception, inform proposers for non-life mass risks and life risks where the proposer is a natural person of the arrangements for handling the policyholder’s complaints. However, Article L112-2 of the French Insurance Code states that such information must be provided to all proposers prior to inception, except for large risks and travel insurance. Lloyd’s has produced Complaints Notice LSW1853, which reflects the new complaints handling procedure in Appendix 2. LSW1853 must be given to all proposers regardless of whether it is intended to write the risk on an establishment basis or on a freedom of services basis. It is available on the [Lloyd’s Wordings Repository](#) and should be used with effect from 12 May 2014. LSW1853 replaces LSW1002FR, which will be archived from this date.

### **Further information**

If you require information regarding the regulatory requirements for underwriting or placing French business, please contact:

Lloyd’s International Trading Advice  
Lloyd’s Desk, Ground Floor, Underwriting Room  
Telephone: + 44 (0) 20 7327 6677  
Email: [LITA@Lloyds.com](mailto:LITA@Lloyds.com)  
[www.lloyds.com/crystal](http://www.lloyds.com/crystal)

If you require information regarding the new complaints handling procedure for France, please contact:

Policyholder & Market Assistance department  
Complaints Helpline Telephone: + 44 (0) 20 7327 5696  
E-mail: [complaints-enquiries@lloyds.com](mailto:complaints-enquiries@lloyds.com)

## APPENDIX 1

### RELEVANT DEFINITIONS IN THE ACPR RECOMMENDATION ON THE HANDLING OF COMPLAINTS 2011-R-05 OF 15 December 2011

**“complaint”** means: A statement of dissatisfaction from a customer to a professional organisation. A request for a service, information, clarification or an opinion is not a complaint.

**“complainant”** is not defined in the Recommendation so Lloyd’s understands that it applies to all individual persons and commercial entities that make a complaint.

## APPENDIX 2

### PROCEDURE FOR HANDLING COMPLAINTS RELATING TO BUSINESS WRITTEN IN OR FROM FRANCE

#### Stage 1

1. The managing agent<sup>1</sup> receives a complaint.
2. Within 10 business days of receipt of the complaint<sup>2</sup>, the managing agent must acknowledge receipt of the complaint, in writing. The complainant must also be informed of the following information, in writing:
  - o The name and contact details of the person or department that is responsible for handling the complaint.
  - o The complaint procedure that will be followed.
  - o The contact details of the Insurance Ombudsman at the French Federation of Insurers (FFSA), to whom the complainant can refer the matter if he remains dissatisfied with the insurer's response, if the complainant is an individual person. Note that the Insurance Ombudsman in France will only deal with complaints made by individual persons. (For details, please see the Complaints section of the Crystal report for France.)
3. Within 15 business days of receipt of the complaint, the managing agent must advise the complainant of its decision, in writing, based on the outcome of the investigation. The managing agent must include the following statement in the letter.

*“Should you remain dissatisfied you may, if you wish, refer your complaint to the Lloyd’s General Representative for France, who will investigate and assess this complaint and ensure that a decision is made in order to provide you with a final response. The contact details are as follows:*

*Lloyd’s General Representative for France*

*Lloyd’s France SAS*

*8-10 rue Lamennais*

*75008 Paris*

*France*

*Tel: + 33 (0) 1 42 60 43 43*

*Fax: + 33 (0) 1 42 60 14 41*

*Email: [lloydsparis@lloyds.com](mailto:lloydsparis@lloyds.com)”*

The above statement must be included in all letters where the managing agent provides its decision on the complaint, regardless of when the letter is sent. Lloyd’s

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<sup>1</sup> Reference to a managing agent in Appendix 2 includes reference to a coverholder or third party administrator (TPA) or legal representative that is authorised by a managing agent to adjudicate on a complaint on its behalf.

<sup>2</sup> This step does not apply if the complaint is resolved satisfactorily within 10 days of the receipt of the complaint.

expects that there will be very few occasions where a managing agent is not able to provide its decision to the complainant within 15 business days.

A copy of this letter must be e-mailed to the Lloyd's General Representative, together with the following information:

- Name of the policyholder.
  - Date complaint was received.
  - Subject matter of the complaint.
  - The type of contract, product or service that is the subject of the complaint.
  - Any party involved, other than the insurance undertaking.
  - The name of the complainant.
4. If the managing agent is not able to communicate its decision to the complainant within 15 business days, it must notify the Lloyd's General Representative that this is the case. The Lloyd's General Representative will inform the complainant that he is now dealing with the complaint. The Lloyd's General Representative will examine and assess the complaint and may request relevant information, documents or records from the managing agent as may be necessary in order to provide a final response to the complainant.

#### Stage 2

5. Within two months of receipt of the complaint by the managing agent, the Lloyd's General Representative will ensure that a decision is made regarding the complaint and will issue a final response letter to the complainant confirming that the investigation has been completed.
6. If the Lloyd's General Representative is unable to issue a final response letter within two months, he will inform the complainant in writing of the anticipated timeframe within which he hopes to resolve the complaint. If the complainant is an individual person, he will also advise the complainant of his right to refer the matter to the Insurance Ombudsman at the French Federation of Insurers (FFSA) and the contact details of that organisation. If the complainant is a corporate entity, he will advise the complainant of its right to take legal action against Lloyd's underwriters.