

MARKET BULLETIN

REF: Y5041

Title	International Complaints Handling: New Procedures in Italy
Purpose	To advise of new complaints handling arrangements for Italy
Type	Event
From	Paul Brady Head of Market Conduct
Date	30 November 2016
Deadline	Immediate
Related links	www.lloyds.com/complaintshandling

This bulletin sets out updated requirements for the handling of Italian complaints. It replaces [Market Bulletin Y4943](#).

Italy is in-scope for Lloyd's arrangements for international complaints handling as set out in [Market Bulletin Y4961](#). Therefore managing agents should take steps to comply with the procedures set out in that bulletin.

In addition, managing agents are asked to note and comply with the additional requirements for Italian complaints handling set out in this bulletin. In particular, these requirements relate to:

- Insurance agents enrolled in Italy in Section A of the Register of Intermediaries; and
- The role of Lloyd's Italian office (LIO).

Lloyd's updated requirements for Italian complaints handling take into account Provision No. 30 of March 2015 and Provision No. 46 of May 2016 amending ISVAP Regulation No. 24 of 19 May 2008. These Provisions were issued by IVASS to introduce new rules for the handling of complaints in Italy.

Agents enrolled in Section A of the Register of Intermediaries

In addition to complaints against underwriters, insurers in Italy (including Lloyd's syndicates) are now also responsible for dealing with complaints made against their insurance agents when they are acting on their behalf and where the agent is registered in Section A of the Register of Intermediaries. In the context of the Lloyd's market, this means complaints made against coverholders and OMCs in Italy that are registered in Section A of the Register of Intermediaries. The [Register of Intermediaries](#) is available on the IVASS website.

Accordingly, managing agents must engage with these agents to ensure that they have processes in place to support compliance with Lloyd's arrangements for complaints handling. In particular managing agents must ensure that these agents are able to and will report all relevant information promptly to managing agents. New complaints received by agents must be notified to managing agents within 48 hours.

Where managing agents have authorised an agent registered in Section A of the Register of Intermediaries to handle complaints, it remains the responsibility of the managing agents to ensure that Lloyd's complaints requirements, and requirements under local regulations, are complied with.

Note that complaints made against insurance intermediaries that are not registered in Section A of the Intermediaries Register remain the responsibility of that intermediary and are not the responsibility of Lloyd's underwriters. Accordingly, such complaints are outside the scope of Lloyd's procedures for complaints handling. For such insurance intermediaries, managing agents are only responsible for handling the complaint where the complaint is against underwriters.

The role of Lloyd's Italian office (LIO)

Under Lloyd's updated procedures, LIO will no longer provide responses to complaints on behalf of Lloyd's underwriters. This is now a matter for managing agents (or their coverholders/TPAs). Accordingly, all complaints received by LIO will be forwarded within one working day to the relevant managing agent to respond to.

Nevertheless, Lloyd's requires managing agents to keep LIO informed of complaints as follows:

- Managing agents must notify new complaints to LIO within 48 hours of receipt. A copy of the original complaint must be included.
- LIO will take responsibility for notifying the complaint (and providing the original complaint) to Lloyd's Complaints team within 14 days from original receipt of the complaint. There is therefore no requirement in Italy for managing agents to notify new complaints to the Lloyd's Complaints team.
- A copy of the final response to the complainant must be sent to LIO and Lloyd's Complaints team within 48 hours.

Further guidance on Italian complaints handling

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

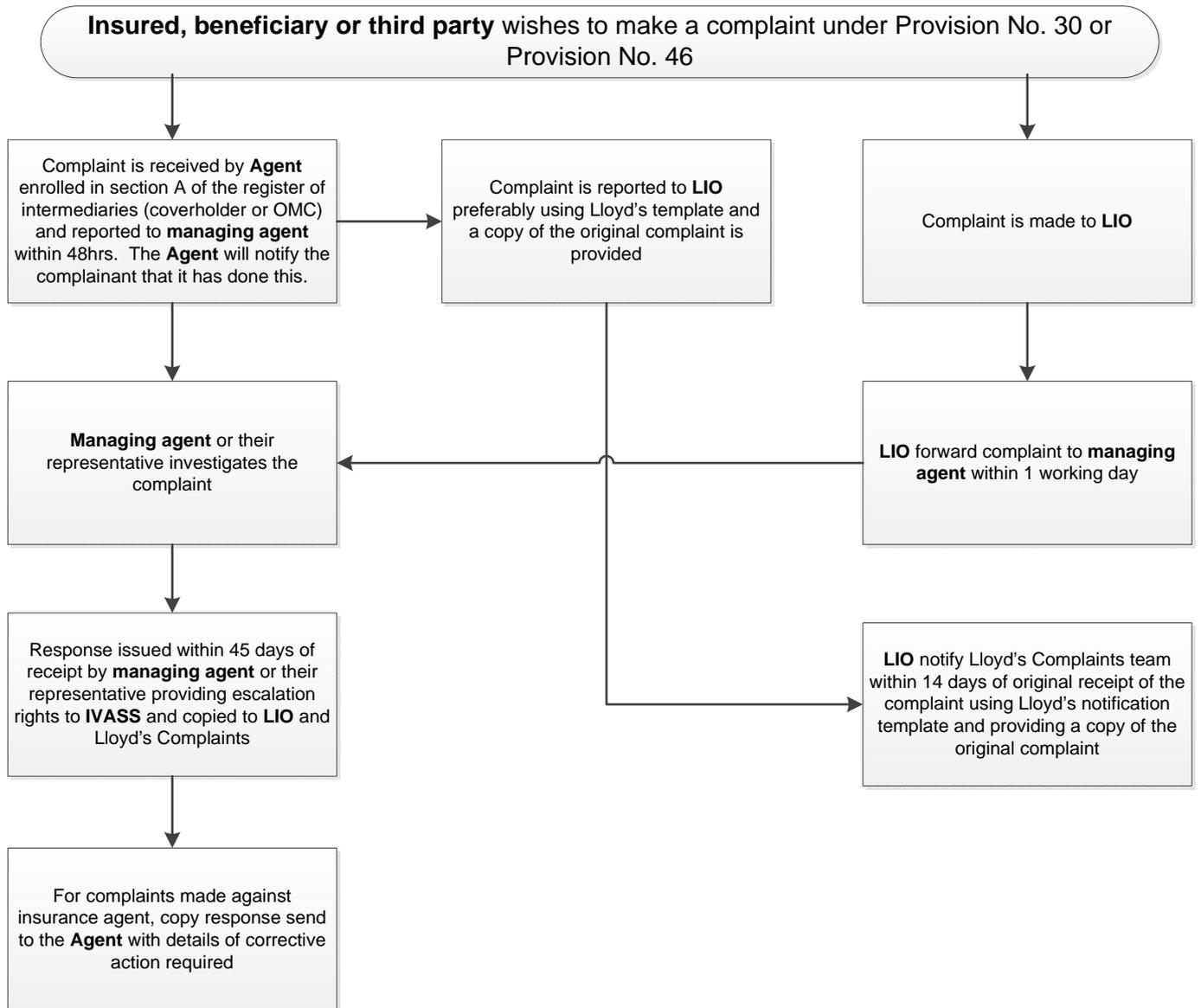
- A summary process map for Italian complaints handling at Lloyd's, where the complaint has not been referred by IVASS – see Appendix 1
- A summary process map for Italian complaint handling at Lloyd's, where the complaint has been referred by IVASS – see Appendix 2
- A detailed guidance note 'Lloyd's International Complaints – Italy' – see Appendix 3
- Summary details of Italian requirements for complaints handling – see Appendix 4

Further Information

Any questions regarding the arrangements for complaints handling at Lloyd's can be sent to the Lloyd's Complaints team by email at: complaints-enquiries@lloyds.com. Alternatively, managing agents can contact the Complaint Handling Helpline on 020 7327 5696.

Copies of all relevant material including full details for all in-scope countries can be found at www.lloyds.com/complaintshandling.

International Complaints Process – Italy Complaints not notified by IVASS



International Complaints Process – Italy Complaints notified by IVASS

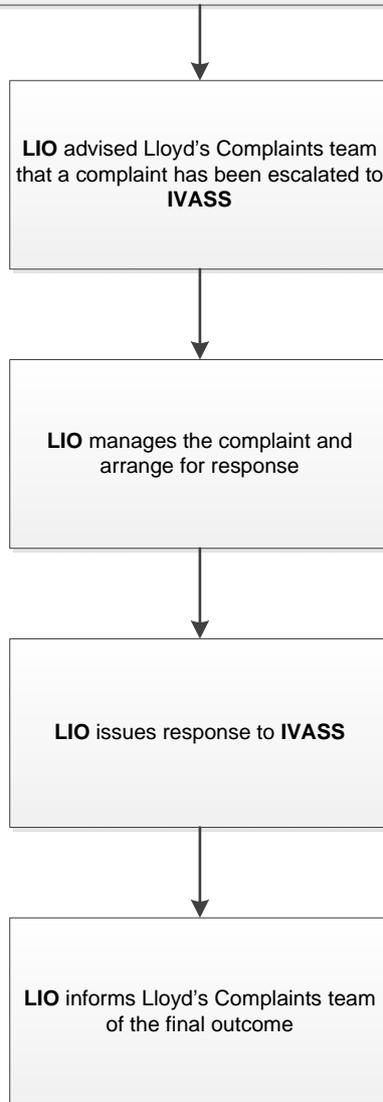
Complaint has been escalated to **IVASS** and an **IVASS** reference number exists

LIO advised Lloyd's Complaints team that a complaint has been escalated to **IVASS**

LIO manages the complaint and arrange for response

LIO issues response to **IVASS**

LIO informs Lloyd's Complaints team of the final outcome



Complaints November 2016

LLOYD'S INTERNATIONAL COMPLAINTS - ITALY

Handling Italian 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 Lloyd's 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, including for Italy. For Italy, this includes requirements for insurers to handle complaints made against their agents when they are acting on their behalf and where the agent is registered in Section A of the Register of Intermediaries.

For more information about International Complaints Handling at Lloyd's please refer to www.loyds.com/complaintshandling.

Process to be followed for handling Italian complaints

- Managing agents must have procedures in place that allow complaints to be made in writing. The definition of a complaint in Italy is:

"A statement of dissatisfaction in written form with an insurance undertaking, an insurance intermediary or an intermediary registered in the annexed list [insurance intermediaries authorised and regulated in another EEA member state that have passported into Italy] relating to an insurance contract or service; enquiries, requests for clarifications, claims for damages or requests for the performance of the contract shall not be considered complaints."

- 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.
- The Agent must advise the complainant that their complaint has been passed to the insurer.
- Managing agents or representatives must report a complaint to the Lloyd's Italian office (LIO) within 48 hours of receipt. This includes, but is not limited to all complaints that are subject to the local regulatory complaint handling rules or where the complainant has a right of referral to IVASS.
 - 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.
 - For policies or binding authorities where there is more than one syndicate participating, Lloyd's expects the lead syndicate to notify the complaint.
- Managing agents must include the original complaint when reporting complaints to LIO and preferably they should also use the template provided by Lloyd's although this is not mandatory.
- If used the Notification Template should be downloaded from www.loyds.com/complaintshandling and sent once completed via email to: servizioreclami@loyds.com or servizioreclami@pec.loyds.com (certified email)
- 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 applicable data protection laws.

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 bound 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	This is the surname of the insured individual. Either the policyholder surname or Policyholder company name field must be completed.
Policyholder Company Name	This is the surname of the insured entity. Either the policyholder surname or Policyholder Company Name field must be completed.
Third party claimant (individual)	Name and surname of the individual (person) filing the complaint
Third party claimant (company)	Name of the company filing the complaint

Address (Optional)	Insert a correspondence address for the complainant.
Post Code	The postcode, 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.
Policyholder 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 should be entered.
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.
Root Cause	Select from drop down list.

- 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 in Italian, within 45 days of the complaint being received.
- Responses must outline the right of the complainant (where applicable) to refer their complaint to 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 must be emailed to both LIO at servizioreclami@lloyds.com or servizioreclami@pec.lloyds.com (certified email) and the Lloyd's Complaints team internationalcomplaints@lloyds.com within 48 hours of the response being issued. The covering email should confirm the root cause of the complaint, selecting the main reason from:
 - Claim – coverage / terms and conditions
 - Claim – customer service
 - Claim - delay
 - Claim – quantum
 - Claim – standard / duration / delay of repair
 - Cancellation / refund
 - Customer service – non-claims related
 - Product suitability
 - Other (we would expect this option to be rarely used)
 - Underwriting / Premium Issues
- For complaints made against the insurance agent, a copy of the response must be sent to the insurance agent together with details of any corrective action that they need to take in order to remove the cause of the complaint.
- 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
 - IVASS escalation rights are provided to the complainant
- Failure to (1) provide a copy of the original complaint, (2) issue a response within the required timeframe, (3) provide a copy of the response to Lloyd's Complaints team, (4) provide correct and complete IVASS rights, or (5) confirm the root cause of the complaint will incur an 'Additional Administration Fee' charge.

Referral to the Supervision of Insurance (IVASS)

- Complainants may refer their complaint to the Institute for the Supervision of Insurance (IVASS) 45 days after submitting the complaint to the insurer or following receipt of an unsatisfactory response.
- Managing agents or their representatives must inform LIO and Lloyd's Complaints team as soon as they are aware that a complaint has been referred to IVASS.
- LIO will coordinate the handling complaints referred to IVASS and will be responsible for issued a response to IVASS.

- When the IVASS process has been concluded a copy of the outcome must be provided to Lloyd's Complaints team. Lloyd's will also require confirmation as to whether the 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.
- Managing agents will be required to confirm, on request, that they (and anybody acting on their behalf) have notified Lloyd's of all complaints received by them.

International Complaints Handling at Lloyd's: Italy

Definition of a Complaint	A statement of dissatisfaction in written form with an insurance undertaking, an insurance intermediary or an intermediary registered in the annexed list [insurance intermediaries authorised and regulated in another EEA member state that have passported into Italy] relating to an insurance contract or service; enquiries, requests for clarifications, claims for damages or requests for the performance of the contract shall not be considered complaints.
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 beneficiary or third party.
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"> • A prompt acknowledgement of the complaint (48 hours) • A response should be sent within 45 days of the complaint being received.
EDR Scheme and Eligibility	<p>Institute for the Supervision of Insurance (IVASS)</p> <p>Tel: 800-486661</p> <p>Calls from abroad +39.0642021095 www.ivass.it</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 reporting IVASS by LIO
Lloyd's Complaint Notice	<p>LSW 1862. This complaints notice has been included in the pre-contractual information booklets LSW 1694F, LSW 1695F and LSW 1696F. LSW 1862 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>These wordings are available on the Lloyd's Wordings Repository in English or Italian and referenced in the Pre-contractual notification and Insurance documents sections of Crystal.</p>