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**Insurance**

AAR INSURANCE KENYA LIMITED  
TREATING CUSTOMERS FAIRLY POLICY (TCF)

## Document Control

Version Control					
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1.0	May 05 2022	New Policy	Senior Customer experience manager	COO	Board Committee
1.1					

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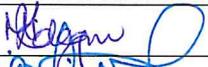
This document will be published on the company intranet for easy access by all staff.

## Document Review and Approval

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## 1. Introduction

In 2016, the Insurance Regulatory Authority (IRA) issued the Treating Customers Fairly (TCF) Circular to all the insurance companies instructing them to implement model as well as conduct a TCF self-assessment. Further, the regulator requires every underwriter to conduct TCF guidelines training for all its staff and board of directors.

The objectives of the policy are enumerated below:

- a) To protect the interests of the policyholders and all stakeholders of the insurance industry.
- b) To ensure that at all levels, decision-making reflects fair treatment of customers.
- c) To promote consumer confidence in the purchase of insurance products.

## 2. Scope of the Policy

The TCF policy is applicable to AAR Insurance Kenya Ltd (AIK). Its main aim is to ensure fair treatment of policyholders and beneficiaries in any insurance contract in line with the **IRA'S** mandate and best practice. The policy shall be read and interpreted alongside the **AIK's** other policies, including but not limited to:

- a) AIK Service Level Agreement
- b) AIK Customer Service Procedure Manual
- c) AIK Sales Manual
- d) AIK Communication Policy
- e) The Human Resource Policy and Procedure Manual
- f) AIK Anti money laundering (AML) and Counter terrorism financing (CTF) Policy

## 3. Definitions & Acronyms

<b>Customer</b>	▪ Any person who interacts with AIK's products or services at all points. This also includes the legal representatives or the family members of a deceased member.
<b>AIK</b>	▪ The AAR Insurance Kenya Ltd
<b>TCF Tool</b>	▪ Treating Customers Fairly, a self-assessment tool by insurance companies on customer fairness
<b>IRA</b>	▪ Insurance Regulatory Authority, a body mandated by the statutes to regulate the Insurance industry.
<b>Sales agents</b>	▪ Sales professionals including agents, banks, aggregators and brokers who market products and services on behalf of AAR Insurance.
<b>Providers</b>	▪ Partners procured to provide services to policyholders and/or offer support services to the company

## **4. Governance**

### **4.1. Roles and Responsibilities**

The following shall be the responsibilities of the various parties under this policy:

#### **4.1.1. Board of Directors**

- a) The board has the overall responsibility to ensure the development and implementation of the policy.
- b) It receives quarterly reports from the senior management on the TCF outcomes
- c) It reports to the ARCC on the status of the TCF implementation.
- d) Approval of project expenditure by the board is dependent on the clear indication of the benefit to the customer.
- e) It provides adequate resources necessary for the effective discharge of the TCF responsibilities.

#### **4.1.2. Senior Management**

- a) Ensure the TCF policy is implemented in letter and spirit throughout **AIK**.
- b) Responsible for the development, implementation and continuous improvement of the TCF policy, procedures and internal controls.
- c) To ensure that the TCF approach is built into any strategic and business plans developed by senior management and should form an essential component of any strategic planning processes.

#### **4.1.3. All Employees & Agents**

- a) To understand and comply with all the policy and procedures.
- b) Attend all the scheduled trainings on TCF.
- c) To embrace clear practices and communication in the fair treatment of customers in all their interactions with customers.

## **5. Applicable Legislation & Regulations**

Delivering a delightful customer experience is enshrined in the Constitution of Kenya 2010. Below are some of the legislations that have developed over time:

- a) The Constitution of Kenya 2010
- b) The Insurance Act 2013 (Chapter 3-IRA Mandate)
- c) The Consumer Protection Act 2012
- d) The Competition Act 2010

### **5.1. The Treating Customers Fairly (TCF) Policy Statement**

AIK recognizes a customer as any person who interacts with the Company's products and services at all touch points. This includes but not limited to the AIK staff, intermediaries, policyholders, providers and the public.

We are committed to providing exceptional customer experience and set clear standards for customer care. We work within a set of values, embracing flexible processes to achieve efficiency and customer empowerment.

We thrive in receiving both positive and negative feedback by conducting regular surveys in order to identify service gaps and institute corrective action.

## 5.2. The TCF Guidelines

AIK shall be guided by the following guidelines in its conduct of business. AIK shall;

- a) Place the interest of its clients above its own direct or indirect interests
- b) Maintain the highest level of professional competence and give best possible advice to clients
- c) Hold in strict confidence and consider as privileged all business and personal information pertaining to client's affairs
- d) Make full and adequate disclosures of all facts necessary for to enable the client to make informed choices
- e) Abide by and conform to all provisions of the laws and regulations in the conducting business in Kenya

## 5.3. Our Commitment

As an organization committed to the fair treatment of customers, AIK shall:

- a) **The Service Charter:** abide by the service charter, which is premised on our vision, mission and core values, that outlines the rights and responsibilities of customers.
- b) **Data Protection:** hold in the strictest of confidence all customer information and guard against unauthorized access.
- c) **Our Products:** offer customized insurance solutions that strive to meet the customer needs.
- d) **Know Your Customer Details:** We endeavour to record the contents of customer interaction that may include customer name, ID number, contact number, KRA pin and any written correspondence during client engagement.
- e) **Sales, distribution & Marketing:** We shall endeavour to enhance accessibility to our products and services in the most ethical and cost-effective way.
- f) **Claims & Complaint Management:** In reference to the Complaints Handling Policy, we shall acknowledge all the Customer complaints within **24 hours** and resolve within **48 hours**.
- g) **Accountability:** establish clear lines of internal accountability, responsibility and reporting. Take all reasonable steps to ensure fair treatment in all the dealings with the customers.
- h) **Training:** We shall continuously empower our staff and intermediaries through quarterly trainings on the TCF policy.
- i) **Reporting:** We shall document, implement and maintain policy, procedures and controls in the context of the TCF guidelines.

## 5.4. Monitoring & control of fair treatment of customers

An Internal Quality Assurance Committee (QAC) has been constituted to review, analyze the monthly company service level agreements and recommend the corrective action required to management. Any breach of the TCF policy will be channeled to management through the QAC platform.

## **5.5. Review Cycle**

The TCF policy will be annually reviewed, and changes tabled to the board for approval. Changes to the policy shall triggers by new and enhanced regulations on customers, outcome of the self-assessment exercise carried out by the regulators (e.g. IRA), changes in environment.

## **6. References**

[AIK HR POLICY AND PROCEDURES.pdf](#)

[AIK Corporate Communications Policy 2021.pdf](#)

[AIK Service Level Agreement.pdf](#)

[Anti-Money Laundering and Combating Financing of Terrorism Policy.pdf](#)

[AIK Sales Manual.pdf](#)

[AIK Service Level Agreement.pdf](#)