

**GOVERNMENT OF PAKISTAN**  
**SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN**

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*Islamabad, 16<sup>th</sup> November, 2018*

**NOTIFICATION**

**Directive for Disclosure about the Complaint Resolution Forums**

**S.R.O. 1405(I)/2018.** WHEREAS, in pursuance of Circular 5 of 2016 dated January 26, 2016, insurers are required to:-

- I. Fix the notice board(s) containing the 'awareness message' attached thereto in both Urdu as well as English languages at prominent places at head office and branch offices where general public or policyholders pay frequent visits including bank branches authorized to offer bank assurance products to the general public;
- II. Upload the 'awareness message' attached thereto on their respective websites under the heading of "Complaints Resolution Forums" (in red font) in both Urdu as well as English languages; and
- III. Print the 'awareness message' attached thereto on all the forms i.e. policy illustrations, proposal forms, policy documents and claim forms on conspicuous position (in red font) in both Urdu as well as English languages.

AND WHEREAS, pursuant to Circular 36 of 2017 dated December 12, 2017, insurers are required to display details of the designated persons for assisting and handling investors / policyholders' grievances along with web-link and image of SECP's toll free number, queries and online complaints portal on their websites.

AND WHEREAS, the above measures have resulted in creating awareness among the policyholders about complaint resolution forums; however, there is still need to take more measures through which policyholders can be timely made aware of the complaint resolution forums available to them.

NOW THEREFORE, the Securities and Exchange Commission of Pakistan, in exercise of the powers conferred under Section 40B of the Securities and Exchange Commission of Pakistan Act, 1997 read with clause (r) of sub-section (4) of section 20 and clauses (fa) and (fb) of sub-section (6) of section 20 thereof, the Securities and Exchange Commission of Pakistan hereby directs all the insurers to convey / apprise the policyholders through letter about the respective complaint resolution forums along with their valid addresses, both in Urdu and English languages in the following situations:-

- i. Repudiation of claim of a policyholder or claimant;
- ii. Request for premium refund (in case of mis-selling complaint), policy surrender or maturity is not acceded to or responded to by the insurer;
- iii. Any other grievance in which insured or claimant is not satisfied; and

- iv. In case of expiry of 90 days from the date of filing of claim<sup>1</sup> in respect of life insurance policies only or request made as above;

Respective addresses of the complaint resolution forums shall be conveyed vide the same letter, whereby such decision is communicated by stating that if he/she is aggrieved by the decision of the insurer or a delay beyond 90 days is caused in settlement of his/her claim<sup>2</sup> in respect of life insurance policies only or request as stated above, he/she may file his/her complaint with one of the following forums:

- i) Federal Insurance Ombudsman (with complete address);
- ii) Small Disputes Resolution Committees at Islamabad, Lahore and Karachi (with complete address of the respective committee); and
- iii) Insurance Tribunals established in all the Provinces;

All the insurers are required to submit their confirmation in respect of their compliance with the above Directive, within one week of the date of this Directive.

An insurer who contravenes or fails to comply with any requirement of this Directive shall be liable to pay by way of penalty as provided under section 40A of the Securities and Exchange Commission of Pakistan Act, 1997.

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<sup>1</sup> Inserted vide SRO 720(I)/2019 dated July 3, 2019

<sup>2</sup> Inserted vide SRO 720(I)/2019 dated July 3, 2019