

REGULATIONS FOR CLIENT DEFENCE OF LÍNEA DIRECTA ASEGURADORA S.A.

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REGULATIONS FOR CLIENT DEFENCE OF LÍNEA DIRECTA ASEGURADORA S.A.

TITLE I. GENERAL PROVISIONS

- **Governing legislation**

These Regulations are governed by Law 44/2002 of 22 November, on Measures to Reform the Financial System, by Law 26/2006 of 17 July on private insurance and reinsurance mediation and by Order ECO/734/2004 of 11 March on customer service departments of the financial institutions.

- **Scope.**

The Rules for Customer Protection have been approved by the Board of Directors of the Company, with the aim of regulating the internal functioning of the complaints and the activity and procedures of the Complaints Department and the Ombudsman, as well as relationships between them.

- **Prior definitions**

Insurance Company (hereinafter the Company):

Legal entity under an Insurance contract who has obligations to policyholders, insured, beneficiaries and rightful claimants of these, by the charging of a premium and in case an event occurs whose risk is object of the cover, to indemnify, within the agreed limits, the damage to the insured, or to satisfy the capital, income or other agreed payments.

Complaints Department

The Complaints Department acts autonomously and independently, is separate from the commercial or operational services of the organization, and has the appropriate means according to the competencies attributed to it.

The functions of the Complaints Department are as follows:

- Specialised handling of claims and complaints made by customers:
- The transmission of information necessary to the Customer Ombudsman for handling any complaints that correspond to it.
- The preparation of an annual report to be submitted to the Board of Directors of the Company in the first quarter of the following year, and which will consist of a summary in the Company's annual report.

Complaints Department information:

C/ Isaac Newton nº7
28760 Tres Cantos (Madrid)
E-mail: reclamaciones@lineadirecta.es

Customer Ombudsman (hereinafter Ombudsman):

A person or legal entity that acts independently of the Company - as they are unrelated to the organization - and with full autonomy regarding the criteria and guidelines applicable to apply in the exercise of their functions.

The functions of the Ombudsman are the following:

- To deal with and resolve Complaints submitted for their decision under the framework of these Regulations.
- To promote compliance with the rules of transparency and customer defence and good financial practices and uses.
- The preparation of an Annual Report to be submitted to the Board of Directors of the Company in the first quarter of the following year, and which will consist of a summary in the Company's annual report.

Ombudsman's decisions that are favourable to the complainant will be binding for the Company. This binding nature will not be an obstacle to the fulfilment of judicial procedures, nor to the use of other conflict resolution mechanisms, nor to administrative protection.

Customer Ombudsman Details.

PO Box No. 203
28760 Tres Cantos (Madrid)
E-mail: defensor@lineadirecta.es

Complainant:

A person or legal entity that meets the condition of user of the financial services provided by the Company and its mediators, which have the status of policyholder, insured, beneficiary, affected third party within the scope of civil liability insurance, or rightful claimants of all these.

Complaints:

Complaints are understood as manifestations by interested parties relating to the operation of financial services, such as delay, lack of attention, etc., in connection with legally recognized interests and rights, whether arising from contracts, the rules of transparency and protection of customers, the breach of good financial practices and uses, and specifically the principle of equity.

Complaints claiming return of interest or right (*Reclamaciones*):

Complaints claiming return of interest or right (*Reclamaciones*), are those that demonstrate the intention of obtaining the return of an interest or right in connection with legally recognized interests and rights, whether arising from contracts, the rules of transparency and client defence, the breach of good financial practices and specifically, the principle of equity.

Rules on transparency and client defence:

Which aim to protect the legitimate interests of customers because they regulate specific obligations applicable to the contractual relationship, require the communication of the basic conditions of operations, and determine specific aspects of advertising, rules of conduct and information.

Good financial practices y uses:

Those which without being legally or contractually established, are reasonably required for responsible, diligent and respectful handling of financial business with customers.

TITLE II. ORGANIZATIONAL STRUCTURE

- Complaint Instances

The Company handles and resolves complaints and claims submitted, directly or through representation, by all persons or legal entities, Spanish or foreign, who meet the condition of user of the financial services provided by the Company and its mediators, provided that such complaints refer to their legally recognized interests and rights, whether arising from contracts, the rules of transparency and protection of customers, the breach of financial best practices and specifically, the principle of equity.

To this effect, clientes have access to the Complaints Department and in a second optional instance, the Customer Ombudsman.

The interested party does in any case have the power to go to the Complaints Service of the Directorate General of Insurance and Pension Funds, in case of any disagreement with the decisions in the completion of the procedures for handling claims and complaints, or in the event that the instances mentioned in the preceding paragraph are not resolved within 1 month following the submission of the claim.

- Head of the Complaints Department: designation, duration, and termination.

The head of the Claims and Complaints Department is appointed by the Company, through its Board of Directors, and will therefore take into account the legal requirements in Order ECO/734/2004.

Anyone simultaneously performing functions in commercial or operational departments of the Company may not be elected head of the Complaints Department.

The mandate of the head of the Complaints Department will run annually and be automatically renewed for equal periods. They will however cease in the exercise of their functions for the following reasons:

- Termination in their employment relationship at the Company,
- Job change,
- Pre-retirement or retirement from the Company.

- Customer Ombudsman: designation, duration, and termination.

The Ombudsman is appointed by the Board of Directors of the Company based on the requirements of applicable law, and their mandate is valid for one year, coinciding with the natural period.

As is established between the Company and the Ombudsman, the signed contract is extended for equal periods of time and may be terminated at any time by mutual agreement with the period of notice given to the effect.

- Causes of incompatibility of the Head of the Complaints Department and Ombudsman.

Without prejudice to the provisions of the preceding articles, any non-fulfilment of the requirements legally demanded are grounds for incompatibility and the termination of the head of the Complaints Department and Ombudsman, these including business and professional honour and suitable knowledge and experience to perform their duties in accordance with the definition thereof set forth in Order ECO/734/2004 of 11 March.

TITLE III. HANDLING AND RESOLUTION OF COMPLAINTS

1. Form of submission.

All complaints can be submitted in person or through representation to the Complaints Department and, if necessary, to the Ombudsman, on paper or by computer, electronic or telematic means, provided they facilitate reading, printing and preservation of documents. The complaint or claim will only be submitted once by the interested party, without requiring its reiteration to various bodies of the Company.

The use of computer, electronic or telematic means will be in accordance with the requirements set out in Law 59/2003 of 19 December on electronic signatures. Where a complaint is submitted in this way and the electronic signature requirements are not met, the interested party will be informed that communications will be by post.

2. Deadline.

The submission of complaints and claims shall be made to the Complaints Department within 2 years from the date the fact or facts in the complaint occurred or were known. Notwithstanding the foregoing, the Complaints Department may accept complaints and claims submitted after that period has elapsed, provided that the period for the expiry of actions or rights has not elapsed, in accordance with the provisions of contracts or applicable standards, for those submitting them.

Upon receipt of the complaint by the Complaints Department, and by the Ombudsman, if applicable, proceedings will commence and receipt will be acknowledged in writing, which shall record the date of submission for purposes of calculating the resolution period.

3. Content.

The complaint must contain: identifying data of the complainant, which will specify the first name, last name/s, and address of the interested party and, where appropriate, that of the person representing them, being duly qualified; national ID number, Residence Card, Passport for individuals, and public registration data for legal entities.

- Reason for the complaint, specifying the matters on which a decision is requested.
- Details of the Company to which the complaint is lodged.
- Stating that the complainant is not aware that the matter is being handled in an administrative, arbitration or court proceeding.
- Place, date and signature.

The complainant must provide, together with the above document, the documentary evidence in their possession on which their complaint is based.

4. Resolution period.

The period to resolve a complaint or claim by the Claims and Complaints Department and, if applicable, the Ombudsman will be one month, counting from the submission of the complaint.

The complainant may appeal to the Ombudsman at second instance against the decision of the Claims and Complaints Department. In this case, before resolving, the Ombudsman will ask the Company to submit arguments within 5 working days.

5. Rectification of errors.

If the complainant's identity is not sufficiently certified or the facts of the complaint may not be clearly established, the signatory will be required, within 10 calendar days, to complete the documentation submitted with the warning that, if this is not done, the claim will be closed without any further formalities.

The time taken by the complainant to rectify the errors referred to above will not be included in calculating the period of 1 month to resolve under this article.

6. Admissibility.

There shall be no admission of complaints, either by the Complaints Department or the Ombudsman, in the following cases:

- When they do not meet the formal requirements of the regulations in force, telephone complaints will not be accepted.
- When essential non-rectifiable details for admission are omitted, including cases in which the reason is not specified.
- When attempts are made to process different appeals or actions as a complaint whose knowledge is the competence of administrative, arbitration or judicial bodies, or the above is pending resolution or litigation, or the matter has been resolved in those instances.
- When the processing of a complaint occurs at the same time as an administrative, arbitration or court procedure on the same matter.
- When the facts, reasons and request for clarification of the issues in the complaint do not relate to specific operations.
- When other previously resolved cases are submitted by the same customer in relation to the same facts.

When the complaint is not understood to be admissible for these causes, it will be made apparent to the interested party by a reasoned decision, giving them a period of 10 calendar days to submit further arguments. When the interested party has answered and the reasons for inadmissibility remain, they will be notified of the final decision adopted.

7. Complaints excluded from the Ombudsman procedure.

The Complaints Department and the Ombudsman have been assigned to hear the same types of complaints. However, the Ombudsman does not have jurisdiction to resolve the following complaints:

- Those that deal with the insurance of large risks, as defined in current legislation. This exclusion also applies to the Complaints Department.
- Those made by injured third parties, these being understood as within the scope of civil liability.
- Those in which the amount claimed exceeds 60,100 euros.

When the complaint is understood to be excluded, the Ombudsman will indicate the competent authority to the interested party to hear their complaint by reasoned decision and, within 5 calendar days, the proceedings will be referred to the Complaints Department for the purpose of handling the complaint.

8. Duty to cooperate.

All departments and services at the Company have a duty to provide the Complaints Department and the Ombudsman with all information requested by them in the exercise of their functions and in accordance with the principles of speed, security, efficiency and coordination.

9. Completion and notification.

The Complaints Department and the Ombudsman will resolve the complaint through a report with the following characteristics:

- Reasoned and with clear conclusions about the request made.
- Based on the contract terms, the applicable rules of transparency and client defence, and good financial practices and uses.
- Consistent with previous criteria, and justified when they are not observed.

The Ombudsman shall in any case decide in accordance with law and, provided their decision is favourable to the complainant, it shall be binding to the Company.

The interested party must be notified of the decision within 10 calendar days from the date - in the manner that they have expressly stated and, in the absence of such an indication, through the same means by which they submitted the complaint, in writing or by computer, electronic or telematic means, provided they facilitate reading, printing and preservation of documents and meet the requirements of Law 59/2003 of 19 December on electronic signatures.

10. Acceptance and Withdrawal.

If at any time of the procedure the Company accepts the request of the complainant, the interested party shall be informed of the closure of the complaint.

The interested party may withdraw their complaint, which involves closing the case, without prejudice to the fact that, if applicable, the Ombudsman agrees to its continuation, only with respect to the Company, in the scope of their function of compliance with rules of transparency and client defence and good financial practices and uses.

11. Annual Report.

Within the first quarter of each year, the Complaints Department will submit a report to the Board of Directors explaining the evolution of its function during the previous year, an extract of which will be reflected in the Company's Annual Report.