



## COMPLAINTS OR GRIEVANCES POLICY

### 1. Complaint or grievance handling

The Company shall establish, implement and maintain effective and transparent procedures for the reasonable and prompt handling of complaints or grievances received, and to keep a record of each complaint or grievance and the measures taken for the complaint's resolution.

#### Assignment of Responsibility

Investor's complaints or grievances, together with complaints from the Directors of the AIFs are handled by the Senior Management, in co-operation with the affected Departments.

#### General Principles

All units are required to handle complaints honestly, fairly and with professional integrity.

All Complaints should be resolved promptly and within a maximum of ten (10) working days from the date of official receipt of the complaint. If it is not possible to meet the aforesaid deadline, the reason must be recorded and an estimated date for resolution agreed. The expected closure date must be communicated to the AIF or the investor who filed the complaint within three working days of receipt.

A standardised form is used (the "Complaint Report" as per section 3.2) as a template to guide the Senior Management in carrying out the investigation and is also instrumental in providing a one stop trail of all actions and decisions taken in respect of the complaint. Copies of all resolution letters are kept by Senior Management to have a clear audit trail for all complaints.

The complaint shall be sent to the Company either in hard copy at the head offices of the Company or by email to the email address that will be provided to the AIFs and investors for this purpose.

The procedure which shall be followed by the Company, when handling with AIF's and investor's complaints or grievances, is the following:

- All complaints must be submitted in writing, signed by a person authorised to act on behalf of the AIF or the investor and should be as descriptive as possible in respect of the events that led to the filing of the complaint. Complaints which are unsigned and do not contain the name and other details of the applicant will not be considered. If an AIF or an investor communicates a complaint verbally or by any other means, he /she should kindly be asked to contact the Senior Management, who will then explain the procedure for handling complaints.



- A complaint or grievance is initially handled by a member of the Senior Management. The employee receiving the complaint or grievance shall take the necessary actions so that the complaint or grievance is properly addressed. The Senior Management communicates all the complaints received to the respective manager of the affected business or operations unit. The relevant manager ensures that the investigation conducted by Senior Management is facilitated to the highest possible degree.
- The complaint or grievance in the form that has been received immediately (within three working days), should be forwarded to the head of the department where the complaint is addressed.
- The member of the Senior Management shall inform the AIF and investor that the complaint or grievance has been forwarded to the relevant department/personnel, providing all details so that the AIF and investor is aware who is dealing with his/her complaint or grievance.
- The member of staff, in addition to the above, should make all best efforts to ensure that in the case of the complaint or grievance being of such nature that can be resolved immediately, to do so that the AIF and investor will not have to pursue the filing of a formal complaint. The member of staff in such a case shall not:
  - i Commit him/herself in any way to the AIF and investor
  - ii Address any issues in relation to best execution
  - iii Address any issues relating to legal issues
  - iv Commit the Company in taking any action prior to examining the issues in a formal manner

## **2. Procedure to be followed when a formal complaint or grievance is received**

- a. When a written complaint or grievance is received, this shall be forwarded to the relevant department which is the most appropriate for dealing with the complaint.
- b. The member of the Senior Management shall contact the AIF and investor to inform them that the complaint or grievance has been received and it is under investigation.
- c. Upon receiving a written complaint or grievance, the following details should be obtained and recorded:
  - The identification particulars of any AIF's and investors' having made a complaint or grievance.
  - The service provided by the Company and related to the complaint or grievance.
  - The employee responsible for the provision of those services.
  - The department where the employee belongs.
  - Date of receipt and registration of complaint or grievance.
  - Content of the complaint or grievance.



- The capital and the value of the financial instruments/investments which belong to the AIF and/or investor.
  - The magnitude of the damage claimed by the AIF and investor.
  - Reference of any correspondent exchanged between the Company and the AIF and/or investor.
- d. The events leading to the complaint or grievance should be examined and assessed based on the information provided by the AIF and/or investor.
- e. The facts as stated by the AIF and/or investor have been examined and verified whether any additional information, need to be retrieved from the Company's archive (electronic mail, recorded telephone calls, IT data, etc.).
- f. All non-trivial complaints or grievances shall be brought to the attention of and their resolution should be approved by the Senior Management.
- g. Upon completion of the investigation a report shall be prepared stating the facts and brought to Senior Management's attention, which will decide on the formal response to the AIF and/or investor and the action to be taken.

In the case where an AIF and/or investor complaint or grievance is valid, the management shall take such necessary action together with the Head of Department(s) to which the complaint or grievance is related in order to identify and verify:

- a. Reasons for failure of procedure followed.
- b. Weaknesses of the internal controls.
- c. Implementation of internal controls that would prevent any complaint or grievance in the future.

All suggested procedures shall be approved by Senior Management at the meeting following the completion of the investigation.

### **3. Record-keeping of complaints or grievances received**

The Company shall maintain all complaints or grievances for a minimum period of five years after the termination of the business relationship. The responsible department shall be the Senior Management.

### **4. Complaints or grievance handling for individual portfolio management service and investment advice**

All complaints made by clients (or potential clients) either directly to the Company or indirectly through the Commission or the Financial Ombudsman, in relation to the way in which the Company



conducts its business must be fully investigated by the Compliance Officer and where possible appropriate action taken to resolve the situation.

Even an apparently trivial complaint which is mishandled or left unchecked could lead to serious and damaging consequences for the Company. Any apparent complaint, whether written or oral, must be immediately referred to the Compliance Officer.

## 5. Complaints Procedure

All Company employees must ensure that the following procedure is followed on receipt of any apparent complaint.

1. If a client complains over the telephone or verbally at a meeting, the client must be asked to put in writing his or her complaint with sufficient detail to enable action to be taken. The written complaint should be sent to the Compliance Officer who will implement the necessary procedure. The Compliance Officer will decide whether the matter is a “Significant Complaint”, that is one that cannot be settled quickly and directly, or one which involves sums which are material in relation to the financial circumstances of the complainant, or one which alleges:
  - A breach of a Client Agreement; or
  - A failure to comply with regulatory responsibilities; or
  - Bad faith, malpractice or impropriety; or
  - Repetition or recurrence of any matter about which there has been recent complaint.
2. All significant complaints must be acknowledged in writing within 5 days of being received and a unique reference number be assigned to the complaint which shall be used for all future communication with the Financial Ombudsman and/or CySEC. It may be possible at this stage to offer a full reply / settlement which is reasonably expected to be acceptable to the complainant. In this case, the letter should also clearly state that his complaint will be treated as settled if he does not indicate dissatisfaction within one month of receiving the letter. If the complainant does not, in fact, indicate dissatisfaction within one month, the complaint may then be treated as settled. If it is NOT possible to resolve the complaint within 5 days, a letter of acknowledgement should be sent as indicated below in point 3.
3. The letter of acknowledgement should include statements to the effect that the company will:
  - a) Investigate the complaint; and



- b) On completion of the investigation, write informing the complainant of the outcome of the investigation within two months informing whether the complaint has been successfully resolved or why more time is needed to look into it (within maximum three months from the day of the complaint).

The letter should also include the unique reference number as indicated in point 2 above.

4. Each complaint must then be:
  - a) Promptly and thoroughly investigated; and
  - b) If practicable, the Compliance Officer should be assisted in his investigation by an employee of particular experience and competence who was not directly involved in the subject matter giving rise to the complaint.
5. At the conclusion of an investigation a written report must be produced which explains clearly:
  - a) The outcome of the investigation; and
  - b) The nature of any offer of settlement which is considered appropriate or alternatively, the reasons for declining to offer a settlement.
6. Within two months of the completion of an investigation a letter must be sent to the complainant explaining clearly:
  - a) The outcome of the investigation.
  - b) The nature and terms of any offer of settlement which the Company is prepared to make in satisfaction of the complaint.
  - c) The letter should also clearly state that the Company will treat the complaint as settled if the complainant does not indicate dissatisfaction within one month.
  - d) The availability to contact the Financial Ombudsman and/or the Commission when the final decision does not fully satisfy the complainants demands. This should be done within four months from receiving the final response from the Company.
  - e) If the complaint has not been resolved within the two months, the reason why more time is needed to look into it with a maximum of three months from the date of the complaint.
7. Where a client is unwilling to put his complaint in writing, the complaint automatically will be categorised as not Significant. A file note should be made to that effect and the Company employee responsible for that client relationship will continue to discuss the issue with the client. If the issue is not resolved satisfactorily within another month, the Compliance Officer should be informed.



When a complaint is in writing, but judged by the Compliance Officer as not Significant, a copy of the written complaint should be filed in the Complaints Register. The Company employee responsible for that client relationship shall continue discussions with the client until the issue is resolved and shall keep the Compliance Officer informed and make a note for the Compliance Officer to file the eventual resolution.

The Company must co-operate with the Commission and/or Financial Ombudsman in case it carries out its own investigation in relation to a client's complaint.

## **6. Complaints Record and Register**

A full record of each complaint, including all relevant documents, and of the action taken in response must be kept by the Company for 7 years after the date of the last response.

The Compliance Officer is responsible for entering all complaints onto the Complaints Register and recording the outcome. The following information should be noted: -


- (a) the unique reference number of the complainant;
- (b) the identity of the complainant;
- (c) the Company employee to whom the complaint was made;
- (d) the Company employee responsible for that client relationship and his department;
- (e) the date on which the complaint was received and filed;
- (f) a summary of the complaint;
- (g) the value of the complainant's portfolio;
- (h) the approximate value of any loss which the complainant claims to have suffered;
- (i) the date and a summary of the Company's reply to the complaint;
- (j) a note of any other relevant correspondence with the complainant, which should be kept in the appropriate client file.

The Complaints Record and Register should be available for inspection by the Commission at any time.

## **7. Complaints-Handling Process**

Information about lodging a complaint:

- a) The type of information provided by the complainant should be clear and specifically state the nature of the complaint.
- b) All complaints should be sent to the company's office address as stated on the website for the attention of the Managing Director.

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- c) The complaint will be acknowledged in writing within 5 days of receipt.
  - d) The complaint will then be investigated and depending on the severity of the complaint the Compliance Officer may also be involved.
  - e) Within two months of the completion of an investigation a letter shall be sent to the complainant explaining in detail the outcome of the investigation. This may be extended to three months if more time is needed to resolve the complaint.
  - f) The availability to contact the Financial Ombudsman and/or Commission within four months when the final decision does not fully satisfy the complainant's demands shall be stated in the response.

## **8. Financial Ombudsman Contact Details**

Investors who consider that they have any disputes with CIFs, for which they are claiming damages, are encouraged to consider submitting their complaint to the Financial Ombudsman.

Address:

13 Lord Byron Avenue,  
1096 NICOSIA

Phone: 22848900 (main number)

Facsimile (Fax): 22660584, 22660118

Email:

- Complaints:

[complaints@financialombudsman.gov.cy](mailto:complaints@financialombudsman.gov.cy)

- Financial Ombudsman:

[fin.ombudsman@financialombudsman.gov.cy](mailto:fin.ombudsman@financialombudsman.gov.cy)

- Website:

[www.financialombudsman.gov.cy](http://www.financialombudsman.gov.cy)