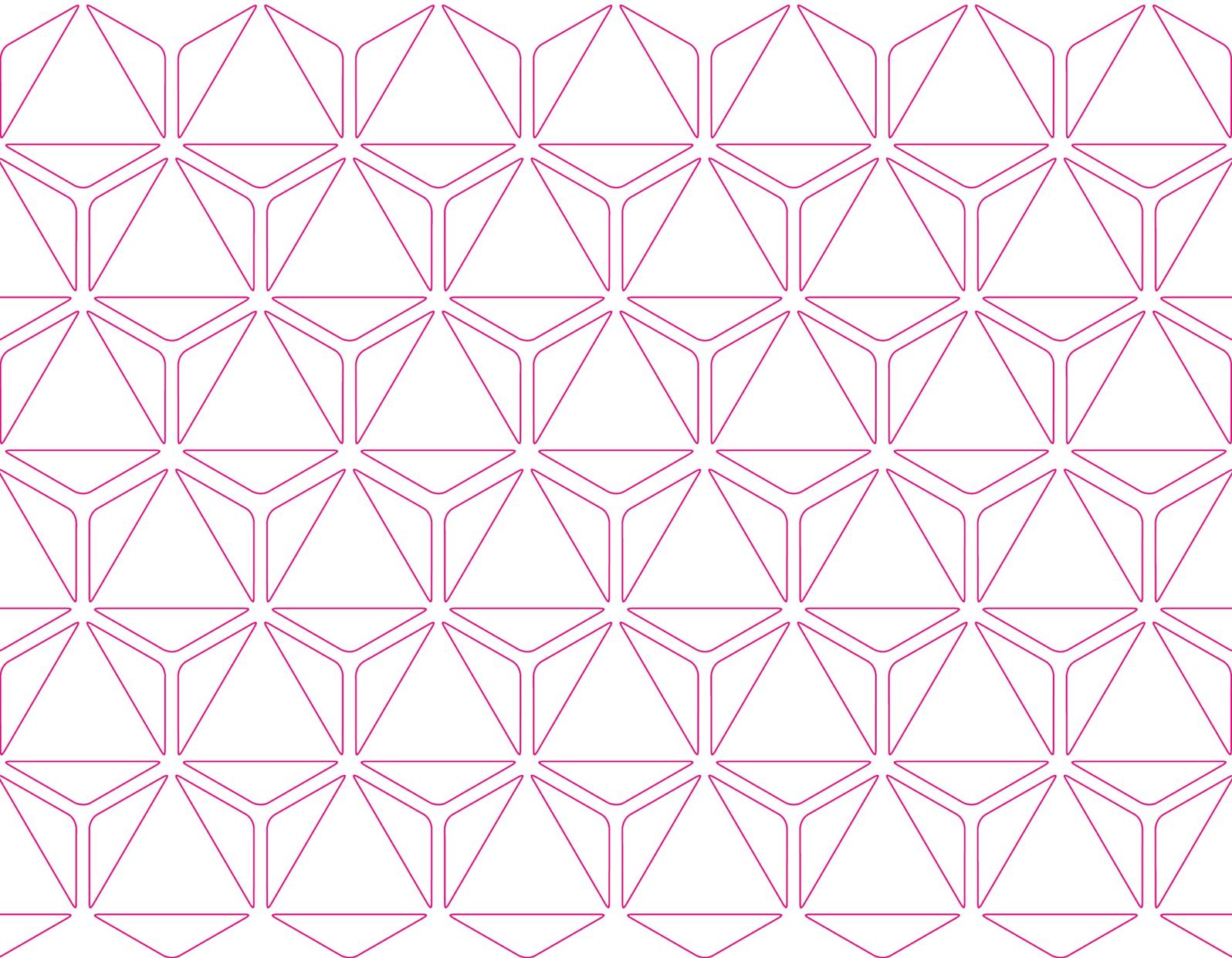


# Complaints Handling Policy & Procedure



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# 1. Introduction

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Praemium International Limited ("PIL") is authorised to conduct Investment Business under the Financial Services (Jersey) Law 1998, as amended and is regulated by the Jersey Financial Services Commission ("JFSC").

This Policy outlines PIL's approach to complaints handling, to ensure client concerns are treated seriously and that complaints are addressed promptly and in a fair and transparent manner. It details the requirements to ensure full compliance with our regulatory obligations and the highest possible standards of customer service to which PIL is committed.

## Associated Policies & Procedures

- » Incident Log & JIRA Procedure
- » Code of Conduct
- » Disciplinary Policy
- » Whistleblowing Policy
- » Data Protection Policy
- » Records Retention Policy

# 2. Objective

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PIL seeks to maintain a reputation as a firm delivering high quality professional services which is committed to maintaining its responsiveness to the needs and concerns of our clients.

The Policy is designed to provide guidance on the way in which PIL receives and handles complaints.

The objective of the Policy is to outline how PIL resolves complaints in an efficient, effective and professional manner to ensure we maintain our reputation as a professional firm responsive to client needs and concerns.

Efficient management of complaints enables us to identify problems and continuously improve our standards, services and delivery.

This Policy applies to all PIL employees, whether permanent or temporary, consultants or contractors. Wilful disregard of this Policy may result in disciplinary measures.

# 3. Definition of a complaint

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A complaint under this Policy is defined as any oral or written expression of dissatisfaction:

- » whether justified or not,
- » from, or on behalf of, a person about the provision of, or failure to provide, a service that relates to investment business carried on by the registered person,
- » which alleges that the complainant has suffered (or may suffer) financial loss, material distress or material inconvenience.

Eligible complainants include:

- » consumers (anywhere in the world);

- » microenterprises (anywhere in the world);
- » certain Channel Islands charities;

including customers, potential customers and others to whom providers owe a duty of care.

Any person or organisation (the “complainant”) who is dissatisfied with a product or service provided by the firm, for any reason, may contact PIL to complain.

## 4. Regulatory requirements

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PIL is required to comply with the complaint handling provisions contained in paragraph 3.6 of the Financial Services (Jersey) Law 1998, Code of Practice for Investment Business (“IB Code”). PIL also complies with the Model complaint-handling procedure for financial services providers, issued by the Channel Islands Financial Ombudsman (“CIFO”).

As an authorised firm we must ensure that an effective system and proper policies and procedures are in place to manage complaints. We must:

- » maintain adequate records of complaints against PIL, including a central register;
- » complaints transparently, fairly, and in so far as possible, independently;
- » inform clients of how complaints may be made and how they may expect these to be responded to;
- » provide an acknowledgement and initial response in writing within 5 working days that their complaint has been received and confirm that the complaint is being considered;
- » keep the complainant informed about the progress of their complaint, including details of any actions being taken to resolve their complaint;
- » within 3 months of receiving a complaint, send a final response letter that will explain what our investigation has revealed and what action we propose to take; and
- » advise the complainant in writing when the complaint is considered closed and where the complaint is not upheld, clearly state the reason(s) for rejecting the complaint.

At the same time, we must advise the complainant in writing:

- » that if they are dissatisfied with our response to the complaint, the complainant may be able to refer the complaint to the Channel Islands Financial Ombudsman (CIFO) using its full name;
  - » within 6 months of the final response, giving the date, the 6 months expires; and
  - » within 6 years of the event complained about or (if later) 2 years of when the complainant could reasonably have been expected to become aware that he/she had a reason to complain;
- » of the contact details for the Channel Islands Financial Ombudsman (namely its website address, postal address, email address and telephone number).

PIL must then:

- » determine whether a complaint gives rise to any notification requirement under our professional indemnity insurance policy; and
- » consider the complaints data for patterns emerging.
- » As soon as it becomes aware, a registered person must notify the Commission in writing if:
  - » a complaint is not satisfactorily resolved within three months of the client having lodged a complaint;
  - » the Channel Islands Financial Ombudsman, using the powers it has under Article 16 of the Financial Services Ombudsman (Jersey) Law 2014, requires the registered person to pay compensation to a complainant or directs the registered person to take other specified steps in relation to a complainant;
- » a pattern to complaints is identified;
- » any complaint has resulted in the registered person making a claim on its Professional Indemnity Insurance policy;
- » any complaint has resulted in the registered person having made any type of settlement worth in excess of £1,000;
- » the Registered firm considers it to be in the interests of the public or the complainant;
- » a complaint or series of complaints suggest the Registered firm is failing to meet any of the requirements of the Codes of Practice; or
- » if any unresolved complaint results in litigation commencing.

A registered person must deal with the Channel Islands Financial Ombudsman in an open and co-operative manner.

The JFSC has issued guidance to complainants which directs them to report complaints to the firm in the first instance and if not satisfied with the firm's response, the complainant may have recourse to CIFO : <https://www.jerseyfsc.org/.../The-Ombudsman-and-how-to-make-Consumer-Complaints-Nov-2015.pdf>

## 5. Record keeping

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The Record Keeping Policy sets out the requirements for maintenance of records. Care must be taken to ensure that all material relating to the resolution of a complaint is retained. The IB Code requires that complaint files are retained for 10 years from the date the complaint was recorded. A complaint file must include any correspondence to/from the complainant in relation to the complaint and any documents/backup information pertinent to the complaint and its resolution/outcome.

## 6. Procedure overview

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A summary of our procedures is set out below.

### Responsibilities

#### Heads of Department/Managers

- » Ensure Compliance is notified of all complaints and a number obtained from Compliance from the Complaints register for input into the JIRA incident log (refer to Incident Log & JIRA procedure).
- » Owning the resolution of complaints affecting their area of the business and ensuring the prompt resolution of complaints in accordance with the processes set out in this document.
- » Ensure the client is informed of progress.
- » A comprehensive record is maintained centrally of the complaint resolution process including all correspondence, telephone conversation details, etc and advising Compliance when a complaint is considered closed and/or compensation is to be paid to the client.
- » Consider whether the nature of the complaint(s) means that changes may be necessary to systems, policies & procedures or training and implementing any changes identified.
- » Consider whether remedial action may be required where there have been cases of a similar nature, but no complaint(s) received in these instances.
- » Providing adequate information to management on a regular basis.

#### Compliance

- » Ensure complaints are added to the central Complaints Register and are monitored.
- » Reporting on the adequacy of the complaints systems and procedures.
- » Advising, where necessary, on the resolution of complaints; in particular, those that have regulatory implications.
- » Monitoring compliance with PIL's internal policies and procedures.
- » Providing a break-down of complaints in the monthly Compliance Report to the Management committee and quarterly reporting to the Board of Directors.
- » Ensuring the timely and accurate reporting to the JFSC where required for the Complaints Reporting requirements.

## Procedural requirements

Procedures for the reasonable and prompt handling of complaints must be effective and transparent. For the purposes of this document, 'prompt' means in the shortest time practical but without compromising either the fairness or the thoroughness of the investigation and handling process. General procedural requirements are set out below:

- » System for logging and tracking progress;
- » Prompt acknowledgment;
- » Prompt written reply (including by email) or holding response;
- » Keep complainants reasonably informed of the progress of the complaint investigation;
- » Complaints must be promptly, thoroughly and consistently investigated, where practical, by an independent person;
- » Regular review of progress of outstanding complaints;
- » Communication of Management Information on a regular basis and in a timely manner;
- » Robust Record Retention process.

## Trend analysis requirements

Systems must be in place to identify trends that may have:

- » process issues, e.g. operational issues, IT system faults;
- » compliance/regulatory implications;
- » implications that compromise or could potentially compromise the fair treatment of clients.

Records must be kept of remedial action.

## Complaints resolution process

Each department is responsible for investigating and resolving complaints relating to its area of the business. The client shall be kept informed of the progress in resolving the complaint.

A copy of the leaflet "A Guide to Making a Complaint" shall be sent to any client who has made a complaint or is considering making a complaint to ensure they are aware of PIL's complaints handling process. A copy of the Guide can be found on the PIL website and in Appendix 1 of this document.

All complaints must be notified to Compliance. Upon receipt of a complaint the following must be undertaken:

1. Inform Compliance and obtain a Complaints no. from the Complaints register for input into the JIRA incident log.
2. Compliance will create a record of the complaint in the central Complaints Register.
3. Dispatch an acknowledgment and initial response in writing within 5 working days of receipt (unless expressly agreed by the client to the contrary) together with a copy of the Guide to Making a Complaint document, if the client has not already received a copy. The acknowledgment should, when possible, include the resolution of the complaint where this can be achieved within the 5-day timescale;
4. Complaints must be promptly, thoroughly and consistently investigated, where practical by an independent person.;
5. If the complaint reveals an IB Code breach, inform Compliance and ensure that breaches rectification procedures are followed in addition to the Complaints procedures;
6. The final response letter must be sent as soon as possible but no later than within 3 months of the client having lodged a complaint;
7. The client must be advised that PIL considers the complaint closed and they can refer the matter to CIFO if they are not satisfied with the resolution of the complaint;
8. In circumstances where it is not possible to resolve the complaint within the 3-month timescale, a letter must be sent explaining the reasons, detailing the progress to date and telling the client when it is expected that the complaint will be resolved. As stated previously, such circumstance would require notification to the JFSC and CIFO;
9. Ensure that all correspondence and other pertinent information, including how the complaint was resolved, are retained as a full record of the complaint.

## Errors

It is not necessary to record minor errors satisfactorily resolved on the Complaints Register; however, each department must keep a record of incidents and errors to evidence their consideration and steps taken to reduce likelihood of reoccurrence as well as to correct any error identified. Correspondence, for example a letter apologising for the mis-spelling of a client's name, must be kept on file and retained in accordance with the Record Keeping requirements.

The number and frequency of errors must be monitored by the Heads of Department/Managers as part of their business process. The information may reveal a need for the revision of systems or procedures. In these circumstances, the appropriate action must be taken.

It must also be remembered that the repetition of an error may lead to a formal complaint. In such an event, the requirements of this Policy must be followed.

## 7. Quality controls

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Complaints will be analysed by the compliance officer on a periodic basis for the identification of systemic or recurring problems. If such problems are identified, PIL will consider what actions it may need to take to address these problems.

## Appendix 1 – Guide to Making a Complaint

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### Introduction

Praemium International Limited strives to provide the highest possible standards of service to our clients at all times; as such we take complaints very seriously and welcome the opportunity to resolve matters in a prompt, fair transparent and independent manner.

Our aim is to resolve all complaints as soon as possible after we receive your communication. We will always try to put matters right swiftly and most problems can usually be resolved within a few days; however, there may be times (if the investigation is complex and/or further enquiries need to be made) that the process takes longer. In these circumstances, we shall keep you informed of progress.

### How to make a complaint

If you have a complaint, please contact us via one of the following routes to ensure your case is reviewed and the matter investigated.

**By email:** <mailto:mcomplaints@praemiuminternational.com>

**By post:** Praemium International Limited Compliance Department 3d Floor East, Salisbury House 1-9 Union Street St Helier, Jersey JE2 3RF

**By phone:** +44 (0) 1534 765453

**By fax:** + 44 (0) 1534 765459

### Investigating your complaint

We will send you a written acknowledgment and initial response within 5 working days following the receipt of your complaint. It is likely that your complaint will be resolved at this time.

If further investigation is required, we will keep you informed of progress. Within 3 months of receiving your complaint, we will send you a Final Response Letter that will explain what our investigation has revealed and what action we propose to take and that we consider the complaint closed.

If you are not satisfied with our final response to your complaint, you can refer your complaint to the Channel Islands Financial Ombudsman (CIFO). You must contact the CIFO about your complaint within six (6) months of the date of the final response letter or CIFO may not be able to review your complaint.

You must also contact CIFO within 6 years of the event complained about or (if later) 2 years of when you could reasonably have been expected to become aware that you had a reason to complain.

You can contact CIFO:

**By post:** Channel Islands Financial Ombudsman (CIFO) P O Box 114 Jersey, Channel Islands JE4 9QG

**By email:** <mailto:enquiries@ci-fo.org>

**Website:** [www.ci-fo.org](http://www.ci-fo.org)

**Jersey local phone:** 01534 748610

**Guernsey local phone:** 01481 722218

**International phone:** +44 1534 748610