ADROIT

WEALTH & CAPITAL (PTY) LIMITED

A Registered Financial Services Provider : FSP No: 42538

COMPLAINTS POLICY

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1. DEFINITIONS

1.1 Complaint

Complaint means an expression of dissatisfaction by a person to a provider or, to the knowledge of the provider, to the provider's service supplier relating to a financial product or financial service provided or offered by that provider which indicates or alleges, regardless of whether such an expression of dissatisfaction is submitted together with or in relation to a client query, that -

(a) the provider or its service supplier has contravened or failed to comply with an agreement, a law, a rule, or a code of conduct which is binding on the provider or to which it subscribes;

(b) the provider or its service supplier's maladministration or wilful or negligent action or failure to act, has caused the person harm, prejudice, distress or substantial inconvenience; or

(c) the provider or its service supplier has treated the person unfairly;

1.2 Complainant

Complainant means a person who submits a complaint and includes a -

(a) client;

(b) person nominated as the person in respect of whom a product supplier should meet financial product benefits or that persons' successor in title;

(c) person whose life is insured under a financial product that is an insurance policy;

(d) person that pays a premium or an investment amount in respect of a financial product;

(e) member;

(f) person whose dissatisfaction relates to the approach, solicitation marketing or advertising material or an advertisement in respect of a financial product, financial service or related service of the provider,

who has a direct interest in the agreement, financial product or financial service to which the complaint relates, or a person acting on behalf of a person referred to in (a) to (f);

1.3 Client query

Client query means a request to the provider or the provider's service supplier by or on behalf of a client, for information regarding the provider's financial products, financial services or related processes, or to carry out a transaction or action in relation to any such product or service.

1.4 Compensation payment

Compensation payment means a payment, whether in monetary form or in the form of a benefit or service, by or on behalf of a provider to a complainant to compensate the complainant for a proven or estimated financial loss incurred as a result of the provider's contravention, non-compliance, action, failure to act, or unfair treatment forming the basis of the complaint, where the provider accepts liability for having caused the loss concerned, but excludes any -

(a) goodwill payment;

(b) payment contractually due to the complainant in terms of the financial product or financial service concerned; or

(c) refund of an amount paid by or on behalf of the complainant to the provider where such payment was not contractually due;

and includes any interest on late payment of any amount referred to in (b) or (c);

1.5 Goodwill payment

Goodwill payment means a payment, whether in monetary form or in the form of a benefit or service, by or on behalf of a provider to a complainant as an expression of goodwill aimed at resolving a complaint, where the provider does not accept liability for any financial loss to the complainant as a result of the matter complained about.

1.6 Member

Member in relation to a complainant means a member of a -

(a) pension fund as defined in section 1 (1) of the Pension Funds Act, 1956 (Act 52 of 1956);

(b) friendly society as defined in section 1 (1) of the Friendly Societies Act, 1956 (Act 25 of 1956);

(c) medical scheme as defined in section 1(1) of the Medical Schemes Act, 1998(Act131 of 1998); or

(d) group scheme as contemplated in the Policyholder Protection Rules made under section 62 of the Long-term Insurance Act, 1998, and section 55 of the Short-term Insurance Act, 1998.

1.7 Rejected

Rejected in relation to a complaint means that a complaint has not been upheld and the provider regards the complaint as finalised after advising the complainant that it does not intend to take any further action to resolve the complaint and includes complaints regarded by the provider as unjustified or invalid, or where the complainant does not accept or respond to the provider's proposals to resolve the complaint.

1.8 Reportable Complaint

Reportable complaint means any complaint other than a complaint that has been -

(a) upheld immediately by the person who initially received the complaint;

(b) upheld within the provider's ordinary processes for handling client queries in relation to the type of financial product or financial service complained about, provided that such process does not take more than five business days from the date the complaint is received; or

(c) submitted to or brought to the attention of the provider in such a manner that the provider does not have a reasonable opportunity to record such details of the complaint as may be prescribed in relation to reportable complaints.

1.9 Upheld

Upheld means that a complaint has been finalised wholly or partially in favour of the complainant and that--

(a) the complainant has explicitly accepted that the matter is fully resolved; or

(b) it is reasonable for the provider to assume that the complainant has so accepted; and

(c) all undertakings made by the provider to resolve the complaint have been met or the complainant has explicitly indicated its satisfaction with any arrangements to ensure such undertakings will be met by the provider within a time acceptable to the complainant.

1.10 Internal Complaints Review and Escalation Process

Internal Complaints Review and Escalation Process means the system and procedures established and maintained by the FSP in accordance with the General Code of Conduct for the resolution of reportable complaints lodged against the FSP by complainants.

1.11 Complaint Dispute Facilitator

Complaint Dispute Facilitator refers to an impartial, senior functionary within the provider, or who has been appointed by the provider, to manage the internal complaints escalation and review process.

2. PURPOSE OF A COMPLAINTS POLICY

In terms of section 17(1)(a) of the General Code of Conduct for Authorised Financial Services Providers and Representatives (“the General Code of Conduct”) a provider must establish, maintain and operate an adequate and effective complaints management framework, in order to ensure the effective resolution of complaints and the fair treatment of complainants.

The complaints management framework must be based on the following outcomes:

- Is proportionate to the nature, scale and complexity of the provider’s business and risks;

- Is appropriate for the business model, policies, services, and clients of the provider;
- Enables complaints to be considered after taking reasonable steps to gather and investigate all relevant and appropriate information and circumstances, with due regard to the fair treatment of complainants;
- Does not impose unreasonable barriers to complainants; and
- Must address and provide for the matters as contained in Part XI of the General Code of Conduct.

In order to achieve the abovementioned outcomes, the organisation has adopted a complaints policy which outlines the organisation's commitment towards the fair, transparent and effective resolution of complaints. The organisation will also ensure that the Complaints Management Framework is regularly reviewed in order to ensure the effectiveness of same.

3. ESTABLISHING A COMPLAINTS MANAGEMENT FRAMEWORK

The organisation is committed towards rendering financial services with the proper due skill, care and diligence and in the best interests of its clients.

Despite the organisation's high service standards there may be instances where a client nevertheless prefers to submit a formal complaint against the organisation. In such instances the organisation will follow the complaints management framework as outlined below.

The FSP is committed towards a transparent and accessible complaints resolution process that is fair to all parties involved. In order to achieve these outcomes, the FSP undertakes as follows:

- The organisation's complaints management framework incorporates the following features, which the organisation is committed to enforcing at all times:
  - Relevant objectives, key principles and the proper allocation of responsibilities for dealing with complaints across the business of the organisation;
  - Appropriate performance standards and remuneration and reward strategies (internally and where any functions are outsourced) in order for complaints management to ensure objectivity and impartiality;
  - Documented procedures for the appropriate management and categorisation of complaints which include expected timeframes and provides for circumstances under which these timeframes may be extended;
  - Documented procedures which clearly define the escalation, decision-making, monitoring, oversight and review processes within the complaints management framework;
  - Appropriate complaint record keeping, monitoring and analysis of complaints, and reporting to executive management, the board of directors and any relevant committee of the board on –
    - Identified risks, trends and action taken in response thereto; and
    - The effectiveness and outcomes of the complaints management framework.
- Appropriate communication with complainants and persons representing complainants on the complaints and the complaints processes and procedures;
- Appropriate engagement between the organisation and the relevant Ombud;
- Compliance with requirements for reporting to the Regulator and public reporting in accordance with part XI of the General Code of Conduct.
- A process for managing complaints relating to the organisation's representatives and service suppliers, insofar as such complaints relate to services provided in connection with the organisation's financial products, financial services or related services, which process will:
  - Enable the organisation to reasonably satisfy itself that the representative or service supplier has adequate complaints management processes in place to ensure the fair treatment of complainants;
  - Provide for the monitoring and analysis by the organisation of aggregated complaints data in relation to the complaints received by its representatives and service suppliers and their outcomes;

- Include effective referral processes between the organisation and its representatives and service suppliers for handling and monitoring complaints that are submitted directly to either of them and require referral to the other for resolution; and
- Include processes to ensure that complainants are appropriately informed of the process being followed and the outcome of the complaint.

- The organisation will regularly monitor the complaints management framework.
- The organisation will resolve client complaints by means of a practical resolution process that is managed effectively.
- The organisation will train and empower all relevant staff members in order to facilitate and resolve complaints impartially.
- The organisation will deal with complaints in a timely and fair manner, with each compliant receiving proper due consideration.
- The organisation will take the necessary steps to investigate and respond promptly to a complainant.
- Where deemed necessary, the organisation will appoint an independent mediator in order to resolve the complaint.
- Where the complaint is resolved in favour of the complainant, the organisation will offer the appropriate level of redress to the complainant without delay.
- The organisation will maintain a record of all complaints for a period of 5 years together with an indication of whether or not the complaint has been resolved.
- The organisation will investigate, and where necessary, take appropriate action in order to avoid and prevent similar circumstances which gave rise to the complaint.
- The organisation will ensure the recording of complaints and complaints-related information in an accurate, efficient and secure manner, and will establish and maintain appropriate processes for reporting of complaints related information to its governing body.
- The organisation is committed to ensuring that its complaints processes and procedures are transparent, visible, and accessible through channels that are appropriate to the organisation's clients.

4. ALLOCATION OF RESPONSIBILITIES

- The board of directors of the organisation is responsible for effective complaints management. In the absence of a board of directors, the governing body and key individual of the organisation will be responsible.
- The board of directors or governing body and the key individual of the organisation will therefore oversee and approve the effectiveness and implementation of the organisation's complaints management framework.
- The internal complaint review and escalation process may be delegated to the senior Complaint Dispute Facilitator, and any queries relating to the aforementioned process must be directed to same.

5. RESPONSIBLE AND ADEQUATE DECISION-MAKING

- Any person in the organisation that is responsible for making decisions or recommendations in respect of complaints generally or a specific complaint must –
  - Be adequately trained;
  - Have an appropriate mix of experience, knowledge and skills in complaints handling, fair treatment of customers, the subject matter of the complaints concerned and relevant legal and regulatory matters;
  - Not be subject to a conflict of interest; and
  - Be adequately impowered to make impartial decisions or recommendations.

6. CATEGORISATION OF COMPLAINTS

- The organisation categorises reportable complaints in accordance with the following nine categories:
  - Complaints relating to the design of a financial product, financial service or related service, including the fees, premiums or other charges related to that financial product or financial service;

- Complaints relating to information provided to clients;
- Complaints relating to advice;
- Complaints relating to financial product or financial service performance;
- Complaints relating to service to clients, including complaints relating to premium or investment contribution collecting or lapsing of a financial product;
- Complaints relating to financial product accessibility, changes or switches, including complaints relating to redemptions of investments;
- Complaints relating to complaints handling;
- Complaints relating to insurance risk claims, including non-payment of claims; and
- Other Complaints.

- Where the organisation considers it necessary to add additional categories relevant to its financial products, financial services and / or client base, it will do so in order to support the effectiveness of the organisation's complaints management framework, and by doing so enhancing improved outcomes and processes for its clients.
- The organisation will categorise, record and report on reportable complains by identifying the category of complaint to which the complaint most closely relates and group complaints accordingly.

7. INTERNAL COMPLAINT ESCALATION & REVIEW PROCESS

- Through the adoption of this policy, the organisation establishes an appropriate internal complaints escalation and review process.
- The organisation is committed to ensuring that the procedures within the complaints escalation and review process is not overly complicated and does not impose unduly burdensome paperwork or other administrative requirements on complainants.
- The internal complaint escalation and review process –
  - follows a balanced approach, which bears in mind the legitimate interests of all parties involved, including the fair treatment of complainants;
  - provides for the internal escalation of complex or unusual complaints at the request of the initial complaint handler;
  - provides for complainants to escalate complaints not resolved to their satisfaction;
  - as specified previously, is allocated to the senior Complaint Dispute Facilitator, who is an impartial, senior functionary within the organisation, and is appointed by the organisation in order to manage the internal escalation and review process.

8. DECISIONS RELATING TO COMPLAINTS

- Where a complaint is *upheld*, any commitment by the organisation to make a compensation payment, goodwill payment or to take any other action, must at all times be carried out without undue delay and within the agreed timeframes.
- Where a complaint is *rejected*, the organisation will provide the complainant with clear and adequate reasons for the decision, and will also inform the complainant of the organisation's escalation or review process. The organisation will also inform the complainant of any time limits relevant to the escalation or review process.
- The organisation will clearly and transparently communicate the availability and contact details of the relevant Ombud to complainants at the start of the relationship, and in relevant periodic communications. The organisation will also display and make available information regarding the relevant Ombud on its premises and website.

9. ENGAGEMENT WITH THE OMBUD & REPORTING

- The organisation is committed to transparent engagement with any relevant Ombud in relation to its complaints.
- In light of the above, the organisation will monitor determinations, publications and guidance issued by any relevant Ombud with a view to identifying failings or risks in the organisation's policies, services or practices

- The organisation will maintain open and honest communication and co-operation between itself and any Ombud with which it deals.
- The organisation is also committed to resolving a complaint before a final determination or ruling is made by an Ombud, or through the organisation's internal escalation process, without impeding or unduly delaying a complainant's access to an Ombud.
- The organisation will ensure that it has the appropriate processes in place to ensure compliance with any prescribed requirements for reporting complaints related information to any designated authority, or to the public as may be required by the Regulator.