

## COMPLAINTS POLICY

This policy is owned by Lightstone Risk Management Pty Ltd a duly authorised Financial Services Provider.

The processes contained herein forms part of the FSP's internal control structures and procedures.

As the Key Individual of the aforementioned FSP, I Erasmus Christoffel Botma hereby confirm the adoption of the processes set out in this document.



Key Individual Signature

*10 January 2018*


Date

**GUIDANCE NOTES:**

- In terms of section 17(a) of the General Code of Conduct, every FSP, other than a representative, must maintain an internal complaint resolution system
- Use this document as a guideline to comply with statutory requirements
- The content and layout of this document is provided as an example only. It is the responsibility of any user of this document to adapt, customise and verify the contents thereof to the user's specific needs and circumstances or any other applicable legislation
- The governing body of the FSP must confirm the adoption of the processes set out in this document by signing the cover page
- Relevant staff members are required to confirm that they understand their assigned duties and responsibilities. A staff confirmation sheet is included for this purpose (print additional copies of the sheet where so required)
- Retain an original hard copy of this document in the FSP's Compliance Manual
- The document must at all times be accessible to relevant staff members
- This document must be reviewed periodically. A document review roster is included for this purpose (print additional copies of the roster where so required)
- **Disclaimer:** This document is of a generic nature and was compiled with reference to FAIS legislation only. This document should therefore be used as a guideline only. It is the responsibility of any user of this document to adapt, customise and verify the contents hereof to the user's specific needs and circumstances or any other applicable legislation. Moonstone accepts no liability for any damages suffered or losses incurred arising from the use of this document
- **Copyright:** The content of this document is the copyright of Moonstone Compliance. All rights reserved. You may not, except with Moonstone's express written permission, distribute or commercially exploit the contents of this document

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## 1) DOCUMENT REVIEW ROSTER

The Complaints Policy is a working document that must be reviewed periodically.

It is advisable to review the policy on an annual basis. Any amendments must be indicated on the document review roster and relevant staff members must be informed of any updates.

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| Review Date                  |  |
| Comments / Amendments        |  |
| Next Review Date             |  |
| Responsible Person Signature |  |

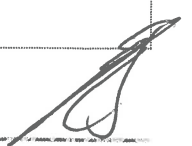
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| Next Review Date             |  |
| Responsible Person Signature |  |

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| Responsible Person Signature |  |

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| Review Date                  |  |
| Comments / Amendments        |  |
| Next Review Date             |  |
| Responsible Person Signature |  |



**2) STAFF CONFIRMATION SHEET**

| I confirm that I have read and understand the contents of this document and that I am aware of my duties in respect thereof |      |           |
|---|------|-----------|
| Name  | Date | Signature |
|   |      |           |

| I confirm that I have read and understand the contents of this document and that I am aware of my duties in respect thereof |      |           |
|---|------|-----------|
| Name  | Date | Signature |
|   |      |           |

| I confirm that I have read and understand the contents of this document and that I am aware of my duties in respect thereof |      |           |
|---|------|-----------|
| Name  | Date | Signature |
|   |      |           |

| I confirm that I have read and understand the contents of this document and that I am aware of my duties in respect thereof |      |           |
|---|------|-----------|
| Name  | Date | Signature |
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| I confirm that I have read and understand the contents of this document and that I am aware of my duties in respect thereof |      |           |
|---|------|-----------|
| Name  | Date | Signature |
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| I confirm that I have read and understand the contents of this document and that I am aware of my duties in respect thereof |      |           |
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| Name  | Date | Signature |
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| I confirm that I have read and understand the contents of this document and that I am aware of my duties in respect thereof |      |           |
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| Name  | Date | Signature |
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| I confirm that I have read and understand the contents of this document and that I am aware of my duties in respect thereof |      |           |
|---|------|-----------|
| Name  | Date | Signature |
|   |      |           |

| I confirm that I have read and understand the contents of this document and that I am aware of my duties in respect thereof |      |           |
|---|------|-----------|
| Name  | Date | Signature |
|   |      |           |

### 3) DEFINITIONS

**Complaint** means a specific complaint relating to a financial service rendered by the FSP or Representative to the complainant on or after the date of commencement of the FAIS Act, and in which complaint it is alleged that the FSP or Representative:

- has contravened or failed to comply with a provision of the FAIS Act and that as a result thereof the complainant has suffered or is likely to suffer financial prejudice or damage; or
- has wilfully or negligently rendered a financial service to the complainant which has caused prejudice or damage to the complainant or which is likely to result in such prejudice or damage; or
- has treated the complainant unfairly

**Complainant** means a specific client who submits a complaint to the FSP for purposes of resolution by the FSP

**Client** means a specific person or group of persons, excluding the general public, who is or may become the subject to whom a financial service is rendered intentionally, or is the successor in title of such person or the beneficiary of such service

**Ombud** means the Ombud for Financial Services Providers

**Internal Complaint Resolution System** means the system and procedures established and maintained by the FSP in accordance with the General Code of Conduct for the resolution of complaints by clients

**Resolution** or **Internal Resolution** in relation to a complaint and a FSP, means the process of resolving a complaint through and in accordance with the internal complaint resolution system and procedures of the FSP

**Rules** mean the Rules on Proceedings of the Officer of the Ombud for Financial Services Providers, as published in Board Notice 81 of 2003.

### 4) PURPOSE OF A COMPLAINTS POLICY

In terms of the General Code of Conduct, a Financial Services Provider must maintain an internal complaints resolution procedure in the event that a client complains about a financial service rendered by the FSP or a Representative of the FSP.

The complaints procedure must be based on the following outcomes:

- **Transparency and Visibility:**  
Ensuring that complainants have full knowledge of the procedures that will be followed when submitting a complaint
- **Accessibility of Facilities:**  
Ensuring that clients are provided with an easily accessible facility in order to submit a complaint at any office or branch of the FSP
- **Fairness:**  
Ensuring that the complaint resolution process is fair to both a complainant and the FSP

In order to achieve these outcomes the FSP has adopted a complaints policy outlining our commitment towards the fair resolution of complaints.



## 5) COMMITMENT TOWARDS THE FAIR RESOLUTION OF COMPLAINTS

The FSP is committed towards rendering financial services with proper due skill and diligence and in the best interests of clients and the integrity of the financial services industry.

Despite our high service standards there may be instances where a client nevertheless prefers to submit a formal complaint against the FSP. In such instances the FSP will follow the complaints procedure 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 appropriate procedures in order to submit a complaint will be openly disclosed and made readily available to clients in writing
- We will resolve client complaints by means of a practical resolution process that is managed effectively
- We will train and empower all relevant staff members to facilitate and resolve complaints
- We will deal with complaints in a timely and fair manner, with each complainant receiving proper due consideration
- We will take the necessary steps to investigate and respond promptly to a complainant
- Where deemed necessary, we will appoint an independent mediator in order to resolve the complaint
- Where the complaint is resolved in favour of the complainant, we will offer the appropriate level of redress to the complainant without delay
- Where the complaint is not resolved in favour of the complainant, we will provide written reasons for our decision and inform the complainant of any rights afforded to the complainant to escalate the complaint to another forum
- We 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
- We will investigate, and where necessary, take appropriate action in order to avoid and prevent similar circumstances that gave rise to the complaint

## 6) INTERNAL COMPLAINTS RESOLUTION PROCEDURE

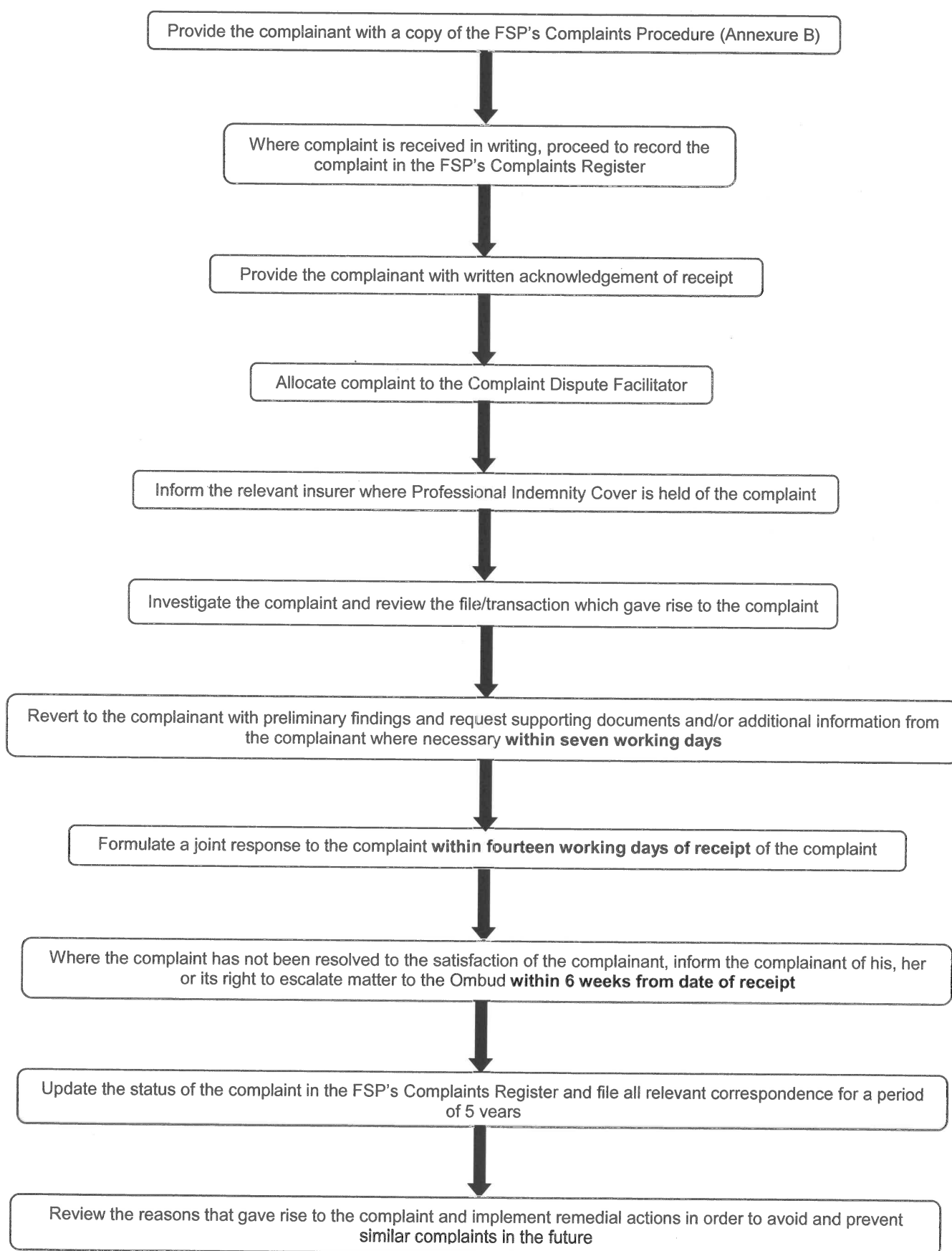
Where a complaint has been received or where a client has indicated his, her or its intention to submit a formal complaint with the FSP, the following procedure will be followed:

- Review the FSP's Complaints Procedure as provided for in Annexure B and furnish the complainant with a copy of the procedure
- Where the complainant has previously communicated the grievance verbally, instruct the complainant to resubmit the complaint in writing
- As soon as the complaint is received in writing, proceed to record the complaint in the FSP's Complaints Register **within 1 working day**
- Provide the complainant with written acknowledgement of receipt of the complaint **within 1 working day**

- Inform the senior manager in charge of the relevant department for allocation to a trained and skilled person who is able to respond to the complaint i.e. the Complaint Dispute Facilitator
- Review the FSP's Professional Indemnity Cover policy wording and inform the relevant insurers of the complaint and potential claim
- The Complaint Dispute Facilitator will investigate the complaint and review the file/transaction which gave rise to the complaint
- The Complaint Dispute Facilitator will discuss his or her preliminary findings with all internal parties concerned
- Revert to the complainant with preliminary findings and request supporting documents and/or additional information from the complainant where necessary **within seven working days**. In all instances provide reasons for any decisions taken and communicate any anticipated deviation from the specified timelines
- Where necessary the matter will be referred to the relevant product supplier for a response and the complainant will be informed of this development
- The Complaints Dispute Facilitator will, in consultation with the management committee and Compliance Officer formulate a joint response to the complaint. Where deemed necessary an independent mediator will be appointed
- Revert to the complainant with a proposed solution with the option of escalating the matter to the Managing Director of the business **within fourteen working days of receipt** of the complaint. In all instances provide reasons for any decisions taken and communicate any anticipated deviation from the specified timelines
- The FSP's response may comprise the following:
  - Any proposed settlement deemed appropriate
  - Suggested remedy for the complaint
  - Dismissal of the complaint and reasons why
  - Apology (if applicable) and any disciplinary action that has been taken against the staff members involved
  - Identified problems within the FSP and how they will be resolved
- Where the complaint has not been resolved to the satisfaction of the complainant, inform the complainant of his, her or its right to escalate matter to the Ombud **within 6 weeks from date of receipt**
- Update the status of the complaint in the FSP's Complaints Register and file all relevant correspondence for a period of 5 years
- If during the course of the enquiry, the Complaint Dispute Facilitator becomes aware that the complaint is of a non-routine or serious nature, the following steps will apply:
  - The supervisor will refer the matter to the FSP's Compliance Officer
  - The Compliance Officer will make a recommendation on how to proceed with the complaint. The Compliance Officer's response may suggest that the matter be referred to the Ombud for adjudication or that the matter be referred for an opinion from an attorney and if so, the attorney's opinion will be sought
- Review the reasons that gave rise to the complaint and implement remedial actions in order to avoid and prevent similar complaints in the future



## ANNEXURE A : INTERNAL COMPLAINTS RESOLUTION FLOWCHART



## ANNEXURE B : COMPLAINTS PROCEDURE

### PURPOSE OF THIS DOCUMENT

The organisation is an authorised Financial Services Provider and as such we have certain specific duties to you, our client. One of these duties is the establishment of a formal complaints resolution procedure, which will enable you to exercise your rights as provided for in the Financial Advisory and Intermediary Services Act.

The purpose of this document is to inform you of the procedure that must be followed in order to submit a formal complaint with us. Please be advised that our internal complaints resolution procedure may be amended or cancelled by us at any time.

### COMPLAINT HAS TO BE RELEVANT

In terms of the FAIS Act, a “complaint” means a specific complaint relating to a financial service rendered by the FSP or a representative of the FSP, to the complainant on or after the date of commencement of the FAIS Act, and in which complaint it is alleged that the FSP or representative:

- has contravened or failed to comply with a provision of the FAIS Act and that as a result thereof the complainant has suffered or is likely to suffer financial prejudice or damage; or
- has wilfully or negligently rendered a financial service to the complainant which has caused prejudice or damage to the complainant or which is likely to result in such prejudice or damage; or
- has treated the complainant unfairly

The financial services environment is complex. We will endeavour to address all reasonable requests from our clients, but may also refer you to a more appropriate facility. Where the complaint relates to any aspect of our service, or any disclosures that ought to be made by us, we will endeavour to address those complaints in writing, within seven days.

In instances where the complaint relates to any matter that is not within our control, such as product information or investment performance, we will forward the complaint to the product supplier concerned. Please be advised that we reserve the right to recover costs or damages that we suffer as a result of clients making frivolous, vexatious or unreasonable claims.

### COMPLAINT HAS TO BE IN WRITING

In order for a complaint to receive the attention that it deserves, we request that your complaint be submitted to us in writing. Please ensure that where the complaint is delivered by hand or by any other means, you obtain and keep proof of delivery.

### PROCEDURE

Our internal complaints resolution process is intended to provide fair and effective resolution of complaints. The time periods set-out in this procedure will be adhered to as strictly as possible but may be varied if necessary. The following step-by-step guideline sets out the procedures we will adopt and shows how a complaint will be dealt with, once received by us:

- Your complaint and all communications in connection with your complaint must be in writing. All verbal communications made in connection with the complaint must be confirmed in writing within three days of the communication.
- Please indicate the following information:
  - Your name, surname and contact details
  - A complete description of your complaint and the date on which the financial service that led to your complaint was rendered
  - The name of the person who furnished the financial advice or rendered the intermediary service that led to your complaint

- How you would prefer to receive future communications regarding your complain i.e. by e-mail, fax or post
- The complaint will be entered into our Complaints Register on the same day that it is made and written confirmation of receipt will be forwarded to you. We will keep record of the complaint, and maintain such record for 5 years as required by legislation. Please take into consideration that the method of communication chosen by you will determine how quickly we will respond to your complaint.
- The complaint will immediately be drawn to the attention of the senior manager in charge of the relevant department for allocation to a trained and skilled person who is able to properly respond to your complaint i.e. the Complaint Dispute Facilitator.
- The complaint will be investigated and we will revert to you with our preliminary findings within seven working days from the date of receipt of the complaint. In all instances we will advise you of the reasons for our decisions.
- The preliminary findings will be discussed with all internal parties concerned, and a proposed solution will be communicated to you within a further seven working days. In all instances we will advise you of the reasons for our decisions.
- If you are not satisfied with our solution, you may refer the complaint to the Managing Director of our business. The Managing Director may amend the solution or confirm it. Please be informed that certain decisions may have to be approved by the management committee of the FSP. In such a case we will communicate that fact to you, as well as the date on which a decision will be taken.
- If, after having referred the complaint to the Managing Director, you are still not satisfied with the outcome, we will regard the complaint as being unsatisfactorily resolved. In such a case, you may approach the office of the Ombud for Financial Services Providers or take such other steps as may be advised by your legal representatives.
- The Ombud is appointed by the Financial Services Board to act as an adjudicator in disputes between clients and financial services providers. The referral to the office of the Ombud must be done in accordance with the provisions of section 21 of the Financial Advisory and Intermediary Services Act 2002 and the rules promulgated in terms of that section.
- In instances where we have not been able to arrive at a resolution within six weeks after you have submitted your complaint, the matter may automatically be referred to the Ombud. The Ombud acts independently and objectively and has jurisdiction in respect of complaints relating to advice or intermediary services, which has arisen after 15 November 2002.
- You must, if you wish to refer a matter to the Ombud, do so within six months from the date of the notice in which we inform you that we are unable to resolve the complaint to your satisfaction. The Ombud will not adjudicate in matters exceeding a value of R800 000.
- The Ombud – Mrs. Noluntu Bam – may be contacted at her offices in Pretoria at the following address:

**Physical Address:**

Sussex Office Park  
 Ground Floor, Block B  
 473 Lynnwood Road (Cnr Lynnwood Road & Sussex Avenue)  
 Lynnwood  
 0081

**Telephone:** +27 12 762 5000 / +27 12 470 9080

**Facsimile:** +27 86 764 1422 / +27 12 348 3447

**E-mail Address:** [info@faisombud.co.za](mailto:info@faisombud.co.za)

**Website:** [www.faisombud.co.za](http://www.faisombud.co.za)

