



# RESOLUTION OF COMPLAINTS PROCEDURE FOR FINANCIAL SERVICES PROVIDERS

## 1. INTRODUCTION

The Financial Advisory and Intermediary Services (FAIS Act 37/2002) provides a duty on every Authorised Financial Services Provider (hereafter “the Provider”) to offer clients a formal process to resolve Complaints.

The process to resolve Complaints must offer the client an opportunity to lodge a Complaint with the Compliance Officer and that such Complaint must be resolved within 6 (six) weeks. Should it not be resolved within 6 (six) weeks, the matter can be escalated to the FAIS Ombud for a final ruling within 6 (six) months after a determination that the Provider cannot resolve the Complaint.

The Provider is constantly searching for new ways of improving client service experience through innovative ideas and personal attention. Client Complaints will be facilitated as fairly, effectively and promptly as possible.

Feedback from clients is highly valued as it gives the Provider the opportunity to constantly advance service delivery and processes by resolving any Complaints in a satisfactory manner.

## 2. DEFINITIONS

Unless the context clearly indicates otherwise, the following definitions shall have the meanings for purposes of this policy:

“**Complaint**” means a grievance or statement of dissatisfaction relating to a financial service rendered by the Provider or its Representatives to the complainant in which it is alleged that the Provider or a Representative:

- has failed to comply with a provision of the FAIS Act or has wilfully or negligently rendered a financial service, and as a result, the complainant has or is likely to suffer damage or financial prejudice
- has treated the complainant unfairly

“**FAIS Ombud**” means the Ombud of Financial Services Providers as referred to in Sec 20(2) of the FAIS Act

“**Resolution**” means the process of resolving a Complaint in accordance with the internal Complaint Resolution procedures of the Provider

“**Rules**” means a set of explicit governing principles of the office of the FAIS Ombud as published in the Gazette

## 3. COMPLAINTS MANAGEMENT MISSION

This document serves to state the commitment of the Provider in terms of Complaints Resolution. The Provider will maintain an effective Complaint Resolution procedure to ensure prompt Resolutions of written Complaints by means of:

- Enabling easy access to the dispute Resolution policies and procedures to the clients by means of our website or on request by mail, fax or email
- Taking all necessary steps to investigate the Complaint after receipt and recording thereof, offering proper consideration
- Addressing and resolving any Complaints received in a timely and fair manner
- Being transparent in the Resolution process
- Ensuring that responsibilities and mandates are delegated to facilitate disputes and an escalation process to staff with adequate expertise to improve services and dispute Resolution systems and procedures where necessary
- Furnishing the client with comprehensive reasons and providing procedural advice and contact details of the relevant regulatory body in the instances where the outcome of a dispute is not satisfactory to the client
- Maintaining appropriate records of all Complaints for a period of 5 (five) years
- Implementing follow-up procedures to implement remedial actions to prevent similar Complaints from occurring and improve services and procedures
- If necessary, appointing an independent mediator to resolve the Complaint to the benefit of both the client and the Provider
- Empowering and properly train employees to deal with Complaints

## 4. COMPLAINTS PROCEDURE

A quick and appropriate response must be ensured when a Complaint is lodged and therefore a proper procedure must be in place to facilitate the response times and to whom it each step will be escalated.

### 4.1 Submission

Any client can submit a Complaint to the Compliance Officer of the Provider with the following details:

**Address:**

Floor 2, The Club

C/O Pinnaster & 18<sup>th</sup> Street

Hazelwood

Pretoria

0081

**Contact details:**

Tel: 072 351 1653

E-mail: [adriaan@horizoncompliance.co.za](mailto:adriaan@horizoncompliance.co.za)

The Complaint must be in writing and contain the following information:

- Client details (name, surname, ID number, contact details, employment details)
- Date of Complaint and description thereof
- Any documentary proof, if applicable

## 4.2 Acknowledgement

- Upon receipt, the Complaint must be validated and logged as a new Complaint on the Complaint Register
- The Compliance Officer will acknowledge receipt of the Complaint in writing within 5 (five) working days
- The Complaint will be assigned and investigated as a responsibility of the Compliance Officer together with the relevant entity and business unit concerned

## 4.3 Reply and investigation

- Resolve the Complaint immediately or take the necessary action to resolve the Complaint within 5 (five) working days
- If the above timeframe is not possible, advise the client of steps taken and expected date of Resolution
- The nature of the Complaint and the product type will also be taken into account when the above points are considered
- The Complaints Register must be updated with all developments and activities
- The client must be informed in writing of the Resolution and outcome of the Complaint

No person who is directly involved in the Complaint is allowed to investigate same and the investigation shall be carried out by the Compliance Officer. No matter the outcome of the matter, the nature of the Complaint will be investigated to ensure that remedial action is taken to avoid that a similar Complaint arises in the future.

## 4.4 Secondary Reply

- The client must be notified if the Complaint is not resolved within 6 (six) weeks
- The client must further be informed of his/her right to approach the relevant regulatory authorities as set out at the end of this policy within 6 (six) months of the occurrence of the conduct giving rise to the Complaint
- Different regulatory bodies (including legal advisory bodies) may be contacted according to the nature of the product and services concerned

## 5. RIGHTS AND DUTIES OF THE PROVIDER

The Rules governing the proceedings of the office of the FAIS Ombud make provision for the following rights and duties of the Provider:

- The Provider has a right to be informed of the Complaint submitted to the Ombud to enable the Provider to respond thereto fully
- The Provider may submit any information or documentation that is relevant to the Complaint
- The Provider has a duty to submit further information if so requested by the Ombud and if needed, to discuss the matter with the Ombud
- The Provider has a duty to act professional and reasonable
- The Provider must cooperate with a view to ensuring efficient Resolution of the Complaint

## 6. THE OMBUD, ITS DETERMINATIONS AND LEGAL STATUS

When the Ombud accepts a Complaint in terms of Sec 27(5) of the FAIS Act, the office of the Ombud may require the FSP to pay a case fee.

Should a Complaint not be resolved through conciliated settlement, the Ombud will make a determination which can be a monetary award or any order that can be made by a court. The Ombud has the legal status of a civil court judgment.

A cost award may be made against the Respondent (the person against whom a Complaint was made). It is also possible for a cost award to be made against the complainant if his/her conduct was unreasonable, or it has caused/is likely to cause damages to the Provider's reputation, or if the complainant caused an unreasonable delay in the finalisation of the investigation.

## 7. APPEALS

The Ombud may grant leave to appeal to the Board of Appeal. An application for leave to appeal must be made within 1 (one) month of the Ombud's determination.

Should the Ombud refuse leave to appeal, a request can be directed to the chairperson of the Board of Appeal for permission to appeal within 1 (one) month of the Ombud's refusal. The applicant must inform the Ombud if such an application is made.

The Board of Appeal will make a determination and it will have the same status as a civil court judgment.

# 8. REGULATORY AUTHORITIES

## 8.1 FAIS Ombud

<i>Physical address:</i>	<i>Client contact division:</i>	<i>Postal address</i>
FAIS Ombud	Tel: +27 12 470 9080	PO Box 74571
473 Lynnwood Road	Tel: +27 12 762 5000	Lynnwood Ridge
Sussex Office Park	Fax: +27 012 348 3447	0040
Block B, Ground Floor	Email: info@faisombud.co.za	
Lynnwood	Web: www.faisombud.co.za	
Pretoria, 0081		
South Africa		

## OWNERSHIP

This policy and internal Rules (as it applies) is owned by CLA Brokers a duly authorised Financial Services Provider.

As Key Individual of the aforementioned FSP I, Landi Reichert hereby confirm the adoption of the policy.

**Landi Reichert 24/06/2023**

Key Individual Signature & Date

**Landi Reichert**

Full names of Key Individual