

COMPLAINTS MANAGEMENT POLICY

Applicable to Financial Services Providers acting as Category I and II Financial Services Providers in terms of the Financial Advisory and Intermediary Services Act

Implemented for

TrueNorth Wealth Advisory (Pty) Ltd

FSP NR: 50973

(Hereinafter referred to by name or as "FSP")

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1) INTRODUCTION

The *Financial Advisory and Intermediary Services Act (FAIS)* and the *General Code of Conduct* require that all authorised financial services providers (FSP's) implement an internal complaint resolution system and framework. These procedures provide for the handling of client complaints in a timely and fair manner. The FSP undertakes to maintain and operate an adequate and effective complaints management framework to ensure the effective resolution of all complaints and the fair treatment of complainants that

- *is proportionate to the nature, scale and complexity of the business and risks of the FSP;*
- *is appropriate for the business model, policies, services, and clients of the FSP;*
- *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; and*
- *does not impose unreasonable barriers to complainants.*

The FSP understand and values the importance of its relationship with clients and places a strong emphasis on the maintenance of such relationship.

The FSP will always strive to ensure that complaints are avoided and where possible, that complaints are used as a method to improve the business and service to its clients.

Should the complaint turn out to be not of a serious nature, it will still be investigated, and the merits of the complaint will be considered and addressed to ensure more effective service to clients and to assist the client in redirecting the complaint, if possible.

2) PURPOSE OF THE POLICY

In terms of the *General Code of Conduct*, an FSP must maintain an internal complaints resolution procedure if a client complains about a financial service rendered by the FSP or a Representative of the FSP. The complaints policy is written in plain language and is aimed at providing a clear and easily understood procedure which considers the reasonably assumed level of knowledge of persons to whom the communication is targeted. This document aims to ensure that complainants are not confronted with unreasonable barriers in the complaints process.

The complaints procedure is based on the following TCF (Treating Customers Fairly) 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 to submit a complaint

FAIRNESS

Ensuring that the complaint resolution process is fair to both a complainant and the FSP. To achieve these outcomes, the FSP has adopted a complaints policy outlining our commitment towards the fair resolution of complaints.

3) DEFINITIONS AS PER GENERAL CODE OF CONDUCT

"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 suppliers has treated the person unfairly.*

"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);*

"Client" 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" The Ombud for Financial Services Providers

"Internal Complaint Resolution System" 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

"Internal Resolution" the process of resolving a complaint through and in accordance with the internal complaint resolution system and procedures of the FSP

"Plain Language" means communication that is clear and easy to understand, avoid uncertainty and or confusion and is adequate and appropriate in the circumstances, considering the factually established or reasonably assumed level of knowledge of the person or average person at whom the communication is targeted

"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);

"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;

"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 providers proposals to resolve the 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; and

"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.

4) THE FSP'S 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 herein.

"The FSP is committed to transparent and accessible complaints resolution processes that is fair to all parties involved"

In order to achieve these outcomes, the FSP commits to the following;

- We will openly disclose and make readily available in writing the appropriate procedures in order to submit a complaint
- 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, transparent, objective and fair manner, with each complaint 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 five 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
- We will keep accurate, efficient, and secure recording of complaints and complaints - related information, which will include all relevant information of the complainant and the subject matter of the complaint, copies of all relevant evidence, correspondence, decisions and complaint categorisation
- We will keep record of all progress made and the status of the complaint, including whether such progress is within or outside any set timelines.
- We will scrutinize and analyse on an ongoing basis all complaints received and we will use all complaints received to manage conduct risks and effectively improve outcomes and processes for our clients
- We will use our best efforts to prevent recurrences of poor outcomes and errors.

5) INTERNAL COMPLAINTS RESOLUTION PROCEDURE & FLOWCHART

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

- We will review the Complaint form submitted to the FSP and as provided for in Annexure A herein. All written complaints to be directed to the appointed Key Individual, which contact details are provided on the Complaints form
- We will furnish the complainant with a copy of the Complaints resolution procedure of the FSP. A copy of this procedure is also available on our client facing website (refer to Annexure B)
- Where the complainant has previously communicated the grievance verbally, we will instruct the complainant to resubmit the complaint in writing to the FSP
- As soon as the complaint is received in writing, we will proceed to record the complaint in FSP's Client Complaints Register within 1 working day of receipt
- The FSP will provide the complainant with written acknowledgement of receipt of the complaint within 1 working day of receipt
- All communications made to the complainant to be in plain language able to be easily understood
- A Facilitator will be appointed by the Key Individual (should he/she not be handling the complaint) within 1 working day of receipt. The Facilitator appointed will vary depending on the complexity of the complaint
- The FSP will review its Professional Indemnity Cover policy wording and inform the relevant insurers of the complaint and potential claim
- The Facilitator will categorise each complaint to ensure the complaint is handled appropriately
- The Facilitator will investigate the complaint and review the file and or transaction/s which gave rise to the complaint, discuss his or her preliminary findings with all internal parties concerned and revert to the complainant with preliminary findings. Each complaint will be appropriately categorised (see section on "categorisation of complaints" herein below)
- Requests for supporting documents and/or additional information from the complainant where necessary will be communicated to the Complainant within 7 working days. In all instances the Facilitator will provide reasons for any decisions taken and communicate any anticipated deviation from the specified timelines directly to the Complainant
- If necessary, the matter will be referred to the relevant product supplier for a response and the complainant will be kept informed at all times of any development
- The Facilitator will, in consultation with the Key Individual/s and the FSP's appointed Compliance Officer formulate a joint response to the complaint. Where deemed necessary, an independent mediator could be appointed
- The Facilitator will revert to the complainant with a proposed solution, with the option of first escalating the matter to the Managing Director of the FSP, within 14 working days of receipt.

In all instances the Facilitator will provide reasons for any decisions taken and communicate any anticipated deviation from the specified timelines

THE FACILITATOR, responsible for making decisions or recommendations in respect of complaints are;

- adequately trained;
- has the 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;
- is not subjected to any conflict of interest; and
- are adequately empowered to make impartial decisions or recommendations for and on behalf of the FSP.

6) CATEGORISATION OF COMPLAINTS

The FSP will categorise, record and report on all reportable complaints by identifying the category of each complaint received and considering to which group of complaint it most closely relates. The FSP will categorise all reportable complaints in accordance with the following minimum prescribed categories.

Complaints are categorised as complaints relating to;

- the design of a financial product, financial service or
- a service to clients, including complaints relating to premium or investment contribution collection or related service, including the fees, premiums or other charges related to that financial product or financial service;
- information provided to clients;
- advice given;
- financial product or financial service performance;
- lapsing of a financial product.
- financial product accessibility, changes or switches, including complaints relating to redemptions;
- complaints handling;
- insurance risk claims, including non -payment of claims; and
- any other issue which may have arisen

Any additional categories will also be considered by the Facilitator which may be relevant to the chosen business model, financial products, financial services and or client base of the FSP and that will support the effectiveness of the complaint management framework in managing conduct risks and effecting improved outcomes and processes for its clients.

7) DECISION MAKING WITH RELATION TO COMPLAINTS

The FSP's decisions in relation to complaint may comprise of the following:

- Any proposed settlement deemed appropriate. Where the complaint is upheld by the FSP, the FSP will make a compensation payment, goodwill payment or
- Suggest a remedy for the complaint or
- Dismissal of the complaint and the reasons why
- An apology (if applicable) and any disciplinary action that has been taken/shall be taken against the staff member/s involved

Any of the decisions mentioned herein above will be carried out without undue delay and within the agreed upon timeframe.

Where the complaint has not been resolved to the satisfaction of the complainant, the Facilitator will:

- 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 five years.

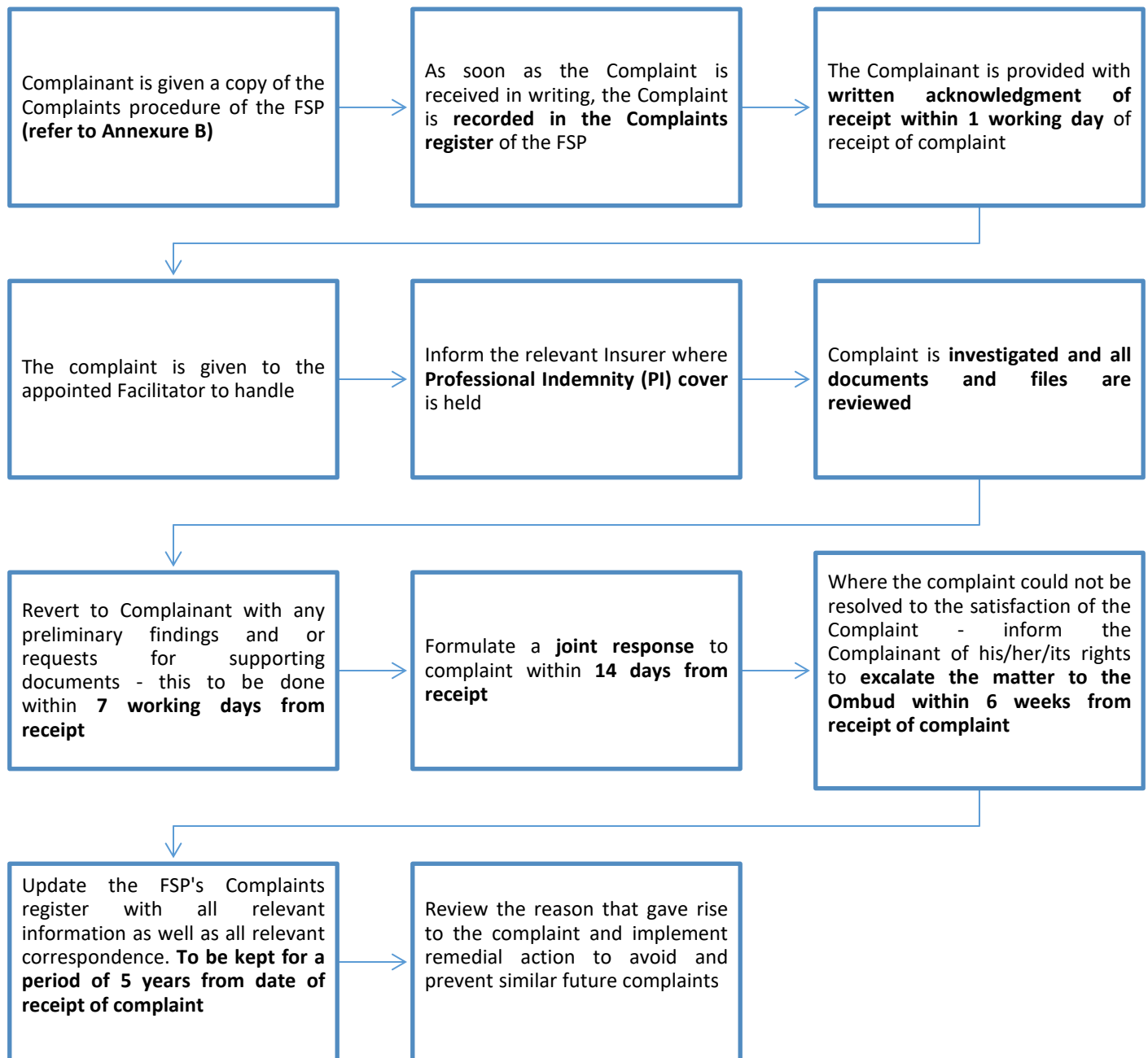
If, during the course of the specific enquiry, the Facilitator becomes aware that the complaint is of a NON-ROUTINE OR SERIOUS NATURE, the following steps will be taken;

- The matter will be referred to the FSP Key Individual
- The Key Individual will make a recommendation on how to proceed with the complaint. His/her response may suggest that the matter be referred to the Ombud for adjudication or that the matter be referred for an opinion to an Attorney and, if so, the Attorney's opinion will be sought

At the end of the process, the Facilitator will review the reasons that gave rise to the complaint and implement remedial actions in order to avoid and prevent similar complaints in the future.

Appropriate complaint record keeping, monitoring and analysis of each complaint will be made by senior management and all parties involved. This will ensure that all identified risks, trends and actions are taken into account and that the complaints management framework is functioning effectively.

8) FLOWCHART



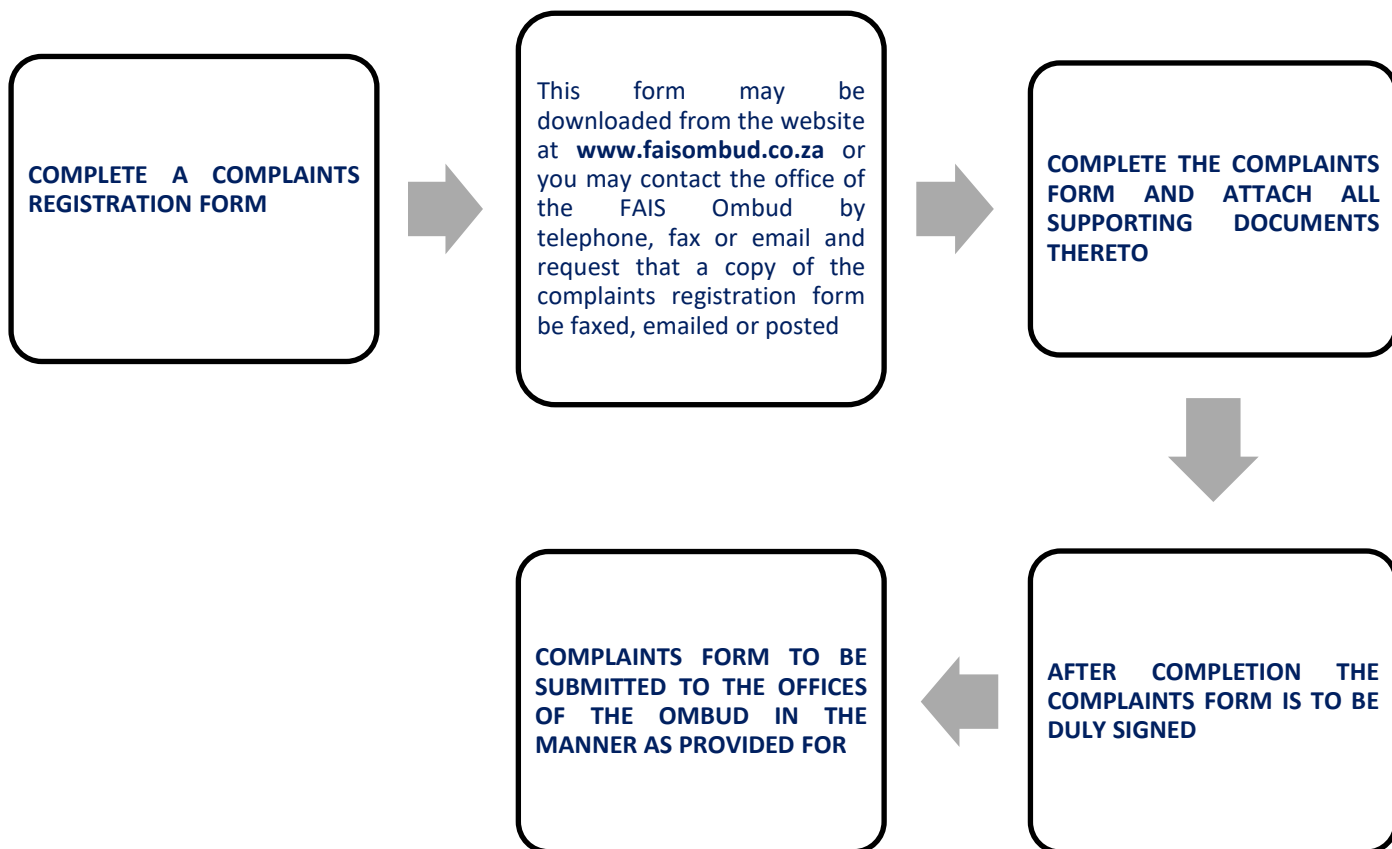
9) REVIEW OF POLICY

The FSP undertakes to review its complaints management framework on an annual basis and document any changes thereto in line with legislative changes. Any changes made will be effectively communicated to all relevant stakeholders.

10) CONTACT DETAILS OF THE FAIS OMBUD

<u>THE OMBUD</u>	<u>PHYSICAL ADDRESS:</u>	<u>CONTACT NUMBERS:</u>
ADV. NONKU TSHOMBE	Kasteel Park Office Park, Orange Building, 2nd Floor, 546 Jochemus Street, Erasmuskloof, Pretoria, 0048 <u>OFFICE HOURS</u> Monday – Thursday 8h00-16h30 Friday 8h00 – 15h30 <i>Closed on weekends and public holidays</i>	Telephone: +27 12 762 5000 / +27 12 470 9080 Sharecall: +27 86 066 3247 Facsimile: +27 86 764 1422 / +27 12 348 3447 Postal Address: P.O. Box 74571, Lynnwood Ridge, 0040 E-mail Address: info@faisombud.co.za Website: www.faisombud.co.za Enquiries on status of complaints: enquiries@faisombud.co.za

PROCESS TO FOLLOW TO LODGE A COMPLAINT WITH THE FAIS OMBUD



ANNEXURE C: REGISTER OF COMPLAINTS

Register to record complaints received against the FSP. The Complaints register records the following;

Date of Receipt of Complaint	Name & Surname of Complainant	Short Description of complaint	Category of complaint	Facilitator Appointed (Name & Surname)	Date claim was reported to PI Cover	Acknowledgement of receipt sent to Complainant	Supporting Documents received and kept on file
Outcome communicated to client	Was Complaint upheld OR rejected	If Complaint was rejected, provide the reasons for rejection	Complaints outstanding (not resolved)	If compensation payments or goodwill payments were made. Specify the amount	Was Complaint escalated internally?	Person internally involved in the complaint (specify Name & Surname)	Referred to Ombud and its Outcome
Learnings							

Note! The internal complaints register is kept on a separate excel spreadsheet