

# COMPLAINTS MANAGEMENT POLICY

As approved by the Board of Directors on 15.09.2011

Amended by Name:	Position:	Date:	Comments on changes	Approved by:
Valeriya Evseeva	Compliance Manager, MLCO	November, 2014	<ol style="list-style-type: none"> <li>1) Amendments are done with regards to the change of name from Otkritie Finance (Cyprus) Limited to Otkritie Capital Cyprus Limited</li> <li>2) Amendments with regards to the announcement of CySEC on 11.11.2014 and changes in the Directive DI144-2007-01 of 2012 for the authorisation and Operating Conditions of CIFs</li> <li>3) The Name of the Policy has been changed from "Client Complaint Policy &amp; procedure" to "Complaints management policy"</li> </ol>	Amendments are approved by the Complaints Committee of Otkritie Capital Cyprus on 17.11.2014. Amendments are approved by the BoD on 18.11.2014
Valeriya Evseeva	Compliance Manager, MLCO	November 2015	Amendments with regards to the Directive DI144-2007-01 of 2012	Amendments are approved by the Complaints Committee of Otkritie Capital Cyprus on 25.11.2015. Amendments are approved by the BoD on 30.11.2015
Valeriya Evseeva	Compliance Manager, MLCO	December 2015	Amendments with regards to the Circular C100 dated 07.12.2015 "Clients' Complaints Handling by CIFs"	Amendments are approved by the Complaints Committee of Otkritie Capital Cyprus on 8.12.2015
Valeriya Evseeva	Head of Compliance, MLCO	November 2017	Amendments with regards to the MiFID II requirements	Amendments are approved by the Complaints Committee of Otkritie Capital Cyprus on December 2017

## CLIENT COMPLAINT POLICY & PROCEDURE

As OCCL shall establish, implement and maintain effective and transparent complaints management policies and procedures for the prompt handling of clients' or potential clients' complaints, OCCL has developed this Policy & Procedure.

According to the Complaint Handling Rules, OTKRITIE CAPITAL CYPRUS LIMITED (hereinafter called the Company or "OCCL") must deal with any expression of dissatisfaction about any financial services activity provided or withheld by the Company.

OCCL is committed to providing the highest quality of service to all our clients. If a client is not satisfied with the quality of service provided, they have the right to complain. We will respond to all complaints promptly in a fair and confidential manner. We will keep a record of the complaints received and the measures taken for their resolution.

The Company will monitor complaints and the outcomes in order to improve the quality of service provision. The Compliance Department will monitor the operations of the complaints-handling process and consider complaints as a source of relevant information in the context of its general monitoring responsibilities. The Compliance Department will analyse complaints and complaints-handling data to ensure that they identify and address any risks or issues.

We will ensure that no client will in any way be disadvantaged as a result of making a complaint. **Clients and potential clients can submit complaints free of charge.** Our employees shall communicate with clients or potential clients clearly, in plain language that is easy to understand and reply to the complaint without undue delay.

To allow us to fully and fairly investigate a complaint, we would expect the client to make us aware of the cause of the complaint as soon as possible of the issue arising.

OCCL is part of an efficient and effective complaints and redress procedures for the out-of-court settlement of consumer disputes regarding investment and ancillary services.

### **1.1. Definition**

«Complainant» means any person, natural or legal, which is eligible for lodging a complaint to OCCL and who has already lodged a complaint.

«Complaint» means a statement of dissatisfaction addressed to OCCL by a complainant relating to the provision of investment services.

### **1.2. Policy**

Paragraph 13 of the Directive DI144-2007-01 of 2012 for the authorization and operating conditions of the CIFs states that: *'A CIF is required to establish, implement and maintain effective and transparent procedures for the reasonable and prompt handling of complaints or grievances received from retail clients or potential retail clients, and to keep a record of each complaint or grievance and the measures taken for the complaint's resolution'*.

The Policy is based on the Directive DI144-2007-01 of 2012 for the authorization and operating conditions of CIFs (paragraph 13) and Circular C100 Clients; Complaints Handling by CIFs dated 07.12.2015.

The clients' complaints obligations fall under the Managing Director and the Compliance Officer responsibility, who examines any complaints received from clients.

The board of directors is responsible for implementation of the policy and for monitoring the OCCL's compliance with it.

The policy is also included in the internal operation manual "Policies and Procedures Manual".

The policy should be available to all relevant staff and should be published on the official website of OCCL.

### **1.3. Procedures and Control**

The telephone number is provided on the company's website as well as the email and post addresses and the Managing Director and the Compliance Officer are responsible for scrutiny of a client's complaint.

Special file is dedicated to complaints and the Compliance Officer is responsible for recording on it of the customer complaint. **Once the complaint is recorded it shall never be deleted** and hence the resolution of the issue needs to be followed through and documented.

The following details are documented

- The details of the identity of the customer who filed the complaint.
- The service to which the complaint refers to.
- The details of the employee that undertook to provide the service to the customer.
- The department or organisational unit to which the employee relates to.
- The date of receipt of the complaint.
- Details of employees that undertook to provide the service to the client.
- Department to which the relevant employee relates to.
- The details of the complaint – full description, including dates, figures, amounts, etc.
- The extent in financial terms of the potential loss that the customer claims he/she has suffered or as it is derived from the content of the complaint.
- The date and in summary, the content of the reply of the company to the said complaint.

It should be noted that a complaint cannot be accepted if it does not meet the above requirements. In such cases the Company will contact the client and request that he/she corrects the complaint before it can be accepted.

The Compliance Officer and, if necessary the Managing Director, will liaise with the appropriate department to resolve the issue. The Compliance Officer and, if necessary the Managing Director, should do their best in order to ensure that complaints are investigated fairly and possible conflicts of interest are identified and mitigated

The Compliance Officer and, if necessary the Managing Director, should register the complaints they receive on an internal archive, as quickly as possible, and in an appropriate manner.

As soon as the Compliance Officer receives a complaint, the Compliance Officer should acknowledge the Complainant regarding the receipt of a complaint and provide written information regarding OCCL's complaints-handling process.

### **1.4. Complaints' Handling Process**

- The Complainant provides Otkritie Capital Cyprus Limited ("OCCL") with the Complaint.
- The employee, who receives the Complaint, ensures that all the required details are provided. In case not all the details have been submitted, the receiver of the Complaint requests the Complainant to provide the missing data.

The following information should be provided:

- The details of the identity of the customer who filed the complaint.
  - The service to which the complaint refers to.
  - The details of the employee that undertook to provide the service to the customer.
  - The department or organisational unit to which the employee relates to.
  - The date of receipt of the complaint.
  - Details of employees that undertook to provide the service to the client.
  - Department to which the relevant employee relates to.
  - The details of the complaint – full description, including dates, figures, amounts, etc.
  - The extent in financial terms of the potential loss that the customer claims he/she has suffered or as it is derived from the content of the complaint.
  - The date and in summary, the content of the reply of the company to the said complaint.
- As soon as the Complaint is submitted, the employee immediately notifies the Compliance Department and forwards the initial Complaint.
  - The Compliance Office registers the Complaint and notifies the Complainant regarding the receipt of the Complaint and provides the Complainant with the Complaints' Handling Process of the OCCL. The Complainant should be also informed of the unique registration number of his Complaint.
  - OCCL confirms, within **five** days, the receiving of the complaint to the complainant.
  - OCCL should communicate in a plain language which is clearly understood,
  - At the same time the Compliance Office registers the complaint in the Complaint's Register.
  - The Compliance Officer gathers and investigates all relevant evidence and information regarding the complaint.
  - Within 4 weeks from the date a complaint is received, the Company will send to the client a Final Response about the outcome/decision. During the investigation of the complaint, OCCL informs the complainant of the handling process of his/her complaint.
  - However if a complaint cannot be processed within this period, OCCL will inform the client in writing that the investigation is continuing, the reasons for the delay and when OCCL expects to be able to contact the customer again.
  - If the investigation is not concluded within 2 months of receipt of the complaint, OCCL must inform the client of the reasons for the further delay, indicating when it is likely to provide a final response. This period of time cannot exceed 3 months from the submission of the complaint.
  - When a final decision does not fully satisfy the complainant's demands, OCCL should notify in writing the complainant using a thorough explanation of its position on the complaint and set out the complainant's option to maintain the complaint e.g. through the Commission, the Financial Ombudsman, ADR Mechanism, or the relevant Courts.

Once the issue has been resolved the Compliance Officer documents the resolution of the complaint, inputs in to the system/register a closed status for the complaint, indicating description of taken actions.

The Compliance Officer shall on an on-going basis analyze complaints-handling data, to ensure that OCCLs employee identify and address any recurring or systemic problems, and potential legal and operational risks.

OCCL has formed a Complaints Committee. The Compliance Officer provides the Complaints Committee with the complaints received. The Compliance Committee reviews all the complaints and provides with the actions that should be undertaken. The Complaints Committee also provides with the advice on how to minimize the complaints from the customers (if and where applicable). The Complaints Committee reviews the Complaints Policy and provides to the Board of Directors the amendments to the policy for the approval. The Complaints Committee consists of the Chairman who is also the Managing Director of the Company, the Non-Executive Director, the Head of Risk Management and the Head of Compliance.

### **1.5. Maintaining Internal Register**

As soon as OCCL receiver the complaints, OCCL must register it in an internal register with an appropriate manner, as well as for easy reference and retrieval, OCCL should apply the following:

1. Upon receiving the complaint, OCCL must register the complaint directly to an internal register, giving it a unique reference number.

The unique reference number must be consisted of ten digits:

- the first two digits are the code of OCCL regarding the Transaction Reporting System - TRS (click here for the TRS code),
- the following four digits define the year, and
- the last four digits denote the number of each complaint serial number (e.g. for 2015 - AA20150001, AA20150002, for 2016 - AA20160001, AA20160002).
- The unique reference number is communicated to the complainant.
- OCCL informs the complainant that he should use the said reference number in all future contact with OCCL, the Financial Ombudsman and/or the CySEC regarding the specific complaint.

### **1.6. Submission of information to the CySEC**

- Every month, OCCL should provide to the CySEC information regarding the complaints it receives and how these are being handled.
- In particular, OCCL should complete every month (reporting month) the form XX\_yyyymmdd\_T144-002-01 (excel file, the 'Form') of Annex 1 and send it to the CySEC within five days after the reporting month. The 'Form' is sent in electronic form via the TRS.
- In case where OCCL did not receive any complaint within the reporting month, it should still send the 'Form'.
- In the event where OCCL has resolved and/or revised a complaint which was referred to the CySEC in a previous submission of the above mentioned 'Form', OCCL must complete all the fields of the 'Form' and select the 'U' from the column Record Type.

### **1.7. Documentation**

The Company will maintain all resolved complaints with notes for a minimum period of 5 years

after the termination of the business relationship. The electronic form of the client's complaint once the complaint is recorded will also be saved.

### **1.8. Other**

- The compliance's function risk-based monitoring programme shall take into consideration all areas of the firm's investment services, activities and any relevant ancillary services, including relevant information gathered in relation to the monitoring of complaints handling.
- The compliance function shall report to the management body, on at least an annual basis, on the implementation and effectiveness of the overall control environment for investment services and activities, on the risks that have been identified and on the complaints-handling reporting as well as remedies undertaken or to be undertaken.

The contact details of the complaints management function: +357-25-431456;  
[infocyprus@otkritiefinance.com.cy](mailto:infocyprus@otkritiefinance.com.cy)

The Procedure is available at the Company's business address and on the Company's web site,  
[www.otkritiefinance.com.cy](http://www.otkritiefinance.com.cy)

Business Address:

OTKRITIE CAPITAL CYPRUS LIMITED

42 Amathountos Avenue, Millios Bldg., office 2, 4532 Limassol, Cyprus

## Client Complaint Form

<b>Client Complaint Form</b>	
Details of the identity of the customer who filed the complaint	
Complainant _ Full Name	
Identification (passport number)	
Complainant E-mail	
Complainant Country	
The service to which the complaint refers to	
<input type="checkbox"/> Execution of Orders <input type="checkbox"/> Portfolio Management <input type="checkbox"/> Terms of contract/fees/charges	<input type="checkbox"/> Quality or lack of information provided to client <input type="checkbox"/> General administration including custody/safekeeping services <input type="checkbox"/> Other _____
Details of the complaint – full description	
Dates Figures Amounts Other core information	
Sum of Money involved (Potential loss that the customer claims he/she has suffered or as it is derived from the content of the complaint)	
Time and Date of the submission of the Complaint	
Client Signature (where applicable)	



## Register of the Complaints

<b>Complaint Number/Client Name</b>	1	2	3	4	5
<b>Client Complaint Form</b>					
Unique reference number					
Complainant _ Full Name					
Identification (passport number)					
Complainant E-mail					
Complainant Country					
The service to which the complaint refers to					
Details of the employee that undertook to provide the service to the customer					
Department or organizational unit to which the employee relates to					
Details of the complaint – full description					
Sum of Money involved (Potential loss that the customer claims he/she has suffered or as it is derived from the content of the complaint)					
Complaint Date					
Time and Date of the submission of the Complaint					
<b>FOR INTERNAL USE</b>					
Complaint received by (employees name)					

Time and Date the Complaint is submitted to Compliance Officer					
Actions Taken					
Initial Response within 2 days (OCCL notifies the Complainant regarding the receipt of the Complaint)					
Complaints' Handling Process is provided to the Complainant (Y/N)					
Client has been informed on Action Taken (Yes or No)					
Date when the Company sends to the client a Final Response					
In 4 weeks the Company submits to the client a Final Response (Y/N)					
If No, was the client informed client in writing that the investigation is continuing, the reasons for the delay and when OCCL expects to be able to contact the customer again (Y/N)					
Reasons for the delay					
In case of delays, the date when OCCL expects to be able to contact the customer again					
Investigation is concluded within 8 weeks of receipt of the complaint (Y/N)					
If No, was the client informed of the reasons for the further delay, indicating when it is likely to provide a final response (Y/N)					
Reasons for the delay					
Date when OCCL expects to provide a final response					
The final content of the final response					
Compliance Officer's Signature					