



Z E R I C H

Securities Limited

Effective from 01 December 2019

COMPLAINTS MANAGEMENT POLICY

1. About the Policy

- 1.1. The purpose of the Policy is to set the procedure to be followed and the appropriate action required to be taken by the Zerich Securities Limited (the Company) in the case of reception of any complaint or grievance by any client or potential client either this client is a retail client, professional client or eligible counterparty for the reasonable and prompt handling of complaints or grievances.
- 1.2. This Policy is defined and endorsed by the senior management and the Board of Directors of the Company, who will be responsible for its implementation and the monitoring the Company's compliance with it.
- 1.3. This Policy is included in the Company's internal operations manual.
- 1.4. The Policy is available to all relevant staff of the Company through adequate internal channels of communication.
- 1.5. The Company publishes details of their complaints-handling process on the Company's official website www.zerich.eu.
- 1.6. Complainants lodge complaints and receive responses free of charge.
- 1.7. The Policy does not apply to complaints or grievances that a client or potential client expresses by a method not prescribed in the Policy.
- 1.8. The Policy does not apply where the Company receives a complaint:
 - about activities other than those supervised by the CySEC pursuant to Article 4(3) of Regulation (EU) No 1095/2010 of the European Parliament and of the Council of 24 November 2010 establishing a European Supervisory Authority (European Securities and Markets Authority), amending Decision No 716/2009/EC and repealing Commission Decision 2009/77/EC;
 - about the activities of another entity for which the Company has no legal or regulatory responsibility (and where those activities form the substance of the complaint);
 - in a language other than in English or Greek.

However, the Company should respond, where possible, explaining the Company's position on the complaint and/or, where appropriate, giving details of other financial institution responsible for handling the complaint.

2. Definitions

In the Policy, except where it follows otherwise from the context -

“Commission” means Cyprus Securities and Exchange Commission;

“Complainant” means any person, natural or legal, who is eligible for lodging a Complaint with the Company or who has already lodged a Complaint.



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“Complaint” means a statement of dissatisfaction addressed to the Company by a Complainant relating to the provision of investment services.

“Policy” means this Complaints management policy.

3. Lodging a Complaint

- 3.1. If a Complainant has any objection concerning the provision of investment and ancillary services and/or the performance of investment activities, he/she is encouraged to submit a complaint at complaints@zerich.eu with the subject of e-mail «Client complaint». A Complainant should use the Client complaint form of Annex A to the Policy.

In case a representative lodges a Complaint for and on behalf of a Complainant, a copy of an authorisation document shall be attached to a complaint.

- 3.2. In case a staff member needs to complain or report an incident, this will be communicated to the Compliance Officer, who, according to the nature of the grievant will decide on further steps and the persons within the organisation that need to be notified, as well as any measures to be taken.
- 3.3. The complaint will initially be received by the Back-Office and will be registered in the internal register of the Company giving it a unique reference number as soon as possible. The unique reference number shall consist of ten digits:
- the first two digits are “ZE”,
 - the following four digits define the year, and
 - the last four digits denote the number of each complaint serial number (e.g. for 2019 - ZE20190001, ZE20190002, for 2020 - ZE20200001, ZE20200002).

The Back-Office confirms within 5 (five days) the receiving of the Complaint to the Complainant and informs the Complainant about unique reference number and that it should use the said reference number in all future contact with the Company, the Financial Ombudsman and/or the Commission regarding the specific Complaint as well as the process that will be followed when handling a Complaint (e.g. when the Complaint will be acknowledged, indicative handling time, the availability (where applicable) to contact the Commission or the Financial Ombudsman or ADR mechanism or the relevant Courts).

- 3.4. To be noted, that upon an absence of the Back-Office (e.g. in a case of illness, annual leave, training, etc.), the Executive Directors will be responsible to replace him. All principles regarding Conflict of Interest Policy will be implemented in such case.

4. Investigation

- 4.1. At the day of the registration of a Complaint in the internal register, the Head of the Reception and Transmission of Orders, the Head of Execution of Orders and the Compliance Officer shall receive notification of this from the Back-Office.
- 4.2. The documentation or other material that may assist in the resolution of the Complaint should be requested from the Complainant or the relevant Company's department and added in the Complaint's file.
- 4.3. The Back-Office Officer to whom the Complaint has been directed shall establish contact



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with the Complainant and attempt to achieve an adequate solution, under consideration of the Complainant's vested interests, as well as those of the Company. If this should not succeed, the Back-Office Officer shall inform his direct superior, who shall also attempt to formulate an appropriate solution. If this should also fail, the Senior Management shall be extensively informed, which will then contact the client and finally formulate a solution, under consideration of both parties' interests.

- 4.4. Within two months of the investigation of the Complaint, the Company must inform the Complainant in writing about the outcome of the investigation. In the event where the Company is unable to respond within two months, it must inform the Complainant of the reasons for the delay and indicate the expected period within which the investigation will be completed. This period cannot exceed three months from the submission of the Complaint.
- 4.5. The Company is required to analyse, on an on-going basis, complaints-handling data, to ensure that the Company identifies and addresses any recurring or systemic problems, and potential legal and operational risks, for example by:
 - a) Analysing the causes of individual complaints so as to identify root causes common to types of complaints,
 - b) Considering whether such root causes also affect other processes or financial means, including those not directly complained of; and
 - c) Correcting, where reasonable to do so, such root causes.

5. Responses and the final decision

- 5.1. During the investigation of the Complaint, the Company informs the Complainant of the handling process of its Complaint every 5 (five) business days.
- 5.2. Once the issue has been resolved, the person responsible (Back-Office Officer) will document the resolution of the Complaint and a closed status for the Complaint will be given indicating that the Complaint has been dealt with explanations and description of actions taken.
- 5.3. The Complainant should be informed of the final decision within the timeframe indicated in point 4.4 of this Policy.
- 5.4. The Complaints processing should be fully documented and added to each client/employee file it relates.
- 5.5. The following details must be documented and kept in records by the Customer Support in regard to complaints:
 - The details of the ID of the client who filed the Complaint/grievant.
 - The service to which the Complaint/grievant refers.
 - Details of the employee that undertook to provide the service to the client.
 - The department or organisational unit to which the employee relates.
 - The date of receipt of the Complaint/grievant.
 - The content of the Complaint/grievant in summary.



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- The extent in financial terms of the potential loss that the client claims he 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.

5.6. Records of all lodged and resolved complaints/grievances should be maintained for a minimum period of five (5) years.

6. Appeal

6.1. When providing a final decision that does not fully satisfy the Complainant's demands, the Company notifies 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.

6.2. A Complainant may use the following authorities to file an appeal against a final decision or in cases of a delay in a final decision:

a) The Commission:

Cyprus Securities and Exchange Commission

Office address: 19 Diagorou Str. CY-1097 Nicosia, Cyprus

Postal address: P.O BOX 24996,1306, Nicosia, Cyprus

Telephone: +357 22506600,

Fax: +357 22506700

Website: www.cysec.gov.cy

b) The Financial Ombudsman:

Postal address: 13 Lord Byron Avenue, 1096, Nicosia, Cyprus

Telephone: +357 22848900,

Fax: +357 22660584, +357 22660118

Website: www.financialombudsman.gov.cy

Complaints: complaints@financialombudsman.gov.cy

Financial Ombudsman: fin.ombudsman@financialombudsman.gov.cy

c) The Alternative Dispute Resolution mechanism (if applicable)

d) The relevant judicial authority (court)

7. Responsibility and Submission of information to the Commission

7.1. Every month, within five days after the reporting month, the Company provides to the Commission, in electronic Form, information regarding the complaints it receives and how these are being handled in accordance with Circulars C198, C338.

In the event where the Company did not receive any complaint within the reporting month, shall select "No" in the relevant field and shall submit the Form without completing any



further information.

The field requiring the number of clients at the end of the reporting period, concerns the clients who during the last six months have entered into at least one transaction.

In the event where the Company has resolved and/or revised a complaint which was referred to CySEC in a previous submission of the above mentioned Form, the Company must complete all the fields of the 'Form' and select the 'U' from the column Record Type.

- 7.2. The Compliance Officer is responsible for completing of information regarding the complaints to the Commission.

Annex A Client complaint form



Annex A Client Complaint form

Date:

Full name:

ID/Passport No:

Account No:

Contact details including email:

Complaint cause

Other (please specify in comments section below)

Please specify (only if you have chosen "other"):

Financial Instruments:

Other investment products/funds (please specify in comments section below)

Please specify (only if you have chosen "other"):

The date of the last correspondence with the Company's employee and the name of that employee:

A detailed summary of the events leading up to a complaint:

Expected resolutions/outcomes to rectify the situation:

Signature:

If you wish to lodge a complaint against Zerich Securities Limited, please, fill in this form, print, sign and send out it from your authorised email to compliant@zerich.eu.