



BANXSO (Pty) Ltd

COMPLAINTS POLICY

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1. Purpose of this policy

The purpose of this policy is to formally document the commitment of Banxso (Pty) Ltd ('Banxso', Provider or 'FSP') to establishing and maintaining a Complaints Policy along with procedures for the effective internal resolution of complaints. Clients will therefore be enabled to address their complaints in a formal and constructive manner which contributes to a better outcome in terms of the Treating Customers Fairly ('TCF') outcomes. This policy has been prepared in accordance with the FAIS Act and subordinate legislation.

2. Definitions

- 2.1. **'Advice'** means, subject to subsection (3)(a) of the Financial Advisory and Intermediary Services Act, 37 of 2002, (hereafter, FAIS Act), any recommendation, guidance or proposal of a financial nature furnished, by any means or medium, to any client or group of clients:-
 - 2.1.1. In respect of the purchase of any financial product;
 - 2.1.2. In respect of the investment in any financial product;
 - 2.1.3. On the conclusion of any other transaction, including a loan or cession, aimed at the incurring of any liability or the acquisition of any right or benefit in respect of any financial product; or
 - 2.1.4. On the variation of any term or condition applying to a financial product, on the replacement of any such product, or on the termination of any purchase of or investment in any such product,
 - 2.1.5. and irrespective of whether or not such advice:-
 - 2.1.6. Is furnished in the course of or incidental to financial planning in connection with the affairs of the client; or
 - 2.1.7. Results in any such purchase, investment, transaction, variation, replacement or termination, as the case may be, being effected;
 - 2.1.8. that results in the purchase, by the Complainant, of any product based on the advice.
- 2.2. **'Business Day'** means any day except a Saturday, Sunday, or public holiday.
- 2.3. **'Client Query'** means a request to the provider or the provider's service supplier by or on behalf of a client, for information regarding the provider's financial products, financial services or related processes, or to carry out a transaction or action in relation to any such product or service.
- 2.4. **'Complainant'** means a person who submits a complaint and includes a:
 - 2.4.1. Client;



- 2.4.2. Person nominated as the person in respect of whom a product supplier should meet financial product benefits or that persons' successor in title;
 - 2.4.3. Person whose life is insured under a financial product that is an insurance policy;
 - 2.4.4. Person that pays a premium or an investment amount in respect of a financial product;
 - 2.4.5. Member;
 - 2.4.6. 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
 - 2.4.7. or a person acting on behalf of a person referred to above.
- 2.5. **'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:-
- 2.5.1. 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;
 - 2.5.2. 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
 - 2.5.3. The provider or its service suppliers has treated the person unfairly.
- 2.6. **'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:
- 2.6.1. Goodwill payment;
 - 2.6.2. Payment contractually due to the complainant in terms of the financial product or financial service concerned; or
 - 2.6.3. 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 2.6.1 or 2.6.2.

- 2.7. **'Complaints Handling'** the process of attending to and resolving complaints including ongoing interaction with Complainants. It is expected that this process meets certain minimum standards.
- 2.8. **'Complaint Handling Employee(s)'** any person(s) that is responsible for making decisions or recommendations in respect of complaints generally or a specific complaint, this person must:
 - 2.8.1. Be adequately trained;
 - 2.8.2. Have an 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;
 - 2.8.3. Not be subject to a conflict of interest; and
 - 2.8.4. Be adequately empowered to make impartial decisions or recommendations.
- 2.9. **'Complaints Management'** means the management of the entire lifecycle of a complaint. This starts with the ease of process for the client to lodge complaints and the associated communication. It includes the way complaints are handled, recorded, resolved and quality controlled; the way people involved in complaints management processes are managed and trained; the way decisions are made; the way clients' trust is restored; the way the reports are compiled and analysed; and ultimately the way business learns from the feedback gleaned from complaints and takes corrective and proactive action accordingly.
- 2.10. **'Complaints Reporting System'** the set of electronic applications and related case management software used by Banxso for recording, classifying, routing, escalating, and resolving complaints received. In relation to the Complaints Management function as a whole, the system is used by Banxso to monitor, analyse, and report on the FSP's performance in relation to Complaints Management.
- 2.11. **'Evidence'** means the information Banxso has obtained in order to review, adjudicate and resolve a complaint and shall include all information submitted by the Complainant and shall be stored and recorded on the complaints management system or other repositories for storing and recording information. This shall include, but is not limited to, personal information and documents, claim forms, administration documentation, sales and other recordings, application forms, policy documentation, trade accounts and fees, trading history etc.
- 2.12. **'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.

2.13. **'Intermediary Service'** means, subject to subsection (3)(b) of the FAIS Act, any act other than the furnishing of advice, performed by a person for or on behalf of a client or product supplier:

2.13.1. The result of which is that a client may enter into, offers to enter into or enters into any transaction in respect of a financial product with a product supplier; or

2.13.2. With a view to:

- Buying, selling or otherwise dealing in (whether on a discretionary or non-discretionary basis), managing, administering, keeping in safe custody, maintaining or servicing a financial product purchased by a client from a product supplier or in which the client has invested;
- Collecting or accounting for premiums or other moneys payable by the client to a product supplier in respect of a financial product; or
- Receiving, submitting, or processing the claims of a client against a product supplier.

2.14. **'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 unreasonable provider's proposals to resolve the complainant.

2.15. **'Reportable complaint'** means any complaint other than a complaint that has been:

2.15.1. Upheld immediately by the person who initially received the complaint;

2.15.2. 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

2.15.3. 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.

2.16. **'Upheld'** means that a complaint has been finalised wholly or partially in favour of the complainant and that:

2.16.1. The complainant has explicitly accepted that the matter is fully resolved; or





- 2.16.2. It is reasonable for the provider to assume that the complainant has so accepted; and
- 2.16.3. 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.

3. Banxso's Commitment and Objective

- 3.1. Banxso values the support of its clients and places a strong emphasis on maintaining a long-term relationship that is open, transparent, and based on trust. In view of this, we have established a complaints' resolution procedure for the handling of complaints, and we encourage clients to provide us with feedback.
- 3.2. The aim of this policy is to give clear and concise rules to clients and the successful resolution thereof in ensuring the fair treatment of all clients. Our complaints processes and procedures are transparent, visible, and accessible. The process to lodge a complaint is communicated to our clients when they lodge a complaint and is available on our website www.banxso.com. Furthermore, clients will not be charged for lodging complaints with the FSP.
- 3.3. Banxso's commitment and objective towards complaints management is to:
 - 3.3.1. Ensure fair outcomes for clients;
 - 3.3.2. Protect and enhance the FSP's reputation;
 - 3.3.3. Allow for effective reporting, and identification of trends related to complaints;
 - 3.3.4. Achieve effective and timely resolution of complaints in respect of acceptable turn-around times;
 - 3.3.5. Provide guidelines for acknowledging complaints (and complaint communication) and for recording customer complaints in a centralised manner;
 - 3.3.6. Improve organisational effectiveness through learning from client feedback and root cause analysis;
 - 3.3.7. Ensure effective management of complaints, in line with this policy;
 - 3.3.8. Ensure effective engagement between the FSP and the FAIS Ombudsman;
 - 3.3.9. Restore and enhance relationships with complainants and non-complainants for the purpose of on-going business retention and growth;
 - 3.3.10. Ensure objectivity by the complaints handling employees in attending to and resolving a complaint.

4. Our duties





In terms of the provisions of the Financial Advisory & Intermediary Services Act, 2002 (“FAIS”), the Codes to FAIS, and the Rules of the Ombud for Financial Services Providers, Banxso will:

- 4.1. maintain records of complaints for a period of 5 years;
- 4.2. handle complaints from clients in a timely and fair manner; and
- 4.3. take steps to investigate and respond promptly to such complaints.

5. Complaints Procedure

It is important to note that with every step, we will keep you informed of the progress of your complaint as well as the expected time frames (20 business days). We ask that you provide us with all the requested information timeously to enable us to assist you effectively.

Step 1: Making a Complaint

Please refer your Complaint in writing to our Complaints Department by sending an email to complaints@banxso.com. Provide us with all the information related to your complaint such as your trading account number, sufficient facts, dates and supporting documentation.

Step 2: Receipt of the Complaint

Once your Complaint is received, the Complaints Department will acknowledge receipt by email within 1 business day. The acknowledgement email will contain:

- your Complaints Reference Number;
- this Complaints Policy which outlines everything you need to know about the complaints handling process;
- a request for the initial information required from you, if any;
- contact details of the persons assisting you with your Complaint;
- escalation and review process if you are not satisfied with the outcome of the Complaint (please refer to this Complaints Policy);
- expected turnaround times to finalise the matter (20 Business days); and
- any other information which may be relevant to the smooth and speedy resolution of the Complaint.

Step 3: Investigation of the Complaint

The Complaints Department will investigate your Complaint by gathering and reviewing all information and evidence from the relevant sources. This process may include requesting further information from you. This investigation will also consider all relevant laws, regulations and guidelines including Treating Customers Fairly (TCF) Outcomes and the General Code of Conduct (GCOC).





Step 4: Complaint Outcome

After the Complaints Department concludes the investigation, they will provide you with the Complaint Outcome in writing and request that you confirm by email whether you are satisfied with the proposed complaint outcome.

You will receive your Complaint Outcome as soon as practically possible subject to the complexity and nature of the Complaint by **no later than 20 Business Days** after lodging your complaint in writing.

Step 5: Escalation

In the event that **20 business days elapses (passes) and you are not satisfied with the complaint outcome**, Banxso will reassess your complaint and attempt resolution or refer you to the FAIS Ombudsman.

Your Complaint Outcome will either be to your satisfaction (Step 4A) or not to your satisfaction (Step 4B).

It is imperative for you to inform the Complaints Department if you are satisfied or dissatisfied with your complaint outcome and the following steps below should be followed.

Step 5A: Satisfied with the Complaint Outcome

If you are satisfied with the Complaint Outcome, please confirm this in writing so we may proceed with the proposed resolution as indicated on the Complaint Outcome.

Step 5B: Dissatisfied with the Complaint Outcome

If you are dissatisfied with the Complaint Outcome, you must request for the Complaint to be escalated to Banxso's senior management and provide reason for your dissatisfaction. Banxso will escalate your complaint and provide you with final feedback. If you are satisfied with the outcome of the escalation, we will implement that outcome.

However, if you are still unsatisfied with the outcome of the escalation, you are entitled to approach the FAIS Ombudsman as an alternative procedure. It is important to note that according to the FAIS Ombud Rules, Banxso has 6 weeks to resolve the Complaint (from the time of receipt), if they fail to resolve your Complaint, you may submit your Complaint to the FAIS Ombud. You have to submit your complaint to the FAIS Ombudsman within 6 months after receiving the final outcome of your Complaint.

6. Alternative Resolution Procedures

Banxso should always be given the opportunity to resolve the Complaint. Banxso legally has 6 weeks within which to resolve a Complaint from date of receipt. However, Banxso's target is to resolve all Complaints within



a maximum period of 20 business days. If a Complainant does not feel satisfied with the response from Banxso (the final Complaint Outcome), a complainant may follow any of the below procedures:

- 6.1. If the Complainant is not satisfied with the response received from the dedicated Banxso employee, namely the Client Relations Officer, the complainant may appeal or request an escalation to senior management.
- 6.2. Submit a formal complaint to the FAIS Ombud's Office within 6 months of receiving Banxso's final complaint outcome response.
- 6.3. Approach the small claims court.
- 6.4. Consult with an attorney to pursue the matter by means of further legal action.

7. FAIS Ombud Rules on Proceedings

Details of the duties of the provider and rights of the complainant as set out in the rules applicable to the relevant ombud.

Timeframes for the resolution of Complaints in terms of the Rules on Proceedings of the Office of the Ombud for Financial Services Providers, 2002.

- 7.1. **First 3 weeks:** Whilst the Complaints Resolution Procedure, as outlined in this document, has provided the timeframes for the escalation of complaints, in terms of the Rules of the Ombud's Office, a complaint must be acknowledged together with contact details of the relevant person if the complaint cannot be addressed by Banxso's Complaints Department within 3 weeks of its receipt.
- 7.2. **Total of 6 weeks:** In terms of the Rules, a further 3 weeks (a total of 6 weeks from receipt of the complaint) is available for resolution of the complaint. If Banxso's Complaints Department is unable to resolve the complaint to the satisfaction of the complainant within 6 weeks of receipt of the complaint, the responsible person (depending on level of escalation reached) must advise the complainant of his/her right to refer the complaint to the office of the Ombud within 6 months of receipt of the final notification in respect of the complaint.
- 7.3. **Requirements for submitting a complaint to the Office of the Ombud:**
 - 7.3.1. The Complaint must fall within the ambit of the FAIS Act and the Rules.
 - 7.3.2. Banxso's Complaints Department must have failed to address the complaint satisfactorily within 6 weeks of its receipt.
 - 7.3.3. The act, or omission, complained of must have occurred at a time when the Rules were in force.





7.3.4. The complaint must not constitute a monetary claim in excess of R800 000 unless Banxso and its Associates have agreed in writing to this limit being exceeded or the complainant has abandoned the amount in excess of R800 000.

7.3.5. The complaint must not relate to investment performance of a financial product which is the subject of the complaint, unless such performance was guaranteed expressly or implicitly, or such performance appears to the Ombud to be deficient as to raise a prima facie presumption of misrepresentation, negligence or maladministration on the part of the person against whom the complaint is brought.

7.3.6. The complainant must endeavour to resolve the complaint with Banxso and its Associates prior to submitting a complaint to the Office of the Ombud.

7.3.7. The complainant must satisfy the Ombud of this and provide the final response (if any) from the Banxso's Complaints Department as well as the complainant's reasons for disagreeing with the response.

7.3.8. A complaint must be accompanied by available documentation in the complainant's possession.

7.4. Case fees, costs, and interest

7.4.1. The Ombud may require the complainant to pay a case fee not exceeding R1 000.00 to the Office of the Ombud when accepting a complaint.

7.4.2. The case fee is not refundable irrespective of the outcome of the matter.

7.4.3. When making a final determination, the Ombud may grant costs against Banxso, its Associates or the complainant, in either case in favour of the other party to the complaint or in favour of the Office of the Ombud.

7.4.4. Any award of interest and costs forms part of the relevant final determination of the Ombud.

7.5. Contact Details

DETAILS OF THE FAIS OMBUDSMAN	
Telephone	+27-12-762-5000
Share call:	+27-86-066-3274
Email address	info@faisombud.co.za
Postal address	P O Box 41, Menlyn Park, 0063
Website	www.faisombud.co.za

