affinity
GROUP FINANCIAL SERVICES
A Member of The Affinity Group

Internal Complaint Handling Procedures for Staff

It is inevitable even within the best run organisations that there will be occasions when individual customers are not happy with the service provided. In such circumstances, customers complain.

We will ensure any complaint can be made free of charge and the contact number for making a complaint will not involve a premium rate number.

You need to be clear as to what constitutes a complaint. This is defined as:

> Any situation where an individual has expressed dissatisfaction, whether justified or not, either orally or in writing, about the firm's provision of, or failure to provide, a financial service or a determination of redress.

You should be vigilant to any complaint or, indeed potential complaint, involving the firm, which alleges:

- a breach of FCA Rules or guidance, or
- a failure to comply with any obligation arising under or by virtue of the Financial Services and Markets Act 2000, or
- negligence, a breach of a term of any customer agreement or any enactment or other rule of law which may be applicable to the business of the firm, or
- misrepresentation, bad faith or other malpractice, or
- financial loss, material distress or material inconvenience.

Should you receive a complaint, whether verbally or in writing, or suspect that a situation may give rise to a complaint, you must notify the Compliance Officer immediately, who will deal with the complaint.

You should not initiate contact with the customer until the Compliance Officer has informed you, in writing, that it is permissible to do so.

Once the Compliance Officer is in receipt of the complaint it will be immediately recorded within the complaints register.

Following this, an initial assessment will be carried out to determine if an immediate resolution can be made. Where this is possible, the complainant will receive a written summary of our findings and conclusion (summary resolution). Where this is accepted within 3 business days (by the close of the third full day) the case will be closed.

Where this is not possible, a written acknowledgement will be issued to the complainant within 5 business days and will set out the basis, or understanding, of the complaint.

A copy of our 'dealing with your complaint' leaflet will be included within either of these communications.

We will ensure the complainant is kept informed of the progress of the measures being taken for the complaint's resolution.

1 Notification to PI Insurers

On receipt of a complaint, our PI Insurer will be notified immediately. This applies to all complaints.

Notification to the FCA

We are required to notify the FCA about situations likely to have a material impact on our firm. This includes complaints or emerging redress where it:

- May lead to the firm paying redress that will have a negative impact upon the firm's capital adequacy.
- Has led or may lead to comparatively high numbers of complaints compared with the last RMAR return.
- May lead to two or more consumers losing in excess of £10,000.
- May adversely affect at least 40% of the customers of a financial service we provide.
- May lead to the firm paying a significant financial sum in redress if the firm, FOS or court upholds a complaint. This is considered to be a sum in excess of £10m or 50% of the firm's previous year's annual revenue.

Where necessary, the Compliance Officer, should notify the FCA using the Firm Notification Form (SUP 15).

Appropriate Investigation of Complaints

We will ensure that all complaints are investigated by an individual with sufficient competence and experience who, where appropriate, was not directly involved in the matter giving rise to the complaint.

We will aim to resolve any complaints as quickly as possible.

The person responsible for the investigation of the complaint (usually the Compliance Officer) will examine, in detail, all documentation in relation to the complaint and will interview, where appropriate, any staff with an involvement in the content of the complaint. Communication

with any connected parties will be fully recorded on the complaint file as will copies of all correspondence.

Additional information will be requested as necessary to investigate the complaint fully.

We will endeavour to resolve complaints at the earliest possible opportunity and within 8 weeks of its receipt. This will minimise the number of unresolved complaints which need to be referred to the Financial Ombudsman Service.

We will then issue a final response. If however we are not in a position to issue this within the above time period, a letter will be sent to the complainant explaining:

1. the reason for the continued delay
2. when the firm anticipates being able to provide a final response
3. the right of the complainant to refer the matter to the Financial Ombudsman Service and enclosing a copy of the Financial Ombudsman Service's leaflet

Financial Ombudsman Service time limits

Our summary resolution communication and final response letters will make it clear to the complainant whether the firm is willing to waive the time limits for cases referred to the FOS.

Where the firm receives a complaint which is outside the time limits for referral to the FOS, the firm will contact the complainant to discuss and consider whether there are exceptional circumstances for missing the deadline and consider matters such as a period of serious ill health, or a bereavement at the relevant time in question.

The Final Response

Once all enquiries are complete, the Compliance Officer will draft a response for issue to the complainant.

Where redress is appropriate, we will provide the complainant with fair compensation for any acts or omissions for which it was responsible. The Compliance Officer has the necessary authority to offer redress.

We will comply with redress offers accepted by the complainant. Redress need not be financial and could include, for example; an apology. The final response letter will explain the complainant's right to refer the matter to the Financial Ombudsman Service and enclose a copy of the Financial Ombudsman Service's leaflet.

The response will also indicate that the complainant has a six-month timescale to refer the matter to the Ombudsman, which commences on the date that the final response is issued by the firm.

The result of the investigation will be entered into the Complaints Register

A complaint will be deemed closed:

- Once the investigation has been completed and a final decision letter has been issued to the complainant; or
- Where we receive confirmation that the complainant is satisfied with the outcome of the investigation and a summary resolution communication has been issued (resolved within three business days from receipt); or
- Where the complainant has indicated in writing acceptance of the firm's earlier response, where appropriate

Co-operation with the Ombudsman

We will co-operate at all times with the requirements of the Financial Ombudsman Service and comply promptly with any settlements or awards made by it.

If the case is referred to the Ombudsman, the Compliance Officer will submit a report along with any supporting documentation.

Record Keeping

We will keep a record of each complaint received and the measures taken for its resolution, and retain that record for a minimum period of:

1. At least 5 years where the complaint relates to MiFID business; and
2. Three years for all other complaints.

Disciplinary action

In instances where the conduct of a particular adviser may require more direct action and disciplinary action may be required. The following procedure will be followed by the firm:

1. Training/Development need identified.
2. Appropriate coaching undertaken and documented.

In the event of a continued shortfall in performance;

3. Formal letter issued by the Compliance Officer stating the nature and extent of the firm's concerns and requiring the remedial action to resolve the situation is taken within fourteen days.

If matters have not improved;

4. Final letter issued by the Compliance Officer stating the matter must be resolved within a further seven days.

If the matter remains outstanding;

Adviser should no longer be permitted to advise customers in connection with their Finance requirements.

Conduct Rules, the Certification Regime and Regulatory References

The firm will need to consider:

- whether the matter may need to be reported under the Conduct Rule breach notification requirements
- whether the outcome will affect an adviser's certification under the Certification Regime (where appropriate)
- retain records relating to competence and capability for the purpose of the regulatory reference regime.

Complaints about other firms

Where a complaint is received in respect of advice provided by another firm, it is important that the customer is treated fairly. In such circumstances, the complaint should be acknowledged promptly. Once we are satisfied that the other firm is responsible, the customer should be provided with the contact details of the firm concerned in the form of a final response letter.

Additionally, a copy of the complaint should be forwarded to the firm concerned requesting that they make contact with the complainant.

Where there may be a joint liability in relation to a complaint, the procedure discussed above should be followed as well as the firm responding to part of the complaint that is relevant to it in accordance with the complaint's procedures.

Such complaints should be recorded within the complaints register.

Where we receive a referred complaint, it should deal with the complaint in accordance with our standard complaints procedure with time limits applying from the date on which we receive the complaint referral.

Data Protection Complaints

Where a data protection complaint is received, the compliance officer/ data protection officer should be notified immediately. In line with standards set out in Data Use and Access Act 2025, we must acknowledge, to the complainant, the complaint within 30 calendar days of receipt.

Without undue delay, we must make appropriate enquiries and keep the complainant informed. Once we have determined the outcome of the complaint, we will promptly inform the complainant. In our communication to them, we must make them aware that they can refer the matter to the ICO should they be dissatisfied with our response.

As part of the process, we must conduct a root cause analysis, including identifying whether this could have affected others who may not have complained.

Management information

All complaints will be notified to the firms Compliance Officer. The firm will maintain a Complaints Register. This will provide management information which will allow the Compliance Officer to look at the underlying reasons for complaints and where required conduct a root cause analysis to identify recurring or systemic failings. These findings will be shared with Senior Management within the firm.

Where systemic issues are identified the Compliance Officer will investigate the impact of other customers who have potentially been disadvantaged and take appropriate and proportionate measures to ensure that those customers are given appropriate redress or a proper opportunity to obtain it.

Where the complaint matter is upheld, the firm will look to adapt the sales process to prevent future occurrences, and where necessary ensure adequate training is undertaken to address the symptom of the complaint. This firm is committed to learning from complaint scenarios in order to deliver good outcomes.