



Complaint Handling Policy

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1 Introduction

The rules of the Financial Conduct Authority (FCA) require us to have in place effective and transparent procedures for the fair and prompt handling of complaints, and to recognise that complaints require resolution. Further to this, Principle 6 of the FCA's Principles for Businesses stipulates that "A firm must pay due regard to the interests of its customers and treat them fairly".

This document sets out the complaints handling procedures we will follow if we receive a complaint.

2 Application

2.1 Eligible Complainants

The FCA specifies that we must apply these procedures to a complaint received from an eligible complainant. These are:

- consumers – defined as "any natural person acting for purposes outside his trade, business or profession". This includes professional clients and eligible counterparties where the person is an individual acting for purposes outside his trade, business, craft or profession;
- micro-enterprises - a micro-enterprise is a business that has fewer than 10 employees (or FTE equivalent) and that has a turnover or annual balance sheet not exceeding £2m at the time that the complainant refers the complaint to us;
- charities that have an annual income of less than £1m at the time that the complainant refers the complaint to us;
- trustees of trusts, which have a net asset value of less than £1m at the time that the complainant refers the complaint to us.

Unless they are a consumer, the following are not eligible complainants:

- a firm, payment service provider, electronic money issuer, consumer buy to let firm or voluntary jurisdiction participant:
 - whose complaint relates in any way to an activity which it itself has permission to carry on; or
- a complainant, other than a trustee of a pension scheme trust, who was categorised by the firm as :
 - a professional client; or
 - an eligible counterparty.

We are only required to apply the FCA's rules on complaints to eligible complainants. However, we have determined that we treat all complainants equally, notwithstanding that only complainants fulfilling the criteria set out above may refer their complaint to the Financial Ombudsman Service (FOS) if they are not satisfied with the way that we have handled their complaint.

2.2 Nature of the Complaint

The FCA's definition of a complaint is:

"Any oral or written expression of dissatisfaction, whether justified or not, from, or on behalf of, a person about the provision of, or failure to provide, a financial service or a redress determination, which: (a) Alleges that the complainant has suffered (or may suffer) financial loss, material distress or material inconvenience; and (b) relates to an activity of that respondent, or of any other respondent with whom that respondent has some connection in marketing or providing financial services or products, which comes under the jurisdiction of the Financial Ombudsman Service".

2.3 Territorial Scope

These procedures apply to complaints that we receive concerning activities carried on by us, or our Appointed Representatives, from our United Kingdom office.

3 Consumer Awareness – Complaints Procedure

The FCA requires us to publish appropriate information about our complaints procedures. This should cover how we will fulfil our obligations to handle and resolve relevant complaints and that, if relevant, where complaints are not resolved, the complainant may be entitled to refer the complaint to the FOS.

We must make eligible complainants aware of the availability of this information. This must be in writing at, or immediately after, the point of sale. Or, where no sale is involved, at, or immediately after, the point when contact is first made with that eligible complainant. We must also provide information about the FOS, including its website. This will be done on in our contract with the client. We are also required to provide appropriate information when we acknowledge a complaint, as set out below.

4 Receiving Complaints

The FCA requires us to allow complaints to be made by any reasonable means and to be made free of charge. This may include by letter, fax, email, telephone or in person. If we receive a verbal complaint, the employee receiving the complaint should make a note of the substance of the complaint as soon as possible.

Complaints must be promptly referred to our Compliance Officer, Wiebke Baehr. In the event that the Compliance Officer is involved in the subject matter of the complaint, the complaint should be referred to another member of senior management who is not involved.

4.1 Receiving Complaints via Telephone

For all complaints received via telephone, the eligible complainant must not be bound to pay more than the 'basic rate' (defined as the simple cost of connection) and does not provide us with a contribution to our costs or revenues.

5 Acknowledging Complaints

5.1 Complaints from Clients who are Eligible Complainants

We should promptly acknowledge a complaint in writing, providing the name and title of the person within our firm handling the complaint, and provide appropriate information about our complaints procedures.

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

5.2 Complaints from Clients who are not Eligible Complainants

We should promptly contact the complainant to explain that whilst the FCA requirements do not apply to our treatment of the complaint, we will act as though they do. However, the complainant will not be able to refer the complaint to the FOS if not satisfied with the way that we have handled the complaint.

6 Investigating Complaints

6.1 Investigating the Specific Complaint

We should investigate the complaint competently, diligently and impartially. We should promptly assess the specific circumstances surrounding a complaint by reviewing all appropriate records and speaking to the

individuals involved, with a view to deciding whether the complaint should be upheld and whether any remedial action and/or redress may be appropriate. The criteria that may be considered when determining whether a complaint should be upheld include:

- whether we have breached a rule set out by the FCA;
- whether we have acted unreasonably;
- whether there has been an administrative or trading error;
- whether we have received similar complaints from other complainants, perhaps indicating a systems or processes failure on our part; and
- any relevant FCA guidance.

We should also consider, where appropriate, whether another firm may be solely or jointly responsible for the matter alleged in the complaint (see section on Forwarding Complaints).

6.2 Taking account of Ombudsman Decisions

The FCA requires us to put in place procedures to ensure lessons learnt as a result of determinations by the FOS that are effectively applied when investigating complaints. To ensure we take appropriate account of decisions and guidance produced by the FOS, the FCA and other relevant regulators we operate the following management processes:

- FOS decisions are fed back to individual complaint handlers and used in their training and development;
- FOS decisions are analysed and communicated to relevant staff; and
- Guidance produced by the FOS, the FCA and other relevant regulators is analysed and communicated to relevant staff.

Given the nature and scale of our business, the Compliance Officer, Wiebke Baehr, is responsible for the analysis and communication of FOS decisions and guidance, including guidance produced by the FCA and other relevant regulators and ensuring this is used in the training and development of complaint handling staff.

6.3 Complaint Analysis

We must identify and remedy any recurring or systemic problems and therefore minimise the risk of compliance failures, for example, by:

- analysing the causes of individual complaints so as to identify root causes common to types of complaint;
- considering whether such root causes may also affect other processes or products, including those not directly complained of; and
- correcting, where reasonable to do so, such root causes.

Where we identify recurring or systemic problems, we will consider whether other customers may have suffered detriment from, or been potentially disadvantaged by, such problems but who have not complained. If so, we will take appropriate and proportionate measures to ensure that those customers are given appropriate redress or a proper opportunity to obtain it.

We will provide management information on the causes of complaints and the products and services complaints relate to, including information about complaints that are resolved by the firm by close of business on the business day following receipt. Senior Management will also be informed of recurring or systemic problems.

The Cresco Capital Markets (UK) Ltd Board meets on a quarterly basis and reporting on complaints will form part of the Compliance Report prepared and presented by the Compliance Officer.

7 Resolving Complaints

We must keep the complainant informed of the progress of the measures we are taking to resolve their complaint. Further, we are required to aim to resolve complaints at the earliest opportunity to minimise the number of unresolved complaints that need to be referred to the FOS.

7.1 Complaints Resolved by the Close of the Third Business Day

If a complaint is resolved by the close of the third business day following the day that we receive the complaint, the following process must be followed.

A complaint is resolved where the complainant has indicated acceptance of a response from the firm, with neither the response nor acceptance having to be in writing.

Where we consider a complaint resolved under this section, we will send the complainant a 'summary resolution communication', being a written communication that:

- refers to the fact that the complainant has made a complaint and informs them that we now consider the complaint to be resolved;
- tells the complainant that if they subsequently decide that they are dissatisfied with the resolution of the complaint, they may be able to refer the complaint to the FOS;
- indicates whether or not we consent to waive the relevant time limits by which the complainant must have referred their complaint to the FOS;
- provides the website address of the FOS; and
- refers to the availability of further information on FOS's website.

In addition to sending a complainant a summary resolution communication, we may also use other methods to communicate with them, where we consider that doing so may better meet the complainant's needs (e.g. via telephone for complainants who are visually impaired) or where we have already been using another method to communicate about the complaint.

7.2 Timeframe for Resolving Complaints not resolved by the Close of the Third Business Day

The FCA requires complaints to be handled and resolved promptly. Specifically, within eight weeks of receiving a complaint, we must ensure that we have either reverted with a final response (see below) or provided a written response that:

- explains why we are not in a position to provide a final response and indicate when we might be able to;
- informs the complainant that they now have the right to refer to the FOS (if an eligible complainant);
- encloses a copy of the FOS's standard explanatory leaflet (if an eligible complainant); and
- provides the website address of the FOS.

7.3 Final Response

Once the individual within our firm investigating the complaint has fully considered the subject matter of the complaint and whether the complaint should be upheld, we should write to the complainant. This must be in a way that is fair, clear and not misleading and includes the following:

- provide an assessment of the complaint, whether or not we accept the complaint, and where appropriate make an offer for redress or remedial action;
- offer redress or remedial action without accepting the complaint; or
- reject the complaint, providing reasons for doing so.

In this response, we must:

- enclose a copy of the FOS's standard explanatory leaflet (if an eligible complainant);
- provide the website address of the FOS;
- (if an eligible complainant) explain that if they remain dissatisfied with our response, they may now refer the complaint to the FOS, and must do so within six months of us sending our Final Response; and
- indicate whether we consent to waive the relevant time limits. The FCA sets out specific wording to be used in [DISP 1 Annex 3](#).

We must act promptly if a complainant accepts any offer of redress or remedial action that we have made.

7.4 Complainant's Written Acceptance

The complainant may, at any time, accept a response provided by us, whether that response is our final response or simply an interim response pending our full investigation of their complaint. We can close a complaint if we receive such an acceptance. This is provided that we inform (or have informed) the complainant how to pursue the complaint with us if they remains dissatisfied, and that we set out in the text of our response that the complainant retains the right to refer the complaint to the FOS (if an eligible complainant).

For the avoidance of doubt, we are not required to comply further with the obligations set out in sections 7.2 and 7.3 if the complainant has provided a written acceptance to a response provided by us.

8 Forwarding Complaints

8.1 Forwarding a Complaint to another Firm

If we believe that another firm is either solely or jointly responsible for the matter alleged in a complaint that we receive, we may forward the complaint or the relevant part of it in writing to the other firm provided that we:

- Do so promptly;
- Inform the complainant in our final response why we have forwarded the complaint to another firm, and provide the contact details of that firm; and
- Where we are jointly responsible for the fault set out in the complaint, we comply with the complaints procedures with respect to the part of the complaint that has not been forwarded.

8.2 Receiving a Forwarded Complaint from another Firm

If we receive a forwarded complaint from another firm, we must treat the complaint as though it had been made directly to us on the date that the complaint was received by us. The time limits set out in this procedure will apply from the date we received the complaint.

9 Financial Ombudsman Service

A complainant that is an eligible complainant can refer a complaint to the FOS if they are not satisfied with the way that we have handled the complaint.

The complainant's rights are set out in the FOS's leaflet "Your Complaint and the Ombudsman" which must be provided to the complainant as part of the Complaints process (copies of this leaflet can be obtained by using the order form on the FOS website – www.financial-ombudsman.org.uk). This leaflet sets out the complainant's rights, including timeframes for referral to the FOS.

Where a complaint is referred to the FOS, we must cooperate fully with the FOS and comply promptly with any settlements or awards made by it (normally within four weeks).

Any correspondence with FOS must only be undertaken by a senior individual within the firm or, if undertaken by someone else, be signed off by that senior individual.

10 Closing Complaints

We may regard a complaint as closed in the following circumstances:

- Once we have sent a final response to the complainant;
- Where the complainant has indicated in writing their acceptance of an earlier response that we have sent to them; or
- For complaints referred to the FOS, when the FOS has informed us in writing that the complaint is closed.

11 Reporting to the FCA

Every six months, we are required to submit a report to the FCA regarding complaints received from eligible complainants. Data from all complaints, including those informally resolved must be reported. Our six-monthly reporting periods are aligned to our financial year-end and half-year and must be submitted to the FCA via GABRIEL within 30 days business days of these dates.

12 Complaint Data Publication

If we report 500 or more complaints to the FCA, we are also required to publish a summary of our complaints data. We publish this information on our website.

13 Record-Keeping

We are required to keep a record of each complaint received and the measures taken for its resolution and retain that record for at least 3 years from the date that the complaint was received.

14 Senior Management Oversight of Complaint Handling

To ensure complaint handling is given appropriate priority, Wiebke Baehr has been appointed as the senior individual in a FCA approved Governing Function with responsibility for oversight of the firm's compliance with the FCA's complaint rules.

While we are not required to notify the FCA or the FOS of the name of the individual, we must ensure that an appropriate individual is appointed and in place at all times so that, if requested, we can comply promptly with any request.

In addition, we are required to provide the FCA with details of a single contact point for complaints. This is done at the time of authorisation and is made public on the FCA Register. Should these details change, we must update the FCA's records.