

Franc Group (Pty) Ltd

Complaints Policy

1. Aim

It is the aim of this document to give clear and concise guidelines when receiving a complaint and the successful resolution of complaints in terms of the General Code of Conduct.

2. Scope

It is a requirement in terms of the General Code of Conduct as set out in Board Notice 80 of 2008 as amended that each FSP must have a complaints framework appropriate for the business model, services and clients and be proportionate to the nature, scale and complexity of the business risks. This policy is available to each client on request. It is important that all staff acquaints himself/herself with the contents of this document.

3. Allocation of requirements

Our team has taken responsibility for effective complaints management and is committed to effective implementation of this framework.

Franc has an appointed Complaints Officer who is the first port of call for all complaints and thereafter the management of all complaints until a complaint is resolved (complaints@franc.app). The Complaints Officer is adequately trained and has the appropriate mix of experience, knowledge and skills in complaints handling. The Complaints Officer is assisted by our Compliance Officer (compliance@franc.app).

4. Categorization of Complaints

A complaint is defined as “an expression of dissatisfaction” (oral or written) about the provision of, or failure to provide, a financial service. It alleges that the complainant has **suffered (or may suffer): financial loss; material distress; or material inconvenience** (as relating to the product or service provided). The complainant must allege that there was non-compliance, negligence, maladministration or that they have been unfairly treated. All reportable complaints are categorized as follows:

- 4.1 Product : Design of a financial product, financial service or related service, including the performance, fees or other charges related to that financial product or financial service;

- 4.2 Advice: Information or advice provided to clients;
- 4.3 Service: Service to clients, including complaints relating to premium or investment contribution collection or lapsing of a financial product;
- 4.4 Administration: Financial product accessibility, changes or switches, including complaints relating to redemptions of investments;
- 4.5 Complaints: Complaints handling;
- 4.6 Other

5. **Complaints escalation and review process**

Where the complaint is of the nature that cannot be resolved by the Complaints Officer, the external compliance officer is informed who in conjunction with the Key Individual will review the complaint and action is taken accordingly.

The Complaints Officer will review all complaints and if it can be resolved, such complaint is resolved immediately. Where a complaint is more complex or unusual, the Complaints Officer will escalate the complaint to the senior functionary who will resolve the case in an impartial manner. The Complaints Officer will manage the process to ensure the fair treatment of complainants and ensures an expedient outcome.

6. **Commitment**

- 6.1 Our Complaints Policy and Procedures will be made available to you on request
- 6.2 We will attend to any complaint timeously and fairly by first logging the complaint and providing you with a receipt.
- 6.3 TCF principles will be applied at all times when dealing with a complaint.
- 6.4 A register displaying all complaints from clients whether escalated to the FAIS Ombud or not, is kept and forms part of the Management information report dealt with at executive level. This will ensure that complaints are analysed, and changes effected where necessary
- 6.5 Where a client's needs have changed and the product is no longer appropriate, clients have the option to change their goals at any time.

6.6 All relevant staff are trained with regard to the resolution of complaints in accordance with the relevant provisions of the General Code of Conduct 80 of 2003 as amended.

6.7 Records of all complaints will be kept for a minimum period of 5 years. It is a statutory recordkeeping requirement in terms of FAIS, and as such, all your personal information (as per the Protection of Personal Information Act) submitted will similarly be held for this period. The information will be made available to/processed by our staff where required, as well as our compliance officer for audit purposes, the Regulator (FSCA) and any Ombud who has jurisdiction.

7. **Decision**

Once a decision regarding a complaint is taken, it is our commitment to make the compensation payment or any other action immediately without undue delay. If a complaint is rejected, we will provide the complainant with clear reasons for the decision and inform the client of escalation processes, including how to use them and any relevant time limits.

8. **Record keeping, monitoring and analysis of Complaints**

This framework includes a register where all complaints received are logged upon receipt. Once a complaint is received, a file is opened and all evidence and correspondence is filed in the complainant file. Complaints are categorised, progress of the complaint is logged.

On a monthly basis, the Audit & Risk Committee receives the following information:

8.1 Number of complaints received

8.2 Number of complaints upheld

8.3 Number of rejected complaints and reasons for the rejection

8.4 Number of complaints escalated to the internal complaints escalation process;

8.5 Number of complaints referred to an ombud and their outcome;

8.6 Number and amounts of compensation payments made;

8.7 Number and amounts of goodwill payments made; and

8.8 Total number of complaints outstanding

9. Procedure

When the Complaints Officer receives your complaint, he will:

- 9.1 Acknowledge receipt, in writing, within 2 business days and add your complaint to our internal complaints register
- 9.2 Your complaint will be allocated to our Complaints Officer for further investigation
- 9.3 We may ask for additional information if needed
- 9.4 We will investigate, attempt to resolve and respond within 21 days of receiving your complaint, or after receiving any additional information we require; You will be kept informed of the progress of the complaint and causes of any delay together with a revised timeline.
- 9.5 If we require further time to investigate the complaint, this will be communicated to you in writing
- 9.6 We will let you have our response in writing with full reasons for the decision taken.
- 9.7 In the event of us not being able to resolve the complaint or if you are not satisfied with our response, the complaint may be pursued, within a six (6) month's, with the FAIS Ombud, or any other Ombud who has jurisdiction, contact details below. Alternatively, you may approach your own legal counsel.
- 9.8 This procedure will be reviewed on an annual basis to ensure that service delivery to the client is acceptable and in line with TCF principles.

10. FAIS OMBUD Rules

Should your complaint be referred to the Ombud, the following must be kept in mind:

- 10.1 The FAIS Ombud will not adjudicate in matters in excess of R800 000
- 10.2 If you already instituted action in a court of law in respect of this complaint the Ombud will not consider the complaint
- 10.3 If the complaint was not resolved through a conciliated settlement, the Ombud may make a determination which has the same legal status of a civil court judgement.

10.4 An award of costs may be made against the person complained against.

10.5 An award of costs may be made against a complainant if the conduct of the complainant was improper or unreasonable, or if the complainant caused an unreasonable delay in the finalisation of the investigation.

10.6 The FAIS Ombud can be contacted telephonically at 0860 FAISOM (0860 324 766) or via email info@faisombud.co.za.

10.7 Further information on the FAIS Ombud is available at www.faisombud.co.za.