



M E R G E N C E

Complaints Handling Procedure

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1. Introduction

The Financial Advisory & Intermediary Services Act 2002 (“FAIS”) deals with complaints in some detail and the recourse mechanisms available to users of financial products and services. Specifically section 27(1) deals with the receipt of Complaints, prescription, jurisdiction and investigation.

All licensed financial service providers (FSP’s) will be required to have systems in place for the purpose of timely and efficient resolution of complaints within the specified timeframes. Within Mergence Investment Managers (Pty) Ltd (“Mergence”) and its subsidiaries it is the overall responsibility of the Chief Operating Officer of Mergence to co-ordinate the resolution of a complaint.

2. Definition of Complaint

Complaint means a specific complaint relating to a financial service rendered to the client on or after the date of commencement of FAIS, alleging that Mergence has:

- Contravened or failed to comply with a provision of FAIS and that, as a result, the client has suffered financial prejudice or damage;
- Wilfully or negligently rendered a financial service to the client which caused prejudice or damage to the client or which is likely to result in such prejudice or damage; or
- Treated the client unfairly.

3. Complaints procedure

We deal with complaints as follows:

- 3.1. Log the date and contents of the complaint in the Complaints Register. The complaint should be lodged with the Chief Operating Officer, Andy Howard via email on andy@mergence.co.za or via letter marked for his attention at PO Box 8275, Roggebaai, 8012.
- 3.2. If a complaint is not in writing, ask the client to lodge the complaint in writing.
- 3.3. Acknowledge receipt of the complaint in writing within 5 business days of receipt, and give the client the name(s) and contact details of the staff responsible for the resolution of the complaint (the Chief Operating Officer).
- 3.4. Investigate the complaint to ascertain whether the complaint can be resolved immediately.
- 3.5. If the complaint can be resolved immediately, take the necessary action and advise the client accordingly verbally and in writing.
- 3.6. If the complaint cannot be resolved immediately, send the client a written summary of the steps to be taken to resolve the matter and the expected date of resolution.
- 3.7. If unable to resolve the complaint within 2 weeks of logging the complaint in the Complaints Register, notify the client by means of a written acknowledgement. This will outline the current status of the complaint and the expected date of final resolution.
- 3.8. If unable to resolve the complaint within a further 2 weeks of the written acknowledgement (4 weeks since the complaint logged), notify the client giving full written reasons as to why the outcome was not favourable, and advise the client of their right to seek legal redress by referring the complaint to the Office of the Ombudsman for Financial Services Providers. (The client has also been advised of the Ombudsman’s details in the letter of introduction that was sent to the client initially).



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- 3.9. Notify the complainant that he/she has 6 months after receipt of such notification to refer the matter to the Ombud for Financial Services and Providers. The Ombud's name, address, telephone number and other contact details must be provided.
- 3.10. Update the complaints register with all developments/activities including the outcome of the Complaint.

4. Complaints process flow

Client lodges a complaint ...

If complaint is not in writing, ask for a written complaint

Complaint received, validated and logged as a new Complaint on Complaint register

Acknowledge receipt of complaint in writing within 5 business days

Complaint assigned & investigated

Resolve the complaint immediately or take the necessary action and advise the client of steps taken and expected date of resolution

Update the complaints register with all developments/ activities

Inform client in writing of the resolution of the complaint and the outcome

Notify the client if complaint is not resolved within 2 weeks –advise on status of the complaint

Notify the client of final outcome. This must be no later than 4 weeks since the complaint was logged/ Advise client of other options

