

# CLIENT COMPLAINT HANDLING PROCEDURE

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## General

This Client Complaint Handling procedure (“*this Procedure*”) is issued pursuant to and in compliance with Article 26 of COMMISSION DELEGATED REGULATION (EU) 2017/565 as regards organizational requirements and operating conditions for investment firms and defined terms for the purposes of that Directive, CySEC Circular C338 implementing the joined Guidelines on complaints-handling for the securities (ESMA) and banking (EBA) sectors ( JC 2018 35) and the best practice on the matter existing in the EU that applies to Veles International Limited (“*VIL*”).

This document sets out VIL’s process to be followed when handling a complaint, aiming to ensure reasonable and prompt handling of complaints or grievances received from retail clients or potential retail clients, proper record-keeping of each complaint, as well as appropriate, timely and fair complaint’s resolution, informing clients and reporting complaints to the CySEC.

Irrespective of the time limits set out in this Procedure VIL will always strive to perform all the required actions, including providing confirmations, conducting investigations and responding to the clients, in as short period of time as possible taking into account the nature and the complexity of particular complaints and underlying transactions, as well as the time passed.

All complaints filings, investigations, responses and other actions associated with client complaints handling process and indicated in this Procedure are free of charge.

## Definitions

“*Complainant*” means a natural or legal person who is presumed to be eligible to have a complaint

considered by VIL and who has already lodged a complaint.

“*Complaint/Grievance*” means a statement of dissatisfaction addressed to a firm by a natural or legal person relating to the provision of an investment service provided under MiFID.

“*Not complaints/grievance*” shall mean minor issues brought up by clients or potential clients arising in the ordinary course of business, from merely temporary delays, misunderstanding or need for additional clarification, not leading to the material losses, and resolved immediately to the client’s satisfaction on the departmental level, which shall not be considered as “*Complaint/Grievance*», unless the client or potential client

remains unsatisfied by the explanation and/or offered solution to the problem, and follows procedures described in this document.

“*Client*” means any client of VIL who has valid Investment services agreement with VIL (the Client Agreement).

### **Complaints management policy**

The Company approved and implemented the Complaints Management policy (the Policy) in written format and is made available to all relevant VIL staff through an adequate internal channel.

As part of the Policy, the Company established the complaints management function (CMF) which enables complaints to be investigated fairly and possible conflicts of interest to be identified and mitigated.

### **The complaints-handling Procedure**

To submit a Complaint/Grievance the Client should complete and sign the Client Complaint Form which can be a letter in a free format containing the client identification details (full name, postal address or passport number), the details of the agreement (date and number) and the nature of the complaint described as fully as possible.

The completed and signed Client Complaint Form should be sent by the Client to VIL’s e-mail address *info@veles-int.com*, attention to Executive Management, as indicated in the Client Agreement, along with a copy of any additional documentation that the Client considers relevant or supportive to the Complaint.

Promptly upon receiving the Client Complaint Form the CMF registers the Complaint on an internal register (“*the Complaint Register*”) giving it a unique reference number.

Within 5 (five) business days of receiving the Client Complaint Form the CMF will send to the Complainant by e-mail, or other form of communication specified in the particular Client Agreement, a written confirmation containing

- the reference number of the Complaint;
- the notification that the Client should use the said reference number in all future contact with VIL, the Financial Ombudsman and/or the CySEC regarding the respective Complaint;

- the particular page of VIL's web-site where this Procedure can be found (<https://veles-international.com/regulations> )

*IMPORTANT: complainant should use the said reference number in all future contact with the CIF, the Financial Ombudsman and/or the CySEC regarding the specific complaint.*

The CMF, with support and under the supervision of VIL's Compliance, investigates the Complaint and reply, within two months, to the Complainant about the outcome/decision.

When investigating the Complaint, the CMF should gather and analyse all relevant evidence and information regarding the Complaint, the underlying transaction(s), market information and the relevant communications. In case of any uncertainty thereon or suspicion of the existence of a conflict of interest VIL's Compliance should be immediately informed.

During the investigation of the Complaint, the CMF informs the Complainant (in a way specified above), as well as VIL's Compliance and Executive Management, on the stages (progress) of the Complaint handling process.

In the event that the CMF is unable to respond within two months, it informs the Complainant of the reasons for the delay and indicates the period of time within which it is possible to complete the investigation. This period of time cannot exceed three months from the initial submission of the Complaint by the Client.

### **Dissatisfied client's rights**

If the Client is dissatisfied with VIL's final response it can either, ask VIL to reconsider it or the Client can refer the matter to the Financial Ombudsman Service (as specified below) or to Cyprus Securities and Exchange Commission (CySEC) or a court.

### **Referral by the Client of unresolved Complaint to the Financial Ombudsman**

If the Client is an individual, or a legal entity, trust or charitable entity that can be categorized as a consumer under the legislation governing the creation and operation of an Alternative Dispute Resolution framework in Cyprus (Financial Ombudsman), as described in the Annex 1 to this document, the Client is entitled to escalate a Complaint to the Financial Ombudsman if the solution or action taken / provided by VIL is not to its satisfaction.

The Client should be informed that resolving disputes through the Financial Ombudsman has several advantages over the court proceedings; among them are the following:

- field professional expertise of the Financial Ombudsman
- lower cost for the Client
- less time consuming
- no obligation for the Client to retain a lawyer
- physical presence of the Client is not necessary
- this does not prevent the Client so seek redress in courts.

The Complaint to the Financial Ombudsman should be filed within 3 (three) months from the receipt of the response from VIL if a client is not satisfied with the resolution or if VIL does not respond at all.

The Financial Ombudsman can be contacted in either of the following ways:

- Contact office address: Lord Byron Avenue, 13, 1096 Lefkosia OR P.O.25735, 1311, Lefkosia
- By fax: +35722660584 or +35722660118
- By email: [complaints@financialombudsman.gov.cy](mailto:complaints@financialombudsman.gov.cy)

The Complaint form shall be accompanied by the evidence of the paid fee (€20).

The payment can be done at any of the following banks:

- a) Συνεργατική Κεντρική Τράπεζα ή Συνεργατικό Πιστωτικό Ίδρυμα, IBAN: CY16 0070 1010 0000 0000 4002 8214
- b) Ελληνική Τράπεζα, IBAN: CY78 0050 0109 0001 0901 7087 6401
- c) (Τράπεζα Κύπρου, IBAN: CY52 0020 0195 0000 3570 1944 4789

For more information, the clients shall visit the website ([www.financialombudsman.gov.cy](http://www.financialombudsman.gov.cy)).

The Financial Ombudsman Online Complaint Forms can be found at the following link:

[http://www.financialombudsman.gov.cy/forc/forc.nsf/page15\\_gr/page15\\_gr?OpenDocument](http://www.financialombudsman.gov.cy/forc/forc.nsf/page15_gr/page15_gr?OpenDocument)

## **Taking the matter to court**

If the complainant is not satisfied with a decision taken by the Financial Ombudsman, as a last resort the complainant may be able to take your case to court by starting civil action.

## **Referral by the Client of unresolved Complaint to the CySEC**

Veles International Limited is authorized and regulated by the Cyprus Securities and Exchange Commission, who has set out specific rules for the handling of Complaints.

Please kindly note that the Cyprus Securities and Exchange Commission (the 'CySEC') does not have restitution powers and therefore does not investigate individual complaints. However, all complaints submitted to the CySEC are taken into consideration by the CySEC in the performance of its supervisory mandate.

To submit a complain to CySEC, the complainant has to follow the instructions issued on the CSYEC website following the link below:

<https://www.cysec.gov.cy/en-GB/investor-protection/how-to-complain/>

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