

Global Markets Group

COMPLAINTS POLICY

v1.0 – 2018(01)

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**Authorised and regulated by the Financial Conduct Authority under Firm Reference Number:
744501**

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COMPLAINTS POLICY

1 INTRODUCTION

Usage of this Complaints policy must be in conjunction with Global Market Group's ("GMG") Compliance Regulations Manual and other company policies and procedures currently in effect and those yet to be introduced.

Reference to the Compliance Officer throughout this policy includes in his absence, his appointed deputy. For the benefit of clarity an appointed deputy will be defined as any one person from:

- (i) The Managing Director ("CEO"), being a Financial Conduct Authority ("FCA") Approved Person;
- (ii) In the absence of (i) above, another Director of GMG, also being an FCA Approved Person and in association with (iii) below;
- (iii) The Compliance Assistant (if required).

References to the masculine include the feminine. Items in italics have their essence defined in the FCA's Glossary. Refer to the Compliance department if you require further information. This Complaints policy must not be reproduced or provided to third parties without prior reference to the Compliance Officer and their subsequent approval.

1.1 Sponsor

This policy is sponsored by GMG's Executive Management and will be maintained by the company's Compliance Officer, therefore any queries and / or suggestions for change should be addressed to the firm's Compliance Officer.

1.2 GMG's Regulated Status

GMG is currently authorised and regulated by the FCA under Firm Reference Number ("FRN") **744501**.

2 POLICY GOVERNING THE RECEIPT OF WRITTEN COMPLAINTS

2.1 What constitutes a complaint?

A complaint for the purpose of this policy is defined as 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:

- (i) Alleges that the complainant has suffered (or may suffer) financial loss, material distress or material inconvenience; and
- (ii) 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 ("FOS").

It should also be noted that under the FCA's Dispute Resolution ("DISP") Sourcebook Rule DISP 1.1.10R, in relation to GMG's obligations under this chapter, references to a complaint also include an expression of dissatisfaction which is capable of becoming a relevant new complaint being a

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complaint referred to FOS after commencement which relates to an act or omission occurring before commencement if:

- (i) The act or omission is that of a person who was immediately before commencement, subject to a former scheme;
- (ii) The act or omission occurred in the carrying on by that person of an activity to which that former scheme applied; and
- (iii) The complainant is eligible and wishes to have the complaint dealt with under the new scheme. (Where the complainant is not eligible in accordance with DISP 2 (Jurisdiction of the Financial Ombudsman Service), an Ombudsman may if they consider it appropriate, treat the complainant as eligible if they would have been entitled to refer an equivalent complaint to the former scheme in question immediately before commencement.

2.2 Treating Complainants Fairly

2.2.1 Consumer Awareness Rules

2.2.1.1 Publishing and providing summary details

Under DISP 1.2.1R to aid consumer awareness of the protections offered by the provisions in this chapter GMG must:

- (i) Publish appropriate information regarding their internal procedures for the reasonable and prompt handling of complaints;
- (ii) Refer eligible complainants to the availability of this information;
- (iii) Provide such information in writing and free of charge to eligible complainants:
 - On request; and
 - When acknowledging a complaint.

These summary details should cover at least how GMG fulfils its obligation to handle and seek to resolve relevant complaints and that if the complaint is not resolved, the complainant may be entitled to refer it to FOS.

2.2.2 Eligible Complainant

A complaint may only be dealt with under FOS if it is brought by or on behalf of an eligible complainant. A complaint may also be brought on behalf of an eligible complainant (or a deceased person who would have been an eligible complainant) by a person authorised by the eligible complainant or authorised by law. It is immaterial whether the person authorised to act on behalf of an eligible complainant is themselves an eligible complainant.

2.2.2.1 Eligible complainants

Under DISP 2.7.3R an eligible complainant must be a person that is:

- (i) A consumer;
- (ii) A micro-enterprise;

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- (iii) A charity which has an annual income of less than £1 million at the time the complainant refers the complaint to GMG; or
- (iv) A trustee of a trust which has a net asset value of less than £1 million at the time the complainant refers the complaint to the firm.

In determining whether an enterprise meets the tests for being a micro-enterprise, account should be taken of the enterprise's 'partner enterprises' or 'linked enterprises' e.g., where a parent company holds a majority shareholding in a complainant, if the parent company does not meet the tests for being a micro-enterprise then neither will the complainant.

If GMG is in doubt about the eligibility of a business, charity or trust, it should treat the complainant as if it were eligible. If the complaint is referred to FOS, the Ombudsman will determine eligibility by reference to appropriate evidence, such as audited accounts or VAT returns.

To be an eligible complainant a person must also have a complaint which arises from matters relevant to one or more of the following relationships with GMG:

- (i) The complainant is (or was) a customer of GMG; or
- (ii) The complainant is (or was) a potential customer of GMG.

2.2.2.2 Exceptions

Under DISP 2.7.9R the following are not eligible complainants:

- (i) A firm whose complaint relates in any way to an activity which the firm itself has permission to carry on;
- (ii) A complainant who is / was:
 - A professional client; or
 - An eligible counterparty; in relation to the firm and activity in question at the time of the act or omission which is the subject of the complaint; and
- (iii) In the Consumer Credit Jurisdiction:
 - A body corporate;
 - A partnership consisting of more than three persons;
 - A partnership all of whose members are bodies corporate; or
 - An unincorporated body which consists entirely of bodies corporate.

The regulation therefore allows that for an individual, business, charity or trustee who was a professional customer of GMG at the time of the act or omission and in respect of the activity which is the subject of the complaint, GMG need not classify them as an Eligible Complainant.

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Nonetheless, GMG must adopt a 'best practice' philosophy of investigating any complaint that whilst not resulting in the firm making any form of redress, may indicate an underlying operational weakness that may require remedial action, particularly if the situation is repeated.

2.3 Procedure

All staff must immediately forward all incoming documentation whether hand-written or by email relating to a complaint or an expression of dissatisfaction as defined in section 2.1 to the Compliance Officer. The Compliance Officer will record the complaint in the "Complaints Log" and issue the complaint with a unique "Complaint reference number". The Compliance Officer will acknowledge the receipt of the complaint to the complainant in writing confirming amongst other detail required by DISP:

- (i) The complaint's unique reference number;
- (ii) The name and / or job title of the individual handling the complaint for GMG; and
- (iii) Details of GMG's internal complaint handling procedures.

To comply with DISP 1.4.1R, once a complaint has been received by GMG, it must:

- (i) Investigate the complaint competently, diligently and impartially, obtaining additional information as required;
- (ii) Assess fairly, consistently and promptly:
 - The subject matter of the complaint;
 - Whether the complaint should be upheld;
 - What remedial action and / or redress may be appropriate;
 - If appropriate, whether it has reasonable grounds to be satisfied that another respondent may be solely or jointly responsible for the matter alleged in the complaint; taking into account all relevant factors;
- (iii) Offer redress or remedial action when it decides this is appropriate;
- (iv) Explain to the complainant promptly and in a way that is fair, clear and not misleading, its assessment of the complaint, its decision on it and any offer of remedial action or redress; and
- (v) Comply promptly with any offer of remedial action or redress accepted by the complainant.

Factors that may be relevant in the assessment of a complaint under DISP 1.4.1R may include the following:

- (i) All the evidence available and the particular circumstances of the complaint;
- (ii) Similarities with other complaints received by GMG;
- (iii) Relevant guidance published by the FCA, other relevant regulators, FOS or former schemes; and

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- (iv) Appropriate analysis of decisions by FOS concerning similar complaints received by GMG.

GMG must aim to resolve complaints at the earliest opportunity thus minimising the number of unresolved complaints which may need to be referred to FOS. Accordingly, where a complaint against GMG is referred to FOS, the firm must cooperate fully with FOS and comply promptly with any settlements or awards made by it under DISP 1.4.4R.

2.3.1 Complaints resolved by close of the next business day

DISP 1.5.1R provides that the following rules do not apply to a complaint that is resolved by GMG by close of business on the business day following its receipt:

- (i) The Complaints Time Limit rules;
- (ii) The Complaints Forwarding rules;
- (iii) The Complaints Reporting rules;
- (iv) The Complaints Record rule; and
- (v) The Complaints Data Publication rules.

It should be noted that complaints falling within this section are still subject to the Complaint Resolution rules and for the purposes of this section:

- (i) A complaint received on any day other than a business day or after close of business on a business day, may be treated as received on the next business day; and
- (ii) A complaint is resolved where the complainant has indicated acceptance of a response from GMG with neither the response nor acceptance having to be in writing.

2.3.2 Complaints time limit rules

2.3.2.1 Keeping the complainant informed

On receipt of a complaint GMG must:

- (i) Send the complainant a prompt written acknowledgement providing early reassurance that it has received the complaint and is dealing with it; and
- (ii) Ensure the complainant is kept informed thereafter of the progress of the measures being taken for the complaint's resolution.

2.3.2.2 Final or other response within eight weeks

To comply with DISP 1.6.2R GMG must, by the end of eight weeks after its receipt of the complaint, send the complainant:

- (i) A 'final response', being a written response from the firm which:
 - Accepts the complaint and where appropriate offers redress or remedial action; or
 - Offers redress or remedial action without accepting the complaint; or

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- Rejects the complaint and gives reasons for doing so and which (a) encloses a copy of FOS' standard explanatory leaflet and (b) informs the complainant that if they remain dissatisfied with GMG's response, they may refer their complaint to FOS and must do so within six months; or
- (ii) A written response which:
 - Explains why it is not in a position to make a final response and indicates when it expects to be able to provide one;
 - Informs the complainant that they may refer the complaint to FOS; and
 - Encloses a copy of FOS' standard explanatory leaflet.

DISP 1.6.2R does not apply if the complainant has already indicated in writing acceptance of a response by GMG provided that the response:

- (i) Informed the complainant how to pursue their complaint with GMG if they remain dissatisfied; and
- (ii) Referred to the ultimate availability of FOS if they remain dissatisfied with GMG's response.

It is expected that within eight weeks of their receipt, almost all complaints to GMG will be addressed by it through a final response or response as described in DISP 1.6.4R. GMG should note that when assessing its response to a complaint, the FCA may have regard to a number of factors including the quality of response weighted against the Complaints Resolution rules, as well as the speed with which it was made.

2.3.3 Complaints forwarding rules

If under DISP 1.7.1R GMG has reasonable grounds to be satisfied that another respondent may be solely or jointly responsible for the matter alleged in a complaint, it may forward the complaint or the relevant part of it, in writing to that other respondent provided it:

- (i) Does so promptly;
- (ii) Informs the complainant promptly in a final response of why the complaint has been forwarded by it to the other respondent and of the other respondent's contact details; and
- (iii) Where jointly responsible for the fault alleged in the complaint, it complies with its own obligations under this chapter in respect of that part of the complaint it has not forwarded.

DISP 1.7.2R determines that when a respondent receives a complaint that has been forwarded to it under DISP 1.7.1R, the complaint is treated for the purposes of DISP as if made directly to that respondent, and as if received by it when the forwarded complaint was received. On receiving a forwarded complaint, the standard time limits will apply from the date on which the respondent receives the forwarded complaint.

All "hard copy" documentation generated by the complaint must be retained in a "Complaints" file and held in accordance with the FCA's record keeping requirements regarding complaints – Refer to Section 4

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All electronic documentation or communications generated by the complaint e.g., email, must be maintained in a secure, dedicated “Complaints” directory with separate sub-folders for each complainant and held in accordance with the FCA’s record keeping requirements regarding complaints – Refer to Section 4.

Once all the information in respect of a complaint has been recorded, the Compliance Officer will inform the CEO of the complaint details and any initial findings. The Compliance Officer will subsequently provide the CEO with regular updates until the complaint is resolved to the mutual satisfaction of all parties.

3 POLICY GOVERNING THE RECEIPT OF VERBAL COMPLAINTS

Definitions of “Complaint” and “Eligible Complainant” remain as per sections 2.1 and 2.2.2.

3.1 Procedure

All staff must immediately forward all incoming verbal complaints or expressions of dissatisfaction defined in Section 2.1 to the Compliance Officer. The Compliance Officer will write down all the key aspects of the complaint and verbally inform the complainant;

- (i) That the telephone conversation is being recorded;
- (ii) Of the complaint’s unique reference number;
- (iii) Of the complainant’s right of access to FOS along with their full contact details; and
- (iv) That they will acknowledge receipt to the complaint in writing.

After the call, the Compliance Officer will record the complaint in the “Complaints Log” and then acknowledge the receipt of the verbal complaint in writing to the complainant reiterating:

- (i) The complaint’s unique reference number;
- (ii) The complainant’s right of access to FOS along with their full contact details;
- (iii) The name and / or job title of the individual handling the complaint for GMG;
- (iv) Details of GMG’s internal complaint handling procedures.

With the exception of 3.1 above, the complaint is to be handled in precisely the same manner as detailed in section 2.3 above.

4 COMPLAINTS – RECORD KEEPING AND REPORTING

4.1 Making and retaining records of complaints

In compliance with DISP 1.9.1R, GMG must make and retain records of complaints relating to MiFID business for a minimum period of five years and for all other business for a minimum of three years from the date of its receipt of the complaint. These records are required for the purposes of monitoring by the FCA and also to ensure that the firm is able to co-operate with FOS. They should include:

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- (i) The name of the complainant;
- (ii) The substance of the complaint; and
- (iii) Any correspondence between GMG and the complainant including details of any redress offered by GMG.

4.2 Reporting complaints to the FCA

Under DISP 1.10, GMG must provide to the FCA twice a year by electronic submission via the FCA's 'GABRIEL' system, with a report which contains for the relevant reporting period, information about:

- (i) The total number of complaints received by GMG; and
- (ii) The total number of complaints closed by the firm:
 - (a) Within four weeks or less of receipt;
 - (b) Within four to eight weeks of receipt;
 - (c) More than eight weeks after receipt; and
- (iii) The total number of complaints:
 - (a) Upheld by the firm in the reporting period;
 - (b) Outstanding at the beginning of the reporting period; and
- (iv) The total amount of redress paid in respect of complaints during the reporting period.

Where a complaint could fall into more than one category the complaint should be recorded in the category that GMG considers to form the main part of the complaint.

The relevant reporting periods are six-monthly from 1 January to 30 June and 1 July to 31 December each year and reports must be submitted to the FCA within one month of the end of the relevant reporting period.

4.3 Reporting – When is a complaint closed?

In accordance with DISP 1.10.7R a closed complaint is a complaint:

- (i) Where GMG has sent a final response; and
- (ii) Where the complainant has indicated in writing acceptance of GMG's earlier response under DISP 1.6.4R.

4.4 Method of submission of reports

Electronic submission via their 'GABRIEL' system to which GMG's Compliance Officer will have access is the FCA's preferred method of Complaints reporting. In the absence of the functionality to submit reports electronically to the FCA a report under this section must be delivered in the way set out in the FCA's Supervision Sourcebook ("SUP") sections 16.3.6R to 16.3.16G – "General provisions on reporting".

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4.4.1 Failure of electronic submission

If GMG is unable to submit a report in electronic format because of a systems failure of any kind the firm must:

- (i) Submit its report through one of the alternative methods of submission detailed in SUP 16.3.9R; and
- (ii) Notify the FCA in writing and without delay of that systems failure.

4.5 Notification of contact point for complainants

For the purpose of inclusion in the public record maintained by the FCA, GMG must:

- (i) Provide the FCA at the time of its authorisation, with details of a single contact point within GMG for complainants; and
- (ii) Notify the FCA of any subsequent change in those details when convenient and at the latest, in GMG's next report.

The contact point can be by name or job title and may include for example, a helpline telephone number. However, it is recommended in order to remain consistent with this policy, that the Compliance Officer is the nominated contact point at GMG for complainants.

5 COOPERATION WITH THE FINANCIAL OMBUDSMAN SERVICE

GMG must cooperate fully with FOS in the same manner as it would with the FCA i.e., in an open and honest manner pertaining to the handling of complaints against it. Cooperation with FOS includes but is not limited to, producing requested documents, adhering to any specified time limits, attending hearings when requested to do so and complying promptly with any settlements or awards.

