

## **CLIENT COMPLAINT PROCEDURE**

### **1. Introduction**

Following the implementation of the Markets in Financial Instruments Directive 2014/65/EU (“MiFID II”) and in accordance to the provisions of the Financial Services and Activities and Regulated Markets Law of 2017 (the “Law”) of the Cyprus Securities and Exchange Commission (“CySEC”), SPA Financial Services Ltd (the “Company”) is required to establish, implement and maintain effective and transparent procedures for the reasonable and prompt handling of complaints received from retail clients or potential retail clients, and to keep a record of each complaint and the measures taken for the complaint’s resolution.

### **2. Queries**

In case that a client is displeased with the Company’s services or if has any query with regards to his/her account or activity with the Company, he/she may contact the Customer Support Department via email, telephone or in writing. The Company’s Customer Support Department will determine if the client’s query can be resolved immediately or whether it will require further investigation. If the client’s query cannot be resolved immediately, the Company will remain committed in addressing and/or resolving it promptly (usually within 48 business hours).

If the Client is unsatisfied with the response to the query, then he/she may raise this further with the Complaints Handling Officer following the process indicated in the following section.

### **3. Official Complaint**

A “complaint” is defined as “any oral or written statement alleging a grievance involving the activities of those persons under the control of the Company or its employees, in connection with the provision by the Company of the services”.

All complaints made by clients (or potential clients) either directly to the Company or indirectly through the Commission, in relation to the way in which the Company conducts its business must be fully investigated by the Compliance Officer and where possible appropriate action taken to resolve the situation.

Even a seemingly minor complaint, which is mishandled or left unchecked could lead to serious and damaging consequences for the Company. Any apparent complaint, whether written or oral, must be immediately referred to the Compliance Officer.

### **4. Procedure**

When a client is proceeding with a complaint, it will be free of any charges. Complaints may be submitted in writing, by phone or by email only at the contact details provided below:

- i. Postal Address: SPA Financial Services Ltd, 30 Karpenisi Str., The Business Forum, 1077 Nicosia, Cyprus (Attention to: Compliance Officer),
- ii. By phone: (+357) 22028585,

- iii. By email: [info@spafs.com](mailto:info@spafs.com)

Once a complaint is received, it will be registered in the Company's "Internal Registry" under a unique reference number. This reference number will be comprised of ten (10) digits made up by the Company's TRS code (2 digits), the year (4 digits) and the complaint serial number for the year (4 digits). This unique reference number will be communicated to the complainant, who shall be using it in any future contact with the Company, the CySEC and/or the Financial Ombudsman.

All complaints shall be dealt by the Compliance Officer in accordance with the procedures set below:

- A. All complaints must be acknowledged in writing within five (5) business days of being received. The written acknowledgment sent by the Company to the complainant will include the complaint's unique ten (10) digit reference number, as well as details of the name and capacity of the person dealing with the complaint. Depending on the significance of the complaint, this acknowledgement may also include a resolution to the complaint.
- B. If it is NOT possible to resolve the complaint within five (5) business days, a letter of acknowledgement should state that the complaint is under investigation and that upon completion, the complainant will be informed in writing of the outcome of the investigation.
- C. The Complaint Handling Officer will investigate the complaint and respond, within two (2) months, to the Complainant about the outcome/decision.
- D. In case the investigation is not concluded within two (2) months following the submission of the complaint, the complainant will be informed in writing of the reasons for the delay and when he should expect completion of the investigation process (this period will not exceed three (3) months from the submission of the complaint).
- E. Within 5 business days of the completion of an investigation a written report must be sent to the complainant explaining clearly:
  - i. The outcome of the investigation.
  - ii. The nature and terms of any offer of settlement which the Company is prepared to make in satisfaction of the complaint.
  - iii. The reasons for declining to offer a settlement.
  - iv. A statement of the fact that the Company will treat the complaint as settled if the complainant does not indicate dissatisfaction within one month of receiving the report.
- F. Finally, the Company will inform the complainant that he/she may refer the complaint, if not satisfied with the Company's final response, to the CySEC (electronically: <http://www.cysec.gov.cy/en-GB/complaints/how-to-complain/>) for further investigation or the Financial Ombudsman of Cyprus.

The details of the Financial Ombudsman of the Republic of Cyprus are:

Address: 13 Lord Byron Avenue, 1096 Nicosia  
Phone: +357 22848900  
Facsimile (Fax): +357 22660584, +357 22660118  
Website: [www.financialombudsman.gov.cy](http://www.financialombudsman.gov.cy)  
E-mails  
Complaints: [complaints@financialombudsman.gov.cy](mailto:complaints@financialombudsman.gov.cy)  
Financial Ombudsman: [fin.ombudsman@financialombudsman.gov.cy](mailto:fin.ombudsman@financialombudsman.gov.cy)

The details of the CySEC are:  
Address: 19 Diagorou Street, 1097 Nicosia  
Telephone: +357 22506600  
Fax: +357 22506700  
E-mail: [info@cysec.gov.cy](mailto:info@cysec.gov.cy)  
Website: [www.cysec.gov.cy](http://www.cysec.gov.cy)

## 5. Complaints record and register

A full record of each complaint, including all relevant documents, and of the action taken in response must be kept by the Company for seven (7) years after the date of the last response.

The Compliance Officer is responsible for entering all complaints onto the Complaints Register and recording the outcome. The following information should be noted:

- the identity of the complainant
- the Company's employee to whom the complaint was made
- the Company's employee responsible for that client relationship and his department
- the date on which the complaint was received and filed
- a summary of the complaint
- the value of the complainant's portfolio
- the approximate value of any loss which the complainant claims to have suffered
- the date and a summary of the Company's reply to the complaint
- a note of any other relevant correspondence with the complainant, which should be kept in the appropriate client file

The Complaints Record and Register should be available for inspection by the Commission at any time.

## 6. Complaints Reporting

On a monthly basis, irrespective of whether a complaint has been received or not, the Company will submit to the Commission Form Comp\_CIF. If a complaint has been received, the said Form must include information about the complaints it has received and how these have been handled.

## **7. Complaints Monitoring**

The Company is analyzing on an on-going basis, complaints-handling data, to ensure that it identifies and addresses any recurring or systemic problems. Specifically, the monitoring process includes, inter-alia:

- Analysis of the cause of the individual complaints so as to identify the common root causes to various types of complaints,
- Consideration of whether the said root causes also affect other processes or financial means, including those not directly complained of, and
- Correction of the root causes.

Moreover, the Company's responsible person to oversee the complaints procedure is the appointed Compliance Officer.

## **8. Failure to handle/resolve complaints**

Failure to handle or resolve complaints places the Company at substantial regulatory and reputational risk.

By involving the Compliance Department at an early stage, the Company ensures that regulatory requirements are met. Failure to follow these procedures may lead to disciplinary action against the Company by the competent authorities.

Moreover, failure to follow this Policy will lead to disciplinary actions as per the Company's internal procedures.

### **Important Notes:**

The Company shall cooperate with the CySEC and/or the Financial Ombudsman in case they carry out their own investigation in relation to a client's complaint.

The Commission has no restitution powers, therefore any complaints submitted are taken into consideration in the performance of its supervisory role.