



SA STOCK BROKERS

Complaints Policy

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1. Complaints Policy

Purpose of this document:

This document applies to the companies with the SA Stock Brokers Group, listed as SA Derivatives (Pty) Ltd, SA Stock Brokers Capital (Pty) Ltd.

Both “SA Derivatives (Pty) Ltd (FSP-40248)” & SA Stock Brokers Capital (Pty) Ltd (FSP-28779)” are licensed Financial Services Providers with the authority to provide financial advice and intermediary services in terms of the Financial Advisory and Intermediary Services Act. For the purpose of this document the companies listed above will be referred to as the “SA Stock Brokers Group”.

The SA Stock Brokers Group have certain specific duties to you, our clients. One of these duties is to offer you a formal complaints resolution system, which will enable you to exercise your rights as provided for in the Financial Advisory and Intermediary Services Act. The purpose of this document is to inform you of how you can make use of our complaints resolution system, to your advantage. This document can be found on our website at <https://sascapital.co.za/> or at our office at: 8th Floor, Suite 804, Firestation Rosebank, 16 Baker St, Rosebank, Johannesburg, 2196 / faxed to you on request when you phone 011 214 7250.

1.1. Complaints Resolution Process for Clients of a Regulated FSP

1.1.1. Our Complaints Resolution Procedure

Procedure when submitting a complaint to us:

Should the SA Stock Brokers Group or any of its representative/employees provided you with financial advice or any other intermediary service, and you feel that we or our representative/employee-

- did not comply with the Financial Advisory and Intermediary Services Act and that you suffered financial prejudice as a result;
- intentionally or negligently gave financial advice or rendered an intermediary service to you which caused prejudice or damage or is likely to cause damage;
- treated you unfairly,

You must please write us a letter to Stef de Bruyn, send us an e-mail to stef@sastockbrokers.co.za, send us a fax to 011 214 7298, with the following information:

1. Your name, surname and contact details;
2. A complete description of your complaint;
3. The name of the person who provided you with financial advice or an intermediary service;
4. The date on which the matter complained about happened;
5. All documentation relating to your complaint;
6. How you would prefer to receive communication from us regarding your complaint i.e. by e-mail, fax, and post. Please provide us with the e-mail address, fax number or address where you would prefer to receive such communication.

Our procedure when receiving your complaint:

1. As soon as we receive your complaint, we will send you an acknowledgement of receipt. Please take into consideration that the method of communication chosen by you will determine how quickly we will receive and respond to your complaint.
2. Once we receive the complaint it will be forwarded to the Complaints Officer for deliberation.
3. In the event the Complaints Officer handling the complaint has resolved that the complaint is viewed as valid, the Complaint Officer must now:
 - a. Give a copy of the complaint to the member(s) of staff concerned, involved or affected by the complaint as soon as reasonably practicable and seek a written response from them.
 - b. The complaints officer must send a letter to the Client within 72 hours of receipt of the complaint assuring earliest attention and that an investigation is underway.
 - c. Furthermore, they should ensure that the Complainant is familiar with the complaints procedure and advice that they are entitled to receive a copy of the complaints handling procedure should they request it or if they are unfamiliar with the process.
 - d. The Client must be advised that they have the right to be heard and supply material in support of their complaint, if they desire.
 - e. Undertake any investigation of the complaint which is deemed necessary, e.g.:
 - i. discussion with complainant
 - ii. discussion with member of staff concerned
 - iii. examination of relevant documents in possession of the Complainant
 - f. Determine what action needs to be taken to put matters right if the complaint is well founded. The Complaints Officer must attempt to provide a full review of all the salient matters relating to the complaint within ten working days. At this point, the Complaints Officer and staff member involved must meet to discuss the complaint and a remedy agreed to resolve the complaint. In the event where the complaint cannot be resolved within 15 business days, the Client must be contacted and the delay explained. In any event, the complaint must be resolved within 30 working days from the receipt of the complaint.
 - g. Reply to the Complainant detailing the findings of the investigation of the complaint and outlining any necessary action, which is to be taken as a result.
 - h. The Client must be informed of the criteria and process, including the avenues for further review, applied by SA Stockbrokers Group in dealing with complaints as well as their ability to send the complaint to the JSE or the FAIS ombudsman for review and arbitration if necessary. The Complaints Officer dealing with the complaint must explain to the complainant, their rights in a patient and courteous manner. For further information on the FAIS ombudsman and
 - i. Ensure that any general lessons to be learnt from the complaint are advised to all and if necessary, procedures and manuals are updated.
 - j. Lastly, the Complaints Officer when dealing with a complaint must ensure that SA Stockbrokers Group is seen to address all aspects of the complaint; follow up where appropriate and; whether it is appropriate to offer remedies to others who may have suffered in the same way as the Complainant but did not make a formal complaint.
 - k. If we are unable to resolve your complaint within 6 weeks, or are unable to resolve the complaint to your satisfaction, you have the right to refer your complaint to the Ombud appointed specifically for this purpose. The contact details of the Ombud is as follows:

THE FAIS OMBUD
Postal address: P.O. Box 74571, Lynnwood Ridge, 0040
086 0662 837 Fax: 012 3483447
Physical Address: Eastwood Office Park, Boabab House, Ground Floor, Lynnwood Ridge, 0081
Email : info@faisOmbud.co.za / Web Site: www.faisOmbud.co.za

Please remember however that you must refer the complaint to the Ombud **within 6 months** from the date of the notice in which we inform you that we cannot resolve the complaint to your satisfaction.

1.1.2. The Rules to Keep in Mind When Approaching the Ombud

What kind of complaint is considered by the Ombud?

- The complaint must relate to financial advice or intermediary service rendered and must have the following content:
 - that the financial services provider contravened the Financial Advisory and Intermediary Services Act which resulted/ may result in the complainant suffering financial damage;
 - that the financial services provider negligently, or intentionally provided advice or an intermediary service that caused/ may cause prejudice or damage to the complainant;
 - the complainant was treated unfairly.
- The complaint must not be about the investment performance of the financial product, unless-
 - financial performance was guaranteed; or
 - the financial performance was so deficient that it creates the presumption that there has been misrepresentation, negligence or mal-administration on the part of the person complained against.

Conditions applicable to complaints:

- The act or omission complained of must have been done on or after 30 September 2004.
- The complaint must be received by the Ombud within 3 years of the act or omission that resulted in the complaint – if the complainant was not aware of the act or omission, the 3 years starts running from the date on which the complainant became aware, or from the date on which the reasonable person in his circumstances would have become aware, whichever date is the earliest.
- If the complainant already instituted action in a court of law relating to the matter forming the subject of the complaint submitted to the Ombud, the Ombud will not consider the complaint.
- The financial services provider must have been given the opportunity to resolve the complaint first. Only if he or she failed to resolve the complaint to the satisfaction of the complainant within 6 weeks of receipt, may the complainant take the matter to the Ombud.
- The complainant has 6 months after he received a final response from the person complained against, to go to the Ombud.

- Complaints must be in writing and must be accompanied by relevant documentation.
- The Ombud may refuse to consider a complaint if he believes that the complaint should be dealt with in court.

What must the person complained against, do?

- Acknowledge receipt of complaint;
- If unable to resolve the complaint to the satisfaction of the complainant within 6 weeks, inform the complainant of his right to refer the complaint to the Ombud, and to do this within 6 months of receipt of the notice.

Procedure followed by Ombud:

- The Ombud officially receives the complaint.
- The running of prescription (under the Prescription Act) is suspended from the date on which the official receipt of complaint is received by the complainant until-
 - the complaint is withdrawn;
 - A determination is made by the Ombud or by the Board of Appeal.
- The person complained against may have to pay up to R1000 when the Ombud officially receives a complaint.
- The Ombud does not start the investigation of the complaint before-
 - He has informed all interested parties of the complaint, and of all particulars necessary to enable them to respond to the complaint;
 - Gave all parties opportunity to respond.
- The Ombud will discontinue an investigation of a complaint in respect of which the complainant instituted action in court while the Ombud was investigating the complaint.
- The Ombud will first attempt to resolve the complaint through conciliated settlement acceptable to all parties.
- The Ombud may make a recommendation to the parties to resolve the complaint.

Determinations by Ombud and its legal status:

- If the complaint was not resolved through conciliated settlement, the Ombud will make a determination which has the legal status of a civil judgement of court.
- The determination can be a monetary award (not exceeding R800 000, unless the person complained against agrees to it), or any other order that can be made by a court.
- An award of costs may be made against the person complained against.
- 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.

Appeals to Board of appeal:

- It is possible to appeal to the Board of Appeal, only if the Ombud gives leave to appeal. If the Ombud refuses, the chairperson of the Board of Appeal can be requested for permission to appeal.
- Application for leave to appeal must be made to the Ombud within 1 month of the Ombud's determination.
- If the Ombud refuses leave to appeal, application for leave to appeal may be made to the Chairperson of the Board of Appeal, within 1 month of the Ombud's refusal – the applicant must inform the Ombud of his application.
- A determination by the Board of Appeal has the same status as a judgement of a civil court.



Signed by the key individual Peter Clainos, at Johannesburg on 30 April 2014.

1.2. Complaints Resolution Process for Clients of A JSE Member

Purpose of this document:

SA Stock Brokers (Pty) Ltd and SA Derivatives (Pty) Ltd is a member of the JSE. As such we have certain specific duties to you, our clients. One of these duties is to offer you a formal complaints resolution system, which will enable you to exercise your rights as provided for in JSE Rules and Directives. The purpose of this document is to inform you of how you can make use of our complaints resolution system. This document can be found on our website at <https://sascapital.co.za/> or at our office at: 8th Floor, Suite 804, Firestation Rosebank, 16 Baker St, Rosebank, Johannesburg, 2196 / faxed to you on request when you phone 011 214 7250.

1.2.1. Our Complaints Resolution Procedure

Procedure when submitting a complaint to us:

For the purposes of Section 11 of the rules, a client complaint is defined as a complaint in relation to the provision of regulated services, in which the client alleges that he has suffered, or is likely to suffer, financial prejudice as a result of the member –

- contravening or failing to comply with any instruction given by the client, or any agreement or mandate entered into with the client;
- contravening or failing to comply with the rules and the directives; acting dishonestly, negligently or recklessly; or
- treating the client unreasonably or unfairly.

Every member must establish and maintain appropriate procedures for the handling of client complaint. Should you wish to lodge a complaint, you must please send Stef de Bruyn, our internal Complaints Officer, an e-mail at stef@sastockbrokers.co.za, or send a fax to 011 2147298, with the following information:

1. Your name, surname and contact details;
2. A complete description of your complaint;
3. The name of the person who provided you with financial advice or an intermediary service;
4. The date on which the matter complained about happened;
5. All documentation relating to your complaint;
6. How you would prefer to receive communication from us regarding your complaint i.e. by e-mail, fax, and post. Please provide us with the e-mail address, fax number or address where you would prefer to receive such communication.

Our procedure when receiving your complaint:

1. As soon as we receive your complaint, we will send you an acknowledgement of receipt. Please take into consideration that the method of communication chosen by you will determine how quickly we will receive and respond to your complaint.
2. Once we receive the complaint it will be forwarded to the Complaints Officer for deliberation.
3. In the event the Complaints Officer handling the complaint has resolved that the complaint is viewed as valid, the Complaint Officer must now:
 - a. Give a copy of the complaint to the member(s) of staff concerned, involved or affected by the complaint as soon as reasonably practicable and seek a written response from them.
 - b. The complaints officer must send a letter to the Client within 48 hours of receipt of the complaint assuring earliest attention and that an investigation is underway.
 - c. Furthermore, they should ensure that the Complainant is familiar with the complaints procedure and advise that they are entitled to receive a copy of the complaints handling procedure should they request it or if they are unfamiliar with the process.
 - d. The Client must be advised that they have the right to be heard and supply further material in support of their complaint, if they desire.
 - e. Undertake any investigation of the complaint which is deemed necessary, including
 - i. discussion with complainant
 - ii. discussion with member of staff concerned
 - iii. examination of relevant documents in possession of the Complainant
 - f. Determine what action needs to be taken to resolve the complaint. The Complaints Officer must attempt to provide a full review of all the salient matters relating to the complaint within 7 working days. At this point, the Complaints Officer and staff member involved must meet to discuss the complaint and a remedy agreed to resolve the complaint. The Complaints officer will liaise with the relevant staff members and the compliance department before making a finding. This finding will be signed off by the CEO, Mike Ray, and the compliance officer prior to

communication to clients.

- g. The complaint must be resolved within 30 days or a reasonable explanation for the delay must be provided to the client. The client must be given updates on the progress of the investigation at a minimum of every 7 days.
 - h. Reply to the Complainant detailing the findings of the investigation of the complaint and outlining any necessary action, which is to be taken as a result.
 - i. The Client must be informed of the criteria and process, including the avenues for further review, applied by SA Stockbrokers Group in dealing with complaints as well as their ability to send the complaint to the JSE or the FAIS ombudsman for review and arbitration if necessary. The Complaints Officer dealing with the complaint must explain to the complainant, their rights in a patient and courteous manner. For further information on the FAIS ombudsman and
 - j. Ensure that any general lessons to be learnt from the complaint are advised to all and if necessary, procedures and manuals are updated.
 - k. Lastly, the Complaints Officer when dealing with a complaint must ensure that SA Stockbrokers Group is seen to address all aspects of the complaint; follow up where appropriate and; whether it is appropriate to offer remedies to others who may have suffered in the same way as the Complainant but did not make a formal complaints.
4. If we are unable to resolve your complaint to your satisfaction, you have the right to refer your complaint in writing to the Director: Surveillance, giving full particulars of the matter concerned.
 5. In order for an unresolved complaint to be considered by the JSE Surveillance Department, the complaint must be lodged with the Director: Surveillance within 4 weeks of the receipt by the complainant of the member's response referred to in rule 11.30 and within 6 months of the conduct by the member giving rise to the complaint. An unresolved complaint which is lodged subsequent to the period referred to above will be considered, provided that failure to lodge the complaint within the relevant period was through no fault of the client.
 6. The JSE Surveillance Department may request the member and the complainant to provide copies of all relevant correspondence and documentation that is required to review the complaint.
 7. The JSE Surveillance Department will endeavour to facilitate a resolution of the complaint between the member and the complainant.
 8. If the JSE Surveillance Department is unable to facilitate a resolution of the complaint within 4 weeks of lodgement of the complaint with it, the Director: Surveillance will refer the unresolved complaint to the Company Secretary of the JSE to be dealt with in terms of the dispute resolution rules should the client elect to exercise this process.

1.2.2. Dispute Process for Unresolved Client Complaint

1. "The Dispute Resolution Rules" are intended to facilitate the equitable and expeditious settlement of disputes that a client has with a member, in respect of an unresolved complaint.
2. The Dispute Resolution Rules only apply -
 - a. where the amount in dispute is in excess of R2 000;
 - b. where the dispute is not the subject of existing litigation;
 - c. in the case of a dispute that a client has with a member, where the amount in dispute either does not exceed R500 000 or, where the amount in dispute exceeds R500 000, if the consent of both parties to proceed has been obtained;
3. A dispute reported will, subject to criteria set out above having been met, be declared a dispute by the Company Secretary and will be referred by the Company Secretary to a duly appointed Ombud for consideration.
4. Consideration by the Ombud
 - a. The JSE will appoint an Ombud to consider a dispute, who is a retired judge of the High Court of South Africa or a Senior Counsel
 - b. Within 3 weeks of the dispute having been referred to the Ombud for consideration, the claimant must set out the subject matter of the claim in a written statement, including all the material facts, and furnish this statement, along with all relevant documentation upon which the claim is based, to the Ombud.
 - c. The other party to the dispute, hereafter referred to as the defendant, must be provided with a copy of the written statement of claim by the Ombud. The defendant must furnish the Ombud with his written response to the statement of claim within 3 weeks of having received such. In addition to the defendant's written response, the defendant must attach thereto all other evidence relating to the dispute.
 - d. The Ombud may require the defendant to expand upon his response or provide further evidence or particulars as he deems necessary within such reasonable time as specified by the Ombud and may require the claimant to provide a written reply to the defendant's response within such reasonable time as he may specify.
 - e. The Ombud may at his discretion decide that a number of disputes based on similar occurrences or similar facts be consolidated and treated as a single dispute.
 - f. After ascertaining the parties' availability, the Ombud will, subject to rule 11.100.8 furnish the parties with written notification of the date on which the dispute will be heard.
 - g. The Ombud may make a decision regarding any issues relating to the dispute or consider the dispute on the basis of the documents submitted in terms of rules 11.100.2 to 11.100.5 without the necessity of a hearing.
 - h. The dispute resolution proceedings will be conducted without legal representation of any of the parties, unless the Ombud in his sole discretion decides otherwise.
 - i. The Ombud, in reaching a decision, may consult with any third party regarding any issue relating to the dispute. The Ombud has the discretion to call upon any third party to participate in the dispute resolution proceedings.

- j. The Ombud will, after having considered the information as presented to him by the parties and such other information as he may request, make his decision within 3 weeks of having considered the dispute. The Ombud must, at the request of any party to the dispute, provide written reasons for his decision.
- k. The Ombud's decision will be furnished to the parties in writing.
- l. The Ombud is not obliged to provide a ruling on a dispute if he is of the view that the dispute is of such a complex nature that it cannot be resolved expeditiously by means of the dispute resolution process and can only be properly considered by a court of law.
- m. Any decision made in terms of rule 11.100.12 must be complied with by the party against whom the decision is made within one week of the decision having been made by the Ombud.
- n. If a member against whom the Ombud has made an adverse finding is unable to satisfy his obligations, as provided for in the Ombud's decision, within the prescribed period, this member, after the JSE has considered the reasons for its inability to satisfy the Ombud's decision, may be declared a defaulter by the JSE. The claimant will be permitted to lodge a claim against the JSE Guarantee Fund for the fulfilment of the member's obligations in terms of the Ombud's decision. The JSE will have a subsequent claim against the member for the amount of the member's obligations to the claimant, as provided for in the Ombud's decision, which the JSE Guarantee Fund has satisfied.
- o. Unless the JSE, the Ombud and the parties to the dispute agree otherwise, the identity of the parties, the nature of the evidence and the details of the Ombud's deliberations and finding, and all other information pertaining to the proceedings, will be kept confidential by all parties thereto, unless disclosure by the JSE is required by law.

5. Cost of Proceedings

- a. The parties to any dispute resolution proceeding in terms of rule 11.100 may be required to pay to the JSE, before the proceedings commence, such amount as the JSE may determine as a deposit to cover a portion of the costs of the proceedings.
- b. The Ombud may, as part of his award and as he deems appropriate in the circumstances, make an order on costs which may include an order against the unsuccessful party for payment of all the costs of the proceedings.

6. Record Keeping

Every complaint must be recorded in the Complaints Register. SA Stockbrokers Group must maintain adequate records of such complaints for a period of five years from date of receipt of the complaint.

Stef de Bruyn, our internal Complaints Officer is responsible for maintaining complaints records in the Complaints Register, which should contain information relating to:

- The identity of the Complainant
- The date on which it was received;
- The person to whom the complaint has been addressed to resolve it
- The date on which it is resolved; and
- The nature of the resolution
- The substance of the complaint;

- Any correspondence between SA Stockbrokers Group and the Complainant; and
- Details of any redress offered by SA Stockbrokers Group which may include as follows:
 - The apology
 - Financial Assistance
 - Provision of Free services
 - Compensation
 - Disciplinary action against staff member;
 - Mediation
 - Refund
 - Other Assistance

7. Goodwill gift or token Complaints Files

Stef de Bruyn, our internal Complaints Officer must open a complaints file for each complaint received which must contain at least the following information:

- The complaints entry form
- Copies of background data e.g., account opening forms (including FICA documentation), all correspondence and transaction listings, contract notes and statements, and voice recordings;
- File notes of interviews with relevant staff;
- Copies of all correspondence sent to the Client in relation to the complaint;
- File notes of all telephone conversations with the Client and SA Stockbrokers Capital; and
- Action plan to resolve the complaint;



Signed by the Operational Risk Manager, Peter Clainos, of SA Derivatives (Pty) Ltd at Johannesburg on 30 April 2014.