

Customer complaint handling procedure: Bellatrix Asset Management (the Company)

Relations with private customers and institutional investors on the Luxembourg financial market require professionals in the financial sector to handle complaints received from their customers free of charge and in an appropriate, transparent and objective manner.

The obligation for each professional to provide an appropriate response to these complaints is indeed not only part of basic business ethics; it is also an essential component of the public image of the financial sector and of each individual institution's efforts to protect its business whilst maintaining a degree of mutual trust. For the Company's management as well as for the CSSF, customer complaints can be revealing indicators of malfunctioning.

The Company, which is concerned about the brand image it portrays, has implemented and maintains an effective and transparent procedure aimed at handling complaints made by its investors in a rapid and reasonable manner.

Information about these procedures is made available to investors free of charge.

1. Receipt of a complaint made directly to the Company

1.1 Written complaint

Once the complaint has been received, a file is set up and the original version of the complaint letter is placed in it, after it has been:

- stamped with the date of receipt,
- copied and sent to the complaint handling officer,
- copied and sent to the complaint handling manager,
- copied and placed in the customer's file.

1.2 Oral complaint

If a complaint is made orally by a customer or by a third party, a written summary is made of the complaint if its importance justifies such action. The summary is then treated as a written complaint.

2. Complaint handling

The investor is informed of the name and contact details of the person who will be responsible for his file to guarantee that his complaint is handled in a transparent manner.

A member of the senior management within the internal organisational structure is appointed to be responsible for customer complaints (responses given to customers will be under his authority and responsibility).

The complaint handling officer consults the function about which the customer has made the complaint to obtain the necessary information. With the overriding aim of remaining objective and seeking the truth, he will give an opinion and propose, where appropriate, an amicable solution that is acceptable to the customer. The Company will not under any circumstances seek to camouflage or cover up a mistake made by it or by one of its employees. The response given to the customer, whether positive or negative, must indicate the reasons on which it is based.

When the response is final, it is sent to the customer after a copy of it has been put in the customer's file and in the complaints register.

All complaints are handled promptly. The Company undertakes to use all the means at its disposal to ensure that simple cases are dealt with in a few days. If the time needed to draw up the reply is expected to be too long (this should not exceed 30 days), the complaint handling officer will notify the customer, via an acknowledgement of receipt (within less than ten days after receipt of the complaint), that his complaint is under consideration and will provide him with the contact details of the person responsible for handling it.

The complaint must be analysed on the basis of relevant evidence and information and expressed clearly and simply. The Company will ensure that it determines the causes of the complaint and puts them right.

If the complaint handling process does not result in a satisfactory answer for the complainant despite comprehensive explanations of the Company's position, he must be informed in writing of the existence of the out-of-court complaint resolution procedure at the CSSF (see point 4 of this procedure) by informing him of the procedure set out in CSSF Regulation 13-02 and of the reference to the CSSF website.

If it transpires that a complaint has been made in bad faith, the Company will end the relationship with the customer, no longer based on the necessary degree of confidence, in a resolute and orderly manner.

3. Monitoring

On a regular basis and at least once a quarter, the administration officer consults the customer complaints file and verifies that it is being handled in accordance with this procedure. He reports on the position to the complaint handling manager. In addition, in collaboration with the functions concerned, he proposes the improvements that need to be made to the internal processes and procedures to avoid a recurrence of the errors that led to the complaints. The complaint handling officer will immediately notify the administration officer if the complaint was the result of a serious deficiency that needs to be corrected rapidly.

The Company undertakes to provide the CSSF with an annual statement detailing the number of complaints made against it, the reason for each complaint and the progress achieved in handling the complaints.

The complaints file is also made available to specialised functions such as the internal auditor.

The Statutory Auditor also includes in its work a verification of the correct application of the customer complaint handling procedure.

4. Complaints referred to the CSSF

"The CSSF is the relevant authority for receiving complaints from customers of entities under its supervision and for intervening with these entities with the aim of settling these complaints amicably."

The opening of the procedure is subject to the condition that the complaint has been previously dealt with by the company, by both the complaint handling manager and by senior management.

If no reply is received from the company within one month, the complaint may be referred to the CSSF, which must be provided with the supporting documentation. The CSSF aims to resolve complaints amicably. It does not act as a judge or an arbitrator passing a mandatory judgment, nor as an "ombudsman", who, by definition, is a person charged with defending the citizens' rights against public authorities.

When the CSSF receives a complaint from one of the Company's customers, it will ask the client, as a first step, to exhaust all the means of recourse against said Company. The CSSF may also inform the Company and the complainant by letter as to whether or not the complaint is admissible. If the response is final, the CSSF will ask the Company to take up a position. The conclusions reached by the CSSF are not binding on the parties who are free to accept them or not. The matter may be referred before the courts if the parties fail to reach an agreement after the CSSF has issued its reasoned conclusion. A maximum time limit of 90 days is specified for completion of this procedure.

The complaint handling officer will provide the information required under the supervision of the complaint handling manager. Generally, the Company is required to provide as comprehensive a response, and to be as cooperative, as possible. The CSSF may also organise a meeting with the parties if it deems such a meeting would be helpful.

Lastly, the CSSF will arrive at a reasoned opinion, of which it will inform the parties. However, if one of the parties refers the matter to court, the CSSF will cease its involvement.

References:

IML Circular 95/118
CSSF Circular 11/508
Regulation 10-04
Regulation 13-02