

## 1. Key Principles

Whilst OpenInvest (“the Administrator”) seeks to provide the clearest communications and maintain a perfect operating environment, it is inevitable that over time some investors may feel unhappy or dissatisfied with the service. In these situations, it is important that an investor has a simple process by which to communicate a complaint.

Complaints should be seen as an opportunity for the Administrator constantly to improve its service, and to build stronger relationships with investors, and as a result increase the level of investor satisfaction with the service. The Administrator acknowledges that all investors have a right to complain, and to have their complaints handled in a fair and responsive manner.

An effective internal dispute/complaints resolution process will:

- ▶ provide a complainant with access to the open and responsive internal dispute resolution process of the Administrator to promote trust between the parties so that we improve levels of investor confidence and satisfaction;
- ▶ enhance the ability of the Administrator to resolve complaints quickly and directly in a consistent, systematic and responsive manner, to the satisfaction of the complainant and the organisation;
- ▶ enhance the ability of the Administrator to identify issues and eliminate the causes of complaints, thereby improve the organisation’s operations;
- ▶ help the Administrator to create a customer-focused approach to serving and resolving complaints, and encourage personnel to improve their skills in working with investors; and
- ▶ reduce AFCA and future remediation costs.

## 2. Complaint Resolution Process

Investors are able to lodge a complaint either orally or in writing.

Immediately a complaint is identified it will be reported to responsible executive/s of the Administrator. If at any time staff are in doubt about what to do, they should contact the Head of Compliance immediately.

The Administrator’s complaint resolution process focuses on developing the best and the most appropriate course of action, and communicating this to the complainant as quickly as possible.

If the investor is still unhappy with the resolution reached the Administrator will advise them they can contact the external independent dispute resolution scheme, the Australian Financial Complaints Authority (AFCA).

The complaints-handling process, including how and where to complain will be well publicised and easily accessible to all complainants and staff. All Product Disclosure Statements set out the complaints resolution process including details on how to lodge a complaint with the Administrator and how to access AFCA.

The characteristics of an accessible complaints-handling process include:

- ▶ the provision of readily accessible information about the process;
- ▶ flexibility in the methods of making complaints, including provision for oral complaints; and
- ▶ special arrangements and/or support should be made available for complainants with specific needs (including availability of interpreters).

### Guidelines for an effective and efficient complaints-handling process

The following guidelines have been sourced from the Australian Standard™ Guidelines for complaints management in organisations (AS/NZS 10002:2014) and provide an outline of how to deal with complaints.

The guidelines provide an overview of the complaints-handling process for staff including:

- ▶ minimising disputes;
- ▶ identifying complaints;
- ▶ processing written or oral complaints (including telephone complaints);
- ▶ eliminating causes of complaints; and
- ▶ training and creating a customer-focused approach to resolving complaints.

## Minimising Disputes

Handling a complaint efficiently requires that staff of the Administrator exercise patience and skill to avoid an initial negative situation potentially becoming more negative, and becoming a dispute.

The two main approaches to handling complaints successfully are:

- ▶ understanding with the complainant's emotions:
  - listen – this is the first step in reducing understandable tensions;
  - empathise – relieves tension and so opens channels of communication;
  - acknowledge the complainant's feelings – denying that the complainant is or has the right to be upset may antagonise the complainant; and do not offer excuses, or argue with the complainant.
- ▶ dealing with the specifics of a complaint:
  - ask the necessary questions in a polite and even-handed manner – to obtain the most detailed responses;
  - seek to agree on a solution;
  - set an agreed timetable; and
  - take action on the agreed solution.

## Identifying a complaint

AS/NZS 10002:2014 sets out the following definition of 'complaint' at p. 6: [An expression] of dissatisfaction made to or about an organisation, related to its products, services, staff or the handling of a complaint, where a response or resolution is explicitly or implicitly expected or legally required.

The identification of a complaint is the key to the operation of OpenInvest's complaint procedures. Complaints may be received by the Administrator's staff or by OpenInvest's service providers, who are obliged to refer the complaint to OpenInvest staff immediately.

It is important that you are able to distinguish a complaint from an inquiry or request. The key to distinguishing complaints from inquiries and requests is that a complaint is an expression of dissatisfaction. General reasons for complaints include, but are not limited to:

- ▶ administration – faults/delays;
- ▶ dissatisfaction with fees/charges;
- ▶ alleged misrepresentation;
- ▶ misunderstanding/lack of knowledge by the investor of the product;
- ▶ alleged mis-selling of the product;
- ▶ delays in redemptions/distributions;
- ▶ privacy issues; or
- ▶ a misunderstanding as to how to use the Investor Portal or app.

## What if you receive a complaint?

Complaints can be made orally or in writing. All complaints are treated the same irrespective of how they are first made. The steps for processing complaints are listed below.

It is important that all complaints are properly recorded at the outset so that we can monitor their progress and collect statistical information. Each complaint should be recorded separately in the Complaints Register and followed up as appropriate and monitored to ensure the investor remains satisfied as well as receiving feedback.

Oral complaints must also be supported by a file note of your factual conversations with the investor.

**File notes must contain facts** only and should not be emotive or judgmental in nature.

Staff must immediately inform responsible executive/s of the complaint.

## 2.1 Processing Oral Complaints

### Step 1: Listen and Collect Information

- ▶ Identify yourself, listen and determine what the complainant wants.
- ▶ Empathise with the complainant in a courteous manner.
- ▶ Emphasis should be placed on solving the problem and not assigning blame.
- ▶ Write down all details of the complaint for recording in the Complaints Register.
- ▶ Confirm the details received with the complainant.

- ▶ If the complaint can be resolved within 24 hours agree on a solution and when you will contact the complainant with feedback or a result.
- ▶ Offer to escalate the complainant to the responsible executive/s.
- ▶ If the complaint cannot be resolved in 24 hours and further investigation is required, commit to commencing the investigation within 24 hours, agree on a solution and set a timetable. This should happen irrespective of who will ultimately handle the complaint.
- ▶ Ensure that the investor is satisfied with the proposed action and, if not, advise alternative courses of action. Provide written acknowledgement of the complaint within 24 hours.

## Step 2: Report Complaint

- ▶ Report the complaint immediately to the responsible executive/s.
- ▶ The details of the complaint are to be recorded in the Complaints Register. An electronic file note for the complaint should be opened and saved.
- ▶ If you are resolving the complaint then you will need to follow-up as appropriate and monitor to ensure that the investor remains satisfied with the action you are taking. Record all the relevant facts in the file note, talking to people from all areas of the business involved in the complaint and verifying all explanations where possible.
- ▶ When the complaint is received from an investor and there is an adviser on record, the adviser should be notified of the complaint, the proposed action and the outcome.

## Step 3: Resolve Complaint

- ▶ Every endeavour should be made to resolve the complaint within 10 business days and a response to be sent by email or mail, including a copy to the adviser/partner.
- ▶ If the complaint is closed by the end of the 5th business day after receipt of the complaint because:
  - OpenInvest has resolved the complaint to the complainant's satisfaction or
  - Given the complainant an explanation/ and or apology when OpenInvest can take no further action to reasonably address the complaint.

The Register for complaints will be updated to record the resolution, but no written response will be provided to the investor unless requested.

- ▶ If the complaint cannot be resolved within 5 business days, the complainant must be kept informed as to its progress and in any case, try and resolve it within 30 calendar days of receipt for a standard complaint. Exceptions to this timeframe will apply if there is no reasonable opportunity for the financial firm to provide a dispute resolution response within the relevant maximum Internal dispute Resolution timeframe because
  - (a) the resolution of the individual complaint is particularly complex; and/or
  - (b) circumstances beyond the financial firm's control are causing complaint management delays.

If there are delays in the timeframe for dispute resolution, the Head of Compliance will communicate with the complainant in relation to:

- (a) The reasons for the delay
  - (b) Their right to complain to AFCA if they are dissatisfied; and
  - (c) The contact details for AFCA
- ▶ Once resolved, the Complaints Register should be closed and the responsible executive/s notified that the matter is closed.

## Processing Written Complaints

In principle, this is the same as processing oral complaints, however, in this situation a written acknowledgement should be issued within 24 hours of receipt.

## What happens then?

The service standard for the resolution of the complaint is within 10 business days of receipt. Staff members will investigate the complaint and keep the investor and the complaints officer informed about how the complaint is progressing. In each case, notification of the outcome of your investigation including any decision made should be given to the investor in writing, with a copy provided to the adviser/partner. A copy of the investor letter or email is to be retained.

## 2.2 Identifying trends and eliminating causes of complaints

Evaluating the data we collect on complaints allows us to identify the causes of complaints and determine whether remedial action is warranted. The data is used to:

- ▶ improve how we describe something, on the website or in a PDS;
- ▶ review how distribution is undertaken which may include the definition of the target market;
- ▶ redesign products and services;
- ▶ change processes, policies and procedures;
- ▶ improve staff training; and/or
- ▶ re-assess investor needs.

The Complaints Register must be kept up-to-date if we are to effectively utilise the information collected from the resolution of complaints.

### Training and creating a customer-focused approach to resolving complaints

All staff in contact with investors should:

- ▶ be trained in complaints-handling and be aware of their role, responsibility and authority in respect of complaints;
- ▶ comply with any complaints-handling reporting requirements;
- ▶ always treat investors in a courteous manner and promptly respond to their complaints; and
- ▶ show good interpersonal and communication skills.

To ensure that the complaints-handling process operates efficiently, the Administrator should periodically assess the training and procedures provided to staff.

### Continual review and monitoring of the complaints-handling process

Criteria that may be considered and included when monitoring the performance of the complaints-handling process:

- ▶ the complaints-handling process and Complaints Register is maintained;
- ▶ the complaints reporting process has been adhered to;

- ▶ staff in contact with investors are trained and authorised to resolve complaints;
- ▶ time taken to respond to complaints;
- ▶ degree of complainant satisfaction with resolution; and
- ▶ effectiveness and efficiency of corrective processes.

### Data that may be monitored:

- ▶ number of complaints received;
- ▶ the reason for each complaint;
- ▶ how many complaints were resolved at the point when they were made;
- ▶ the number of complaints acknowledged after agreed time;
- ▶ the number of complaints resolved within the 10 business day service standard;
- ▶ the number of complaints resolved after the agreed time;
- ▶ the number of complaints referred to the external method for resolution; and
- ▶ repeat complaints.

### Role of compliance:

- ▶ manage the complaints process;
- ▶ maintain the Complaints Register and this Policy;
- ▶ establish and maintain a separate file note for each complaint;
- ▶ report all complaints immediately to the CEO if necessary;
- ▶ deal with complaints where an investor disputes our proposed resolution and or provides additional information for consideration;
- ▶ monitor the performance of the complaints process and complaints data;
- ▶ provide reports for consideration by Management and the Board;
- ▶ deal with complaints lodged with external bodies; and
- ▶ review reports from external bodies on the performance of the complaints process.

### Establishment of a Complaint file

A complaint file is to be maintained for compliance purposes.

At the resolution of each complaint, the file should include:

- ▶ copies of all correspondence with the investor and/or the adviser/partner in connection with the complaint;
- ▶ a report on the complaint which may set out:
  - the steps taken to investigate the complaint;
  - the decision which was reached; and
  - the reasons for the decision.
- ▶ where applicable, a copy of the letter to the investor notifying them of the decision reached;
- ▶ advising them about the external independent dispute resolution scheme; and
- ▶ any further correspondence that may arise from a request for review.

### 3. Complaints Register

It is the responsibility of compliance officer to oversee the maintenance of the Complaints Register. Staff are asked to inform responsible executive/s of any complaints, which will then update the Register.

### 4. Record Keeping

All records of complaints and related materials must be kept for at least seven years.