Klay

Klay Capital Limited
1st Floor, Berkeley Square House
Berkeley Street, London
WIJ 6BD United Kingdom
www.klaygroup.com

Complaints Management and Handling Policy

1. Introduction

Klay Capital is an Investment Firm carrying out MiFID services and activities and a Mortgage Intermediary authorised and regulated by the Financial Conduct Authority ("**FCA**") and required to have in place clear and effective procedures for the reasonable and prompt handling of complaints.

An effective complaints management system is a proven way of maintaining and building relationships with the people on whom our business depends. We view complaints as an opportunity to learn and improve for the future, as well as a chance to put things right for the complainant.

- handling complaints well: we can demonstrate a commitment to providing the best possible service to our clients and other stakeholders;
- helps us recognise things that have gone wrong (so they can be corrected); and
- helps prevent things from going wrong again in future

This document sets out the complaints handling policy that Klay Capital will be bound to in the event of a client's complaint.

Our policy is to:

- provide a fair complaints procedure which is clear and easy to use for anyone wishing to make a complaint;
- publicise the existence of our complaints procedure so that people know how to contact us to make a complaint;
- ensure everyone at Klay Capital knows what to do if a complaint is received;
- ensure all complaints are investigated fairly and in a timely manner;
- ensure that complaints are resolved and client relationships repaired; and
- gather information that helps us improve what we do.

This Policy will be reviewed at least annually and amended as necessary.

Definition of a Complaint

A complaint is any expression of dissatisfaction about any aspect of Klay Capital or any of its services. A complaint can be received verbally, in person or via phone, or in writing (including via email).

Complaints may come from all types of clients, including retail, professional and eligible counterparties. Complaints will be processed by Klay Capital free of charge.

This Policy does not cover complaints from staff (unless such complaints are in relation to the staff member being a client of the firm), in which case Klay Capital's Discipline and Grievance policy should be applied.

How can a complaint be made/received?

Complaints should be directed to the complaints management function at Klay Capital which can be contacted via telephone at +44 (0)75 33033911 or via email at roberto@klaygroup.com Complaints by letter can be sent to:

Klay Capital Limited
1st Floor, Berkeley Square House
Berkeley Street, London
WIJ 6BD United Kingdom

What is an Eligible Complainant?

The definition of an eligible complainant is a person eligible to have a complaint considered under the FOS, as defined in DISP 2.7.3R i.e. a person that is:

- "consumer", being a natural person acting for purposes outside his trade, business or profession. An elective professional client that is a natural person (an individual) would fall within the definition of consumer;
- "micro-enterprise", being an enterprise that employs fewer than 10 persons and has a turnover or annual balance sheet that does not exceed €2 million;
- "small business", being a small business that has an annual turnover that does not exceed £6.5 million and employs fewer than 50 persons or annual balance sheet that does not exceed £5 million;
- charity which has an annual income of less than £1 million at the time the complaint is made; or
- trustee of a trust which has a net asset value of less than £1 million at the time the complaint is made.

A complaints management function has been established at Klay Capital to be responsible for the investigation of complaints. The compliance team will be responsible for monitoring the process of complaint handling. As part of the general compliance reporting to the board/management body, the compliance team will submit summaries of its findings on complaints at least annually.

The FCA requires a twice-yearly report concerning complaints received from eligible complainants (and firms reporting 500 or more complaints must **also** publish a summary of the complaints data) – see DISP 1.10 (and DISP 1.10A).

Every six months, within 30 business days of the firm's accounting reference date (i.e. year-end) and six months after the firm's accounting reference date, Klay Capital will provide the FCA, via the RegData electronic reporting system, with a complete report concerning **all** complaints received, using the complaints return form at DISP 1 Annex 1R.

The Financial Services Compensation Scheme ("**FSCS**") is governed by the Compensation Sourcebook (COMP) and covers **eligible claimants** as described in COMP 4 and defined in COMP 4.2. In order for the FSCS to facilitate compensation, a claimant must, in addition to being eligible, satisfy the conditions in COMP 3 or form part of a 'protected claim' as detailed in COMP 5.

2. Dealing with complaints

Where we receive a complaint from an eligible complainant (see below for the treatment of a complaint from a complainant that is not an eligible complainant) it will be dealt with promptly in accordance with DISP 1A (MiFID complaints). These rules include requirements:

- that complaints are investigated fairly and impartially;
- that complaints are acknowledged and dealt with without undue delay;
- on the forwarding of complaints;
- on the complaints time barring rules;
- the recording of, and resolution of, complaints and retention of records;
- to provide FCA with complaints reports; and
- to publish a complaints summary e.g. on the website (but only if 500+ complaints are reported).

Certain rules in the above are disapplied where MiFID complaints are resolved by the end of the third business day.

Reference should be made to the table in DISP 1 Annex 2 for the precise application of the above rules e.g. some rules only apply to 'retail clients' and 'professional clients'.

Notwithstanding the above, if Klay Capital does receive a complaint from a complainant who is **not** an eligible complainant, we will consider the complaint carefully and, where possible, will try to resolve the complaint, as a matter of best practice. Any such attempt to resolve the complaint is recorded.

Judgement and diligence in dealing with complaints can make a critical difference in the outcome. It is crucial for our staff to highlight and/or escalate any warning signs to an appropriate manager or the Compliance Officer for review. Rectifying a problem early is key to minimising damage to Klay Capital and maintaining a healthy relationship with our clients during any resolution rather than a problem evolving into a legal conflict.

The procedure for dealing with any customer complaint is as follows:

(i) If the complaint is verbal and we can settle it immediately (e.g. a trade dispute) we will do so and inform the Compliance Officer, who will invoke the three-day complaint resolution process.

(ii) If the complaint is in writing or if it is a verbal complaint and cannot be resolved immediately, we will:

- advise the Compliance Officer immediately;
- appoint an individual of sufficient seniority to investigate and respond to the complaint, or where necessary ensure sufficient escalation;
- have in place a time limit for the initial response (acknowledgement) to the complaint (no later than five business days from receipt of the complaint) confirming that the complaint has been received, that it is being dealt with and enclosing a copy of our complaint handling procedures (client version);
- keep the client informed of the progress of the investigation; and
- have in place a time limit for the resolution of a complaint (we aim to resolve within eight (8) weeks of receipt of the complaint).

With regard to the above, by the end of eight weeks (unless the complainant has previously accepted a response in line with DISP 1.6.4R) after receipt of a complaint from an eligible complainant we will send either a 'final response' or a 'written response'.

A final response will contain our decision e.g. offer remedial action, rejection of the complaint etc. and will be accompanied by:

(a) the FOS standard explanatory leaflet;
(b) details of the FOS website address (see point 4: Useful Links);
(c) confirmation of whether we will waive the relevant FOS referral time limits (we will not ordinarily do so) and
(d) explanation that the complainant can now refer the complaint to the FOS if they remain dissatisfied.

There are time limits outside of which the FOS cannot consider a complaint e.g. six months following issuance of the final response – but see DISP 2.8.2R for further details. However, under DISP 1.6.2R(1)(f) we are able to waive this time limit. Use of this waiver will be considered on a case-by-case basis and the complainant will be informed of our decision.

A written response will be issued to explain why we have been unable to resolve the complaint within this period and will indicate when we expect to do so, Klay Capital will then ensure the complainant is kept informed of the progress of the investigation. Although the complaint is unresolved, the complainant must be informed that they are able to refer the issue to the FOS. Details of the FOS, as above, will be included together with our decision on waiver of the time limit for ease of reference.

DISP 1 Annex 3 provides appropriate wording to be used when responding to complaints.

Approval from the Compliance Officer is required prior to the settlement of a written complaint.

In practical terms, there should be no major difference in our approach to the resolution of complaints whether they are from eligible complainants or not. The one exception is that only an eligible complainant can refer their complaint to the FOS. All clients will receive the same exemplary standard of care and customer service from Klay Capital regardless of eligibility.

Although it is disappointing to receive a complaint, it can present us with an opportunity for improvement. This also ensures the relevant failures that led to the complaint are looked at closely, in order to prevent any repetitions of client dissatisfaction from occurring. Therefore, the resolution of any complaint will include a full-scope review into our processes and procedures to see what lessons may be learnt, the need for any internal training required etc. We would like to reiterate that client satisfaction is of utmost importance to Klay Capital and is taken very seriously.

3. Availability of Klay Capital's complaints policy & provision of summary of details

Klay Capital will make sure that its clients are aware of its complaints policy. This Policy will also be provided to clients upon request, free of charge and at any time the firm acknowledges a complaint to ensure the complainant is fully aware of our processes and procedures.

Klay Capital will provide its clients with summary details of its internal complaints handling procedures which will explain:

- how it fulfils its obligation to handle and seek to resolve complaints;

that, if the complaint is not resolved, the complainant may be entitled, if eligible, to refer it to the FOS. This information will be provided:

- on request;
- when acknowledging a complaint;
- in the terms and conditions agreed with the customer;
- any customer-facing website.

Financial Ombudsman Service ("FOS")

Any complaint made by an eligible complainant will follow the general procedure. In the event that the client(s) is not satisfied with the outcome of our final Response Letter, which will include the FOS leaflet, the client will be eligible to take the complaint to the FOS.

Financial Ombudsman Service

Exchange Tower

London

E14 9SR

email: complaint.info@financial-ombudsman.org.uk

phone: 0800 023 4567 or 0300 123 9123 (or +44 20 7964 0500 if calling from abroad)

Data Handling

All complaint information will be handled sensitively and with full confidentiality, telling only those who need to know and following all relevant data protection requirements.

Klay Capital will maintain records of the complaints received, the investigations and the final outcomes for a period of five years.

4. Useful Links:

COMP

DISP

https://www.handbook.fca.org.uk/handbook/DISP.pdf

FOS

http://www.financial-ombudsman.org.uk/

FOS Exemption Guidance and Form

https://www.fca.org.uk/publication/forms/fos_guidance.pdf

https://www.fca.org.uk/publication/forms/fos-notice.pdf

FSCS Exemption Guidance and Form

https://www.fca.org.uk/publication/fees-information/fscs-guidance.pdf

https://www.fca.org.uk/publication/fees-information/fscs-notice.pdf

FOS consumer leaflet

http://www.financial-ombudsman.org.uk/publications/consumer-leaflet.htm

Order FOS consumer leaflet online

https://payments.financial-ombudsman.org.uk/

Approved by the Board