



**AIMS Funds Management**  
A Member of AIMS Financial Group

# COMPLAINTS HANDLING POLICY

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# 1. INTRODUCTION

## 1.1. BACKGROUND

The AIMS Financial Group (“**AIMS**”) is a diversified investment and financial services group. AIMS manages individual mandates and registered schemes on behalf of retail and wholesale clients. In performing its management functions, AIMS will also necessarily interact with a variety of stakeholders, including investors, regulators and the public at large.

The procedures adopted by AIMS for handling complaints and queries are flexible and robust in order to provide confidence to its clients and stakeholders.

This policy has been based on the requirements of ASIC Regulatory Guide 165 and Australian Standard AS ISO 10002-2006 - Customer Satisfaction – Guidelines for Complaint Handling.

The policy is reviewed at least annually. The Board will monitor the level and types of complaints received and allocate adequate resources to ensure the complaint handling process is adequate, efficient and continually improved.

The Compliance Officer will ensure that employees receive appropriate training on the complaint handling process at induction and on an ongoing basis.

## 1.2. PURPOSE OF THIS POLICY

The purpose of this policy is to provide the employees of AIMS with the correct procedures in relation to the handling, recording and monitoring of complaints received from clients and stakeholders.

Employees must always be conscious that, although the party raising an issue may not be covered by ASIC or other regulatory requirements, the issue raised may well have an impact on such a party and, therefore, must be handled accordingly.

Complaints should be dealt with at the earliest possible stage as doing so:

- prevents complaints from becoming entrenched;
- preserves customer relationships; and
- is often the most efficient and cost effective way of dealing with complaints.

## 1.3. REGULATIONS APPLYING FOR INVESTORS IN AIMS FUNDS

Section 912A(1)(g) of the *Corporations Act 2001* (Cth) requires all AFS Licence holders who provide financial services to retail clients to maintain a dispute resolution system which complies with section 912A(2), as follows:

- “(2) *To comply with this subsection, a dispute resolution system must consist of:*
- (a) *an internal dispute resolution procedure that:*

- (i) *complies with standards, and requirements, made or approved by ASIC in accordance with regulations made for the purposes of this subparagraph; and*
- (ii) *covers complaints against the licensee made by retail clients in connection with the provision of all financial services covered by the licence; and*
- (b) *membership of one or more external dispute resolution schemes that:*
  - (i) *is, or are, approved by ASIC in accordance with regulations made for the purposes of this subparagraph; and*
  - (ii) *covers, or together cover, complaints ... against the licensee made by retail clients in connection with the provision of all financial services covered by the licence.”*

This policy constitutes AIMS' Internal Dispute Resolution system, while its External Dispute Resolution scheme membership is maintained with AFCA, which is an ASIC approved complaints service provider.

#### **1.4. WHAT IS A “COMPLAINT”?**

A complaint is *“an expression of dissatisfaction made to an organisation, related to its products, or the complaints handling process itself, where a response or resolution is explicitly or implicitly expected”*. (AS ISO 10002-2006).

Where there is any doubt as to whether a communication received (either verbally or in writing) constitutes a formal complaint, it should be reported as an *“Incident”* to the Compliance Officer immediately, who will make further investigations, and classify the *“Incident”* as a complaint or otherwise.

As a general rule, complaints from parties not covered by ASIC and regulatory requirements should be handled in the same manner, regardless of source. Complaint recording procedures and systems will make the necessary distinctions.

## **2. DEALING WITH COMPLAINTS**

### **2.1. INITIAL RESPONSE**

All complaints, whether they are written or verbal are to be communicated to the Compliance Officer immediately, or as soon as practicable, on receipt of the complaint.

Upon receipt of the complaint:

- the Compliance Officer must immediately respond to the complainant verbally or in writing, advising that their expression of dissatisfaction has been received and will be responded to in line with AIMS' Complaint Handling policy;
- the Compliance Officer will record the complaint in the Complaints Register, outlining the details of the complaint and any actions taken to date;
- the Compliance Officer conducts an initial assessment of the complaint to determine its severity and complexity and the possible need for immediate corrective action;
- the Compliance Officer assigns the responsibility of managing the complaint to the appropriate persons.

The Compliance Officer maintains records of all complaints, and the Board is advised on a quarterly basis on all complaints received during the preceding quarter and actions being taken. Where necessary, the Compliance Officer or Company Secretary will report significant complaints to the Board as soon as practicable after receipt.

### **2.2. ACKNOWLEDGMENT**

The responsibility for acknowledging complaints in the first instance rests with the Compliance Officer, or in their absence, an employee from the area where the complaint has emanated.

All complaints must be acknowledged within 24 hours verbally or within 48 hours by email or post. Any verbal communications between an AIMS employee and the complainant are to be documented in a file note.

If a client requires assistance in making a complaint, reasonable assistance must be provided free of charge.

AIMS maintains membership with an independent, external dispute resolution service approved by ASIC and is currently registered with the Australian Financial Complaints Authority (**AFCA**).

Each client is advised in the response letter that if they are not satisfied with the explanation provided, they may lodge their complaint with AFCA.

The Compliance Officer notifies the Board of any complaints referred to AFCA.

## **3. PROCESS & ADMINISTRATION**

Where a complaint constitutes or indicates a breach of any AIMS Compliance Plan (in the case of investment products), the matter must be reported immediately to the Compliance Officer, and handled accordingly.

### **3.1. COMPLAINTS PROCESS**

The Compliance Officer:

- (a) must be notified of all complaints immediately on receipt. In the absence of the Compliance Officer, all complaints are to be notified to the Company Secretary.
- (b) will review the complaint immediately on receipt, assess the complaint in terms of criteria such as severity, complexity, impact and the need and possibility of immediate action, and will reassign it to the appropriate employee for action;
- (c) will register the complaint in the Complaints Register including the following information:
  - (i) date the complaint was received;
  - (ii) product / fund;
  - (iii) investor's name;
  - (iv) complaint detail;
  - (v) any actions taken to date (if any);
  - (vi) root cause;
  - (vii) requested remedy and due date for response; and
  - (viii) any long term actions required to prevent similar types of complaints recurring.
- (d) may provide assistance in resolving the complaint to the executive from whose fund the complaint emanated. At first instance, this could include a meeting with the complainant to discuss issues relevant to the complaint, and explore possibilities for resolution;
- (e) monitors all complaints until they are resolved; and
- (f) evaluates the complaints handling procedure at least annually.

### **3.2. OWNERSHIP**

It is the responsibility of the Compliance Officer, with assistance from relevant managers, or, if applicable, an external service provider, to ensure that complaints are satisfactorily resolved.

The Compliance Officer and the relevant managers must use their best endeavours to resolve the complaints as soon as practicable by:

- (a) communicating with the client in a positive and conciliatory manner;
- (b) addressing all issues that were raised in the complaint;

- (c) ensuring that all answers are accurate and understood;
- (d) giving clear and concise reasons for the decision reached;
- (e) keeping comprehensive notes on the progress of the complaint, including file notes on conversations; and
- (f) liaising with external and internal personnel where appropriate.

Where possible, decisions should be communicated in writing and should refer to applicable provisions in legislation, codes, standards or procedures. The written decisions should be clear, concise and effective, and avoid the use of legal or industry jargon which may be seen to confuse the client.

All complaints are to be addressed in an equitable, objective and unbiased manner. Furthermore, all complaints should be classified and then analysed to identify systematic, recurring and single incident problems and trends, and help eliminate the underlying causes of complaints

### **3.3. FILE RECORDS**

Details of all complaints, and all supporting documentation must be retained within Compliance Drive. Only those employees who are authorized having access to the information.

### **3.4. REMEDIES**

Depending on the nature of the complaint, AIMS may offer the following remedies to the affected persons as part of the resolution of complaint:

- compensation;
- technical assistance;
- referral to another service provider;
- apology;
- financial assistance;
- goodwill gift or token;
- indication of changes in process, policy or procedure arising from the complaint.

All compensation payments and financial assistance must be approved by the Chief Executive Officer.

Compensation should be made for any direct loss or damage caused as a result of a breach of AIMS' obligations. When assessing the extent of loss or damage, consideration will be given to the relevant legal principles, codes of conduct, concepts of fairness and industry best practice. The Compliance Officer must consult the Company Secretary and if necessary, external legal advisors, on issues of liability, and assessment of damages.

- As a minimum, AIMS has in place Professional indemnity insurance for an amount of at least \$2 million (in respect of each claim) in accordance with ASIC Regulatory Guide 126.

### **3.5. REPORTING**

All complaints are recorded in the compliance report by the Compliance Officer.

The Compliance Officer will monitor all complaints and the Board must be notified of the status of these complaints on a quarterly basis.

### **3.6. TIMELINESS**

The Compliance Officer must investigate all complaints, assist with reaching a decision on the course of action, and ensure that the decision is communicated to the client within 45 days of the complaint being made.

A final written response does not need to be provided where the complaint has been resolved by the end of the fifth business day after the complaint was received and the complainant has not requested a written response.

On notifying the client of the decision, the client must be made aware that if they are not satisfied with the outcome, they may refer the complaint to AIMS's external dispute resolution scheme, namely:

**Australian Financial Complaints Authority (AFCA)**  
**GPO Box 3**  
**MELBOURNE**  
**VIC 3001**  
**Tel: 1800 931 678**  
**Fax: 03 9613 6399**  
**Email: [info@afca.org.au](mailto:info@afca.org.au)**

If a longer period is required, the client must be notified by AIMS, within the initial 45 day period, of the reason why a decision cannot be made within that period. The client must also be advised that:

- if they are not satisfied with the reason given, then they may contact AFCA. A decision by AFCA will then be made as to whether a longer period is warranted and, if so, how much time AIMS will be given to make a decision before AFCA will proceed with an application; and
- If the client is not satisfied with the reason given and does not receive a response from AIMS within 45 days, then they may proceed to lodge a complaint directly with AFCA.

### **3.7. SYSTEMIC AND RECURRING PROBLEMS**

A systemic problem is one that is caused by failures in the product or service design, delivery systems or organisational policies or procedures. They are often identified



because of their recurring nature, for example, mistakes in a product disclosure statement which lead to uncertainty among investors about fees and charges.

In reporting complaints, the Compliance Officer or person raising the complaint must analyse their origination and determine the root cause to assist with the corrective actions.

If systemic or recurring, they should be classified as such when completing the Incident. The Compliance Officer must take immediate steps to rectify any systemic or recurring problems.

If a complaint results from a breach of AIMS' AFS License obligations, the Corporations Act or other regulatory requirements, that breach must be treated in accordance with the requirements of the Breach Reporting policy.

### **3.8. RESOLUTION**

If the action taken/decision made is believed to have satisfied/resolved the complaint, the matter will be considered resolved.

Where possible, and particularly in circumstances where compensation is paid, the Compliance Officer should attempt to have the complainant sign a Deed of Release, which acknowledges that the dispute has been resolved, and releases AIMS from any liability in connection with the dispute/complaint.

### **3.9. NOTIFICATION OF DISPUTE RESOLUTION PROCESS**

Each Product Disclosure Statement that is issued for any AIMS investment product is to provide details about how clients can make a complaint and access the External Dispute Resolution scheme. Where a Financial Services Guide is provided to retail clients, AIMS must also ensure that the details of the dispute resolution system are clearly set out in the guide.

The Complaint Handling Policy is available on the company website.

A copy of the Complaint Handling Policy is to be provided within 7 days of a request from an external party.

### **3.10. CONFIDENTIALITY**

AIMS must ensure that the personal information is collected and used strictly for the purpose of addressing the complaint within the organisation, and the personal information should be actively protected from disclosure, unless the client has consented to its disclosure or the disclosure is required by law.