

Guidance Note: Complaints

References: Chapters 4 & 5, CMAEC Business Rules

Introduction

This guidance note has been issued to assist Exchange brokers comply with their obligations in relation to complaints under the CMAEC Business Rules.

Regulatory Objectives

The way in which Exchange brokers deal with complaints by their clients can have an important impact on the overall operations of the market. The Exchange therefore has an interest in how Exchange brokers deal with client complaints.

This guidance note describes the Exchange's expectations of Exchange brokers and the role played by the Exchange in relation to complaints.

CMAEC's Standard on Complaints Handling

The objectives of the CMAEC's Standard on Complaints Handling are to:

- increase the level of client satisfaction with the delivery of services and enhance the client/broker relationship;
- recognise, promote and protect the clients' rights, including the right to comment and complain;
- provide an efficient, fair and accessible mechanism for resolving client complaints;
- provide information to clients on the complaints handling process; and
- monitor complaints in an endeavour to improve the quality of services.

Exchange brokers should try to implement their internal complaints handling procedures in such a way that they can achieve these objectives.

Role of the Exchange in Complaints Handling

CMAEC Business Rule 4.17 provides that:

The Exchange will consider any complaint against an Exchange broker submitted to it in

writing by a person who is not an Exchange broker.

CMAEC Business Rule 4.18 provides that the Exchange will assess and if thought fit investigate a dispute between a Exchange broker and a non Exchange broker unless it considers that:

- a the issue in dispute is such that it does not warrant an investigation by the Exchange;
or
- b it would be more appropriate for the dispute to be investigated and heard by a court or other body with jurisdiction to make a decision in respect of the dispute.

The Exchange's general approach in this area is to play an initial role in attempting to resolve complaints between Exchange brokers and their clients quickly and effectively. If early resolution of a complaint is not possible and the parties appear unable to resolve the complaint themselves.

Scope of Guidance Note

This guidance note is intended to assist Exchange brokers to comply with their obligations under the CMAEC Business Rules. It is not exhaustive, does not in any way act as a substitute for any CMAEC Business Rules and is not binding on the Exchange in its application of the Rules in any particular case.

This guidance note does not constitute legal advice by Exchange. Where appropriate, Exchange brokers should obtain their own professional advice about compliance with their obligations under the CMAEC Business Rules.