
**The Securities Act
(Act No. 41 of 2016)**

**The Securities (Capital Market Operators) (Complaints Handling
Requirements) Rules, 2020**

ARRANGEMENT OF RULES

Rule

PART I

PRELIMINARY PROVISIONS

1. Title
2. Interpretation
3. Internal complaints handling policy
4. Internal complaints handling procedure
5. Workflow chart and simplified procedures

PART II

INTERNAL COMPLAINTS HANDLING PROCEDURES

6. Fairness, impartiality and non-discrimination
7. Conflict of interest and unethical conduct
8. Making of complaint
9. Disclosures relating to internal complaints handling procedure
10. Confirmation of receipt of complaint
11. Investigations
12. Complaints database
13. Time limits
14. Confidentiality and data protection
15. Verification of information
16. Early resolution process
17. Handling complaints and decision on complaints
18. Appeals process from internal complaint handling procedure
19. Procedure for appeals

20. Decision on appeal
21. Withdrawal of appeal
22. Reference to arbitration

PART III

COMPLAINTS ASSESSMENTS AND REPORTING

23. Analytical reports
24. Reporting to Commission
25. Enforcement measures and penalties
Schedules

Consultations

IN EXERCISE of the powers contained in section 220 of the Securities Act, 2016 the following Rules are hereby made:

PART I

PRELIMINARY PROVISIONS

Title 1. These Rules may be cited as the Securities (Capital Market Operators) (Complaints Handling Requirements) Rules, 2020.

Interpretation 2. In these Rules, unless the context otherwise requires –

“ADR” means an alternative dispute resolution process using the following mechanisms:

- (a) arbitration;
- (b) mediation;
- (c) negotiations; or
- (d) conciliation;

“arbitration” means an ADR process in which a dispute is resolved externally and the parties agree to be bound by the award which is legally binding on both parties and enforceable in a court of competent jurisdiction;

“arbitrator” means a neutral person or group of persons appointed by one party or all the parties to a dispute to settle the dispute;

“client” means any natural person or legal entity that has a contractual relationship with a capital market operator by investing in securities offered, sold or bought by, or uses or used the products or services offered or provided by, a capital market operator, as the case may be;

“complaint” means a statement submitted to a capital market operator by a client having a claim arising from a breach or conflict relating to a securities transaction;

“complainant” means a client who has submitted a complaint to a capital market operator for resolution in accordance with these Rules;

“complaints handling officer” means an officer designated by a capital market operator, to deal with complaints, in accordance with these Rules, and includes a person appointed by a capital market operator to deal with complaints on its behalf;

“compliance unit” means the unit, in the organizational structure of a capital market operator, responsible for compliance;

“complaints database” means an electronic database, in form I set out in the Second Schedule, established and maintained in accordance with rule 12;

“complaint data statement” means a document, in form 1 set out in the Second Schedule, drawn up by a capital market operator, detailing the minimum data requirements for each complaint received by the capital market operator, as specified in rule 13 and outlined in the form;

“conciliation” means an ADR mechanism where –

- (a) the parties engage in a meaningful dialogue regardless of the gravity of their differences;
- (b) no solution is imposed on the parties but an opinion and alternatives with respect to proposals advanced by any one party to the other are proposed;
- (c) an attempt is made to resolve the parties’ differences by lowering tensions, improving communications, interpreting issues, and encouraging the parties to explore potential solutions; and
- (d) the parties are assisted in finding a mutually acceptable outcome or negotiated solution;

“dispute” means a complaint which the capital market operator has referred for settlement through an external dispute resolution process;

“early resolution process” means the primary mechanism for the settlement of a complaint as specified in rule 16;

“external dispute resolution process” means the settlement of a dispute in accordance with the Arbitration Act or use of other ADR mechanisms;

“handling of a complaint” means the process of settling a complaint;

“internal complaint handling procedure” means the receiving, processing, investigating, assessing or determining of a complaint, and includes the monitoring, evaluating, reporting and appeals process, as provided in these Rules;

“internal complaints handling policy” means a policy, set out in a document, providing for measures and instructions on how to approach and implement an internal complaints handling procedure, including detailed rules on how to lodge, record, assess, investigate and answer complaints, and training of complaints handling officers;

“mediation” means an ADR mechanism where attempts to help the parties to a dispute to hear one another, minimise the harm that can come from disagreement and maximize any area of agreement so as to find a way of preventing the areas of disagreement from interfering with the process of seeking a compromise or mutually agreed outcome or negotiated settlement;

“negotiation” means an ADR mechanism that is voluntary, non-adjudicative and informal, involving only the parties with an interest in the matter and their

representatives, if any, where the parties discuss the form of any joint action which –

- (a) they may take to manage and ultimately resolve the dispute between them;
- (b) may be applied within the context of other ADR processes;
- (c) only binds those parties who were involved in the negotiation; or
- (d) negotiated settlement may be recorded in the form of an agreement and once signed, has the force of a contract between the parties;

“party” means a complainant or capital market operator, and the word “parties” shall be construed as both the complainant and capital market operator; and

“Principal Officer” means the head of a capital market operator, including the chief executive officer, managing director, manager or director.

(2) A word or term defined in the Act and used in these Rules, but not defined, shall have the same meaning assigned to the word or term in the Act, unless the context otherwise requires.

Internal
complaints
handling
policy

3. (1) A capital markets operator shall develop an internal complaints handling policy that ensures that all clients are treated fairly and equally.

- (2) An internal complaints handling policy shall –
 - (a) contain provisions to ensure that clients are able to protect their rights and develop trust in the functioning of the capital market;
 - (b) establish internal reporting channels that ensure a direct reporting line from a complaints handling officer to a senior manager appointed to oversee the internal complaints handling procedure;

- (c) ensure that a complaints handling officer has the authority to settle complaints, including the offering of redress, where appropriate, or has ready access to a senior manager having the necessary authority;
- (d) include provisions on an early resolution process for certain types of complaints;
- (e) include a plan for training and testing the knowledge of complaints handling officers so as to ensure quick and effective resolution of complaints;
- (f) include adequate corporate governance safeguards needed to prevent conflict of interests; and
- (g) be compliant with these Rules.

(3) An internal complaints handling policy shall be approved by the board of directors of the capital market operator and be monitored by senior management, as stipulated in these Rules.

(4) An internal complaints handling policy shall provide for measures for overseeing the internal complaints handling procedure and ensuring that the internal complaints handling procedure and the complaints handling policy are in compliance with these Rules.

(5) An internal complaints handling policy shall provide for the development of a simplified step-by-step procedure, for the handling of complaints, to enable a client understand, without too much difficulty, the internal complaints handling procedure so as to enhance accessibility to the procedure.

(6) The step-by-step procedure for handling complaints, as specified in sub-rule (5), shall take into account the matters, or be in a form, outlined in the Third Schedule

(7) The board of directors of a capital market operator shall –

- (a) review the internal complaints handling policy at least once in every two years, or when necessary; and
- (b) document the review of their internal complaints handling policy and internal complaints handling procedure and, where material changes need to be made, adapt them to new circumstances and findings in best practices in handling internal complaints.

Internal
complaints
handling
procedure

4. (1) A capital market operator shall establish and maintain an internal complaints handling procedure that is compliant with rule 3.

(2) An internal complaints handling procedure shall –

- (a) ensure that complaints are handled in a timely manner and with regard to a complainants' best interest;
- (b) ensure that responses to complaints address, adequately, the issues raised in the complaints; and
- (c) guarantee that complaints are fed back into the operations of the capital market operator, through effective recorded data and reporting the results of the internal complaints handling procedure as provided in rule 23.

(3) A capital market operator shall take reasonable steps to ensure that all relevant employees of the compliance unit are aware of the internal complaints handling procedure and endeavor to ensure that they act in accordance with such procedure.

(4) A capital market operator shall, in developing its internal complaints handling procedure, in accordance with these Rules, take into account the nature, scale and complexity of its business and the nature and range of products and services provided by it.

Minimum requirements for internal complaint handling procedures and simplified procedures

5. (1) A capital market operator shall, when establishing an internal complaints handling procedure, comply with the minimum requirements set out in the First Schedule.

(2) A capital market operator shall display, in a conspicuous place at the offices of a capital market operator, a step-by-step procedure for handling complaints in a form set out in the Third Schedule for the general information of clients.

(3) A capital market operator shall clearly inform a client, who enters into a contract with it, in writing, on the customer's right to make a complaint, how and to whom the complaint may be made.

(4) A capital market operator shall avail its clients the step-by-step procedures for handling complaints, on the request of the client.

PART II

INTERNAL COMPLAINTS HANDLING PROCEDURE

Fairness, Impartiality and non-discrimination

6. (1) A capital markets operator shall ensure that complaints are fairly and impartially handled, without discrimination.

- (2) A capital market operator shall ensure that -
- (a) each party is given an opportunity to put their case and to sufficiently deal with the issues put forward by the other party; and
 - (b) the internal complaints handling procedure is suitable to each case being

resolved, unnecessary bureaucratic procedures and delays are avoided and expenses are minimised, during the process.

Conflict of interest and unethical conduct

7. (1) A capital market operator shall ensure that a complaints handling officer discloses, at the earliest opportunity, before or at the commencement of handling a complaint, any prior interest or relationship that may affect the impartiality of the complaints handling officer or which might reasonably raise doubts as to the complaints handling officer's impartiality in handling a complaint.

(2) If the circumstances requiring disclosure are not known to the complaints handling officer, at the commencement of the internal complaints handling procedure, disclosure shall be made immediately upon the circumstances being made known to the complaints handling officer.

(3) The burden of disclosure shall rest on the complaints handling officer and the duty to disclose shall be a continuing duty which shall not cease until the internal complaints handling procedure has been concluded.

(4) A complaints handling officer shall not accept any gift or hospitality from a complainant.

Making of complaint

8. (1) A capital market operator shall ensure that the process for making a complaint is as accessible as is possible and reinforces client protection and confidence in capital market operations.

(2) A complaint may be made to a capital market operator using any channel of communication, including postal mail, e-mail, telephone or in person, without any restrictions on how or in which form the complaint may be

made and, in particular, shall not be subject to any fee or charge or be conditional on the use of any special form.

(3) A complaint may be made at the principal place of business or a branch of a capital market operator or at a toll-free call center established by the capital market operator for receiving complaints.

(4) A capital market operator shall accept and handle complaints forwarded to it by the Commission.

Disclosures relating to internal complaints handling procedure

9. (1) Each contractual agreement for an offer and sale of securities, related business, products or services shall include information about the right to make a complaint and a description of the internal complaints handling procedure.

(2) The scope and content of a disclosure relating to the internal complaints handling procedure may differ, based on the media used and purpose of the communication, and may be in the following forms:

(a) information leaflets, brochures and pre-contract information, which shall include at least a clearly visible text such as "*Complaints or comments? Please call [complaint-accepting phone line], email [complaint-accepting email address] or write to [postal address]*";

(b) contract documentation, which shall include at least an individual document, attached to the agreement that lists all contacts to whom a complaint may be made, describes the process of handling complaint and informs the client about the next steps that may be taken if not satisfied with the decision made on a complaint; or

- (c) websites, which shall include the information listed under paragraph (b) and may contain a simple document for the making of a complaint.

(3) The minimum information to be disclosed by a capital market operator, for purposes of this Rule, shall include the following:

- (a) a description of the internal complaints handling procedure in plain language and each step to be followed;
- (b) information about the language in which a complaint shall be handled;
- (c) information about the maximum time limits for responding to a complaint;
- (d) information about appeal options, if applicable; and
- (e) information about other mechanisms a complainant may use to pursue a complaint.

Confirmation
of receipt of
complaint

10. (1) The receipt of a complaint, through any channel of communication, shall be reduced in writing and immediately sent to a complaint handling officer who shall formally acknowledge it, within five days of receipt of the complaint.

(2) The confirmation of receipt of a complaint shall be in writing and sent to the complainant personally or through email, if the complainant accepts electronic communication.

(3) The confirmation of a complaint shall include a complaints data statement in form 1, set out in the Second Schedule containing the following minimum information:

- (a) a unique identification/tracking number;

- (b) the full name of the complainant and the complainant's contact information;
- (c) a brief summary of the complaint, including reference to a securities certificate or service agreement, if applicable;
- (d) a list of documents provided by the complainant;
- (e) a date when the complaint was made;
- (f) the time limits for resolution of complaints;
- (g) means of communication to be used to communicate with the complainant; and
- (h) contact information, including telephone, email and postal address, of the compliance unit or complaints handling officer.

(4) If additional information or documents are needed to evaluate or assess a complaint, the complaints handling officer shall request for the information or documents and provide the complainant with reasonable time and adequate guidance to provide the information or documents needed.

(5) When a complaint is made by use of a telephone or in person, the client shall be informed that, if the client disagrees with the summary of the complaint, as spelt out in the confirmation of receipt, the client has a right to respond, within ten working days, and provide the capital market operator with comments on the summary made or provide a summary of the complaint, attaching any supporting documents to ensure that the capital market operator addresses the complaint adequately.

Investigations

11. A capital market operator shall institute, within five working days after a complaint is made, investigations on the complaint.

Complaints
database

12. (1) A capital market operator shall establish and maintain an internal single electronic database in which all complaints shall be recorded and kept under a unique tracking number, which number shall be referred to in all communications relating to the complaint.

(2) A capital market operator shall record all communication and other materials related to each complaint in a complaints data statement and enter such information in the complaints database.

(3) Records in the complaints database shall be kept for ten years from the date a complaint was closed.

(4) The content of the complaints database and the complaints data statement for each complaint, including complaint classification, shall comply with the minimum requirements set out in form I set out in the Second Schedule.

(5) All accompanying documents and materials, if not part of the complaints database itself, shall be kept with the complaints database and shall be easily accessible when requested for by an authorised staff of the capital market operator, other relevant appropriate authorities or the Commission.

(6) A data base shall also include –

- (a) all notices issued in relation to an investigation and handling of a complaint;
- (b) the record of how a complaint was handled; and
- (c) the decision on the complaint.

Time limits

13. (1) Subject to sub-rule (2), each complaint shall be investigated and determined and the decision communicated to the complainant, within a reasonable time period, but not exceeding thirty days, of receipt of the complaint or receipt of the comments on the summary of the complaint made by a complaints handling officer, whichever is the later, as provided in rule 10(5).

(2) Where a capital markets operator requires an extension of the time required to investigate a complaint, the chief executive officer of the capital market operator may, on reasonable and justifiable grounds, request the Commission for an extension beyond the time limit, specified in sub-rule 1 provided that the request is made at least five days before the expiry of the period fixed for concluding an investigation.

(3) The Commission shall, on receipt of a request made under sub-rule (2), either approve or reject the request.

(4) Where the Commission approves a request for an extension of time made under this rule, a complaints handling officer shall flag the extension of time in the complaints database.

(5) Where the Commission rejects a request for an extension of time made under this rule, the capital markets operators shall conclude the investigation within thirty days, of receipt of the complaint or receipt of the comments on the summary of the complaint made by a complaints handling officer, whichever is the later.

(6) Notwithstanding sub-rule (2), the total duration of an extension shall not exceed thirty days.

(7) The period during which a capital markets operator waits for additional information to be provided by a complainant under sub rule (4) of rule 10 shall not count

towards the time limit in which a complaint is to be resolved.

(8) The date when a capital market operator receives a complaint or receives the comments of the complainant, on the summary of the complaint drawn up by a complaints handling officer, as provided in rule 10(5), whichever is the later, shall be the date of receipt of the complaint, except that if the complaint is received during a non-working day, the deadline for settling the complaint shall count from the next working day.

Confidentiality
and data
protection

14. (1) A capital market operator shall ensure that a complaints handling officer shall not disclose to anyone, who is not a party, any information or document that is exchanged in the course of the internal complaints handling procedure, except -

- (a) with the consent of the parties concerned;
- (b) when directed to do so by the Commission;
- (c) when ordered to do so by a court or otherwise required to do so by law; or
- (d) where the information discloses an actual or potential threat to human life or national security.

(2) A capital market operator shall ensure that, in implementing these Rules, data protection laws are complied with.

Early
resolution
process

15. (1) Despite the other provisions of these Rules, a capital market operator may, if appropriate in the circumstances, resolve a complaint using an early resolution process, as provided in sub-rule (2).

(2) Where a capital market operator is satisfied that

the matter can be settled amicably on terms agreed to in writing by both parties, the capital market operator may settle the complaint immediately or as soon as is practicable, using an early resolution process as outlined in the internal complaints handling policy.

Handling
complaints
and decision
on
complaints

16. (1) A capital market operator shall handle a complaint in private.

(2) At or during an internal complaint handling procedure the law relating to admissibility of evidence in a court of law shall not apply.

(3) If a capital market operator is satisfied that enough evidence has been submitted by the complainant or received during an assessment or investigation undertaken on the complaint, it shall deliberate the complaint in light of the evidence and other information obtained and write out the decision, which shall consist of

- (a) a general comment on the complainant's case and the reply or reaction of the capital market operator;
- (b) the outcome of an assessment or investigation undertaken and an analysis of the general evidence and information received;
- (c) the decision of the capital market operator and the reasons for the decision; and
- (d) any recommendation or advice the capital market operator makes on the complaint.

(5) A capital market operator shall inform the complainant of the final decision, in writing, in a reasonably concise manner and in plain language, and, in addition, may transmit the decision electronically or over the phone, if requested by the complainant.

(6) A final decision on a complaint shall be in conformity with the Act, these Rules and principles of law and shall include the following:

- (a) the identification/tracking number of the complaint;
- (b) a summary of the complaint;
- (c) the decision on the complaint;
- (d) the explanation of why the decision was made;
- (e) the contact information of the capital market operator; and
- (f) information listed in sub-rules (3), (9) and (10).

(7) If a final decision on a complaint includes the payment of compensation, the compensation shall be quantified in monetary terms and explained, so that the complainant clearly understands the value of the compensation and how it was calculated.

(8) A final decision rejecting the grounds on which a complaint is based shall be explained to the complainant in plain language.

(9) Subject to sub-rule (10), if a capital market operator has established an internal appeals process, which shall not be mandatory, a complainant shall be informed about the right to appeal against the decision on the complaint, using the internal appeals process.

(10) A complainant is not obliged to use an internal appeals process established by the capital market operator and the capital market operator shall inform a complainant of other steps that may be taken if they do not agree with the decision on the complaint, including the right to:

- (a) submit the complaint to the Commission;
- (b) submit the complaint to another appropriate authority;
- (c) use ADR; or
- (d) file a lawsuit before a court.

Appeals
process from
internal
complaint
handling
procedure

17. (1) Where a complainant is aggrieved by a decision emanating from an internal complaint handling procedure, the complainant may lodge an appeal, in writing, with the Commission, within thirty days from the date of receipt of the decision of the capital market operator.

(2) The appeal shall -

- (a) set out the grounds of appeal;
- (b) attach all relevant documents supporting the grounds of appeal;
- (c) consist of paragraphs numbered consecutively; and
- (d) state, as concisely as possible, the circumstances under which the appeal arises.

Decision on
appeal

18. (1) A decision on an appeal shall be made within thirty days of the submission of the letter setting out the grounds of appeal specified in rule 18.

(2) The Commission may, where it requires to investigate the grounds of appeal, extend the period for which a decision on the appeal shall be made for a reasonable period beyond thirty days.

(3) An appeal may be upheld in whole or in part or quashed and the following remedies may be granted or action taken, or a combination, as is appropriate in each matter:

- Act no. 19 of 2000
- (a) payment of compensation for any damages incurred by the complainant;
 - (b) recommend that the parties pursue the matter through arbitral proceedings in accordance with the Arbitration Act or use of other ADR mechanisms; or
 - (c) refer the case for further action by a relevant appropriate authority or law enforcement agency.

Withdrawal of appeal

19. Where a complainant desires to withdraw an appeal made to the Commission, the complainant shall write a letter, to the Commission, to that effect.

Reference to arbitration Act No 19 of 2000

20. The parties may agree to refer, or the complainant may refer, a complaint for settlement under the Arbitration Act or for ADR.

PART III

COMPLAINTS ASSESSMENT AND REPORTING

Analytical reports

21. (1) An analytical quarterly report, summarising all complaints handled in the quarter, shall be submitted, by the compliance unit, to the senior management and the board of directors of the capital market operator.

(2) The compliance unit shall, in a quarterly analytical report, referred to in sub-rule (1), include information on –

- (a) the number of complaints received;
- (b) classification of the complaints;
- (c) securities, products or services the complaints relate to;
- (d) the locations from which the complaints arose;
- (e) the time taken to settle complaints;

- (f) whether an internal complaints handling procedure or external complaints dispute resolution process was used; and
- (g) the decisions taken on the complaints, including how many complaints were denied or upheld and what forms of redress were granted.

(3) The compliance unit shall, in a quarterly analytical report, referred to in sub-rule (1), address any recurring or systemic problems and the root causes for the complaints.

(4) As an integral part of a quarterly analytical report, the compliance unit shall present senior management with proposals to lower the number of the most frequent or systematically important complaints through implementing changes to the service process, marketing process, product design or other relevant changes in the operations of the capital market operator.

(5) The senior management shall discuss the quarterly analytical report and agree on a resolution to the most frequent or systematically important complaints.

(6) When assessing complaints and their root causes, senior management shall also evaluate whether the root causes could affect other services, processes, operations or products of a capital market operator, including those not complained of.

(7) An assessment of the handling and recommendations of complaints made in quarterly analytical reports shall be part of the annual report of the capital market operator.

Reporting to
Commission

22. (1) A capital market operator shall submit reports to the Commission, on a quarterly basis, the

analysis and recommendations on complaints handling in accordance with these Rules.

(2) A capital market operator shall report, regularly, to the Commission, electronically, on telephone and postal mail, contact details where clients may lodge complaints.

Enforcement
measures
and
penalties

23. A capital market operator found to be in violation of these Rules shall be subject to the measures and penalties prescribed by the Act or other applicable laws and regulations.

Consultations

FIRST SCHEDULE

(Rule 5)

MINIMUM REQUIREMENTS TO BE MET WHEN ESTABLISHING COMPLAINTS HANDLING PROCEDURES FOR CAPITAL MARKETS OPERATORS

The following workflow diagram summarises the minimum requirements for establishing a complaints handling procedure. The individual steps correspond to the provisions of this Statutory Instrument.

Information	<ul style="list-style-type: none">• Use all communication tools to inform clients about available options for submitting complaints.• Use all disclosures to inform clients about their rights and ways to assert the rights
Receipt	<ul style="list-style-type: none">• Have all communication channels to receive complaints open.• Confirm receipt and record the complaint into a central database.
Processing – assessment, investigation and communications	<ul style="list-style-type: none">• Apply 0/10/30 day time limits (simple issues immediately, most within 10 days, complex in 30 days).• Ensure consistency in complaints handling throughout the institution.
Resolution	<ul style="list-style-type: none">• Any decision must be explained clearly so as to be understood.• Rejection of the complaint must provide reasons for the rejection.
Appeals	<ul style="list-style-type: none">• Response to complaints must include guidance on further options to pursue the matter (including a lawsuit).
Systematic analysis	<ul style="list-style-type: none">• All complaints must be analyzed and their root causes identified.• A report on complaints and their causes must be submitted to the senior management regularly (e.g. quarterly).
Feedback	<ul style="list-style-type: none">• Senior management must identify changes to processes to limit reasons for the most typical complaints.• Regular reports must be submitted to the relevant supervisor.

SECOND SCHEDULE

(Rules2, 10, and 11)

Form I

COMPLAINTS DATABASE AND COMPLAINTS DATA STATEMENT

The minimum requirements for a complaints database and complaints data statement shall be as specified below:

Category	Level 1	Level 2	
Cover sheet	Tracking number Date of receipt Time extension with reason (if applicable) Complainant's full name & contact information Product/service/securities/type/issue and brief summary of the complaint List of documents enclosed Assigned staff (name, contact) Appeals (if applicable) Outcome & Date of complaint Close of Complaint		
Submission tools & Time	Means of filing	Mail Email Telephone In person Other	
	Date of receipt		
	Further communication	Dates	
		Means content	
		Approved by	
	Time extension	Days Reason	
	Date of complaint closed		
Complainant	Full name		
	Date of birth/ID number		
	Contact information	Address	
		Phone E-mail	
Category	Client (natural person, company etc)		

		Small business
		Other
Product/service/security	<i>Based on the portfolio of offered products, services and each security each capital market operator shall structure this section of the database accordingly.</i>	Product number (if available)
		Agreement identification number (if available)
Complaint type/issue	<i>Type*</i>	Advertising
	<i>*Based on the portfolio of offered products, services and securities, each capital market operator shall structure this section of the database accordingly – in the right column, examples are provided.</i>	Communication
		Sales process
		Agreement
		Transactions
		Deposit products
		Credit
		Payment services
		- Collective investment; - Depository services, settlements etc; - Securities (listing); - Investment advisory services.(list case)etc.
		Stock
		Other
	<i>Issue*</i>	Stability of Capital Market Operator
		Advertising
		Fees charged for products/securities
		Product not granted
		Refusal to provide services
		Behaviour of internal employees
		Behaviour of an intermediary
		Other communication with the Capital Market Operator
		Agreement (contact terms)
		Penalties charged.
		Securities
		Problem with shares
		Problem with dealer/investment adviser engagement

	*Based on the portfolio of offered products/services securities, each Capital Market Operator shall structure this section of the database accordingly – in the right column, examples are provided.	Other problems with payment services	
		Premium charged for depository services.	
		Deposit interest rates	
		Interest charged	
		Issue practices	
		Behavior of complaints handling officers.	
		Value of shares	
		Other	
Attachments & Content of the file	Documents enclosed with complaint		
	Documents added on request of Capital Market Operator.		
Outcome & Reasoning	Complaint rejected		
	Explanation provided		
	Compensation provided		Partial
			full
	Apology		
	Other remedy/action taken		
Intermediary	Name of intermediary		
	Contact information		
	Identification number of intermediary (if applicable)		
Staff	Name and contact information of complaints handling office.		

THIRD SCHEDULE (6)

(Rule 3 and 5)

STEP BY-STEP PROCEDURE FOR HANDLING COMPLAINTS

Please note that the Securities and Exchange Commission (the SEC) does not have restitution powers. However, all complaints submitted to the SEC are taken into consideration by the SEC in the performance of its supervisory mandate and handed to the concerned capital market operator for settlement.

Step 1: Contact the Capital Market Operator directly or an Intermediary

- If you have a complaint, it is best to first ask the capital market operator involved to put things right. A complaints handling officer will give you a unique reference number for your complaint. This unique reference number will be used in all communications you will have with the capital market operator, regarding your complaint.
- Capital market operators are required to respond in writing within five days just to let you know they have received your complaint.
- Capital market operators are also required to respond to your complaint in writing within 30 days, telling you whether the complaint has been successfully resolved or why they need more time to look into it (within a maximum of 30 days from the date the complaint was made).

Step 2: Contact the SEC

- If you are not satisfied with the capital market operators' responses, they rejected your complaint or you do not have a response from them within 30 days, it is recommended that you check with the SEC in case you are eligible to a hearing with them.
- The SEC's website can be accessed via: www.seczambia.org.zm

Step 3: Take the matter to ADR or court

If you do not want to accept a decision taken by a capital market operator, you may take your case to ADR or court.

Note: The above is an example of a simplified step-by-step complaints handling procedure which may be adopted by a capital market operator.

SECURITIES AND EXCHANGE COMMISSION

LUSAKA

, 2020

(SEC/ /)

Consultations