

## Complaints Handling Procedure

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FXZenith  
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## 1. General information

- 1.1. The Complaints Handling Procedure (hereinafter the “**Procedure**”) of **FXZENITH** (hereinafter the “**Company**”) shall be an integral part of the internal control and risk management system the Company, which shall help to monitor, handle and follow up on the customer complaints.
- 1.2. The Procedure of the Company shall be a process initiated by the AML Officer of the Company and carried out by administration and the department managers (the “**Management**”) of the Company along with the staff; and shall be directed to ensure all the received complaints are properly handled, recorded and related risks are mitigated.
- 1.3. This Procedure applies to the situation where the Customer Complaint has been filed to the Company due to various circumstances which cause the potential dispute between the parties.
- 1.4. This procedure is applicable to the AML Officer resolving the Complaint together with the management of the Company which may hold information and documents relevant for the complaint handling process.
- 1.5. Risk of receiving the Customer Complaint is inherent in all aspects of the Company’s activities and whilst many of the risks cannot be eliminated, they can, however, be identified, quantified, and controlled. Risks of receiving Customer Complaint that impact on the objectives of the Company can offer both opportunity and threat. This Procedure is designed to provide the Company personnel with a systematic framework in order to minimise threats and maximise opportunities to the Company.
- 1.6. The Procedure of the Company shall help to ensure:
  - (a) identification of Customer Complaints, proper reporting, investigation and follow-up measures;
  - (b) timely collection and analysis of data to identify the issue relevant for the Customer Complaint handling so that recommendations may be made to improve provision of the Company’s services;
  - (c) cost-effective and efficient performance, high-quality results and provision of services that meet the Company’s objectives;
  - (d) effective management of the Company;
  - (e) compliance with legal regulations;
  - (f) effective technical processes and claim management;
  - (g) proper communication channels for handling Customer Complaints;
  - (h) fair and timely Customer Complaint handling, monitoring, follow-up measures and procedures.

## 2. Definition

Unless otherwise defined, capitalised terms used herein shall have the following meanings:

<b>Fraud</b>	shall generally mean an act or deliberate intent to acquire funds or otherwise gain benefit for oneself or another or causing a loss, or risk of loss, to another dishonestly through the falsification of records or documents or otherwise acting fraudulently. For the purpose of this Procedure, fraud may also include theft, misuse of materials and abuse of position, various deceptive actions aimed at illegally benefiting from the Company's services or manipulating the market.
<b>Customer</b>	shall mean onboarded client of the Company.
<b>Company</b>	shall mean FXZenith, a company dully established and operating under the laws of the Comoros Islands registered number of the Company is IBC number 15691. The Forex Brokerage License number is L15691/FXZ.
<b>Complaint</b>	shall mean the Customer complaint submitted to the Company with regard to the services the Company provides, potential Fraud or other matters that require attention of the Company.
<b>Head</b>	shall mean manager or team lead of the Company's business unit.
<b>Board</b>	shall mean the Company's collective management body – Directors, which is appointed in accordance with the Applicable Laws and which is empowered to set the Company's strategy, objectives, and overall direction, and which oversees and monitors the management decision-making.
<b>ML/TF</b>	shall mean Money Laundering and Terrorism Financing.
<b>MLRO</b>	Shall mean Money Laundering Reporting Officer.

1.2. The other definitions used in the Procedure shall have the meanings ascribed to them elsewhere in this Procedure and legal acts governing the business of the Company.

### **3. Principles applicable with regards to the Procedure**

3.1. The essential principles that will be applicable by the Company with regards to the Procedure are as follows:

- (a) Manage and investigate Customer Complaints in a timely and cost-efficient way and in manner in which Management, employees, service users can be confident and have mutual agreement;
- (b) ensure that making a Complaint is as easy as possible;
- (c) treat a Complaint seriously whether it is made in writing by letter, email or by telephone or in other form;
- (d) deal with it promptly, politely and where appropriate, informally (for example, by telephone);

- (e) include in response an apology where the Company has got things wrong, an explanation of the position, or information on any actions taken; and
- (f) learn from Complaints and use them to improve Company's services.

#### **4. Responsible Individuals and bodies**

- 4.1. The MLRO, and at the later stage of the Company's activities – Compliance officers and customer service team will be responsible for assisting customers in case of Fraud, technical issues, and/or claim management.
- 4.2. The responsible individuals and bodies named in section 4.1. herein shall have responsibility under this Procedure to ensure the Company's activities are carried out in a manner that:
  - (a) deals with complaints reasonably, promptly and fairly;
  - (b) aligns to the Company's values and vision;
  - (c) aligns to the Company's business objectives, and
  - (d) aligns to relevant legislation.
- 4.3. It is the role and responsibility of all employees to:
  - (a) comply with this Procedure;
  - (b) ensure that Customer Complaints are reported, managed and investigated in a timely manner;
  - (c) participate in and co-operate with investigations conducted in accordance with this Procedure;
  - (d) participate in the introduction of changes identified as a consequence of an investigation.

#### **5. Customer Complaint management process**

- 5.1. Sections 5.2. – 5.9. outline the Customer Complaint management process to be undertaken to comply with this Procedure.
- 5.2. **Prevention and planning**
  - 5.2.1. The Company has to provide strong leadership and support to ensure an effective and user-friendly service provision which is based on the most recent legal acts and requirements as well as best market practises. This must be supported by policies and guidelines to guide the development of processes in the areas of:
    - (a) risk management;
    - (b) Complaints management process.
- 5.3. **Contact point for customers**
  - 5.3.1. Customers will be allowed to make a Complaint in writing by letter or email or by telephone. Company contact details will be provided on the Company's website.

5.3.2. Customers will be encouraged to provide the following information:

- (a) full name, surname, email address and any reference such as transaction identification number, telephone number;
- (b) wallet number, virtual currency and amount,
- (c) reason of concern, and clear description of complaint with suggested decision acceptable for the Customer.

#### 5.4. **Management and investigation of Customer Complaints**

5.4.1. The steps in managing and investigating a Customer Complaint that has been received are as follows:

- (a) recording the Customer Complaint;
- (b) acknowledgement of a Customer Complaint;
- (c) assessment of a Customer Complaint;
- (d) taking a decision and issuing a final response.

#### 5.5. **Recording the Customer Complaint**

5.5.1. The Company's employee who has directly received the Customer Complaints need to transfer the Complaint as well as any annexes to it to the MLRO for the recording of it.

5.5.2. The MLRO shall fill in the following details into the Customer Complaint log:

- (a) contact details of the person making the Complaint;
- (b) verbal and written correspondence details and documentation;
- (c) details of the issue and how the Customer wants it to be resolved;
- (d) details of the Customer wallet and transaction date, if any;
- (e) date of the receipt of the Complaint;
- (f) employee responsible for the examination of the Complaint;
- (g) deadline when the decision regarding the Complaint must be made;
- (h) if the complaint is resolved at first contact, record details about the resolution – such as referrals or information provided;
- (i) once resolved – the decision made and decision date.

#### 5.6. **Acknowledgement of Customer Complaint**

5.6.1. Upon receipt of complaint, the MLRO will provide written acknowledgement within 5 business days of receiving the complaint. The letter will contain details of the Company's complaint

handling procedure and of the customer's right to refer the complaint to the supervisory authority if they are dissatisfied with the assessment and ruling.

5.6.2. The MLRO must consider the most appropriate communication channel – for example, by phone or email, which is acceptable to the Customer.

#### 5.7. **Reporting security incidents**

5.7.1. Customer Complaint that have a material impact on the Company's reputation or exceeds EUR 20 000 (twenty thousand euros) or equivalent amount in virtual currency, must be immediately reported to the CEO of the Company.

5.7.2. The following actions must be taken by the CEO on receipt of the Customer Complaint as per Clause 5.7.1. herein, in as timely manner as possible:

- (a) review the received Complaint;
- (b) seek assurance that any actions required to ensure that immediate concerns have been addressed;
- (c) conduct a preliminary assessment to determine the level and type of investigation required;
- (d) communicate / escalate incidents to other group company or third party, if necessary;
- (e) receive a report from MLRO to ensure that all elements of the Customer Complaint management process are followed.

#### 5.8. **Assessment of a Customer Complaint**

5.8.1. The assessment of Customer Complaint will:

- (a) establish the context of the Complaint (where the incident occurred and what occurred, which services were not satisfactory, any relevant details on Fraud, etc.);
- (b) assess the impact of an incident to the Company services and its quality;
- (c) decide the appropriate type of investigation required, reporting requirements, ongoing management plan and whether onward communication is required.

5.8.2. The CEO may decide that no further investigation is required. In this case, it must be ensured that the data from Customer Complaint examination is captured and there is proper communication through all the Company's departments.

#### 5.8.3. **Initial response**

5.8.3.1. The MLRO will send Customer a letter no later than 4 weeks after the receipt of Complaint, containing a full account of the investigation activities planned, any findings thus far and, if appropriate, any offer of redress. This letter will contain information on customer rights as well as contact person details.

#### 5.8.4. **Further acknowledgement**

5.8.4.1. In the event the customer responds to the Initial response, the MLRO will acknowledge receipt of response within 24 hours.



#### **5.8.5. Holding response**

- 5.8.5.1. If the MLRO is unable to conclude the investigation and provide a Final response to the complaint then the MLRO will issue a holding response. The purpose of holding response is to inform the Customer of the reasons on the hold and to provide a further indication on Complaint investigation process and also to provide an indication of when the Customer can expect to hear from the Company's representatives again.
- 5.8.5.2. The purpose of this step is to ensure that the Complaint and the Customer receives the highest priority in those situations where the Complaint cannot be fully resolved through ordinary investigation process.

#### **5.9. Final response**

- 5.9.1. After completion of investigation, the MLRO will inform Customer and offer a summary outcome. The letter which must be sent to the Customer will be marked clearly as final response and will include contact details of supervisory authority if the complaint has not been resolved to the Customer's satisfaction or, if the offer of redress is considered insufficient or inappropriate.
- 5.9.2. The MLRO will send the final response within 8 weeks of the initial response or 4 weeks after the receipt of rejection of offer of redress (if applicable). The timeline may differ depending on the complexity of Complaint.
- 5.9.3. The MLRO undertakes to abide by regulatory guidelines in relation to a Complaint and as such shall ensure that Customers are kept informed about their Complaint.

### **6. Monitoring and follow-up measures and procedures**

- 6.1. The Company must ensure it has adequate mechanisms in place for monitoring the implementation of recommendations and improvements after the Customer Complaint handling processes. Appropriate monitoring tools include the development of an action plan and periodic review and monitoring action plans up to implementation of all recommendations and improvements.
- 6.2. Making recommendations to improve the quality of the Company's services is one of the most important elements in provision of Company's services. The following are important in making recommendations and suggestions for improvements:
- (a) Recommendations and suggestions for improvements must be linked to the factors that contributed to the Complaint;
  - (b) Recommendations and suggestions for improvements should be written in a way that ensures they are specific, measurable, achievable, realistic (implementable);
  - (c) recommendations and suggestions for improvements should be developed using the hierarchy of preferred control measures to ensure they are implemented;
  - (d) all recommendations and suggestions for improvements should be assigned to person(s) who is(are) accountable and responsible for their implementation, with a designated timeframe for completion.

### **7. Final Provisions**

- 7.1. The Procedure shall be reviewed (and updated, if necessary) at least once a year or, as required, e.g. after new legislation has been adopted, change in the business profile of the Company and risks inherent thereto occurs, taking into consideration results of internal or external audits, etc.
- 7.2. The Procedure shall be amended and/or supplemented by the resolution of the Company's Board.
- 7.3. The Procedure shall become effective once approved and shall continue in effect until it is amended, supplemented and/or cancelled.
- 7.4. MLRO shall be responsible for familiarising all of the Company's employees with this Procedure.