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FBNQuest Merchant Bank Limited and its Subsidiaries

Complaints Management Policy

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TABLE OF CONTENT

1.0	INTRODUCTION
2.0	OBJECTIVE OF THE POLICY
3.0	POLICY STATEMENT
4.0	SCOPE OF THE POLICY
5.0	COMPLAINTS TO BE HANDLED BY THIS POLICY
6.0	COMPLAINTS NOT COVERED BY THIS POLICY
7.0	CHANNELS FOR COMPLAINTS REPORTING
8.0	COMPLAINT CATEGORIES
9.0	HANDLING A COMPLAINT
10.0	COMPLAINANT’S RIGHTS
11.0	INTERNAL PROCEDURE AND TIMELINE FOR RESOLUTION OF COMPLAINTS RESPONSE TO A COMPLAINT
12.0	THE CUSTOMER COMPLAINT PORTAL
13.0	COMPLAINTS MANAGEMENT PRINCIPLES
14.0	ROLES AND RESPONSIBILITIES
15.0	TIME LIMIT FOR INVESTIGATION OF COMPLAINTS, REGULATORY REPORTING RESPONSIBILITY AND COMPLAINTS REGISTER
16.0	COMMUNICATIONS
17.0	POLICY REVIEW, AMENDMENTS, CUSTODIAN AND APPROVALS
18.0	ESCALATION CHANNELS

APPENDIX 1- CONTACT ADDRESS AND OTHER DETAILS OF THE BANK

1.0 INTRODUCTION

FBNQuest Merchant Bank Limited, along with its subsidiaries, (“the Bank”) is committed to delivering high standard of service to all stakeholders across the Bank and its subsidiaries. Occasionally, the Bank may not live up to stakeholders expectations and promises, and without an appropriate feedback mechanism to manage stakeholders complaints and expectations, this commitment could be undermined, resulting in loss of customers, erosion of public confidence, and reputational damage to the Bank.

It is based on the aforementioned, that it becomes necessary to establish a policy for managing stakeholder’s complaint. Complaint for the purpose of this policy is defined as **“an expression of dissatisfaction made to the Bank or its subsidiaries, with respect to the quality of our products and services, our processes, any unsatisfactory conduct of an employee or any individual acting on behalf of the Bank or its subsidiaries, or the complaints-handling process itself, where a response or resolution is explicitly or implicitly expected”**.

In developing this Policy, we have endeavoured to align the policy to relevant regulatory requirements as well as leading practices in complaints management. In particular, this Policy is designed to meet the requirements of the following regulations:

- a) The Central Bank of Nigeria (CBN) – Customer Protection Framework;
- b) The Central Bank of Nigeria (CBN) – Circular directing Deposit Money Banks to expand the existing ATM help desk to handle all consumer complaints and for discount houses and all other Financial Institutions to establish a consumer complaints help desk;
- c) The Central Bank of Nigeria (CBN) – Circular directing Banks and Other Financial Institutions (BOFIs) to automate the complaints handling process and render daily returns on the new CBN Consumer Complaints Management System (CCMS);
- d) Securities and Exchange Commission (SEC) – Rules Relating to Complaints Management Framework of the Nigerian Capital Market; and
- e) The Nigerian Stock Exchange (NSE) – Compliant Management Requirements for all Listed Companies.

2.0 OBJECTIVE OF THE POLICY

This Policy is aimed at ensuring prompt and efficient management of complaints brought to the attention of the Bank and its subsidiaries. It is also intended to help improve the services offered by enabling the Group detect its weaknesses, remedy problematic or unfair situations, and enhance operating methods, while ensuring efficient, fair and prompt treatment of all complaint received. Specific objectives of this policy are to ensure:

- a) Complainant is provided with access to an open and responsive Complaints Management Policy;
- b) Complaints are resolved in a consistent, systematic and responsive manner, to the satisfaction of the complainant and the Group;

- c) Causes of complaints are identified and resolved/eliminated, trends are monitored, ultimately to improve the Group's operations; and
- d) Comply with sector specific regulations on complaints management, particular as it relates to CBN, SEC and NSE regulations and other relevant regulations on complaints management to be issued from time to time.

3.0 POLICY STATEMENT

This policy is designed to provide guidance on how the Bank, and its subsidiaries, manages customer complaints. The Group, is committed to achieving service excellence and will strive to deliver services in a professional, consistent, coordinated and timely manner.

The Group encourages all stakeholders (complainant) to lodge their complaints, as these comments would allow the Group improve on its services and products. Also, the Group encourages staff to respect customers/clients and also endeavour to anticipate customer/clients' needs and expectations.

The Group is committed to ensuring the following:

- a) Awareness of our stakeholders of the Group's complaint management process;
- b) That both customers/clients and staff understand our complaints handling process;
- c) Complaints are investigated impartially with a balanced view of available information or evidence;
- d) Complaints are considered on their merits taking into account individual circumstances; and
- e) Recognition of customer/clients' right to provide feedback and complain about product or services rendered.

Finally, the policy shall be made available to all stakeholders on the website of the Bank, and those of its subsidiaries, and extract of the policy shall also be made available to shareholders in the Annual Report and Accounts of the Bank.

4.0 SCOPE OF THE POLICY

This policy shall apply to:

- a) FBNQuest Merchant Bank Limited, its subsidiary companies and all categories of employees within the Group;
- b) All customers/clients both internal and external.
- c) Third parties working in association, partnership or in contractual arrangements with the Bank and its subsidiaries;
- d) Third party auditors and service providers;
- e) External organizations providing customer representation such as advocacy and complaints services;
- f) Regulators; and
- g) Other stakeholders not listed above.

5.0 COMPLAINTS TO BE HANDLED BY THIS POLICY

In this Policy, a complaint is defined as an expression of dissatisfaction made to the Bank and its subsidiaries, related to the quality of our products and services, our process, any unsatisfactory conduct of an employee or any individual acting on behalf of the company or the complaints-handling process itself, where a response or resolution is explicitly or implicitly expected. Customers complaint includes but not limited to the following:

- a) Allegations that the Group has flouted or failed to comply with; the code of conduct and regulations governing all customer related activities, any instruction given by a customer or any agreement made with the company and the customers;
- b) Accusations that the Group has acted unprofessionally, fraudulently, dishonestly or recklessly; and
- c) Allegations that the Group treated a customer unfairly or delivered services of an unethical standard.

Any person or organisation (the complainant) who is dissatisfied with a product or service provided by the Bank and its subsidiaries, for any reason, may contact us to complain. In addition, the under listed are the various forms of complaints this Policy is designed to manage:

- a) Customer/clients complaints which may include; complaints which may require formal or informal feedback, concerns, statements of issues/omissions and points of disagreement or dispute;
- b) Complaints by competitors in any of the business Group;
- c) Complaints by or through Regulators, such as Central Group of Nigeria (CBN), Securities and Exchange Commission (SEC), Nigeria Stock Exchange (NSE) and or self-regulatory organisations like, Financial Market Dealers Quotation (FMDQ); and
- d) Other Complaints which could be in form of trade manipulations, accounting frauds, etc.

6.0 COMPLAINTS NOT COVERED BY THIS POLICY

The under-listed complaints are not covered by this policy:

- a) Complaints on matters that are sub-judice or in arbitration, including employee related dispute;
- b) Complaints falling outside the purview of the business of the Bank and its subsidiaries; and
- c) Complaints which may not require a resolution or formal follow-up. While this type of feedback is valuable, the Policy does not apply to feedback of this nature.

7.0 CHANNELS FOR COMPLAINTS REPORTING

Customers can report complaints through one or all of the following avenues:

- a) Written communication (soft and hard copy), addressed to the Bank's Head Office or to any of its offices in Abuja and Port Harcourt (or those of its subsidiaries);

- b) By telephone or verbally through any member of the Bank's staff (or those of its subsidiaries) or any individual acting on behalf of the Bank (or those of its subsidiaries) as well as at any of our offices;
- c) Physical walk-ins to the Bank's Head Office or to any of its offices in Abuja and Port Harcourt (or those of its subsidiaries);
- d) Official online channels of the Bank, which is its website and those of its subsidiaries; and
- e) E-mail/e-platform correspondences, post mails /official letters or Short Messaging Service (SMS). (Details of contact addresses in Appendix 1 below).

8.0 COMPLAINT CATEGORIES

Customers' complaints can be categorised into the following:

- a) **Low risk:** These complaints can easily be resolved at any of our office locations or via the medium to which it was received. The complaints are usually resolved immediately or shortly after it is received. This category has zero to minimal financial or legal implication and can be handled by any of our staff members without any specialised expertise.
- b) **Medium risk:** These are complaints that can be resolved on the spot but requires the assistance of a staff of the Bank (or its subsidiaries) at any of our locations. This category also has zero to minimal financial and legal implications.
- c) **High risk:** These are complaints that have high potential financial or legal implications and require the expertise of the group complaint management desk for resolution. Examples of such complaints includes: unauthorised transactions, account fraud, complaints from a legal firm, etc.

9.0 HANDLING A COMPLAINT

All complaints to the Bank or its subsidiaries shall be sent to the addresses contained in Appendix1 to this Policy. All complaints shall contain at the minimum the following:

- a) Name of complainant;
- b) Relationship with the affected entity within the Group (i.e. the nature of your engagement with Bank or its subsidiaries, example whether it is a client, vendor, etc.);
- c) Contact details, such as full address, mobile number, e-mail address and any other relevant contact information;
- d) Date;
- e) Nature and description of complaints;
- f) Supporting documents, if any; and
- g) Signature of the complainants.

10.0 COMPLAINANT'S RIGHTS

The Bank and its subsidiaries are committed to formally acknowledging all complaints immediately upon receipt. Once a complaint has been received, the Group will undertake an initial review of the complaint. The complainant has the right to enquire as to the status of a complaint by contacting appropriate contact persons handling the complaint. Details of representatives of the Bank and its subsidiaries authorised to handle complaints are defined in this Policy.

11.0 INTERNAL PROCEDURE AND TIMELINE FOR RESOLUTION OF COMPLAINTS RESPONSE TO A COMPLAINT

It shall be the policy of the Group to endeavour to resolve complaints within four weeks of receiving the complaint, but this will not be possible on all occasions. Where the review exceeds four weeks, the complainant shall be contacted to provide reasons for the delay, and indicate when a formal position to complete our review of the complaint should be expected. At the conclusion of the review of the complaint, the complainant shall be provided with a written response. Where the complainant remains dissatisfied with the response of the Bank or any of the subsidiaries, the matter shall be escalated for reconsideration to the Chief Audit Executive (CAE), who is the Group's Complaints Officer. Such a request should be made in writing, and sent by email or fax to the address provided in this Policy. Other guiding principles for handling customer complaints in the Bank and its subsidiaries are as follows:

- a) Complaints shall be attended to in person, writing or by telephone;
- b) Complainants shall be informed of the time frame within which their matter will be resolved;
- c) All received complaints shall be acknowledged within 24 hours;
- d) All complaints shall be logged onto the electronic complaint register application. This shall be done by the complainant, the Relationship Manager or the Customer Care representatives. To facilitate direct logging of complaints by customers, the portal on the Internet shall be directly linked to the electronic complaint register application;
- e) The Head of Customer Care Unit (CCU) or designate shall review the complaint register application twice in the week to ensure all issues are resolved and closed on the application;
- f) Unresolved issues within seven (7) days shall be escalated to the Head of Operations;
- g) Unresolved issues outstanding for up to ten (10) days shall be escalated to the Group Complaints Officer, the Audit Chief Executive, who shall make decisions on further lines of escalation;
- h) Unresolved complaints outstanding for more than fourteen (14) days shall be forwarded in writing with evidence of action taken to resolve the complaints to Consumer Protection Department, Central Bank of Nigeria, Abuja;
- i) Monthly returns on customer complaints shall be generated at the end of every month. Process is as follows:
 - i) Complaints logged through the complaint register application based on responsible business unit;
 - ii) At the end of the month CCU spools all complaints
 - iii) Prepare a cover letter alongside the complaints generated
 - iv) Forward to appropriate signatories for verification and approval

- v) Submit relevant returns to the Consumer Protection Department of CBN, Abuja; and
- vi) Forward same report via email to the designated personnel at CBN and copy Compliance Department.

12.0 THE CUSTOMER COMPLAINT PORTAL

The Bank, and its subsidiaries, shall each have an electronic portal, which shall serve as a repository for all customer complaints. The portal, which shall be available to customers and other stakeholders online (through the Bank’s website and those of its subsidiaries), shall be accessible to appropriate representatives and employees of the Group, who are permitted to receive complaints from customers. Internal stakeholders like Internal Audit, Compliance, Internal Control, Legal and Risk Management shall also have access to the Portal. Accordingly, entries onto the portal shall either be logged directly by the customers (and other external stakeholders) themselves, or by authorised employees upon receipt. The following minimum fields and/or requirements shall exist in the Complaint Portal:

- a) Name of the complainant;
- b) Contact details, that is email and phone numbers;
- c) Date of the complaints;
- d) Nature of complaints;
- e) Complaints details in brief;
- f) Acknowledging of submitted complaints;
- g) Assigning of tracking numbers;
- h) Status of resolution;
- i) Search and enquiries facilities; and
- j) Remarks/status updates/comments.

13.0 COMPLAINTS MANAGEMENT PRINCIPLES

In line with extant regulations and best practices, the under listed principles shall guide the complaints management process of the Bank and its subsidiaries:

Table 1:

Principle	Application
Visibility	The Complaints Management Policy is well publicised to customers, clients, staff and other stakeholders on the Bank’s website and those of its subsidiaries, with extracts of the policy in the Annual Reports and Accounts.
Accessibility	The Complaints Management Policy is made user-friendly and available to all customers/clients and other stakeholders. Complaints are welcome from customers/clients who are dissatisfied with the Bank’s decisions, actions or services.

Responsiveness	<ul style="list-style-type: none"> ▪ Complaints will be acknowledged and resolved promptly. ▪ Complaints will be handled in an efficient and effective manner, and accorded the urgency it deserves. ▪ Complainants will be treated courteously and kept informed of the progress of their complaint throughout the complaint-handling process.
Objectivity	Each complaint is addressed in an equitable, objective and unbiased manner through the complaints-management process.
Charges	Access to the Bank’s complaints management process, and those of its subsidiaries, is free of any charge to the complainant.
Confidentiality	Complaints are handled confidentially to avoid any form of embarrassment to innocent people. Personally identifiable information concerning the complainant is actively protected from disclosure and only made available for the purposes of addressing the complaint.
Customer/Client-focused approach	Management is committed to efficient, prompt and fair resolution of complaints. The Group is open to feedback and constantly reminds customers/clients of their right to make complaints.
Accountability	The Group accept responsibility for effective complaints handling, and units responsible for complaints management will ensure that, where appropriate, issues raised as a result of failure in the complaints handling process are adequately addressed.
Continual Improvement	The complaints management policy and process will be reviewed as at when required, to enhance its overall efficiency and delivery of effective outcomes.

Table 1- Guiding Principles of Complaints Handling

14.0 ROLES AND RESPONSIBILITIES

14.1 Board Of Directors

The Board, and its Committees, is highly committed to promoting an effective and efficient complaints handling across the Bank and its subsidiaries, and adequate resources shall be deployed towards ensuring the achievement of this objective. The roles of the Board of Directors in relation to this Policy include:

- a) Approve the Complaints Management Policy for the Bank and all subsequent amendments to the Policy;
- b) Ensure that appropriate systems, processes and mechanisms are in place within the Bank and its subsidiaries to achieve an effective and efficient complaints handling;
- c) Review reports presented to it by the Complaint Officer or by the Senior Management; and
- d) Make directives and recommendations to Senior Management to ensure achievement of an effective and efficient complaint management process in the Bank and its subsidiaries.

14.2 Senior Management (ELCO)

The Senior Management shall be responsible for the implementation of this Policy and all regulations relating to the management of customer complaints throughout the Bank. Other responsibilities of the Executive Leadership Committee (ELCO) include:

- a) Provide relevant training for staff involved in the handling and management of customer complaints;
- b) Put in place appropriate systems, practices and procedures to ensure that an effective and efficient complaint management throughout the Bank;
- c) Implement this Policy as approved by the Board and provide appropriate reports to the Board from time to time;
- d) Implement the recommendations and directives of the Board, as well as any regulatory circular relating to customer complaint; and
- e) Whenever the need arises, assist in the resolution of issues arising from customer complaints.

14.3 Customer Care Unit (CCU)

The CCU shall be primarily responsible for handling all customer complaints throughout the Bank, and shall be assisted by the Relationship Officers Other responsibilities of the Customer Care Unit:

- a) Ensure that all complaints are appropriately logged on the Complaint portal;
- b) Receive complaints lodged by customers through the various channels including telephone, online portals and emails;
- c) Ensure that all received complaints are promptly acknowledged in line with this Policy;
- d) Review and analyse all received complaints;
- e) Ensure prompt and appropriate resolution of customer complaints, and where necessary, escalate to the appropriate senior staff who will ensure prompt resolution;
- f) Provide resolution status to customers and communication of the resolution outcome on all complaints;
- g) Review of resolved cases to ensure appropriate resolution by case owners;
- h) Carry out root cause analysis and initiation of service improvement actions as applicable;
- i) Provide appropriate and periodic reports for management and as requested; and
- j) Promptly render appropriate periodic returns to the regulators and as requested.

14.4 Compliance Function

The compliance function, led by the Chief Compliance Officer (CCO), shall be responsible for:

- a) Ensure adherence and compliance with this Policy across the Bank and its subsidiaries;

- b) Ensure that relevant and extant regulatory directives and legislations regarding customer complaints management is made available to all stakeholders in the Bank and its subsidiaries;
- c) Propose a review of this Policy from time to time in line with changes in the internal operating environment, regulations, laws and other external rules;
- d) Review compliance with this Policy and applicable regulations; and
- e) Provide relevant reports whenever appropriate regarding customer complaint management to the Board and Senior Management.

14.5 Chief Complaint Officer (Ombudsman)

The office of the Ombudsman will be responsible for the following:

- a) Review of cases that have not been resolved to the satisfaction of the customer;
- b) Serve as an adviser where a customer is uncertain about which policy, procedure, or regulation applies to his/her situation; and
- c) Mediate between a customer and the Bank where the customer feels that he/she has been unfairly or inequitably treated or that a policy, procedure, or regulation has been applied unfairly or erroneously, or is itself fundamentally unfair.

14.6 Employees

All staff of the Bank and its subsidiaries shall take responsibility for complaints brought to their notice by customers until the complaint is logged on the Complaint Portal. All complaints (in whatever form) received by staff MUST be logged onto the portal to help the Group determine areas of improvement in policies, processes and product offerings.

15.0 TIME LIMIT FOR INVESTIGATION OF COMPLAINTS, REGULATORY REPORTING RESPONSIBILITY AND COMPLAINTS REGISTER

It shall be the policy of the Group to handle all complaints promptly and as fairly as possible. While it might not be possible to set a specified time limit for the resolution of complaints in view of the diverse nature of complaints, the Bank and its subsidiaries shall adhere to time line as specified in 3.7 above in managing and resolving customer complaints.

The Bank and its subsidiaries shall also render regular reports on complaints, while the Compliance Department shall monitor compliance with such regulatory reporting requirements, and also ensure implementation of this policy.

16.0 COMMUNICATIONS

The Group customer complaints management policy shall be made known to customers during the onboarding process, as follows:

- a) The customer complaints management policy shall be available on all the Bank's website;
- b) FBNQuest Merchant Bank shall provide information on complaints received on a quarterly basis to the relevant regulators. This data shall cover the number and nature of complaints received;
- c) All records and supporting documents must be maintained for a minimum period of not less than five (5) years from the date of logging the complaint whether or not the complaint has been resolved;
- d) Information regarding complaints shall be recorded in a format that is accessible to Customers, SEC and adjudicators on request.

17.0 REPORTING

The Customer Care Unit, who has the responsibility for handling complaints management in the Bank and its subsidiaries, shall also be responsible for rendition of all regulatory returns on customer complaints, including daily uploads to the CBN Customer Complaints Management System (CCMS).

18.0 POLICY REVIEW, AMENDMENTS, CUSTODIAN AND APPROVAL

17.1 Policy Review and Amendment

This policy shall be subject to review from time to time at least every two years, in line with changes in FBNQMB's business model, business environment, material changes in statutory regulations, and critical economic and other factors that will materially alter the profile of the Company. However, more frequent reviews shall be necessitated by changes in the regulatory and legal environments of the Bank and its subsidiaries, as well as the Bank's internal operations and practices.

17.2 Policy Custodian

The Chief Compliance Officer shall be responsible for the ownership of FBNQMB's Complaints Management Policy. Custody of the Policy shall be domiciled with the Internal Audit.

17.3 Policy Approval

The Board of FBNQuest Merchant Bank Limited through the Board Risk Management Committee hereby approves this FBNQMB's Complaints Management Policy.

18.0 ESCALATION CHANNELS

Customers can lodge their complaints via the customer feedback link (<https://www.fbnquest.com/merchant-bank/complaints/>) provided on the Bank's website, www.fbnquest.com/merchant-bank, via our dedicated email address customercare@fbnquestmb.com or switch board numbers, **07080626000, 07080653190-4**

Complaints made by customers to any member of staff, including Relationship Officers, via other medium apart from those mentioned above must be logged into the Customer Complaints Portal, for a holistic view of the Bank's customers' complaints.

APPENDIX 1: Other Contact Addresses and details of the Bank

Customer Care Department
FBNQuest Merchant Bank Limited.
No. 10, Keffi Street
Ikoyi
Lagos, Nigeria
E-mail: customercare@fbnquestmb.com
Phone: +234-1-2702290-4 ext. 1301

Compliance Department
FBNQuest Merchant Bank Limited.
No. 10, Keffi Street
Ikoyi
Lagos, Nigeria
E-mail: compliance@fbnquestmb.com
Phone: +234-1-2702290-4 ext. 1314

Internal Audit Department
FBN Merchant Bank Limited.
No. 10, Keffi Street
Ikoyi
Lagos, Nigeria
e-mail: audit@fbnquestmb.com
Phone: +234-1-2702290-4 ext. 1245

APPENDIX 2

Definition of Key Terms

- a) **Consumer Protection Department:** the department of the Central Bank of Nigeria charged with the responsibility of protecting consumer.
- b) **Customer:** refers to a person that has a relationship, by reason of benefitting from financial products or services offered by a FI.
- c) **Complaint:** dissatisfaction expressed by a consumer on financial product or service provided by a FI which may or may not have caused financial loss.
- d) **Complainant:** a person who makes the complaint.
- e) **Capital Market Operators:** he players in the capital market are who act as intermediaries between the providers of the funds and the fund users.
- f) **Financial Institution:** refers specifically to financial institutions (together with their staff, agents or representatives) regulated by the Central Bank of Nigeria. Financial institutions include Commercial or Merchant Banks, Specialized Banks, Micro-finance Banks (MFBs), Discount Houses (DHs), Development Finance Institutions (DFIs), Finance Houses (FHs), Bureaux-de-Change (BDCs), Primary Consumer Protection Framework.