



BANQUE DE
PATRIMOINES PRIVÉS
Wealth Management

Customer Complaints Policy

Validated by the Board of Directors on 6th December 2017

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1. PURPOSE

The procedure for handling the customer complaints aims at facilitating the resolution of complaints in compliance with regulations.

This procedure shall be efficient and transparent, in view of the reasonable and prompt complaint handling in full compliance with the provisions of regulations.

This procedure is applicable to Banque de Patrimoines Privés and to its branch in Portugal (hereafter, “the Bank”).

This procedure ensures that:

- Customer complaints received by the Bank are handled and monitored with appropriate care, transparency, efficiency, equity and objectivity.
- Each complaint should be formally registered and treated honestly, exhaustively, fairly and with care. A formal written answer has to be delivered in a timely manner.
- The Bank duly complies with the applicable legislation of the Grand-Duchy of Luxembourg, such as Law of 5 April 1993 on the financial sector, CSSF Regulation No. 16-07 of 11th November 2016 relating to out-of-court complaint resolution, CSSF Regulation No. 13-02 (abrogated and replaced by N°16-07), CSSF Circular No. 14/589 of 27 June 2014, the Consumer Code of Luxembourg and related national laws -Law of 17 February 2016, Law of 8 April 2011, etc- (notwithstanding to other applicable laws).

2. PARTIES INVOLVED

- Management
- Chief Compliance Officer
- Department(s)/person(s) in contact with the customer
- Chief Risk Officer
- Accounting Department

3. DEFINITIONS

For the purposes of this procedure, the following definitions¹ shall apply:

- (i) «**Complaint**»: a complaint filed with a professional to recognise a right or to redress a harm.

Simple requests for information or explanations cannot be considered as complaints. A complaint is any communication by a customer addressed to the Bank, by any means of communication -letter, fax, email, recorded phone call-, in which the customer expresses a displeasure regarding any damages which he/she claims to have suffered during his/her business relationship. For instance: an error in the execution of an operation; a late execution; the application of different conditions to those stipulated; flaws in procedures, conduct and internal organisation, etc.

- (ii) «**Consumer**»: pursuant to article L. 010-1 of the Consumer Code, “any natural person who acts for purposes which are outside his/her commercial, industrial, artisanal or professional activity”

- (iii) «**Application/demand/request**»: a customer’s request for an out-of-court settlement of a claim submitted to the CSSF in accordance with Regulation CSSF 16-07.

- (iv) «**Complainant**»: means any natural or legal person having filed a complaint with the Bank

- (v) «**Applicant**» means any natural or legal person having submitted a request to the CSSF

4. PROCESS DESCRIPTION

4.1. Communication

Responsibility: All departments

Communication of the available channels to receive customer complaints

The General Terms and Conditions² and the website of the Bank³ specify that any customer’s complaint should be sent to the Compliance Department at:

¹ Art. 1 of the CSSF Regulation N° 16-07 relating to out-of-court complaint resolution

² Please see art. 1.23.1 of the Bank’s general T&C concerning customer complaints

³ <http://banquedepatrimoinesprives.com/fr/tableau-daffichage>

Banque de Patrimoines Privés, S.A
Att. Chief Compliance Officer
30, Boulevard Royal L-2449
Luxembourg
compliance@banquedepatrimoinesprivés.com

The complainant must clearly indicate his/her contact details and provide a brief description of the subject of his /her complaint.

If the Bank's response is not satisfactory for the complainant, it is possible that he/she addresses a request for an out-of-court settlement before the CSSF, according to art.5 of CSSF Regulation n°16-07.

Please find more details regarding this demand before the CSSF in the following link:
<http://www.cssf.lu/consommateur/reclamations/>

Internal communication of PR-COO-033

This procedure is duly communicated to all staff members as well as published on the Intranet.

4.2. Customer complaint

4.2.1. Complaints handling:

Responsibility: Chief Compliance Officer and Management

The Chief Compliance Officer is the one appointed to be in charge of the handling of customer complaints and is responsible for the responses given to the complainants with the approval and signature of the authorised Management.

4.2.2. Receipt of a customer complaint:

Responsibility: All departments

The Bank's General Terms and Conditions and the Bank's website specify that any potential customer's complaint shall be submitted in writing and sent by e-mail and/or post to the Chief Compliance Officer.



However, if a customer has decided to address a complaint directly to other persons/departments (for instance, to his/her relationship manager), these must forward it to the Compliance department with copy to the Management as soon as they receive it.

4.2.3. Acknowledgement of receipt:

A written acknowledgement of receipt will be provided to the complainant within a period which shall not exceed **ten (10) business days** after receipt of the complaint, unless the answer itself is provided to the complainant within this period.

The customer will be notified of the receipt of the complaint and of the name and contact details of the person in charge of the case. The person in charge will keep the claimants up-to-date with the developments in the handling of their complaint.

4.2.4. Assessment of the Chief Compliance Officer

Analysis of the complaint, assessment and measures to be taken

The Chief Compliance Officer considers and analyses the case, collects all information and asks to the department(s)/person(s) concerned and in contact with the claimant for the grounds of the complaint and chronological facts.

The Compliance Officer considers all evidences and background, tries to identify and find remedies, as well as legal and operational risks involved. The Compliance Officer carefully considers as a whole:

- Cause analysis. The Chief Compliance Officer performs a detailed and chronological statement of the facts that raised the complaint and determines the following steps to be taken.
- Processes involved. The Chief Compliance Officer examines if the complaint's causes might also affect other processes or products, including those not directly affected by the complaints; by remedying these causes if it is reasonable to do so.
- Identifies and mitigates potential conflicts of interest.
- More specifically, and regarding product governance requirements, the Compliance Officer has the duty to review clients' complaints over specific financial instruments, in order to identify potential failures in the distribution of the product or in the target market definition.



4.2.5. Response to the customer

Preparation of the response

After the previous assessment, the Chief Compliance Officer drafts, if necessary, a formal response to be sent to the customer in a timely manner and always before one month from its reception.

The Chief Compliance Officer duly ensures that a written response is sent to the customer within **one (1) month** from receipt of the claim and that the response day does not exceed this limit.

Confirmation and signature of the formal response by the Authorised Manager

The Management reviews the suggested response submitted by the Chief Compliance Officer. Should there be no objection and/or comments to be added, the management validates the formal answer with its signature.

The formal response will always be sent to the customer, where appropriate, by registered post with acknowledgement of receipt. A copy of the response will be sent for information purposes to the main department affected and to the management.

The Compliance department will save a copy of the response of the complaint.

Communication requirements

According to CSSF Regulation 16-07, if the Bank is not able or willing to respond favourably to a customer complaint, it needs to inform the customer in writing about the possibility to introduce a complaint with the CSSF and to include the information about the time limit of one (1) year to filing a complaint with the CSSF.

4.3. Possible intervention of the CSSF as an out-of-court authority

4.3.1. Referral to the CSSF

The CSSF is competent to receive complaints by clients of institutions subject to its supervision and to act as an intermediary with them in order to seek an amicable settlement.

Where the complainant did not receive an answer or a satisfactory answer within the period on one (1) month, s/he may file his/her request with the CSSF within **one (1) year** after he/she filed his/her complaint with the Bank.



4.3.2. Procedure with the CSSF

The CSSF sends a copy of the customer's application to the Bank requesting it to take a position within a period of up to one (1) month from the submission of the file.

While analysing the file relating to the request, the CSSF may request the professional and the applicant to provide it with additional information, documents or explanations, in any form whatsoever, and to take position on the facts or opinions as presented by the other party within a reasonable period that cannot exceed three weeks.

Afterwards, the CSSF issues a reasoned conclusion within **ninety (90) days** from the day of the submission of the customer's request and issues a conclusion letter to both parties. The CSSF's opinion is not binding on the parties.

The CSSF asks the parties to inform it, within a reasonable period of time set out in the letter, if they have decided to accept, refuse or follow the solution proposed.

In the conclusion letter, the parties' attention is also drawn to the possibility to seek remedies through legal proceedings; in particular, if the parties fail to reach an agreement after the CSSF issued its reasoned conclusion. The parties keep, at any time, the right to refer the subject matter of the complaint to the courts.

5. COMPLAINTS REGISTER

Responsibility: Chief Compliance Officer

The Bank ensures that each complaint as well as each measure taken to handle is properly registered.

The Chief Compliance Officer manages a special register of complaints in which the customer's original request and all the documents and information related to it is saved. All documents shall be also scanned.

According to the Law of 5 April 1993 -as amended- and of the Law of 12 November 2004, in the case of business relationships and transactions, the supporting evidence and records, consisting of the original documents or copies certified shall be retained for a period of at least five (5) years.

6. REPORTING

Responsibility: Chief Compliance Officer

6.1. Internal reporting

The Bank's internal procedures must arrange for the communication to the director responsible for all the necessary data concerning the complaints received at every level.

These data must, in particular, feature the problems encountered, corrective measures taken and the effective follow-up to these measures.

Therefore, in addition to direct reporting when the response to the customer is validated with Management, it is also sent a quarterly report summarising all the necessary information.

6.2. Reporting to the CSSF

Cooperation in complaints handling

The Bank is required to answer to and cooperate fully with CSSF in the handling of complaints and requests.

Annual reporting

Every year the Chief Compliance Officer is required to send to the CSSF a report containing the number and type of complaints recorded. Moreover, a summary report of the complaints and the measures taken to address them are also required to be informed.

The CSSF provides a template form fulfilled with the number of complaints recorded which satisfies the formal requirements.

This annual report of customer complaints shall be sent by the 1st March at the latest and shall cover the preceding year.

7. PROVISIONS TO BE REFUND

Responsibility: Chief Compliance Officer, Chief Risk Officer, Accounting Department

Final report

The Chief Compliance Officer drafts a complete report of the complaint. This report is submitted to the Chief Risk Officer for proposal of potential provisions required on the basis of a risk assessment. This report is due to be submitted to the Management.

Reimbursements

Where the response to the complaint provides for economic reimbursement at the Bank's expense, after obtaining the Management's approval, the Compliance Department shall communicate this information to the Accounting Department which will then enter the required provisions in the accounts. If this provision must subsequently be reassessed (upward, downward or cancellation), Compliance with the Management's approval, shall ask the Accounting Department to make the necessary adjustment.

8. LEGAL REFERENCES*

CSSF Regulation No. 16-07 of 11 November 2016 relating to the out-of-court complaint resolution
CSSF Circular No. 14/589 of 27 June 2014
Consumer Code, sub section 3. – Alternative dispute resolution Art. L. 224-26
Law of 17 February 2016 introducing the alternative dispute resolution for consumer disputes into the Consumer Code and amending certain other legal provisions of the Consumer Code
“Regulation on consumer ODR”: Regulation (EU) No 524/2013 of the European Parliament and of the Council of 21 May 2013 on online dispute resolution for consumer disputes and amending Regulation (EC) No 2006/2004 and Directive 2009/22/EC (Regulation on consumer ODR)
Directive 2014/65/EU of the European Parliament and of the Council on markets in financial instruments and amending Directive 2002/92/EC and Directive 2011/61/EU (MiFID II)



Principles of Directive 2013/11/EU of the European Parliament and of the Council, of 21 May 2013, on alternative dispute resolution for consumer disputes and amending Regulation (EC) No. 2006/2004 and Directive 2009/22/EC; the ninth principle of the Ten Principles of the G20 High-Level Principles on Financial Consumer Protection on "complaints handling", drafted by the OECD and published in October 2011; "Guidelines for complaints-handling for the securities (ESMA) and banking (EBA) sectors" prepared by the European Securities and Markets Authority (ESMA) and the European Banking Authority (EBA).

*non exhaustive

