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Complaint Resolution Policy (Internal Dispute Resolution)

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| Company: | ETO Group Pty Ltd |
| ABN: | 66 155 680 890 |
| AFSL No: | 420 224 |



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Section A: Introduction

1. Purpose

The purpose of this policy is to provide staff of ETO Group Pty Ltd (ETO Group) with the correct procedures in relation to the handling, recording and monitoring of complaints received from clients and stakeholders. This policy is compliant with ASIC's guidance as outlined in Regulatory Guide 271 (RG 271).

Staff must always be conscious that, although the party raising an issue may not be covered by ASIC or other regulatory requirements, the issue raised may well have an impact on such a party and, therefore, must be handled accordingly.

Complaints should be dealt with at the earliest possible stage as doing so:

- Prevents complaints from becoming entrenched;
- Prevents any unnecessary escalation of the dispute;
- Preserves customer relationships whilst avoiding reputational damage; and
- Is often the most efficient and cost-effective way of dealing with complaints.

This policy constitutes ETO Group's Internal Dispute Resolution system which also includes the escalation process to external dispute resolution.

2. Aims

This policy aims to explain ETO Group's internal dispute resolution process with respect to the following:

- How customers may lodge a complaint with the firm;
- The options available to assist complainants who might need additional assistance to lodge a complaint;
- ETO Group's key steps for dealing with complaints;
- Response timeframes; and
- Details about accessing the external dispute resolution scheme.





3. Definitions

A complaint is “[an expression] of dissatisfaction made to or about an organisation, related to its products, services, staff or the handling of a complaints, where a response or resolution is explicitly or implicitly expected or legally required.” (AS/NZS 10002:2014)

It is expected that ETO Group take a proactive approach to identifying complaints. Referencing the above definitions, a response or resolution is ‘explicitly expected’ if a consumer clearly requests it. It is ‘implicitly expected’ if the consumer raises the express of dissatisfaction in a way that implies the consumer reasonably expects the firm to respond and/or take specific action. Consumers or small businesses are not required to expressly state the word ‘complaint’ or ‘dispute,’ or put their complaint in writing, to trigger a financial firm’s obligation to deal with a matter according to ASIC’s IDR requirements.

It is important that ETO Group does not categorise an expression of dissatisfaction that meets the definition of ‘complaint’ as ‘feedback’, an ‘inquiry’, a ‘comment’ or similar (and therefore not to be dealt with in the firm’s IDR process) merely because:

- the complainant expresses their dissatisfaction verbally;
- the firm considers that the matter does not have merit; or
- a goodwill payment is made to the complaint to resolve the matter without any admission of error.

ASIC has interpreted this definition to also cover expressions of dissatisfaction made on social media such as posts on a social media channel or account owned or controlled by the financial firm that is the subject of the post, where the author is both identifiable and contactable.

Where there is any doubt as to whether a communication received (either verbally or in writing) constitutes a formal complaint, it should be reported to the Compliance Manager immediately, who will make further investigations, and classify the matter as a complaint or otherwise. In classifying complaints, the Compliance Manager must abide by the guidance provided in Regulatory Guides 271.27-271.35. Formal complaints may be in relation to any aspect of ETO Group’s business operations.





As a general rule, all complaints should be handled in the same manner, regardless of source. However, ETO Group's complaint recording procedures and systems will make the necessary distinctions.

Section B: Procedures

1. Receiving complaints

Complaints may be lodged with ETO Group via its website or through direct email.

All complaints, whether they are written or verbal, are to be communicated to the Compliance Manager immediately, or as soon as practicable, on receipt of the complaint.

Upon receipt of the complaint the following review process must occur:

- The Compliance Manager must immediately respond to the complainant verbally or in writing, at latest one business day after receipt, advising the complainant that their expression of dissatisfaction has been received and will be responded to in line with this Complaint Resolution Policy;
- The Compliance Manager will record the complaint in ETO Group's Complaints Register outlining the details of the complaint and any actions taken to date;
- The Compliance Manager conducts an initial assessment of the complaint to determine its severity and complexity and the possible need for immediate corrective action or involvement of any third parties; and
- The Compliance Manager assigns the responsibility of managing the complaint to the appropriate persons.

The Compliance Manager maintains records of all complaints data in ETO Group Complaints register and reports on a regular basis to ETO Group senior management and Board of Directors. Where appropriate, the Compliance Manager will report significant complaints to the Board of Directors as soon as practicable after receipt.

2. Acknowledging received complaints





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The responsibility for acknowledging complaints in the first instance rests with the Compliance Manager, or in his/her absence, a staff member from the area where the complaint has emanated.

ETO Group will endeavour to acknowledge receipt of each complaint promptly, and in all cases, within one business day or as soon as practicable. We may acknowledge the complaint verbally or in writing, via email, post, or social media channels. When determining the appropriate method of communication, ETO Group will take into account the method used by the complainant to lodge their complaint and any preferences they may have expressed about communication methods.

Any verbal communications between ETO Group staff and the complainant are to be documented in a file note and phone calls are to be recorded (with consent) and retained where possible.

Where it is identified by the ETO Group that a client may require additional assistance in making a complaint or where the client requests additional assistance, reasonable assistance will be provided free of charge. At no time will ETO Group will impose any barriers that may hinder client accessibility to its dispute resolution process.

3. Responsibility for and investigation of complaint

It is the responsibility of the Compliance Manager, with assistance from relevant Director, or, if applicable, an external service provider, to ensure that complaints are satisfactorily resolved.

The Compliance Manager and the relevant Director must use their best endeavours to resolve the complaints as soon as practicable by:

- Communicating with the client in a positive and conciliatory manner;
- Addressing all issues that were raised in the complaint;
- Ensuring that all answers are accurate and understood;
- Giving clear and concise reasons for the decision reached;
- Keeping comprehensive notes on the progress of the complaint, including file notes on conversations; and
- Liaising with external and internal personnel where appropriate.



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Where possible, decisions should be communicated in writing and should refer to applicable provisions in legislation, codes, standards or procedures. The written decisions should be clear, concise and effective, and avoid the use of legal or industry jargon which may be seen to confuse the client.

All complaints are to be addressed in an equitable, objective and unbiased manner. Furthermore, all complaints should be classified and then analysed to identify systemic, recurring and single incident problems and trends, and help eliminate the underlying causes of complaints.

4. Response within appropriate timeframe

The Compliance Manager must investigate all complaints, assist with reaching a decision on the course of action, and ensure that the response is communicated to the client within the appropriate timeframe, as required by laws and regulations, after receiving the complaint. Typically, this will be no later than 30 calendar days. In some cases, a different timeframe applies (RG 271.58) and there are also exceptions (RG 271.64-271.66).

ETO Group acknowledges that there are many variables that can affect complaint response times, including the complexity of the issues raised and the availability of information. As such, ETO Group will not be required to provide a response within 30 calendar days where the following circumstances exist:

- There is no reasonable opportunity for ETO Group to provide the response within 30 calendar days because resolution of the complaint was particularly complex and/or circumstances beyond the control of ETO Group are causing complaint management delays; and
- Before 30 calendar days, ETO Group provides the client with a 'IDR Delay Notification' that informs them about the following: reason(s) for the delay, their right to complain to AFCA, and contact details for AFCA.

An example of a particularly complex complaint includes when the complaint is about an event that occurred more than six years ago and requires reconstruction of account information.



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An example of circumstances beyond the ETO Group control includes when the complainant is unable to respond to ETO Group due to illness or absence, or where information needs to be obtained from third parties.

Different rules apply where the complaint has been closed within five business days of receipt, but only if the complainant is satisfied with the complaint or where ETO Group can only offer an apology/explanation because there is no further action that can be reasonably taken to address the complaint.

A written response regarding the above must be provided if a customer requests for one or if the complaint is regarding a topic listed under RG 271.75 including hardship or a declined insurance claim.

5. IDR Response Guidelines

An IDR response must, at bare minimum:

- Inform the complainant about the final outcome of their complaint;
- Either confirm what ETO Group has done to resolve the complaint or outline why the complaint has been partially/fully rejected (as appropriate);
- Outline the complainant's right to escalate the dispute to AFCA if they are unsatisfied with the outcome; and
- Provide the complainant with AFCA's contact details.

If the complaint has been partially or fully rejected, the IDR response must:

- Identify and address each of the issues raised in the complaint;
- Set out your position and findings regarding the facts of the complaint and outline the information that supports this position; and
- Provide enough detail so that the complainant understands the decision and so that they can make a fully informed decision about whether to escalate the complaint to AFCA or another forum.

When drafting the IDR response, the Compliance Manager ensure that the response appropriately reflects the complexity of the complaint and the investigation, if any. A complex complaint with many stages necessitates a longer response. The Compliance Manager must ensure that in doing this, ETO Group's privacy or other legislative



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obligations are not breached.

6. Complaints Register

Details of all complaints, and all supporting documentation must be retained within the Complaints Register. The Complaints Register will be updated at regular intervals and will include the following information:

- The number of complaints received;
- The number of complaints closed;
- Nature of the complaint (e.g. Product and problem);
- Time taken to acknowledge complaints;
- Time taken to resolve or finalise complaints;
- Complaint outcomes, including:
 - Number of complaints resolved;
 - Number of complaints unresolved;
 - Number of complaints abandoned/withdrawn; and
 - Details of amounts paid to complainants to resolve complaints;
- The Compliance Manager or complaint manager's assessment of severity;
- Possible systemic issues identified; and
- Number of complaints escalated to AFCA

When reporting complaint data to ASIC, the following must be collected and recorded:

The unique identifier (text and/or numeric) of the complaint as prescribed by ETO Group;

- The Complainant Type;
- The Complaint Status;
- The Complaint Channel. If there were multiple channels used by the complainant, the channel that was used first is to be indicated;
- The date the complaint was first received;
- The date the complaint was closed;
 - Whether an Authorised Representative was the subject of the complaint;
- Product or service that the complaint is about (up to 3 can be reported); The issue raised by the complaint (up to 3 can be reported); and
- The complaint outcome and/or dollar value of monetary remedy provided if applicable.



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7. Identifying and rectifying systemic issues

A systemic problem is one that is caused by failures in the product or service design, delivery systems or organisational policies or procedures. These have the potential to affect more than one customer. They are often identified because of their recurring nature, for example, mistakes in a disclosure document which lead to uncertainty among investors about fees and charges.

In reporting complaints, the Compliance Manager or person managing the complaint must analyse their origin and determine the root cause to assist with the corrective actions. All staff are encouraged to identify, and if possible, escalate to the Compliance Manager, all possible systemic issues. The Complaints Register must be periodically analysed for possible systemic issues and escalated to the Compliance Manager if necessary. If it is determined the cause is systemic or recurring, they will be classified as such and the Compliance Manager will take prompt action to identify affected customers and take immediate steps to rectify any systemic or recurring problems. The Compliance Manager, or associated staff members will report internally on the outcome of the investigation, including all the actions taken, in a timely manner.

If a complaint results from a breach of ETO Group's AFS Licence obligations, the Corporations Act or other regulatory requirements, that breach must be treated in accordance with the requirements of the Breach Reporting policy.

8. Outsourcing

Any of the above procedures that is outsourced to a third-party service provider must be periodically assessed to ensure compliance with RG 271. In particular, the company must:

- have measures in place to ensure that due skill and care is taken in choosing suitable service providers;
- monitor the ongoing performance of service providers; and
- appropriately deal with any actions by service providers that breach service level agreements or fall short of their obligations under RG 271.

Section C: Remedies





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1. Types of Remedies

Depending on the nature of the complaint, ETO Group may offer the following remedies to the affected persons as part of the resolution of complaint:

- Compensation;
- Technical assistance;
- Referral to another service provider;
- Apology;
- Explanation;
- Financial assistance;
- Goodwill gift or token; and/or
- Indication of changes in process, policy or procedure arising from the complaint.

All compensation payments and financial assistance must be approved by the Managing Director.

Compensation should be made for any direct loss or damage caused as a result of a breach of ETO Group's obligations. When assessing the extent of loss or damage, consideration will be given to the relevant legal principles, codes of conduct, concepts of fairness and industry best practice. The Compliance Manager must consult the Managing Director and if necessary, the Compliance Consultant and/or external legal advisors, on issues of liability, and assessment of damages.

2. Resolution

If the action taken/decision made is believed to have satisfied/resolved the complaint, the matter will be considered resolved.

Where possible, and particularly in circumstances where compensation is paid, the Compliance Manager should attempt to have the complainant sign a Deed of Release, which acknowledges that the dispute has been resolved, and releases ETO Group from any liability in connection with the dispute/complaint.

3. Notification of Complaint Resolution Process



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Each disclosure document that is issued for any ETO Group service provided is to provide details about how clients can make a complaint.

A copy of the Complaint Resolution Policy is to be provided within 7 days of a request from an external party.

4. Confidentiality

ETO Group will ensure that the personal information is collected and used strictly for the purpose of addressing the complaint within the organisation, and the personal information should be actively protected from disclosure, unless the client has consented to its disclosure or the disclosure is required by law.

Section D: Internal Structures and Reporting

All complaints are recorded in the Complaints Register by the Compliance Manager.

Reports about ETO Group's complaints data will be provided regularly to ETO Group senior management and Board of Directors. These reports will include all the information collected in the Complaints Register and the following:

- Complaint trends;
- Underlying causes of complaints; and
- Recommendations for improving products or services

ETO Group will also report on complaints in their annual report – only if the report is made publicly available.

Section E: External Dispute Resolution

If a complaint cannot be resolved via the Internal Dispute Resolution Procedure, the Compliance Manager must inform the complainant that they have the right to pursue the complaint with the Australian Financial Complaints Authority (AFCA) and provide the contact details of AFCA.



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AFCA's contact details must be provided in the following documents:

- IDR response;
- IDR delay notification;
- Financial Services Guides (FSG);
- Product Disclosure Statement (PDS); and
- Periodic statements.

Should a complaint be lodged with AFCA, the Compliance Manager will act as direct liaison with AFCA and will ensure cooperation to ETO Group's fullest capacity with any investigation or mediation.

Section F: Policy Review

This complaint handling procedure must be reviewed every twelve (12) months to ensure its effectiveness and appropriateness.

Annexure A: Complaints Checklist

- ☐ Complaint raised with ETO Group
- ☐ The Compliance Manager has immediately responded to the complainant verbally or in writing, at latest one business day after receipt, advising the complainant that their expression of dissatisfaction has been received and will be responded to in line with this Complaint Resolution Policy;
- ☐ The Compliance Manager has recorded the complaint in ETO Group's Complaints Register outlining the details of the complaint and any actions taken to date;
- ☐ The Compliance Manager has conducted an initial assessment of the complaint to determine its severity and complexity and the possible need for immediate corrective action or involvement of any third parties; and
- ☐ The Compliance Manager assigns the responsibility of managing the complaint to the appropriate persons.
- ☐ An IDR response has been provided within 30 calendar days OR an IDR Delay notification has been provided within 30 calendar days:
 - An IDR response must, at bare minimum:
 - Inform the complainant about the final outcome of their complaint;
 - Either confirm what ETO Group has done to resolve the





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- complaint or outline why the complaint has been partially/fully rejected (as appropriate);
- Outline the complainant's right to escalate the dispute to AFCA if they are unsatisfied with the outcome; and
- Provide the complainant with AFCA's contact details.
- If the complaint has been partially or fully rejected, the IDR response must:
 - Identify and address each of the issues raised in the complaint;
 - Set out your position and findings regarding the facts of the complaint and outline the information that supports this position; and
 - Provide enough detail so that the complainant understands the decision and so that they can make a fully informed decision about whether to escalate the complaint to AFCA or another forum.
- An IDR delay notification must outline:
 - Reason(s) for the delay
 - The right to complain to AFCA
 - Contact details for AFCA.
- ☐ Remedy has been provided (if applicable)
- ☐ Deed of release has been signed by complainant (if applicable)
- ☐ Complaints register has been updated with relevant information



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