

COMPLAINTS OR GRIEVANCES POLICY

LIRUNEX LTD



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COMPLAINTS OR GRIEVANCES POLICY

1. PREAMBLE

LIRUNEX LIMITED (hereinafter referred to as “the Company”), is a Cyprus Investment Firm incorporated and registered under the laws of the Republic of Cyprus, with registration No. HE 353862. The Company is authorized and regulated by Cyprus Securities and Exchange Commission, under License number: 338/17.

2. LEGAL FRAMEWORK

The present Policy is in accordance and in line with the provisions of the Markets in Financial Instruments Directives MIFID I and MIFID II of the European Union, the EU Regulation 2017/565 as regards organization requirements and operating conditions for investment firms, as well as with the new Law of Investment Services and Activities and Regulated Markets Law L. 87(I)/2017, which is amended from time to time. This policy sets out all procedures and actions undertaken by the Company to ensure proper handling of any potential complaints or grievances from the clients.

3. DEFINITIONS

“**Complainant**” means any person, natural or legal, which is eligible for lodging a complaint to the Company and who has already lodged a complaint.

“**Complaint**” means a statement of dissatisfaction addressed to the Company by a complainant relating to the provision of investment services and/or ancillary services.

“**Grievance**” means an informal complaint which derives from a wrong or unfair treatment by the Company to the Client.

The Company shall establish, implement and maintain effective and transparent procedures for the reasonable and prompt handling of complaints or grievances received from clients, and to keep a record of each complaint or grievance and the measures taken for the complaint’s resolution.

In addition, the Company is required to:

- Apply a complaints management policy, which is defined and endorsed by the senior management and the board of directors, who will be responsible for its implementation and for monitoring the Company’s compliance with it;
- Ensure that it has a complaints management function, which enables complaints to be investigated fairly and possible conflicts of interest to be identified and mitigated.

4. SUBMISSION OF THE COMPLAINTS

Clients’ complaints or grievances are initially handled by the Back Office/Account Opening Department. However, the final settlement of non-trivial complaints or grievances needs to be approved by the Senior Management of the Company.

A complainant shall complete the Complaint Form developed by the Company (available on [Appendix 1](#) of this Policy). Once completed, it should be sent either in a hard copy along with a copy of the complainant’s identification document and any additional documentation that would be relevant to the

complaint to the Company's head offices which are situated at Gorgonon 14, Patsalos Plaza 3rd Floor Office 305, Larnaca, Cyprus or via e-mail to the following address: complaints@lirunex.eu.

5. COMPLAINT HANDLING PROCEDURES

- i. A complaint or grievance is initially handled by a member of the Back Office/Account Opening Department. The employee receiving the complaint or grievance shall take the necessary actions so that the complaint or grievance is properly addressed.
- ii. Within two (2) days of the date from the receipt of the complaint, the member of the Back Office/Account Opening Department shall send a written acknowledgement letter inform the complainant that the complaint or grievance is under investigation and that has been forwarded to the relevant department/personnel, providing all details so that the complainant is aware who is dealing with his/her complaint or grievance. Along with the letter, the Company's Handling of Clients' Complaints Policy shall be provided to the complainant free of charge.
- iii. The events leading to the complaint or grievance should be examined and assessed based on the information provided by the client. The Company will also examine and verify whether any additional information, need to be retrieved from the Company's archive (electronic mail, recorded telephone calls, IT data, etc.)
- iv. Upon receiving a written complaint or grievance, the following details should be obtained and recorded:
 - The identification particulars of any client having made a complaint or grievance.
 - The service provided by the Company and related to the complaint or grievance.
 - The employee responsible for the provision of those services.
 - The department where the employee belongs.
 - Date of receipt and registration of complaint or grievance.
 - Content of the complaint or grievance.
 - The capital and the value of the financial instruments which belong to the client.
 - The magnitude of the damage claimed by the client.
 - Reference of any correspondent exchanged between the Company and the client.
- v. The Company sets five (5) business days from the day the original complaint is received as a standard investigation period.
Following the completion of the investigation, the complainant will be informed within two (2) months about the results. However, if a complaint is not resolved within the standard investigation period, the Company will inform the complainant in detail about causes of delay and indicates the period of time within which it is possible to complete the investigation. This period of time cannot exceed three (3) months from the period of submission of the complaint.
- vi. All non-trivial complaints or grievances shall be brought to the attention of and their resolution should be approved by the Senior Management.
- vii. Upon completion, of the investigation a report shall be prepared stating the facts and brought to management's attention, which will decide on the formal response to the client and the action to be taken.

- viii. Upon investigation completion, the member of the Back Office/Account Opening Department shall inform the complainant in writing, using a plain language which is clearly understood, about results of the investigation and actions taken to satisfy the complainant's demand(s) without any unnecessary delay.

In the case where a client complaint or grievance is valid, the management shall take such necessary action together with the Head of Department(s) to which the complaint or grievance is related in order to identify and verify:

- a) Reasons for failure of procedure followed;
- b) Weaknesses of the internal controls;
- c) Implementation of internal controls that would prevent any complaint or grievance in the future.

All suggested procedures should be approved by Senior Management at the meeting following the completion of the investigation.

In addition to the above, the employees responsible to handle the complaints should make all best efforts to ensure that in the case of the complaint or grievance being of such nature that can be resolved immediately, to do so that the client will not have to pursue the filing of a formal complaint. In such case the employee SHALL NOT:

- Commit him/herself in any way to the client.
- Address any issues in relation to best execution.
- Address any issues relating to legal issues.
- Commit the Company in taking any action prior to examining the issues in a formal manner.

5.1. Submission of Complaints to the Financial Ombudsman

If the complainant is not satisfied with the Company's final decision he/she may submit a complaint to the Financial Ombudsman of the Republic of Cyprus and seek mediation for possible compensation. It is important that the complainant contact the Financial Ombudsman of the Republic of Cyprus within four (4) months of receiving a final response from the Company otherwise the Financial Ombudsman of the Republic of Cyprus may not be able to deal with the complaint.

The complainant can refer the complaint to the Financial Ombudsman if he/she is dissatisfied with our assessment and ruling, provided that:

- The complaint/dispute/difference does not relate to an amount exceeding €170.000.
- The complainant first file a complaint in writing to the Company, within fifteen (15) months from the date that is aware to ought to be aware that the reason of the complaint has occurred.
- The complainant receive our final response within three (3) months from the date we acknowledge receipt of the complaint and it is not to his/her satisfaction, or from the closing date by which he/she should receive our final response in the case he/she do not receive it.
- The financial business the complaint is directed against must have been in operation, under legal authorization or under the freedom of establishment regime, at the period referred to in the complaint.
- The transaction falls under the supervision of the responsible supervisory authority.
- A decision on the same complaint has not already been issued by a Court of the Republic and a judicial procedure is not pending for the enquiry of the same complaint.

In the unlikely event that the Company was unable to provide the client with a final response within the three (3) month time period specified above he/she may again contact the office of the Financial Ombudsman of the Republic of Cyprus no later than four (4) months after the date when we ought to have provided him/hers with our final decision.

1. Contact Details of the Financial Ombudsman of the Republic of Cyprus:

Website: <http://www.financialombudsman.gov.cy>
Email: complaints@financialombudsman.gov.cy
Postal Address: P.O. BOX: 25735, 1311 Nicosia, Cyprus
Telephone: +35722848900
Fax: +35722660584

2. Contact Details of the Cyprus Securities and Exchange Commission:

Website: <http://www.cysec.gov.cy>
General email: info@cysec.gov.cy
Postal Address: P.O. BOX 24996, 1306 Nicosia, Cyprus
Telephone: +35722506600
Fax: +35722506700

The client may maintain his/her complaint with the Cyprus Securities and Exchange Commission ("CySEC"), however please note that the CySEC does not have restitution powers and therefore does not investigate individual complaints.

Further information as to the procedure the client needs to follow can be found on:

<https://www.cysec.gov.cy/en-GB/complaints/how-to-complain/>

It is understood that the client's right to take legal action remains unaffected by the existence or use of any complaints procedures referred to above.

5.2. Submission of Complaints to an Alternative Dispute Resolution ("ADR") Entity

The complainant have the right to refer the complaint against the Company to an Alternative Dispute Resolution ("ADR") Entity.

5.3. Civil Action

In case the complainant is not satisfied with the decision issued by the Financial Ombudsman or the ADR in relation to the complaint, he/she may take civil action (i.e. refer to Cypriot Courts).

6. COMPLAINTS ON AN ONGOING BASIS

The Company undertakes to analyze, on an on-going basis, complaints-handling data, to ensure that they identify and address any recurring or systemic problems, and potential legal and operational risks, for example by:

- Analyzing the causes of individual complaints so as to identify root causes common to types of complaints;

- Considering whether such root causes also affect other processes or financial means, including those not directly complained of; and
- Correcting, where reasonable to do so, such root causes.

Further to this and as per the CySEC requirements, we maintain an internal register of complaints where all relevant information of each complaint is kept. Specifically, the internal register shall include information of the complaints received and the measures taken for their resolution. Upon receiving a complaint, the Company must register the complaint directly to the internal register, giving it a unique reference number.

The unique reference number must be consisted of ten digits:

- the first two digits are the code of the Company regarding the TRS;
- the following four digits define the year, and;
- the last four digits denote the number of each complaint serial number (e.g. for 2018-AA20180001, AA20180002).

The unique reference number is communicated to the complainant.

The Company informs the complainant that he/she should use the said reference number in all future contact with the Company, the Financial Ombudsman and/or the CySEC regarding the specific complaint.

Private information is not shared with any third parties and we comply with Regulation (EU) 2016/679 of the European Parliament and of the council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, and repealing Directive 95/46/EC (“General Data Protection Regulation”, “GDPR” or the “Personal Data Protection Legislation”), as the same may be in force from time to time and replaced or amended from time to time.

7. RECORD KEEPING

The responsible department for the record keeping of complaints or grievances received is the Back Office/Account Opening Department. In particular, the Head of Back Office, or the person responsible to resolve the issue, will keep a record of each complaint and the measures taken for the complaint’s resolution.

The complaint shall be registered once it is receiving on an internal archive and in an appropriate manner. The Head of Back Office, or his designee, shall maintain a central record of all complaints that includes the following information:

- name, address and account number (if available) of the complainant;
- date on which the complaint was received;
- department(s) involved the complaint investigation along with the names of the responsible employees;
- description of the nature of the complaint;
- disposition of the complaint.

The Company shall maintain all complaints or grievances for a minimum period of five years from the date that the complaint was resolved or closed.

8. REPORTING OF COMPLAINTS AND ACCOUNTABILITY TO CYSEC

The Company is required to provide to the Commission information regarding the complaints it receives through FORM COMP-CIF, which is submitted in an electronic form to the Commission on a monthly basis, within five (5) days after the reporting month.

9. UPDATES

The Company will perform a periodical review of this Policy, at least one a year. The Policy is in line with the Company's Internal Operational Manual, and therefore in case of any changes in the operations, these will be properly reflected in this Policy.

10. APPENDICES

Appendix 1- Complaint Form

This is the form that needs to be filled if the complainant wishes to submit a complaint to Lirunex Ltd. Complete, up-to-date as well as accurate information is required to be provided to the Company for the proper investigation and evaluation of the complaint.

Please note that the below Complaint Form is only indicative and not exhaustive. The Company may request further information and/or clarifications and/or evidence as regards to the complaint.

COMPLAINT FORM

No. of the Form: _____

Client's Name: _____

Account ID: _____

Address: _____

Email: _____

Description: _____

Date: _____

Signature: _____

Please enclose any evidence and relevant documentation.

*Submit the form via email to complaints@lirunex.eu or via fax at **00 357 24694889** or via post to **Gorgonon 14, Patsalos Plaza 3rd Floor Office 305, Larnaca Cyprus.***

Lirunex Limited is registered as a Cyprus Investment Firm (CIF) and regulated by the Cyprus Securities and Exchange Commission under CIF License number **338/17**. **Lirunex Limited** does not offer Contracts for Difference to residents of certain jurisdictions such as the United States of America, Canada, Australia, Iraq, Iran, Syria, Democratic Republic of Korea, Japan and the Occupied area of Cyprus.

Risk warning: Contracts for Difference ("CFDs") are complex financial products that are traded on margin. Trading CFDs carries a high risk of losing money rapidly, since leverage can work both to your advantage and disadvantage. As a result, CFDs may not be suitable for all investors because you may lose all your invested capital. % of retail investors accounts lose money when trading CFDs. Before deciding to trade, you should consider whether you understand how CFDs work and all the risks involved, by taking into account your investment objectives and level of experience, and whether you can afford to take the high risk of losing your money. Please read Lirunex's full Risk Disclosure.

Internal Use Only

Employee handling the complaint: _____

Position: _____

Date of Receipt: _____

Date of response: _____

Result and Date of final resolution: _____