ARROW ENERGY MARKETS (UK) LIMITED

COMPLAINTS HANDLING POLICY

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Contents

1 Introduction

Arrow Energy Markets (UK) Limited (**AEM**, the **Firm**) takes complaints handling very seriously. The Firm has put in place effective and transparent procedures for the fair and prompt handling of complaints, and to recognise that all complaints require resolution. Principle 6 of the FCA's Principles for Businesses stipulates that 'A firm must pay due regard to the interests of its customers and treat them fairly'. Principle 6 is broken down further into 6 outcomes, detailing what the FCA expect. The FCA's Dispute Resolution sourcebook sets out the detail of how regulated complaints must be dealt with.

This document sets out AEM's complaints handling procedures and applies to complaints that it receives concerning activities carried on by the Firm in the United Kingdom.

2 Definition

2.1 What is a complaint?

The FCA defines a complaint as: "*any oral or written expression of dissatisfaction, whether justified or not, from, or on behalf of, a person about the provision of, or failure to provide, a financial service or a redress determination, which alleges that the complainant has suffered (or may suffer) financial loss, material distress or material inconvenience.*

If there is any doubt about whether a customer is seeking to make a complaint, staff should proceed as if it were a complaint.

2.2 Eligible complainant

Eligible complainants may refer their complaint to the FOS if they are not satisfied with the way in which the Firm has handled their complaint.

An eligible complainant is defined as:

- **consumers** – defined as "any natural person acting for purposes outside his trade, business or profession". This includes professional customers who are individuals acting in a personal capacity;

- **micro-enterprises** - a micro-enterprise is a business that has fewer than 10 employees (or FTE equivalent) and that has a turnover or annual balance sheet not exceeding €2m at the time that the complainant refers the complaint to us.

- **charities** that have an annual income of less than £6.5m at the time that the complainant refers the complaint to us;

- **trustees** of trusts, which have a net asset value of less than £5m at the time that the complainant refers the complaint to us;

- **a small business** – being a business that is not a small enterprise, has an annual turnover of less than £6.5 million (or its equivalent in any other currency), and employs fewer than 50 people or has a balance sheet total of less than £5million (or its equivalent in any other currency) at the time the complainant refers the complaint to us.

- **a guarantor** - being a person who is providing a guarantee who is not a consumer and who has given a guarantee or security in respect of an obligation or liability of a micro-enterprise or small business as at the date the guarantee was given (to the extent that their complaint arises from matters relevant to the relationship with the firm).

If there is any doubt about the eligibility of a business, charity, or trust, AEM will treat the complainant as eligible

Given the client base of AEM constitutes only institutional clients, it is unlikely that any complaint received from these clients would be considered eligible complainant as per the definition above and be eligible to be considered by the FOS. However, If there is any doubt about the eligibility of a business, charity, or trust, AEM will treat the complainant as eligible

3 Information on the Firm's complaints procedures

AEM has prepared a summary of its complaint procedures. This is set out in Annex One. The procedure:

- explains how to contact the Firm to make a complaint;
- covers how the Firm will fulfil its obligations to handle and resolve complaints; and

Information about the FOS will be provided in a clear, comprehensive and easily accessible way, including its website address. In respect of eligible complainants where a complaint is not resolved, AEM will inform the complainant that they may be entitled to refer the complaint to the FOS.

AEM will inform its clients or potential clients in writing of the availability of this information and will provide this summary to the complaints free of charge if requested or when acknowledging a complaint.

4 Roles and Responsibilities

4.1 All employees

All staff are responsible for:

- identifying complaints;
- reporting complaints to the Compliance Officer promptly upon identification; and
- assisting in resolution of a complaint, where appropriate.

4.2 Compliance

The Compliance Officer is responsible for:

- maintaining the Complaints Register (the template for which is set out in annex 2);
- investigating and providing guidance in respect of the individual complaint;
- approval of customer communications;
- monitoring of adherence to response deadlines;

- compiling and submitting any Complaints to the FCA;
- management of and responses for FOS investigations (if any);
- provision of training for staff on this Complaints Policy;
- reporting complaints management information to the Firm's board of Directors.

The Compliance Officer has the primary responsibility for investigating complaints. However, in his/her absence, all complaints must be notified and handled by the Director with responsibility for legal matters (currently Mark Knight).

5 Internal complaints handling procedure

5.1 Receiving complaints

Customers can raise complaints by any reasonable means and are made free of charge. This may include by letter, email, telephone or in person. If AEM receives a verbal complaint, the employee receiving the complaint should make a note of the substance of the complaint as soon as possible. If a member of staff receives or becomes aware of a complaint the Compliance Officer should be notified immediately. The nature and detail of the complaint as well as contact detail of the complainant should be forwarded to the Compliance Officer as soon as possible. The Compliance Officer will ensure that each complaint is logged in the Firm's Complaints Register in a timely manner.

5.2 Acknowledging complaints

Unless the complaint can be resolved within three business days, AEM will promptly acknowledge a complaint in writing and within three business days. Such acknowledgement shall provide the name and title of the person within the Firm handling the complaint and appropriate information about the Firm's complaints procedures. All correspondence will be in plain language which is easy to understand.

5.2.1 Complaints resolved by the close of the third business day

Complaints that are resolved by the close of the third business day after receipt are handled differently to complaints that are not resolved by the close of the third business day. After the complaint has been resolved, and the customer has confirmed that they are happy with the resolution, AEM will send the complainant a 'summary resolution communication'. This is a written communication that:

- refers to the fact that the complainant has made a complaint and informs them that the Firm now considers the complaint to be resolved;
- informs the complainant, (if they are so eligible) that if they subsequently decide that they are dissatisfied with the resolution, they may be able to refer the complaint to the FOS or take civil action;
- informs the client that (if they are so entitled) they have 6 months to refer their complaint to FOS. The FCA sets out specific wording to be used in DISP 1 Annex 3 and it must in any event;
    - provide the website address of the FOS; and
    - refer to the availability of further information on FOS's website.

In addition to sending a complainant this summary resolution communication, AEM may use other methods to communicate with them, where doing so may better meet the complainant's needs (e.g. via telephone for complainants who are visually impaired) or where AEM has already been using another method to communicate about the complaint.

5.2.2 Complaints not resolved informally by the end of the third business day

The FCA requires complaints to be handled and resolved promptly. Within eight weeks of receiving a complaint, we must provide a written response. This must be one of the following:

- a holding response; or
- a final response.

All communications will be written in plain language that is easy to understand.

5.3 Holding response

Where a complaint has not yet been resolved by the end of eight weeks after it was received AEM will provide a holding response that:

- explains why the Firm is not in a position to provide a final response and indicates when it might be able to;
- informs the complainant that (if they are so eligible):
    - they now have the right to refer to the FOS;
    - indicates whether or not the Firm consent to waive the relevant time limits for referring the complaint to FOS if it becomes apparent that the complaint has been made or referred outside of the six-month limit;
    - encloses a copy of the FOS's standard explanatory leaflet; and
    - provides the website address of the FOS.

5.4 Final response

Once the Firm has investigated the complaint and decided on whether the complaint should be upheld, a written final response must be provided to the complainant that:

- states the Firm accepts the complaint and, where appropriate, offer redress or remedial action; or offers redress or remedial action without accepting the complaint; or rejects the complaint and gives reasons for doing so;
- to the extent relevant:
    - encloses a copy of the FOS's standard explanatory leaflet;
    - provides the website address of the FOS;
    - informs the complainant (if they are so eligible) that if they remain dissatisfied with the response, they may now refer the complaint to the FOS; and in which case they have 6 months to do so. The FCA sets out specific wording to be used in DISP 1 Annex 3.

5.5 Investigating a specific complaint

Where a complaint is raised, AEM will investigate competently, diligently and impartially:

- the subject matter of the complaint;
- whether the complaint should be upheld;
- what remedial action or redress (or both) may be appropriate;
- if appropriate, whether the Firm has reasonable grounds to be satisfied that another respondent may be solely or jointly responsible for the matter alleged in the complaint, taking into account all relevant factors.

In doing so AEM will:

- assess the evidence available and the specific circumstances surrounding a complaint:
- review all appropriate records and additional information, including speaking to the individuals involved;
- consider similarities to other complaints AEM may have received; and
- take account of any guidance published by regulators (see section on FOS below);

with a view to deciding whether the complaint should be upheld and whether any remedial action and/or redress may be appropriate. The criteria that may be considered when determining whether a complaint should be upheld include:

- whether AEM has breached a rule set out by the FCA – for example, the firm has not set out marketing material in a clear, fair and not misleading manner as prescribed by the FCA ;
- whether AEM has acted unreasonably – for example, the firm has given the complainant an unreasonably short deadline to consider the key features of the agreement;
- whether there has been an administrative error – for example, the firm has levied incorrect fees or charges;
- whether AEM has received similar complaints from other complainants, perhaps indicating a systems or processes failure on our part;
- decisions by the FOS with respect to similar complaints directed at us; and
- any relevant FCA guidance.

5.6 Resolving complaints

AEM will keep the complainant informed of the progress of the measures it is taking to resolve their complaint. A complaint is resolved where the complainant has indicated acceptance of a response from AEM, with neither the response nor acceptance having to be in writing.

5.7 Complainant's written acceptance

At any time, the complainant can accept the Firm's response, whether that response is the final written response or holding response. The Firm can close a complaint if it receives such an acceptance. This is provided that the Firm does the following:

- inform them how to pursue the complaint with us if they remain dissatisfied;
- to the extent relevant:
  - explain that if they remain dissatisfied with our response, they may now refer the complaint to the FOS or take civil action;
  - enclose a copy of the FOS's standard explanatory leaflet;
  - provide the website address of the FOS;

- inform them that they have 6 months to refer their complaint to FOS. The FCA sets out specific wording to be used in DISP 1 Annex 3.

5.8 Closing complaints

AEM may regard a complaint as closed in the following circumstances:

- once we have sent a final response to the complainant;
- where the complainant has indicated in writing their acceptance of an earlier response that we have sent to them; or
- to the extent relevant, for complaints referred to the FOS, when the FOS has informed us in writing that the complaint is closed.

5.9 Complaint analysis

AEM must identify and remedy any recurring or systemic problems and therefore minimise the risk of compliance failures for example, by:

- analysing the causes of individual complaints so as to identify root causes common to types of complaint;
- considering whether such root causes may also affect other processes or products, including those not directly complained of;
- correcting, where reasonable to do so, such root causes; and
- providing feedback to staff on lessons learned from complaints, including assessing any training needs, so that we can improve our service to customers in the future.

Where recurring or systemic problems have been identified, the Firm will consider whether other clients may have suffered detriment from, or been potentially disadvantaged by, such problems but who have not complained. If so, AEM will take appropriate and proportionate measures to ensure that those customers are given appropriate redress or a proper opportunity to obtain it..

The Compliance Officer is responsible for carrying out root cause analysis and ensuring Senior Management of AEM is made aware of recurring or systemic problems and provided with relevant management information on the causes of complaints and the products and services complaints relate to.

6 Financial Ombudsman Service

A complainant that is an eligible complainant, as set out in section 2, can refer a complaint to the FOS if they are not satisfied with the way the Firm has handled the complaint.

The complainant's rights are set out in the FOS's leaflet "Your Complaint and the Ombudsman" which must be provided to the complainant as part of the Complaints process (copies of this leaflet can be obtained by using the order form on the FOS website – www.financial-ombudsman.org.uk). This leaflet sets out the complainant's rights, including timeframes for referral to the FOS.

Where a complaint is referred to the FOS, AEM must cooperate fully with the FOS and comply promptly with any settlements or awards made by it (normally within four weeks).

Any correspondence with FOS must only be undertaken by a senior individual within the firm or, if undertaken by someone else, be signed off by that senior individual. In both instances, please discuss with the Head of Compliance.

7 Record-keeping

The Firm is required to keep a record of each complaint received and the measures taken for its resolution for 5 years from the date that the complaint was received. A Complaints Register will also be maintained where all complaints received will be logged for record keeping and trend analysis purposes.

8 Reporting to the FCA

AEM is required to submit a report to the FCA as required by DISP1.10.1R every six months regarding all MiFID complaints it has received from professional clients and (where relevant) eligible counterparties.

9 Senior management oversight of complaint handling

To ensure complaint handling is given appropriate priority, the Compliance Officer has been appointed as the senior manager with responsibility for oversight of AEM's compliance with the FCA's complaint rules. This policy is endorsed by the AEM's Board and will be reviewed and by the Board on an as required basis. Any material changes to this policy are subject to Board approval.

AEM is required to provide the FCA with details of a single contact point for complaints. This is done at the time of authorisation and is made public on the FCA Register and must be kept up to date.

10 Staff awareness

AEM will make this information available to relevant staff through training. A copy of this policy will also be included in our policy guide.

All staff who have contact with customers will receive complaints awareness refresher training at least annually. New staff will be made aware of the process for handling complaints, and what constitutes a complaint during their induction training.

ANNEX ONE: COMPLAINTS HANDLING PROCEDURES

How to complain and how we will respond

AEM is authorised and regulated by the Financial Conduct Authority (FCA) in the United Kingdom. We are required to have in place effective and transparent procedures for the reasonable and prompt handling of complaints in relation to this service.

This document sets out the complaints handling procedures that we will follow in the event that you make a complaint.

How can you make a complaint?

You can make a complaint by any reasonable means – for example, letter, email, telephone or in person. It is free of charge.

To make a complaint, please contact:

Name:	Ross Revell
Address:	Arrow Energy Markets
	60 Sloane Square
	London
	SW3 3DD
Email Address:	compliance@aemarkets.com

What will we do once we have received your complaint?

We will promptly acknowledge your complaint in writing. In this acknowledgement, we will provide the name and title of the person that is handling your complaint and include a copy of our complaints policy. We will investigate, assess and handle your complaints in line with our policy

Investigating and resolving your complaint

We will investigate your complaint competently, diligently and impartially with a view to deciding whether the complaint should be upheld and whether any remedial action and / or redress may be appropriate. We will set out our conclusions in a final response to you.

If we decide that redress is appropriate, we will aim to provide you with fair compensation for any acts or omissions for which we are responsible. If you accept our offer, we will promptly provide the compensation to you.

Our timetable for responding to you

Once we have acknowledged your complaint, we will keep you informed of our progress. If we are able to quickly resolve your complaint, we will send you a Summary Resolution Communication which will:

- Acknowledge your complaint and confirm that we now consider it to be resolved.
- Explain that (if you are an 'eligible complainant' under applicable law):
    - you may still be able to refer your complaint to the Financial Ombudsman Service (**FOS**) if you subsequently disagree with our decision, and the timescales you have for doing this; and
    - provide information about how to contact the FOS.

If we are not able to resolve your complaint quickly, we will, within eight weeks of receiving your complaint, send you either a final response or a written response that explains why we are not in a position to make a final response to you and when we expect to provide one.

If you are an 'eligible complainant' under applicable law our response will also:

- inform you that, if you remain dissatisfied, you may refer the complaint to the FOS; and
- enclose a copy of, or an electronic link to, the FOS standard explanatory leaflet.

Financial Ombudsman Service

If you are an 'eligible complainant' under applicable law, you are able to refer a complaint to the FOS if you are not satisfied with the outcome of your complaint. Your rights are set out in the FOS's leaflet "Your Complaint and the Ombudsman" which we will provide to you as part of the Complaints process. Please remember that if you wish to refer a complaint to the FOS, you must do so within six months of the date of our final response.

You can contact them via:

- Telephone 0800 023 4567 or 0300 123 9123.
- Email: complaint.info@financial-ombudsman.org.uk.
- Their online complaints page at https://www.financial-ombudsman.org.uk/make-complaint

Further information can be obtained from the Financial Ombudsman Service www.financial-ombudsman.org.uk

Closing complaints

We will regard your complaint as closed in the following circumstances:

- once we have sent you a final response;
- where you have told us in writing that you accept an earlier response that we have sent to you; or
- to the extent applicable, if you refer your complaint to the FOS, when the FOS informs us that the complaint has been closed.

Annex Two: Complaints Register

Complaint Reference	Date received	Name of complainant	Eligible complainant / Non-eligible complainant?	Department subject to complaint	Nature of complaint	MiFID complaint?	Summary of complaint	Date Acknowledgement Letter sent	Upheld / not upheld	Date Final Response Letter send	Redress amount	Referred to FOS?	One off event or wider impact on business