

Cairn Loan Investments LLP - Complaints Policy

November 2018

Introduction

Cairn Loan Investments LLP (“CLI” or “the Firm”) conducts its business in line with its clients’ best interests.

Although CLI’s culture is to “get things right the first time”, it is accepted that on occasion a client may feel that the Firm has fallen short of this aspiration.

It is important that every complaint received is considered by the Firm and responded to in an appropriate manner, not only to comply with any regulatory obligations but also to ensure that the integrity of CLI is maintained. In addition, an analysis of the cause of the complaint may provide CLI with an opportunity to improve the services it provides to clients.

This policy sets out how CLI deals with “complaints” (including MiFID complaints and UK (Financial Ombudsman Service: “FOS”) complaints).

Complaint or MiFID Complaint

A **complaint** can be regarded as any oral or written expression of dissatisfaction, whether justified or not, concerning the provision of a financial service and which alleges that the complainant has suffered (or may suffer) material distress or material inconvenience.

The **DISP** chapter of the FCA Handbook details the relevant rules on complaints handling.

A **MiFID complaint** relates to MiFID business specifically. MiFID II sets out how firms such as CLI should deal with such complaints and is transposed in the **DISP 1.1A** chapter of the FCA Handbook.

MiFID complainant or Eligible complainant

The MiFID complaints handling requirements apply to **clients’** and **potential clients’** complaints. As such they are applicable to **retail clients, professional clients and to eligible counterparties**.

An “**eligible complainant**” is a UK concept and refers to both a “consumer” and certain other entities such as a micro-enterprise, small charities and a trustee of a small trust.

A “**consumer**” is any **natural person** acting outside of their trade, business or profession. Therefore a “consumer”, and hence an “eligible complainant”, can be an individual that is either a **retail client** or a **professional client**.

Given the above, a “MiFID complainant” could also be an “eligible complainant”.

The distinction is important as only an “eligible complainant” is permitted to refer a complaint to **the Financial Ombudsman Service (FOS)** where eight weeks have elapsed since receipt of the complaint.

Complaints handling, oversight and monitoring

The Firm has established complaints management procedures for the prompt handling of clients' complaints. This policy has been **endorsed by Partnership Board of CLI**.

The Firm is required to establish a **"complaints management function"** responsible for the investigation of complaints. This role is carried **out by the Chief Legal Officer, James Starky**.

The Firm's **compliance function**, even where it is not the appointed "complaints management function", is specifically charged with responsibility for the analysis of complaints and complaints-handling data to ensure that risks and issues are identified and resolved (e.g. identification of root causes and the impact upon other processes or products), including those not directly complained of. The compliance monitoring undertaken by the Firm addresses this requirement.

Responsibility for implementation of this policy and for monitoring compliance with it rests with **the Partnership Board of CLI**.

Complaints awareness

Details of the Firm's complaints handling process must be **published** (e.g. on the Firm's website) and made available to clients or potential clients on **request** or when **acknowledging a complaint**.

Where there are potential eligible complainants information about FOS and its website address, must be provided "in a clear, comprehensible and easily accessible way" on both CLI's website **and** in the general conditions of the contracts with eligible complainants. Such information will include the right of an eligible complainant to approach the FOS when eight weeks have elapsed since receipt of the complaint.

Making a Complaint

A complainant should, in the first instance, set out their complaint in writing, providing as much detail as possible, and either email or post the complaint to:

Cairn Loan Investments LLP
Attn: James Starky
27 Knightsbridge, London, SW1X 7LY
james.starky@cairncapital.com

For those "eligible complainants" who may be dissatisfied with CLI's proposed resolution to a complaint, as detailed on page 1, the FOS can be reached via the below contact information:

Financial Ombudsm Service ("FOS")
<http://www.financial-ombudsman.org.uk>; Phone: 0800 023 4567

Complaints handling process

- All complaints received from a client should be referred to the **Legal and Compliance team of CCL**. In practical terms there will be no major difference in the Firm's approach to the resolution of complaints from any complainant.
- All complaints will be acknowledged **promptly**, confirming receipt of the complaint and that it is being dealt with. The acknowledgement must be accompanied by a copy of CLI's published complaints handling policy.
- If the complainant is an "**eligible complainant**" then when communicating to the client they will be informed that if the complaint is not resolved they may be entitled to refer it to the FOS. In general this option will only apply when either the Firm has sent its final position to the complainant *or* **when eight weeks** have elapsed since the firm received the complaint.
- Any complaint will be **investigated** competently, diligently and impartially, obtaining additional information as necessary.
- The complaint will be **assessed** fairly, consistently and promptly, giving due attention to the need to determine whether it should be upheld and what remedial action and/or redress may be appropriate.
- The complainant will be **kept informed** of the progress being made in the resolution of their complaint.
- The Firm will comply promptly where any offer of remedial action or redress is accepted by the complainant.
- When communicating the Firm's position on the complaint to the client the complainant will be informed about their options (e.g. FOS escalation measures in the case of a dissatisfied "**eligible complainant**").
- Where relevant, there are time limits after which the FOS cannot consider a complaint. The above communication to an eligible complainant will indicate whether the Firm consents to waiving these time limits.
- Note that in line with the FCA Handbook (**DISP 1.1A.23**) an alternative approach is permitted where a complaint is resolved by close of the third business day following the day on which it was received.

Reporting and publication

The "complaints reporting rules" in the FCA Handbook require a **twice-yearly report** to be provided to the FCA concerning complaints received from "eligible complainants". This requirement also applies to **MiFID complaints**, except that information must be included about such complaints received from **retail clients**, **professional clients** and, where relevant, **eligible counterparties** rather than just eligible complainants.