

# Complaints Resolution Policy

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## Overview

Lifestyle Asset Management (LAM) is committed to maintaining a transparent and structured approach to complaints management. Our complaints resolution framework ensures compliance with regulatory obligations under the Corporations Act 2001 (Cth) and ASIC Regulatory Guidelines.

## Purpose

The purpose of this policy is to:

- Provide clear guidelines for handling complaints efficiently.
- Ensure compliance with ASIC and AFCA requirements.
- Promote a client-centric approach to complaint resolution.

## Policy

LAM is committed to ensuring all complaints are managed effectively, in line with our compliance framework. Our process is designed to resolve complaints promptly and fairly while ensuring adherence to regulatory requirements.

This policy applies to all employees, authorised representatives, contractors, third-party service providers, and any other individuals or entities apart of the LAM, referred to as “Stakeholders”.

## Definitions

**Complaint or Dispute:** An expression of dissatisfaction made to LCG, related to its services, advice, or complaints handling process, where a response or resolution is explicitly or implicitly expected.

**Service-Related Complaint:** A complaint regarding the conduct of a LCG representative, delays, or service quality.

Examples include:

- A client complains because an adviser was late for an interview.
- A client alleges an adviser was rude.
- A client complains that their phone calls were not returned.

Service-related complaints do not include instances where the client alleges financial disadvantage.

Advice-Related Complaint: A complaint where the client believes the advice provided has caused financial loss.

Examples include:

- Lack of disclosure on fees and charges.
- Misrepresentation of expected investment returns.
- Failure to inform the client of investment risks.
- Incorrect application of dollar-cost averaging.
- Advice that led to tax implications or loss of social security benefits.
- Incorrect execution of investment instructions.
- Failure to disclose the impact of exiting a previous financial product.
- Breach of privacy, such as disclosing a client's situation to a third party.

### Internal Dispute Resolution Process

Complaints can be made by any person or third party on behalf of clients or directly to the adviser. The Privacy Act 1988 (Cth) precludes LCG from discussing complaints with third parties without explicit client consent unless legal authority (e.g., Enduring Power of Attorney) is provided.

### Supporting Clients with Special Needs

LCG provides additional support for clients who:

- Have limited English proficiency.
- Have disabilities or special needs.

The Complaints Officer or Professional Standards Manager will ensure necessary accommodations are provided.

### The Role of Financial Advisers and Staff

All Stakeholders must:

- Treat complaints as opportunities to improve service.
- Aim for early resolution where possible.
- Handle complaints with professionalism to mitigate regulatory risks.

Complaint Handling Best Practices:

- Listen actively and communicate clearly.
- Remain open, helpful, and professional.

- Avoid assigning blame and focus on resolution.
- Offer interpreters or representatives when required.
- Confirm and document key facts.
- Provide clear explanations and possible resolutions.
- If unresolved within 5 business days, escalate to the Complaints Officer.
- Keep the complainant informed throughout the process.

## Maximum Timeframes and Responsibilities

- Record complaint and notify Complaints Officer – Staff member/Adviser – Immediately
- Acknowledge complaint in writing and request further details – Complaints Officer – Within 48 hours
- If privacy-related, notify Professional Standards – Staff/Adviser – Within 48 hours
- Log complaint in the Client Complaints Register and coordinate response – Complaints Officer – Within 48 hours
- If received directly, notify adviser and request relevant documents – Complaints Officer – Within 48 hours
- Adviser provides client file and response – Adviser – Within 5 business days
- Notify Professional Indemnity Insurer – Complaints Officer – Within 24 hours
- Investigate complaint, contact complainant, and seek resolution – Complaints Officer – Within 45 days
- If resolved, confirm in writing and update records – Complaints Officer – Within 45 days
- If unresolved, inform complainant of reasons, external resolution options (AFCA), and insurer notification – Complaints Officer – Within 45 day
- Report unresolved complaints to Business Diligence Committee – Complaints Officer – Monthly
- Reassess insurer notification if still unresolved – Complaints Officer – Within 4 weeks
- Respond to EDR requests and take necessary actions – Complaints Officer – As required by EDR body

## Assessment And Investigation

Each complaint undergoes an investigation managed by the Complaints Officer. The purpose of the investigation is to analyse the validity of the complaint, assess any potential liability, and determine an appropriate resolution. LAM is committed to ensuring fairness to the complainant, advisers, and employees throughout the process.

## Key Principles of Investigation

**Openness:** Ensuring transparency and keeping all parties informed.

**Fairness and Impartiality:** Resolving complaints without bias and with an emphasis on achieving a fair outcome.

**Accessibility:** Ensuring complainants and staff can easily communicate with the Complaints Officer.

**Completeness:** Gathering all relevant information for an accurate and thorough assessment.

## Collection of Information

Clients and complainants must be given the opportunity to present relevant information. Additional documentation may be requested to support the investigation. Confidentiality is paramount information is only shared when appropriate and lawful.

## Declining Consideration of a Complaint

In rare cases, LAM may decline to consider a complaint if:

- The complainant refuses to provide critical requested information.
- The complaint has already been reviewed under the internal complaints process.

In such cases, the complainant will be provided with details of our External Dispute Resolution (EDR) process.

## Early Resolution

Simple service-related complaints should be resolved within 5 business days where possible. More complex complaints involving financial advice may require a longer assessment. Complaints should not be left unresolved unnecessarily, as delays may escalate dissatisfaction.

**Note:** No financial payments can be made without prior approval from the Complaints Officer. If financial compensation is required, a Settlement Deed will be drafted, and insurers will be notified accordingly.

## Complaint Resolution

Possible resolutions include rejection of the complaint, monetary compensation, a letter of apology, or provision of free services (e.g., review of the client's file).

Any recommended settlement must be approved by the Complaints Officer, Managing Director, and relevant Professional Indemnity Insurer.

A formal response letter will be issued within 45 days detailing the proposed resolution and informing the complainant of their right to escalate to EDR if unsatisfied.

Complaints are considered closed when:

- The complainant accepts the resolution, and any necessary remediation has been completed.
- No further response is received for six months after the last correspondence.
- The EDR scheme has made a determination requiring no further action from LCG.

- The complainant fails to provide requested information within 30 days (though the complaint may be reopened if information is later provided).

## External Dispute Resolution (EDR)

If a complaint remains unresolved, the complainant may escalate to the Australian Financial Complaints Authority (AFCA):

### **AFCA Contact Details:**

Phone: 1300 780 808

Website: [www.afca.org.au](http://www.afca.org.au)

Email: [info@afca.org.au](mailto:info@afca.org.au)

Mail: GPO Box 3, Melbourne VIC 300

AFCA handles complaints from individuals, small businesses, and trustees, covering financial services, insurance claims, and contractual obligations. Some disputes, such as those involving court matters or actuarial pricing, are excluded. Monetary limits apply based on the claim type, with maximum awards varying by category.

## Record-Keeping, Monitoring, and Reporting

All complaints received must be recorded in the Complaints Register. The Complaints Officer will monitor the Complaints Register regularly to:

- Track the progress of outstanding complaints.
- Identify any recurring and systemic issues.

## Analysis

Complaints are analysed using the following indicators:

- Average time taken to resolve complaints.
- Categories of complaints (e.g., clerical errors, poor advice, or poor service).
- Proportion of complaints that escalate to disputes.
- Proportion of disputes resolved in the client's favour.
- Percentage of complaints successfully resolved without reference to an EDR scheme.
- Proportion of disputes referred to an EDR scheme.
- Proportion of disputes resolved by the EDR scheme in the client's favour.
- Average cost of resolving disputes.

The Complaints Officer prepares quarterly trend analysis reports for review by the Business Diligence Committee. Annual reports are further assessed by the Director.

## Reporting

A quarterly complaints status report is submitted to the Compliance Committee, including:

- Status of complaints.

- Information on claims paid.
- Outstanding adviser contributions.
- Trend analysis.

As part of the monthly Compliance Committee, the Complaints Officer must provide a detailed report on complaint resolutions, unresolved complaints, and recurring issues with potential regulatory implications. The Complaints Officer is also required to attend these meetings to provide further insights and answer questions regarding complaint handling. An ongoing objective of LAM is to improve the complaints resolution process and reduce both the number of complaints and unresolved cases.

## Reportable Incidents

Systemic and significant issues identified through complaints may be classified as reportable incidents or breaches. The severity of these issues determines whether they must be escalated under the Breach and Incident Management Policy.

The Complaints Officer will collaborate with the Professional Standards team to assess systemic issues and implement corrective measures, such as:

- Additional training for advisers.
- Policy and procedural improvements.
- Enhanced internal controls to prevent recurring complaints.

## Compensation Arrangements

Under the Corporations Act, LCG must maintain appropriate compensation arrangements for retail clients who suffer losses due to breaches or complaints related to financial advice. LCG relies on professional indemnity insurance to manage financial obligations in cases where its negligence or breach of duty results in client loss.

## Roles and Responsibilities

### All Officers, Advisers, and Employees

- Promptly report any complaints received to the Client Relations Team.
- Assist with early resolution and the collection of initial information about the complaint.
- Positively and proactively participate in the complaints resolution process as directed by the Complaints Officer. Professional Standards Manager
- Ensure that the complaints policy and procedures comply with all relevant regulations.
- Participate in resolving complex complaints.
- Identify necessary resources and organisational support for the complaints handling system.

### The Board

- Approve any changes to the Complaints Resolution Policy.

- Approve compensation in accordance with the Delegations of Authority Policy.
- Provide support and commitment for the complaints handling process.
- Ensure LCG has appropriate resources, support, and systems for complaints resolution, including training, reporting, and record-keeping.
- Promote the importance of complaints resolution, client satisfaction, and retention. Compliance Committee
- Review monthly claims reports.
- Consider recommendations from the Compliance Manager relating to the settlement of claims.
- Consider updates and amendments to the Complaints Policy.

#### Complaints Officer / Professional Standards

- Assess and investigate complaints, providing responses and resolutions within 45 days.
- Determine compensation payable up to a certain value and collaborate with the Managing Director and PI insurer for larger claims.
- Acknowledge complaints immediately, and no later than 48 hours, facilitating their orderly and timely resolution.
- Provide complainants with information about available IDR and EDR systems.
- Work with relevant staff to achieve the objectives of the complaints resolution policy and ensure client satisfaction.
- Ensure that information on the Complaints Register is current and accurate.
- Notify the PI insurer of any new complaints where applicable.
- Prepare management and monthly reporting, conducting complaint trend analysis to identify areas for policy and service improvements.