

**COMPLAINT
MANAGEMENT
FRAMEWORK
FOR
ISSUING HOUSES
IN NIGERIA**

COMPLAINT MANAGEMENT FRAMEWORK FOR

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The view of the Association of Issuing Houses of Nigeria (AIHN) is that customer complaints should be handled directly by the Securities and Exchange Commission “SEC” where they are not resolved by the Operators within the timelines prescribed by the framework. This approach is primarily to manage the efficacy and independence of the complaints resolution process given that the AIHN members and executives are operators who are also active in running their businesses and may also be the subject of some of the customer complaints.

The process of the Complaint Management System is as follows:

- a) Setting up of an Ethics and Disciplinary Committee saddled with the responsibility of hearing complaints brought against our members by its clients and disputes between our members;
- b) Appealing against the decisions of the Ethics and Disciplinary Committee shall lie to the Appeal Committee of the Executive Council of the Association. This appeal shall be made within **14** days after the decision was made by the Ethics and Disciplinary Committee; and
- c) Appealing against the decision of the Appeal Committee should lie to the Administrative Proceedings Committee of Securities and Exchange Commission.

The Structure of the Complaints Management Framework of the AIHN should be in line with the Commission’s Rules on the subject. The adopted structure is as follows:

- (i) **Full details of the mode in which complaints may be lodged** - this should be both through email and hard copy.
- (ii) **Categories of Complaints that may be lodged with the AIHN** – In line with the Commission’s Rule, complaints to be handled by the AIHN should be two-fold: (a) first instance complaints lodged with the AIHN and (b) complaints which have been escalated to the AIHN because of inability of an Issuing House to resolve same. Complaints lodged with the AIHN at first instance will be limited to those (a) between operators and (b) against the AIHN itself.
- (iii) **Details of timeline for acknowledging receipt of complaints** – complaints received through email should be acknowledged within 2 working days and 5 days for complaints received through hard copy.
- (iv) **Full details of mode of resolving complaints** – this include contacting the relevant Issuing House(s) to thoroughly investigate the complaint and issue a detailed report thereon. In addition, the Issuing House and the Complainant would be invited with a view to reaching a resolution on the matter.
- (v) **Details of timeline for resolving complaints** – complaints lodged with the AIHN at first instance should be resolved within a period of 20 working days as indicated by the SEC Rules. For all complaints that are not resolved within the set timeline, the outcome should be referred to

SEC within five (5) working days of the said 20 working days. Also, Complaints referred/escalated by an operator to the AIHN should be resolved within twenty (20) working days of receipt of the complaint.

The letter of referral shall be accompanied by a summary of proceedings of events leading to the referral and copies of relevant supporting documents, within two (2) working days of the inability to resolve the complaints.

(vi) **Escalation:** Where the complainant is not satisfied with the decision of the AIHN, the matter shall be referred by the complainant to the SEC within 2 working days.

(vii) **Publication:** The Complaints Management Framework of the AIHN shall be made available to the public, every complainant and posted on the AIHN's website.

(viii) **Sanctions:** The AIHN shall have powers to make directions with a view to resolving the complaints.

A Customer Relationship Management System (for example, OS Ticket, Sugar CRM, etc.) will be deployed by the Association for the complaints management system of the AIHN. This will enable complainants submit their complaints on the Customer Relationship Management System and will also ease handling, tracking and resolution of complaints in a timely, effective and transparent manner.

Member Panel: The panel should consist of three to five members, in order to sufficiently deliberate on complaints and adjudicate matters.

The members of the panel will be selected through a rigorous process and minimum acceptable criteria would be set.

Time Frame: The time within which matters should be referred to the panel would be stipulated. The time within which the panel is to deliberate and give its recommendation on the dispute would also be set. Timeframe would be set on a case by case basis based on the complexities of each case.

The procedure for appeal of the decision of the panel would also be clearly stipulated.

Communication of Dispute: The procedure for referral of disputes/complaints would be clearly stipulated. The parties who have the capacity to refer disputes would also be identified.

Processes

There will be a four stage process in the entire complaint management framework:

Complaint → Notification → Escalation → Resolution

Complaint: Receipt of complaint from the aggrieved party or complainant. Depending on mode of receipt (orally or in written form), the personnel responsibility for receiving such complaints must ensure this is booked appropriately and takes into consideration any peculiarities.

Notification: The notification is a two way process where the Association is required to confirm receipt of the complaint, book the complaint on the Association's complaint system database and thereafter notify the Complaint Management Team of the complaints made. Subject to the nature of the complaint, the organization or other party to whom such complaints are made may be notified by the Association.

Due to the sensitive and sometimes confidential nature of some of these complaints, it is necessary that the personnel handling the complaint system are briefed accordingly and take all necessary data protection precautions.

Escalation: At this stage, the complaints are booked according to urgency and subject matter. Where a complaint is of a fundamental nature, the matter will need to be escalated. Escalation should commence within 3 working days of receipt of complaint.

The Complaint Management Team may need to request for additional information from the relevant parties or the complainant at this stage.

Resolution: This could be through negotiation, mediation and other relevant conflict management systems. Where possible, meetings with relevant parties would be convened except where it is perceived that such a meeting will affect one of the parties.

The issue of competence is relevant at this stage, where the Complaints Management Team is unable to resolve a matter; they should have the option of calling in experts or adviser. Notwithstanding this, the team may choose to refer the matter to an external organization or the regulatory bodies (SEC and NSE), where it believes this would be the most appropriate option having regard to the circumstances of the case.

Operational Framework

The above Framework will be dependent on the following:

1. Establishment of a Complaint desk by AIHN – This can be done through providing dedicated personnel, providing phone numbers, emails and other forms for receipt of complaints.
2. Determining the notification process, whether through the member companies or directly to the Association.
3. Ensuring that the complaints are handled in a confidential and professional manner.
4. Providing routine information to the complainant of the status of their complaints from time to time.
5. Allowing for a feedback process at the end of resolution or referral of the complaint.
6. Ensuring seamless management of the process.
7. Managing the complaint system database.
8. The Association may consider setting up an ad-hoc adjudication system for the resolution of grave complaints.