

Hyperion Asset Management Limited

Client Complaint Process

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|-------------------------|--|
| Owner | Legal and Compliance |
| Approval | Manager Legal and Compliance |
| Responsibility | Dispute Resolution Officer |
| Relates to | Hyperion Advisory staff |
| Date Last Updated | August 2009 |
| Version | 2 |
| Primary Rules/Rationale | Australian Financial Services Licence AS 4269 |

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1. Introduction

1.1. When to Use

Use this process on receipt of a complaint from a Hyperion Asset Management Limited client, either in person, by telephone or in writing.

1.2. Description

This is the “internal” complaint process.

Hyperion Asset Management Limited is a member of the Financial Ombudsman Service Limited (FOS), which is an external dispute resolution scheme. Clients can turn to FOS if they are unsatisfied with the response we provide. There will be a cost to the company if a complaint is referred to FOS, to mitigate this cost the aim is to resolve every complaint internally.

The process below gives guidelines as to how to respond to a complaint and in what timeframes. It also provides details of how to report the complaint via the intranet.

2. Receiving a Complaint Procedure:

| Step | Action |
|------|--|
| 1 | <p>What to do if you receive a verbal complaint, either in person or by telephone:</p> <ol style="list-style-type: none">1. Attempt to resolve the complaint immediately.<ol style="list-style-type: none">a) Ensure you have identified yourself clearly.b) LISTEN to the client and RECORD the details.c) Confirm the details given.d) Empathise with the client (this does not necessarily mean apologise)e) Do not attempt to lay blame or become defensive.f) Explain the courses of action available.g) Resolve the complaint if possible, or commit to doing something immediately (whether you or someone else will do it).h) Inform the client the complaint is receiving attention and they will be contacted.i) Check whether the client is satisfied with the proposed course of action. If they are not satisfied request that they write to the ‘Dispute Resolution Officer’ (Legal and Compliance staff member).2. Inform the Dispute Resolution Officer of the complaint and the outcome.<ol style="list-style-type: none">a) Report the complaint by completing the form on the intranet as follows;<ol style="list-style-type: none">➤ Compliance> Lodge a Client Complaint [http://intra.wilsonhtm.com.au/compliance/Complaints/ClientComplaint_Form.cfm]➤ Provide as much detail as possible in the description➤ If resolved provide as much detail as possible.b) Provide the Dispute Resolution Officer with any notes or any other evidence you may have. |

| Step | Action |
|------|---|
| 2 | What to do if you receive a written complaint: <ol style="list-style-type: none"> a) Report the complaint by completing the form on the intranet as follows; <ul style="list-style-type: none"> ➤ Compliance> Lodge a Client Complaint [http://intra.wilsonhtm.com.au/compliance/Complaints/ClientComplaint_Form.cfm] ➤ Provide as much detail as possible in the description ➤ If resolved provide as much detail as possible b) Forward the letter of complaint to the 'Dispute Resolution Officer' with any relevant details. c) The Dispute Resolution Officer will attempt to resolve the complaint, with your assistance. d) If you receive any other related correspondence with regard to complaint forward it to the Dispute Resolution Officer. |
| 3 | Timeframe in which complaints must be resolved: <ol style="list-style-type: none"> a) A written acknowledgement will be sent within 7 days of receipt of the complaint, and b) The complaint will be resolved within 30 days of receipt, 90 days if the client agrees, and c) If the client is dissatisfied with the resolution the client may refer the complaint to the external dispute resolution scheme (FOS). |

3. Principles of responsibility for complaint resolution

3.1. Management

The Hyperion Managing Director has overall responsibility for any complaint. Complaints arise because of the business activities of the Hyperion and it is appropriate that the business unit take ownership of the complaint in the resolution process. The Manager Legal and Compliance will liaise with the relevant Hyperion staff member to assist in assessing and formulating a response, but ultimately the Hyperion Managing Director is responsible for resolution of the complaint.

3.2. Administration

The Manager Legal and Compliance is responsible for the administration of the complaint process set out in the procedure below. This includes coordinating the collection of information, arranging meetings with staff and the complainant if appropriate, offering advice to management about the complaint, and settling any written response. Legal and Compliance will independently assess the recommendations of management.

4. DRO Procedure:

| Step | Action |
|------|---|
| 1 | <p>The Legal and Compliance Manager receives all complaints either by;</p> <ul style="list-style-type: none"> • Notification by e-mail due to the intranet form, or • By receipt of a letter <p>The Legal and Compliance Manager logs the complaints on the intranet and allocates the complaint to a Dispute Resolution Officer (DRO).</p> |
| 2 | <p><u>DRO – Intranet Form</u></p> <ol style="list-style-type: none"> 1) Click on the link in the e-mail to take you to the details of the complaint. 2) Obtain the relevant details so that an acknowledgment can be sent to the client. 3) Update the bottom section of the intranet form with the following; <ol style="list-style-type: none"> a) Responsible Officer; Hyperion Managing Director b) Remarks to Responsible Officer; The RO must be made aware of the complaint. Note details of conversations or emails. c) An acknowledgment must be sent within 7 Business days. Update the date on the intranet form. d) Is the Complaint a ‘Formal Claim’? If the client demands compensation in \$’s in writing this is a formal complaint. e) The Manager of Legal and Compliance will assess if Formal Complaints are to be reported to the PI Insurer. Update the date reported. f) DRO Complaint Resolution. Review the action taken by the person who received the complaint and determine whether or not the complaint has been resolved. Update the section on the form accordingly. g) How was the Complaint Resolved? Until the complaint is fully resolved keep this field up to date with adviser and other internal contact that relates to how the complaint is progressing. h) Each client contact must be recorded. |
| 3 | <p><u>Acknowledgment</u></p> <ul style="list-style-type: none"> • Standard acknowledgment letter must be sent to the client within 7 Days, with the complaint process pamphlet enclosed. • If the complaint is not resolved response must be sent to client within 30 Days (90 days if the client agrees). <ul style="list-style-type: none"> • Copy of complaint forwarded to Hyperion staff member. A Hyperion staff member report must be completed. • Review Hyperion staff member report. Prepare draft response to client. Copy to be forwarded to Hyperion staff member and Hyperion Managing Director for comment. • Response to client sent within 30 Days (90 days if the client agrees). |

| Step | Action |
|------|---|
| 4 | <p><u>Complaint Resolution Process</u></p> <p>1) Simple complaints</p> <ul style="list-style-type: none"> a) Resolve the complaint b) Notify the action taken to; <ul style="list-style-type: none"> i) the person responsible for the error, and ii) the Hyperion Managing Director c) Notify the Responsible Officer if not already notified in (b). <p>2) Complex Complaints</p> <ul style="list-style-type: none"> a) Notify details of the complaint to; <ul style="list-style-type: none"> i) the person responsible for the error, and ii) the Hyperion Managing Director. b) Notify the Responsible Officer if not already notified in (a). c) Request the necessary information from the relevant employee to understand their side and hopefully resolve the complaint. d) A written notification of the proposed resolution must be sent to the client within 30 days (90 days if agreed by the client) of the complaint being received. The letter should state that acceptance of the proposed resolution or an alternative proposal must be received within 30 days. <p>Complex complaints may require input from a number of different employees, these need to be diarised and chased in order to ensure a response can be given in the required timeframe.</p> |
| 5 | <p><u>Financial Compensation</u></p> <ul style="list-style-type: none"> • The Hyperion Managing Director must approve any financial compensation and provide details as to how it is to be allocated prior to being paid out. • If agreed in principal but the allocation has not been resolved, the client should be paid and Hyperion charged with the expense. |
| 6 | <p><u>Intranet Form – Resolved Complaints</u></p> <ul style="list-style-type: none"> • When the complaint is satisfactorily resolved the DRO is to update the fields on the intranet form. |
| 8 | <p><u>Complaints Referred to FOS</u></p> <ul style="list-style-type: none"> • The DRO should provide updates of developments to: <ul style="list-style-type: none"> i) the person responsible for the error, ii) the Hyperion Managing Director. • DRO is to arrange meetings with relevant personnel when required. • Ensure costs are managed sufficiently. Obtain the likelihood of succeeding – this will assist in deciding what, if anything, to offer as way of settlement. |

| Step | Action |
|------|---|
| 7 | <p><u>Legal Action arising from Complaints</u></p> <ol style="list-style-type: none"> 1) We need to appoint a legal representative when a formal legal claim has been lodged. 2) Update the intranet "Client Contact" Fields. 3) Advise the; <ol style="list-style-type: none"> a) person responsible for the complaint/claim, and b) Hyperion Managing Director. 4) Notify the Responsible Officer if not already notified in (3). 5) Ensure costs are managed sufficiently. Whenever possible obtain an indication from the lawyers of the estimated defence costs and the likelihood of succeeding – this will assist in deciding what, if anything, to offer as way of settlement. |

5. Risks and Remedial Action

Risk Management Responsibility

The Dispute Resolution Officer and Legal and Compliance have ultimate responsibility for the Complaints resolution process.

Other Areas Affected

Other functional areas that may be affected by the risks below are:

All Divisions of Hyperion Asset Management Limited

Associated Risks

| No. | Risk | Action required to avoid |
|-----|-----------------------------------|--------------------------|
| 1 | Breach of Licence requirements. | 1 & 2 |
| 2 | Financial loss of the firm. | 1 |
| 3 | Litigation imposed by the client. | 2 |

Remedial Action

| No. | Action required to avoid risk |
|-----|---|
| 1 | Follow the Complaint resolution process in order to mitigate this loss. |
| 2 | Ensure proper records are kept to ensure that you and the firm are protected from unnecessary litigation. |