



# **REGULATORY POLICY**

## **Complaints Against Licensees, Registrants and Other Supervised Entities.**

**November 2022**



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## **Regulatory Policy on Complaints Against Licensees, Registrants and Other Supervised Entities**

### **1. Introduction**

- 1.1. The Monetary Authority Act ("MAA") and the regulatory acts allow the Authority to regulate and supervise financial services business within the Cayman Islands.
- 1.2. In performing its regulatory functions, the Cayman Islands Monetary Authority ("the Authority") endeavours to promote and enhance market confidence, consumer protection and the reputation of the Islands a financial center.
- 1.3. The Authority's role is to ensure that supervised entities conduct their operations in an appropriate manner and in accordance with the Act. As the regulator and supervisor of financial services, the Authority is interested in complaints that may raise issues of supervisory concern.
- 1.4. The Authority is concerned about complaints against licensees, registrants and other supervised entities and treats all complaints against entities for which it has regulatory oversight, seriously.
- 1.5. The Managing Director may appoint a Complaints Officer who is responsible for recording information on complaints, handling feedback, queries and overseeing the complaints management system.

### **2. Definitions**

- 2.1. For the purpose of this Policy, the definitions below are provided:
  - a) **"Authority"** means the Cayman Islands Monetary Authority established under the Monetary Authority Act.
  - b) **"Board of the Authority"** means the board of directors established under the Monetary Authority Act.
  - c) **"Complaint"** is any expression of concern or dissatisfaction about the manner in which a supervised entity has carried out its operations under any of the regulatory acts.
  - d) **"Licensee"** means a person licensed under the regulatory acts, and includes a building society, a credit union and a development bank unless otherwise stated.
  - e) **"Registrant"** means a body corporate registered as an exempted company limited by shares under the Companies Act.
  - f) **"Regulatory acts"** carries the meaning as defined in the Monetary Authority Act. This includes any rules, statements of principle or guidance issued in accordance with the Monetary Authority Act, and regulations made under the Monetary Authority Act or the regulatory acts.



- g) “**Supervised Entities**” includes licensees, registrants and relevant financial businesses under the Anti-Money Laundering Regulations for which the Authority is the default or designated supervisor.

### 3. Statement of Objectives

- 3.1 This Policy establishes the criteria for submission of complaints to the Authority; and a process by which complaints against licensees, registrants and other supervised entities will be dealt with by the Authority.

### 4. Scope of Application

- 4.1 This Policy should be used to guide the process of submitting a complaint to the Authority against a licensee, registrant or other supervised entity.
- 4.2 This Policy does not provide for complaints against the Authority. For information on such complaints, reference should be made to the *Regulatory Policy – Complaints Against the Authority*.
- 4.3 In circumstances, where the matter is of a criminal nature, such as suspected theft or fraud, complainants should consider reporting the matter directly to the Royal Cayman Islands Police Service (RCIPS); or the Financial Crime Investigation Unit of the RCIPS in circumstances of suspected money laundering, financing of terrorism or proliferation financing.
- 4.4 If the complainant is an employee of a supervised entity and the complaint relates to improper conduct by their employer, the Whistleblower Protection Act and section 11 of this Policy should be consulted prior to submitting a complaint.

### 5. General Considerations

- 5.1 If a complainant has a complaint against a supervised entity, the matter should first be raised with the entity. The Authority expects all supervised entities to have satisfactory systems and controls in place to enable them to deal with customer complaints in a thorough and prompt manner.
- 5.2 The Authority will request proof from the complainant that they have taken reasonable steps to resolve the complaint with the supervised entity before considering any complaint submitted to the Authority.
- 5.3 The Authority is not empowered to arbitrate in complaints about supervised entities, or to compel an entity to pay compensation to a customer in relation to an individual complaint.
- 5.4 As the supervisor of financial services, the Authority may investigate complaints, however, these investigations are generally limited to complaints which reveal matters of concern to the Authority as an authorising and supervisory body.



- 5.5 The Authority plays a limited role in investigating individual complaints and they are only considered in the context of the Authority's principal functions as established in the MAA.
- 5.6 Where the complainant is of the view that the supervised entity has not observed good conduct of business or may have breached any of the regulatory acts, the Authority will investigate to verify whether the entity has acted in accordance with the relevant acts.
- 5.7 If the Authority decides to raise a matter with a supervised entity, generally any findings or actions taken cannot be disclosed to the complainant, as communications between the Authority and all supervised entities are considered confidential. At its sole discretion, the Authority may disclose certain findings with due consideration to section 50(2) of the MAA.
- 5.8 A complainant may, however, be made aware of the results of a complaint, if for example, a public statement is issued following any enforcement action that was taken by the Authority or as a result of court proceedings.
- 5.9 Complainants should be mindful that complaints, and information provided to the Authority in support of complaints, are reviewed carefully and action is taken by the Authority, as appropriate.

## **6. Criteria for Making a Complaint**

- 6.1 The following criteria must be met when submitting a complaint:
  - a) Complaints must be submitted in writing;
  - b) Complaints must include the name of the complainant; and
  - c) Complaints must include the contact details of the complainant.
- 6.2 A complaint that does not meet all criteria may be processed at the sole discretion of the Authority, under exceptional circumstances.

## **7. How to Complain**

- 7.1 The Authority will generally not consider a complaint if it is received after one (1) year from the date on which the complainant became aware or ought reasonably to have become aware, that he/she had cause for complaint. Where a complaint is submitted after the one (1) year timeframe has elapsed, the Authority will consider the nature of the complaint and reason for the delay in assessing whether to investigate.
- 7.2 Complaints against all supervised entities may be submitted through any of the following means:
  - a) Completing the online form available on the Authority's website;
  - b) Submitting written complaints via post to:  
Deputy Managing Director - Supervision  
Cayman Islands Monetary Authority



P.O. Box 10052  
Grand Cayman KY1-1001  
Cayman Islands; or

- c) Hand delivering to the Authority's reception located at:  
171 Elgin Avenue, SIX, Cricket Square  
George Town, Grand Cayman

## **8. Responsibilities of the Complainant**

- 8.1 While the Authority assists in raising complaints with the respective supervised entities, complainants remain responsible for their statements.
- 8.2 A complainant must ensure that they understand what constitutes a complaint and what the role of the Authority is regarding their complaint.
- 8.3 A complainant should raise all complaints against a supervised entity promptly.
- 8.4 All complainants must provide to the Authority, supporting documentation when submitting a complaint against a supervised entity. This includes, but is not limited to, evidence of the complaint and exchanges with the supervised entity.

## **9. Complaints Handling Process**

- 9.1 Once a complaint has been submitted, the Authority will acknowledge receipt within five (5) business days.
- 9.2 Processing of a complaint shall be immediate, and all information shall be treated as strictly confidential.
- 9.3 The Authority seeks to resolve complaints efficiently and within a reasonable timeframe.
- 9.4 Depending on the nature of the complaint, the Authority may or may not decide to investigate.
- 9.5 If the complaint is not of a regulatory or supervisory nature, the Authority will inform the complainant of this and the complaint will be closed.

## **10. Record Keeping**

- 10.1 The Authority maintains a system of records of all complaints it receives for processing, record keeping, review and redress.
- 10.2 Records will generally reflect:
  - (a) complainants' personal details;
  - (b) the nature of complaints;
  - (c) responsible officer/investigator;



- (d) progress of complaint resolution;
- (e) response and resolution times; and
- (f) outcome/resolution actions.

10.3 The Authority will use the information contained in its system to produce periodic internal reports for consideration by Management and the Board of the Authority. The reports are generally used to assess the efficiency and effectiveness of its complaints handling process. The Authority removes all personal data from these reports to protect the identity of complainants.

## **11. Data Protection Notice**

- 11.1 The Authority is a data controller under the Cayman Islands Data Protection Act. It collects and processes personal data to carry out its functions under relevant legislation and may share personal data with other parties where there is a legal basis for doing so.
- 11.2 Any personal data provided by complainants will be processed in accordance with the Authority's [Privacy Policy](#). The policy provides information on how the Authority collects, uses and maintains information collected from persons.
- 11.3 The Authority may share a complainant's personal data with other parties if required by law or where ordered by a court.

## **12. Whistleblowing**

- 12.1 A person who intends to invoke protections afforded by the Whistleblower Protection Act should confer with the Office of the Ombudsman.



SIX, Cricket Square  
PO Box 10052  
Grand Cayman KY1 - 1001  
CAYMAN ISLANDS

General Office: 345-949-7089

[www.cima.ky](http://www.cima.ky)