
Procedure for Complaint Handling

Purpose. This document sets out MUFAP's prescribed complaint-handling process for Customers of Regulated Persons / Registered Service Providers and explains the right of appeal.

1. Types of Complaints Handled by MUFAP

Complaints in respect of the affairs of a Regulated Person / Registered Service Provider relating to any of the following matters must be made in accordance with the Procedure for Complaint Handling prescribed by the Board:

- i. a breach of the Regulations by a Regulated Person / Registered Service Provider;
- ii. a breach of the code of conduct;
- iii. a breach of customer confidentiality;
- iv. unsuitable investments or leveraging to a Customer;
- v. theft, fraud, misappropriation, forgery, misrepresentation, unauthorized trading, unauthorized selling and redemption of units;
- vi. engaging in an undeclared occupation outside the Regulated Person;
- vii. personal financial dealings with a Customer;
- viii. any other relevant matter.

2. Lodging a Complaint

A complaint may be submitted to MUFAP through any of the following channels:

ONLINE

Through the Digital MUFAP Complaint Management System (DCMS).

EMAIL

At complaints@mufap.com.pk

HARD COPY

By submitting or sending a written complaint to MUFAP's registered address at 207-209, 2nd Floor, Kassam Court, Block 5, Clifton, Karachi.

Once the complaint has been received, following actions need to be taken by the CRO or an Authorized Officer (AO).

3. Complaint Ticket Generation

The AO shall conduct an initial assessment of complaints received to:

- assess whether the complaint falls within the scope as prescribed in the Regulations;
- determine whether additional information is required;
- consider whether the complaint is tenable or not, subject to the approval of CRO. Complainant shall be informed accordingly with cogent reasoning for not entertaining its complaint.

Anonymous complaints wherein the name and particulars of the Complainant are not provided clearly, or such particulars are not identifiable will not be entertained. However, in cases where a complaint, even if anonymous, raises concerns of industry-wide significance, CRO may review the matter from a systemic perspective and recommend measures for overall industry improvement, without acting on the individual complaint.

At the conclusion of the initial assessment, AO shall accept the complaint and initiate the following details:

- Complaint Number;
- Ticket Type;
- Regulated Person;
- Complaint type;
- Customer's Complaint Description with supporting documents;
- complaint previously handled and concluded by the Regulated Person, if any.

4. Complaint Handling Process

STEP 1 Acknowledge with ticket number	STEP 2 Forward to Regulated Person/Registered Service Provider (RP/RSP) for response	STEP 3 Track progress, obtain further information	STEP 4 AO examines and finalises the record	STEP 5 CRO concludes the complaint
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Figure 1. Complaint handling, from acknowledgement by the AO to conclusion by the CRO.

- The AO shall respond to the complainant by acknowledging the acceptance of complaint along with ticket number

- The AO shall forward the complaint to the Regulated Person/Registered Service Provider along with defined time period for the response which shall not be more than five (5) working days
- The AO shall ensure that complete supporting documents are attached to the ticket before forwarding it to the Regulated Person/Registered Service Provider.
- The AO shall keep track of progress of the complaint.
- The concerned Regulated Person/Registered Service Provider may seek additional relevant information, if needed.
- The AO shall obtain additional information from the complainant and provide the same to the concerned Regulated Person/Registered Service Provider as soon as possible. Nevertheless, in case of delay or failure on part of the complainant to provide the requisite information within the given time, the process may be delayed, and additional time may be allowed to the concerned Regulated Person/Registered Service Provider.
- On receipt of the response from the Regulated Person/Registered Service Provider, the AO shall examine the response and may require further information from complainant and/or Regulated Person/Registered Service Provider. The AO may share the responses/rejoinders with the complainant and/or Regulated Person/Registered Service Provider, as the case may be to ensure completeness of the subject complaint.
- Once the complaint along with its responses/rejoinders is finalized at the end of the AO, it shall be forwarded to the CRO for further action.
- The CRO shall conclude the complaint by taking any of the following actions, as applicable:
 - a. close the complaint by sending an appropriate response to the complainant; or
 - b. initiate regulatory action against the concerned Regulated Person/Registered Service Provider; or
 - c. refer the matter to arbitration committee.

5. Time Frame

5 working days

Maximum period allowed to the Regulated Person/Registered Service Provider to respond

30 working days

Acceptance to resolution, subject to the exceptions below

Figure 2. Time frame for the complaint process.

The entire process commencing from acceptance of the complaint till its resolution shall be completed within **30 working days** subject to the following:

- i. Failure of provision of requisite information by the complainant;

- ii. Initiation of regulatory action by the CRO; or
- iii. Where an action has been initiated by any regulatory body/LEA on the matter related with the complaint or the matter has become sub-judice.

6. Right to Appeal

Where the complainant or concerned Regulated Person / Registered Service Provider is not satisfied with the CRO's decision, an appeal may be preferred to the Regulatory Affairs Committee (RAC) in accordance with the applicable *MUFAP (SRO Functioning) Regulations, 2025* and Appeal Procedure.

7. Appeal Procedure

1. Appeal shall be filed within a period of 15 working days from the receipt of the Order.
2. The RAC may, upon an application filed in this behalf, entertain an appeal after the expiry of 15 working days, if it is satisfied that there was sufficient cause for not filing it within the period. The RAC may adjourn the hearing(s) in accordance with the manner stated in the Regulations.
3. A memorandum of appeal shall be sent by registered post or through a recognized courier addressed to the Registrar of RAC.
4. Every appeal shall be supported by a duly verified affidavit sworn by the appellant(s).
5. A memorandum of appeal sent by post/courier shall be deemed to have been received by the RAC on the day it is received by the Registrar.
6. The hearing(s) of the Appeal before RAC shall be conducted in English or Urdu.
7. Every appeal, application, reply, representation, or any document filed before the RAC shall be type-written or printed neatly and legibly.
8. The RAC, at any time, for sufficient reason may issue order that any particular fact or facts may be proved by affidavit of any witness.
9. On the day fixed for hearing, or on any other day to which the hearing may be adjourned, the appellant shall be heard personally, or through its authorized representative, in support of the appeal.
10. The RAC shall then hear the respondent against the appeal and in such a case the appellant shall be entitled to reply.
11. All parties appearing before the RAC during hearings may be required to submit a summary of their arguments in writing at the conclusion of the hearing provided that the RAC may entertain such arguments which are included in the summary but not presented before the RAC during the course of hearing.

12. The RAC after conducting the hearing of the appeal may, inter alia, confirm, remand, set aside or cancel the order appealed against or make such other order as it may deem just and equitable in the circumstances of a case.
13. Every Order of the RAC during hearing of Appeals shall be signed and dated by the members of RAC hearing the appeal and Order shall be issued in writing not later than 30 days of the conclusion of the proceedings and copies of the order shall be communicated to all the parties to appeal on immediate basis.

8. Keep These Records

Customers are advised to retain their complaint, supporting documents, correspondence, ticket number and the CRO's decision for reference and for any appeal.

Note: *This document shall be read in conjunction with Chapter V and Chapter XI of the MUFAP (SRO Functioning) Regulations, 2025 and Chapter 2 and Chapter 7 of the MUFAP (SRO Functioning) Procedures 2025. In the event of any inconsistency, the applicable Regulations shall prevail.*