

What

you should know about...

Investor protection: making a complaint

Information Guide



This CNMV guide is for investors. It explains the essential terms, helps you to ask the right questions, sets out the information that an investor must request and tells you what to do if you have doubts.

CNMV
COMISIÓN
NACIONAL
DEL MERCADO
DE VALORES

Investor protection: making a complaint

Information Guide



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First edition: March 2007

Illustrations: Brais López and Jöch!
Design and printed by: Artegraf, S.A.
Legal number: M-11424-2007

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introduction

The effective safeguarding of investors' rights is at the heart of most securities market regulations in Spain, and is also the main concern of the CNMV in its day-to-day activity.

It is also a complex function which calls for the active involvement of all market participants, starting with investors themselves (through the knowledge and exercise of their rights). Investor protection is an indispensable tool to achieve greater transparency, adequate legal certainty and, in sum, the maximum development of Spanish securities markets.

The CNMV addresses its protection goals by verifying and licensing the products investors are offered through commercial networks, and by supervising the activities of financial intermediaries. Firms, meantime, must play their part by observing the rules of conduct in place for securities market operators.

The sum of these efforts is a legal framework whose aim is to ensure that investors are not at a disadvantage when taking out products or implementing their investment decisions.

However, there is no way to guarantee the safety of investments under every circumstance. Simply by participating in today's increasingly complex and globalised markets we run the risk of experiencing incidents, delays, disputes, differences of interpretation, etc. that may occasionally require us to seek remedy from the appropriate quarters.

The aim of this guide is to acquaint the investor public, and retail investors in particular, with a series of procedures they may one day need to use, informing them of **how, when and where to complain about securities market products or services.**





01

Investor protection in Spain

Until not very long ago, the Spanish system of investor protection in matters of claims and complaints was configured by the Complaints Service of the CNMV, the Investor's Ombudsmen working out of different stock exchanges and markets, and the Client's Ombudsmen appointed in some financial institutions.

Not only was this system heterogeneous in its origins, but its decision-making bodies had quite different procedures, powers and terms of reference, basing themselves on legal interpretations in some cases, market self-regulation in others, and even on commercial and image considerations in the case of financial intermediaries.

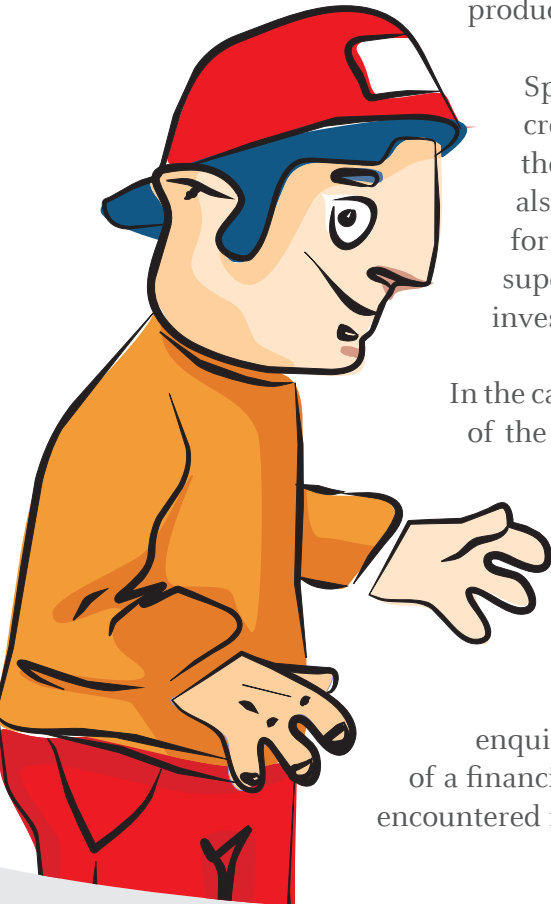


The legislative measures of recent years, designed to boost market transparency and compliance with good business practices, have helped clarify and standardise the procedures investors should follow to safeguard their rights and interests.

This is an important step forward given the complexity and, at times, bewildering variety of the financial products and services now available.

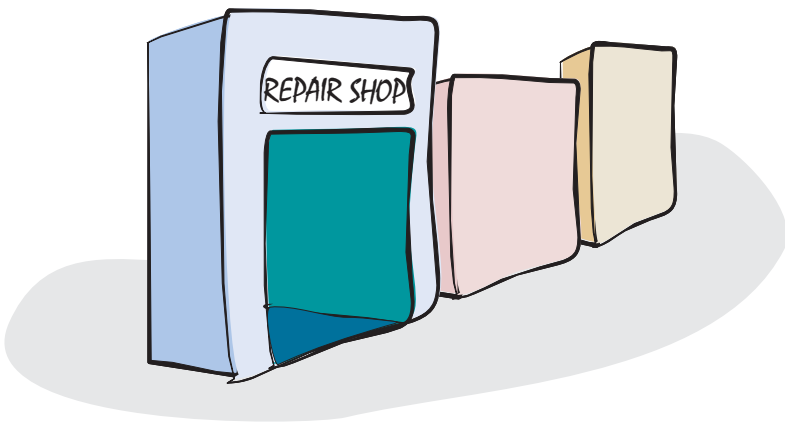
Specifically, the law calls for the creation of a series of boards to defend the interests of financial service users. It also demarcates the channels to be used for taking claims and complaints to the supervisory authorities and tightens up investor protection systems.

In the case of securities markets, the functions of the Investor Protection Board envisaged in the legislation have been taken on by the **Investor Assistance Office of the CNMV**. Investors should take note that, aside from running this claims and complaints service, the Investor Assistance Office will deal with any enquiries they may have about the nature of a financial instrument or situations they have encountered in their securities market dealings.



CNMV will deal with any enquiries they may have about the nature of a financial instrument or situations they have encountered in their securities market dealings

Another plank of recent legislation is the duty of investment firms and credit institutions to ensure their clients' interests are properly cared for. In practice this means they must, at the very least, have a dedicated internal department to handle customer communications and attend any claims or complaints (Customer Service Department). They can also go further and, on their own initiative, appoint a Client's Ombudsman.





02

The first step: complaining to your provider

Entities have the obligation to attend any complaint filed by clients in respect of their interests

1. Once we are convinced that a complaint is warranted, the first step is to approach the provider firm and ask for an explanation of the events causing our dissatisfaction, and try to settle any discrepancies or misunderstandings.

2. If this first approach does not work out, remember investment firms, credit institutions, mutual fund managers and the Spanish branches of foreign entities have the obligation to attend any complaint filed by clients in respect of their legally recognised rights and interests.

As such, all of them should be able to direct you to an internal Customer Service Department (mandatory) or a Client's Ombudsman unconnected to the firm (optional).



The use of both these services is without charge to the investor. Customer Service Departments must operate at arm's length from remaining departments and areas, but be well enough coordinated with them to ensure a correct flow of information for the resolution of complaints. Their work should be informed by a set of "customer protection rules" specific to each firm or corporate group.

Firms are responsible for ensuring that members of the public know of the existence of this department and how it operates, and of their right to take their complaint in second instance to the Investor Assistance Office of the CNMV. This option should be publicised at each firm's branches and on its website, with a clear indication of where and how to establish contact.

2.1 When can I complain?

At some point in our dealings with financial providers we may encounter problems, discrepancies or differences of opinion. The reasons can be many and varied: failures of communication, misconduct by the intermediary, misunderstanding on the part of the client . . .


Discrepancies can of course also arise with other professional market agents including listed companies, issuers and even the regulator itself (CNMV).

But, do we know what rights we have as investors? Are we informed about when, where and how to complain?

Although an investor has the right to complain whenever he or she chooses, there are some cases when a complaint is warranted and others when it is not:

- A complaint should be made whenever there is suspicion or evidence that an incident may be due to improper conduct by the provider: delays, omissions, deficiencies in the service provided or a breach of the terms of the client's contract or securities market rules of conduct.

- What we cannot do is complain about some adverse circumstance whose origin lies in the normal functioning of the markets, such as the negative or unexpected performance of a particular financial instrument (uncertainty about returns, and therefore the possibility of losses, is part and parcel of any securities market investment).



If you are unsure about the nature of a problem, your first port of call should be your provider or, alternatively, the CNMV's Investor Assistance Office. Remember **NOT EVERY PROBLEM WARRANTS A COMPLAINT BUT THE CNMV IS THERE TO ADVISE YOU**. Our staff will inform you about the possibility of complaining to your provider, and about how to proceed in the affirmative case.



Anyone in doubt about which of these situations their case belongs to or unsure of how to exercise their rights should take their enquiry to the **CNMV's Investor Assistance Office**.

Part of the remit of this Office is to answer the queries of individual investors, whether about making a complaint or about any other aspect of their securities market dealings: the contents of official registers, legislation, information about products and markets . . .

How can I direct my enquiry to the CNMV? Through any of the regulator's dedicated channels: telephone, e-mail or ordinary mail addressed to the Investor Assistance Office.

Whenever possible, you will receive a prompt response to your enquiry setting out the best course for you to follow.

The CNMV website also contains a wealth of practical information that can help you resolve your doubts. In particular, our "Investor's Corner" section offers information and general recommendations that can help you move with confidence in the securities markets.

CNMV

Website: <http://www.cnmv.es>

INVESTOR ASSISTANCE OFFICE:

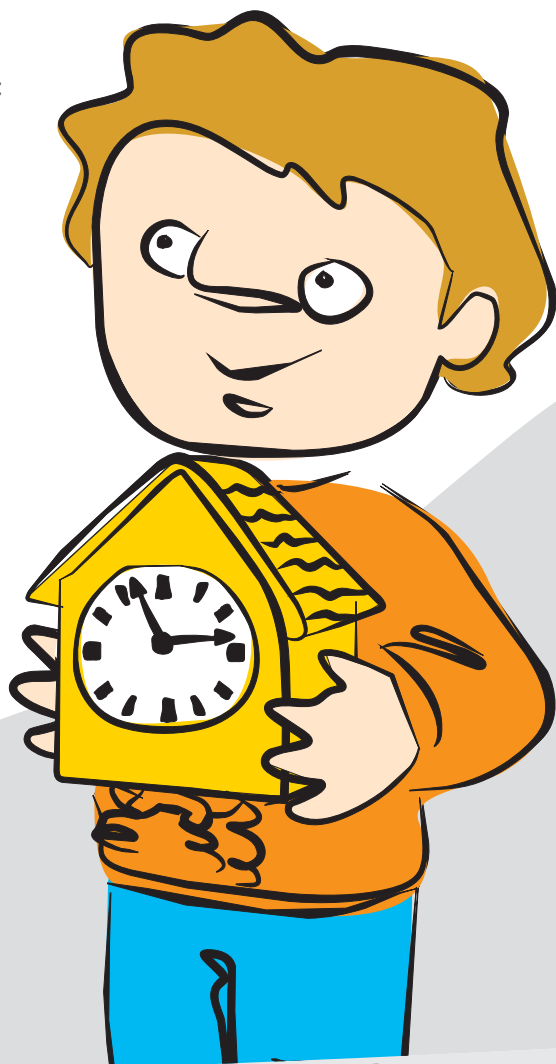
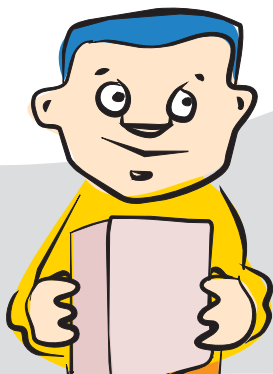
E-mail: inversores@cnmv.es

Madrid office:

Torre Serrano
Serrano 47
28001 MADRID
Tel.: 902 149 200
Fax: 91 585 17 01

Barcelona office:

Passeig de Gràcia, 19-4^a planta
08007 BARCELONA
Tel.: 902 149 200
Fax: 93 304 73 10



Example 1

Two years ago, Mr. Martín purchased units in mutual fund XXX, FI, signing a subscription order to this effect. The fund's investment policy is primarily geared to fixed-income securities, and as we write its net asset value is below the price at which he purchased. Mr. Martín wishes to file a complaint with the fund's distributor. Would he be right to do so?

His first step is to contact the CNMV's Investor Assistance Office on the phone number 902 149 200 for help with his enquiry. The staff there ask him to check whether he was previously given the fund prospectus filed with the CNMV and whether he has been receiving regular reports and notices at his home address, including personal position statements. After confirming that everything is in order, they inform him that fixed-income funds are exposed to losses. Provided the

composition of the fund's assets is consistent with its investment policy, the CNMV can make no judgement on the quality of the fund's management but only on its compliance or otherwise with current legislation.

Going by the data available, in this case, there appear to be no grounds for a claim or complaint.

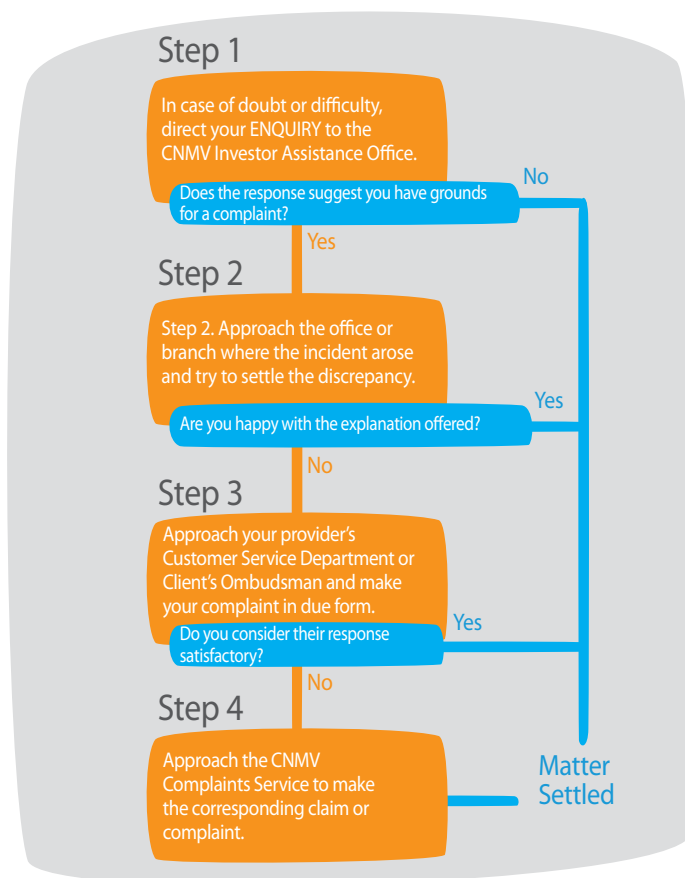
Example 2

One week ago, Mrs. Gómez wrote to her broker-dealer ordering the purchase of 2,500 shares in company YYYYY, S.A. at a price no higher than 10.25 euros, without specifying how long the order was good for.

Her order was filled in two parts. First a purchase of 400 shares at 10.30 euros then another of 2,100 shares at 10.28 euros. She now wants to file a complaint against them. Can she do so?

Mrs. Gómez contacts the CNMV's Investor Assistance Office on 902 149 200 for help with her enquiry. The staff there ask her to check her settlement statement and confirm that the execution terms

are as stated. They then advise her of her right to file a complaint with the broker-dealer's Customer Service Department or Client's Ombudsman.



2.2 Presenting a complaint

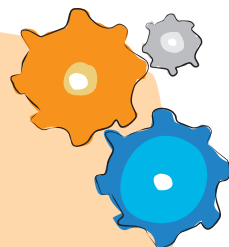
Complaints should be presented:

- In the complainant's name or through a representative.
- On paper or by electronic means.
- Setting out the following minimum details: place and date of the communication and identity of the complainant (first name, surname and address, or those of his or her duly accredited representative, and national identity document number).

Other obligatory contents are:

- A description of the events we are complaining about, along with a copy of any relevant documents supporting our case.
- If appropriate, an indication of the office or department where these events unfolded.





Example:

Mr. Alfonso Bravo Quirós
National ID number: 54,301,763-S
Paseo de Canalejas, 21 4^o D
37001 Salamanca

Attn: Customer Service Department
XXX Bank
Salamanca, 17 October 2006

Dear Sir,

I am writing to lodge a COMPLAINT against XXX Bank, where I have been a customer since 2002, in respect of an incident arising with branch no. 453 in Calle Toro, 34 of this municipality.

As a shareholder in the company YYY, S.A, targeted in a takeover bid by CCC, S.A, I had until Monday 27 December, 2005 to indicate my acceptance or otherwise of the offer.

However when I went to the branch that same day to hand in my acceptance order, an employee in the securities department told me the deadline for receipt of instructions on this offer had been set at 14:00 the previous Friday, 24 December, and my order could not be processed.

I am requesting that you analyse the conduct of the branch's employees in this case, and award me compensation for any damages caused by this departure from the terms of the takeover bid prospectus filed with the CNMV.

This incident has not been laid before any judicial or arbitration body prior to the present submission.

Note: I attach a copy of my administration and custody agreement, and of the notice sent to my home address with information on the takeover bid.

Yours faithfully,

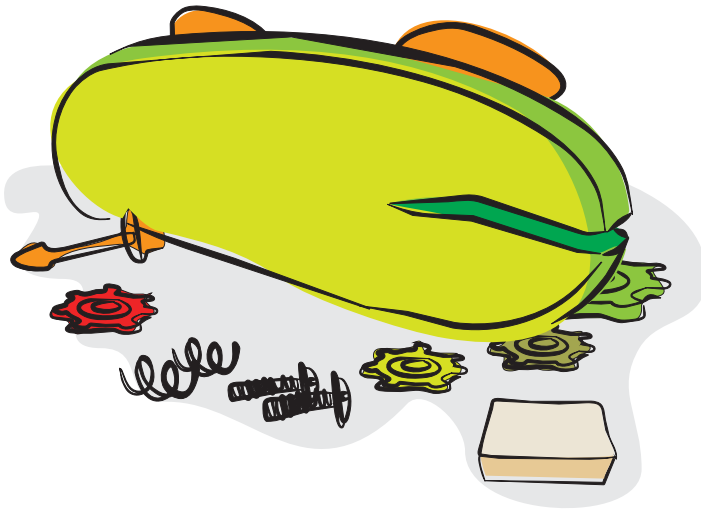
Alfonso Bravo Quirós



- An express declaration that, to our knowledge, the case is not being dealt with by any other administrative, judicial or arbitration body. If the case has been brought before or ruled on by any such body, the Customer Service Department may decline to accept it.

23 Where can I complain?

Complaints can be presented at any of the provider's offices or branches or at the offices of the Customer Service Department or Client's Ombudsman. They may also be sent to the e-mail address that each organisation must facilitate for this purpose.



24 Steps In the complaint process

The time allowed for presenting a complaint should be specified in each organisation's Customer Protection Rules. It should start from the date when the complainant is apprised of the events giving rise to the complaint, and **may in no case be less than 2 years**.

Investor should note that once this deadline has passed, the competent service may decline to process their complaint.

Moving on, customer service departments or client's ombudsmen, where they exist, have **two months to issue a reasoned finding**, starting from the reception date of the complaint. Once this term has elapsed, the complainant can turn to the CNMV's Investor Assistance Office.



The response of the Customer Service Department or Client's Ombudsman must be **notified** to the interested party within **ten calendar days** from the date of resolution, through the same channel used to make the complaint.

2.5 Handling and resolution

Generally speaking, complaints to a financial service provider will be processed as follows:

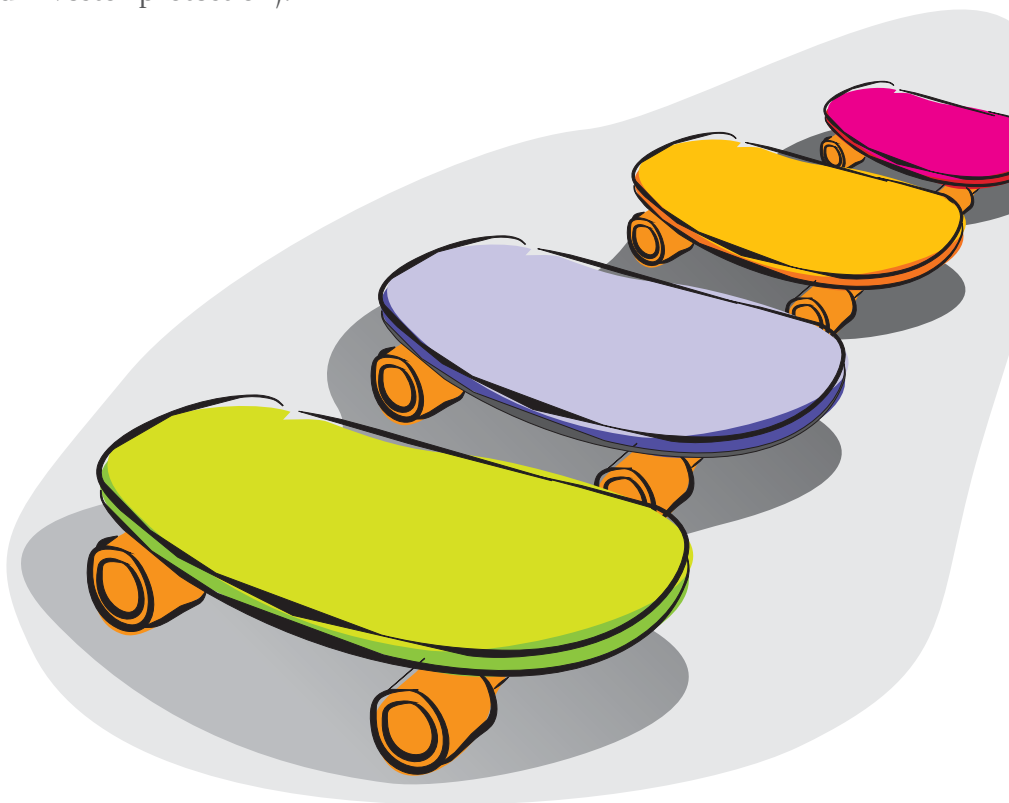
- **Reception and opening of case file.** On receiving a complaint, the department in charge of its investigation opens up a case file.
- **Correction of errors.** If some defect is found regarding the identification of the complainant or the contents of the complaint, the signatory may be given 10 calendar days to make the

pertinent correction. If no correction is forthcoming, the case file may be closed without further action.

- **Comments and arguments by the parties.** In the course of the inquiry, both the complainant and the departments or services of the firm affected may be approached for any data, clarifications, reports or evidence considered helpful for reaching a decision.
- **Resolution.** The conclusions of the inquiry must be set out in a clear and reasoned manner. The resolutions of the Client's Ombudsman are binding on the firm the complaint is directed at; not so those of the Customer Service Department, where the firm is under no obligation to provide redress to the client, even if he or she is proved right, unless its Customer Protection Rules specify otherwise.

Customers can opt to withdraw their complaints at any point, bringing the formal procedure to a close (although the decision centre may continue to investigate the matter internally in the interest of greater transparency and investor protection).

Likewise, if the matter is settled by consent between the two sides, the complainant should inform the investigating body, at which point the case file will be closed.





03

Complaints to the investor assistance office of the CNMV

Spanish legislation calls for the creation of three complaints boards attached to financial system supervisors:

- The Bank Service Users Protection Board (Banco de España).
- The Investor Protection Board (Comisión Nacional del Mercado de Valores).
- The Insurance Policyholders and Pension Plan Members Protection Board (Directorate General of Insurance and Pension Funds).

In practice, however, the functions of these boards have been taken on by the Complaints Services of their respective supervisory agencies.

In order to facilitate investor take-up, complaints can be filed with any of the three financial sector regulators (Banco de España,




Directorate General of Insurance or CNMV). If the receiving agency has no direct competences in the subject matter, it will redirect the complaint to the regulator that does, advising the complainant accordingly. Note, however, that this referral system may entail some delay, so it is a **good idea to present your complaint directly to the competent body.**

Hence complaints deriving from investors' activity in financial instruments markets are handled by the Investor Assistance Office of the CNMV.

3.1 When can I complain to the CNMV?

The customer service departments or client's ombudsmen of the respondents in each case have up to 2 months to resolve the complaint presented > **If you are not satisfied with their decision or 2 months have gone by without any response, you may take your case to the Investor Assistance Office.**

The CNMV is empowered to deal with users' complaints regarding the conduct of investment firms, credit institutions (when they provide investment services), and mutual fund and investment company managers.



If you are not satisfied with their decision or 2 months have gone by without any response, you may take your case to the Investor Assistance Office

You can also approach the regulator with complaints about companies issuing securities; for example, regarding incidents with their website contents, their dealings with shareholders or the exercise of economic or voting rights. In these cases, there are no previous steps to comply with (i.e., no submission to a customer service department or ombudsman), and the investor can take his or her case directly to the CNMV.



Remember it is best if you make your complaint as soon as possible after the incident giving rise to it.

3.2 How to lodge a complaint with the CNMV

Complaints should be in a standard format similar to that employed with provider entities. They should be presented:

- By the complainant in person, or a properly accredited representative.
- In writing, on paper or by some electronic means allowing the complainant's identity to be fully verified.

They should include the following minimum contents:

- Complainant details (name and surname or company name, correspondence address, National ID number and representative credentials, as the case may be).
- The entity(ies) against whom the complaint is directed and the offices or departments involved.
- Specific reason for the claim or complaint, set out in a clear, concise manner.
- Place, date and signature.
- Copy of any documents or records that substantiate the information given.

- An express declaration that the case in question has not been laid before any other administrative, judicial or arbitration body, or has been the subject of a previous ruling.

- If the complaint is against a financial intermediary, evidence that the case has previously been reported to its Customer Service Department or Client's Ombudsman, enclosing a copy of their response or else documentary proof that 2 months have passed without hearing from

them. The only circumstance in which an investor can complain direct to the Investor Assistance Office without first applying to the intermediary is when the latter has failed to execute a decision in his or her favour.

For this reason, you are advised to keep a copy of the document attesting that you have approached the intermediary with your complaint.



In order to help you in these matters, the CNMV has posted a standard form on its website that can be downloaded and printed out for making your complaint in writing. This form can be found at the following address:

www.cnmv.es > Investor's Corner > Information > Investor Assistance Office > Complaints Service.

3.3 Handling and resolution

- **Grounds for rejection.** Complaints presented to the CNMV will not be accepted for processing in the following circumstances:

- When data essential for case processing are missing and cannot be supplied.
- When the specific motives for the complaint cannot be satisfactorily determined.



- When there is insufficient evidence that the complaint has previously been presented to the relevant decision centres of the respondent entity (Customer Service Department or Client's Ombudsman).
- When the facts have been laid before other administrative, judicial or arbitration bodies.
- When they cover essentially the same ground as other complaints resolved on previously.
- The complainant will be notified of the **opening of an inquiry** within a maximum of 10 business days. The respondent entity is also notified, and given 15 business days to present any records and **arguments** it sees fit.
- All claims and complaints must be **resolved within 4 months** from the date of their reception by the Investor Assistance Office,

except in particular circumstances which will be explained to the complainant in a notice of delay.

- The **final report** contains the regulator's reasoned opinion on the respondent firm's conduct in the case in question: whether it is in order or whether, on the contrary, some irregularity has been detected.

This report is for information purposes only and its conclusions are not binding on either side. It accordingly makes no proposals or economic valuations in respect of possible damages to the complainant. The fact that it is not considered an administrative resolution means there is no right of appeal to administrative or judicial bodies.

- If both sides reach a settlement, or in the event that the report's conclusions are favourable to the complainant or discern signs of misconduct on the part of the



respondent entity, the latter has one month, as of the notification date, to inform the CNMV of any remedial action taken.

- Complainants can withdraw their complaint at any stage, bringing the formal procedure to an end. This need not stop the Investor Assistance Office conveying

the facts to some other CNMV department for supervisory purposes, or deciding to press on with its investigations in the general interest.







Presenting a COMPLAINT¹ - CNMV

Complainant details

Name: _____ Surname: _____
National ID or Passport: _____
Nationality: _____
Town: _____ Postcode: _____

Representative (*)

Name: _____ Surname: _____
National ID or Passport: _____
Nationality: _____

(*) When a representative is used, he or she should sign the form or, failing this, provide the appropriate credentials.

Correspondence address:

Name and surname or company name: _____
Address: _____
Contact phone no.: _____

Entity complained against:

Company or trade name of entity: _____
Office/branch where the event(s) took place giving rise to the complaint: _____

The following documents must be enclosed for the complaint to be accepted:

- Document accrediting that two months have elapsed since the complaint was presented to the Customer Service Department or, where appropriate, the Client's Ombudsman of the respondent entity without resolution of the same (registered letter slip, copy of receipt form, ...).
- Document accrediting that the complaint has not been accepted or has been turned down, entirely or in part (copy of letter of reply from the Customer Service Department and/or Client's Ombudsman).
- Documents accrediting the events in question (copy of all documents necessary or helpful for resolving the matter raised).

¹You can obtain detailed information on the complaint process at the CNMV website (www.cnmv.es), Investor's Corner section, or by phoning the Investor Assistance Office on 902 149 200.



Reason for complaint

(A clear, concise description of the facts giving rise to the complaint, specifying the remedy you seek)

CNMV

- The signatory expressly represents that this complaint has no decision or hearing pending in the courts of law, and has not been laid before any administrative, judicial or arbitration body.

Place, date and signature:

In: _____, on _____

Signature of Complainant

Representative

*The data contained in this document will be stored in an automated file for administrative processing, and will be forwarded only to the entities under CNMV supervision implicated in the complaint. Any person wishing to access, amend or remove their data pursuant to Law 15/1999 of 13 December on the Protection of Personal Data should send a letter to this effect to the CNMV, Serrano 47 – Oficina de Atención al Inversor -, 28001 MADRID.





04

Other protection mechanisms

Investors can exercise their rights through other channels besides the Investor Assistance Office and investment firm customer service departments.

4.1 The law courts

After exhausting all administrative remedies, or if the nature of the case means such remedies are unavailable, investors have the option of going to law to defend their legitimate interests

After exhausting all administrative remedies, or if the nature of the case means such remedies are unavailable, investors have the option of going to law to defend their legitimate interests. For instance, although the CNMV may find that a complainant's interests have probably been harmed, only the courts can award damages against the provider with full enforceability.

As a rule, the relations between investment firms and their clients are governed by a contractual arrangement known as



a “commercial commission”², whereby the intermediary can be held accountable for the partial, late or defective performance of its professional obligations.

Certain criminal offences may also apply to securities market operations, including crimes against property, the socioeconomic order, the market



or consumers and corporate crime. In extreme cases, we may even be talking about fraud, misappropriation, insider dealing, conspiracy to rig prices, etc.

In the case of the so-called **boiler rooms** or fly-by-night operators (firms offering investment services without being authorised to do so and therefore outside any supervisory control), the fact they are not registered with the CNMV means claims cannot be resolved through administrative action. Complainants in such cases will have no alternative but to go to court to seek legal liability and/or economic compensation.

²Articles 38 to 41 of the Securities Market Law and 252 onwards of the Commercial Code

One thing they can do, which may prevent others falling into the same trap, is advise the CNMV of the facts so it can better perform its supervisory labours and alert the investor public at large to the existence and risks of dealing with unauthorised suppliers.



All authorised investment firms registered with the CNMV are affiliated to the Fund

4.2 The investment guarantee fund management company

The **Investment Guarantee Fund** was set up to ensure clients a maximum compensation of 20,000 euros if they are unable to recoup the cash or financial instruments entrusted to a firm for the provision of one or various investment services.

All authorised investment firms registered with the CNMV are affiliated to the Fund. Hence the importance of working only with providers that are licensed to perform investment services: non licensed firms do not contribute to the Fund so their clients have no entitlement to coverage.



If a broker or broker-dealer is unable to return the cash or securities in its care, because it has become insolvent as defined by law, the investor can claim compensation by completing and submitting the designated forms to the Investment Guarantee Fund Management Company.

Anyone wishing more information about the Fund can contact the Management Company at: Paseo de la Habana, 82, 1º dcha. 28036 Madrid (www.fogain.org).

Just as securities markets have an Investment Guarantee Fund, the banking system has the **Deposit Guarantee Fund**, which protects savers and investment service users in the event of an insolvency or liquidity problems affecting credit institutions within the Spanish banking system. All credit institutions must contribute to this Fund, which likewise offers compensation up to a maximum of 20,000 euros.

In the cases provided by law, the investor can claim compensation by completing and submitting the designated forms to the Investment Guarantee Fund Management Company

Investors planning to operate through foreign firms or institutions should first make sure that they subscribe to a similar guarantee fund in their country of origin.



Investors planning to operate through foreign firms or institutions should first make sure that they subscribe to a similar guarantee fund in their country of origin



COMPLAINTS



05

Most common claims and complaints

Although the list below is not intended to be exhaustive, we can say that the points most often raised with the CNMV's Investor Assistance Office offer a good guide to the pitfalls you may encounter in your securities market operations.

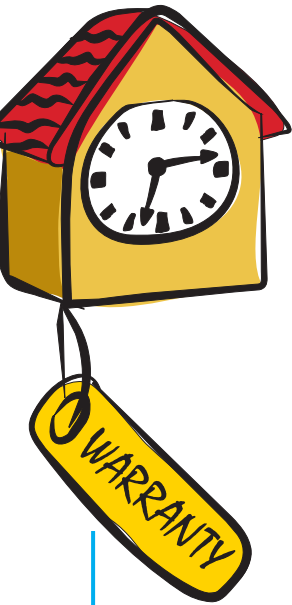
FEES AND CHARGES FOR THE PROVISION OF SERVICES

- Failure to provide a fee schedule annexed to the client agreement.
- Charging fees for services not listed in the fee schedule.
- Charging fees higher than the registered maximum.
- Change in applicable fee schedules without the obligatory two months' notice.
- Repeat charging of fees for the split execution of a single order.
- Unclear wording or layout of settlement statements.



INVESTMENT FIRM/
CLIENT RELATIONS

- Failure of custodians to supply sufficient information to account holders with securities traded on foreign markets.
- Incidents with security buy-sell orders: terms, price limits, volume, fees applied, etc.
- Delays in transferring ownership during testamentary execution.
- Lack of information in stock delistings.
- Late or non delivery of Shareholders' Meeting attendance cards.
- Late or non delivery of instruction cards for takeover bids and capital increases.
- Intermediaries deciding unilaterally (for operational reasons) to reduce the acceptance period for takeover bids and capital increases.
- Firms acting without express instructions from clients then claiming to act "in defence of their clients' interests".
- Incidents arising in dealings between investors and the agents or representatives of investment firms.

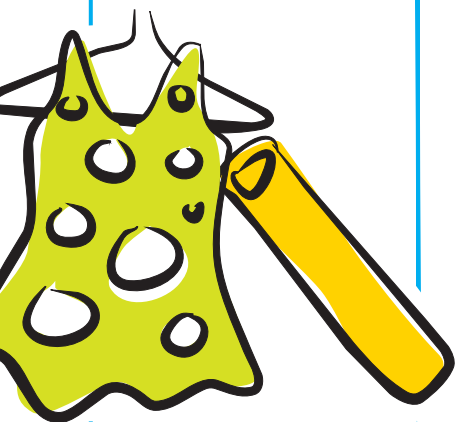


INVESTMENT FIRM/ CLIENT RELATIONS

- Incidents in warrants trading: gaps in counterparty provision by specialists, delays by intermediaries in getting the latest information to investors, etc.
- Incidents in public share offerings or rights offerings: failure to deliver mandatory documentation, placing of shares before the prospectus is filed with the CNMV, delays in delivery of securities, etc.
- Deficiencies in the information or documents supplied in the subscription of reverse convertibles, preference shares, etc.
- Problems with payment dates of coupons and dividends or securities redemption dates.
- Incidents arising in the course of mergers, reductions of nominal value, share splits and contra-splits, etc.
- Trading interruptions.



COLLECTIVE
INVESTMENT
SCHEMES (CIS)



- In marketing and sales:
 - Insufficient or misleading information.
 - Failure to deliver the prospectus filed with the CNMV.
 - Delivery of advertising material in place of the mandatory legal documents.
 - Misleading or incomplete advertising material regarding mutual funds.
- Entities obliging clients to open a current account before they purchase mutual fund units.
- Unjustified delays or obstacles when switching between schemes.
- Late or non delivery of notifications of changes in mutual fund conditions giving unitholders free exit rights.

<p>COLLECTIVE INVESTMENT SCHEMES (CIS)</p>	<ul style="list-style-type: none">- Failure to divulge the number of unitholders of a foreign CIS (required information when applying for tax deferral in inter-fund transfers).- Insufficient information and/or incidents when subscribing to foreign CIS.
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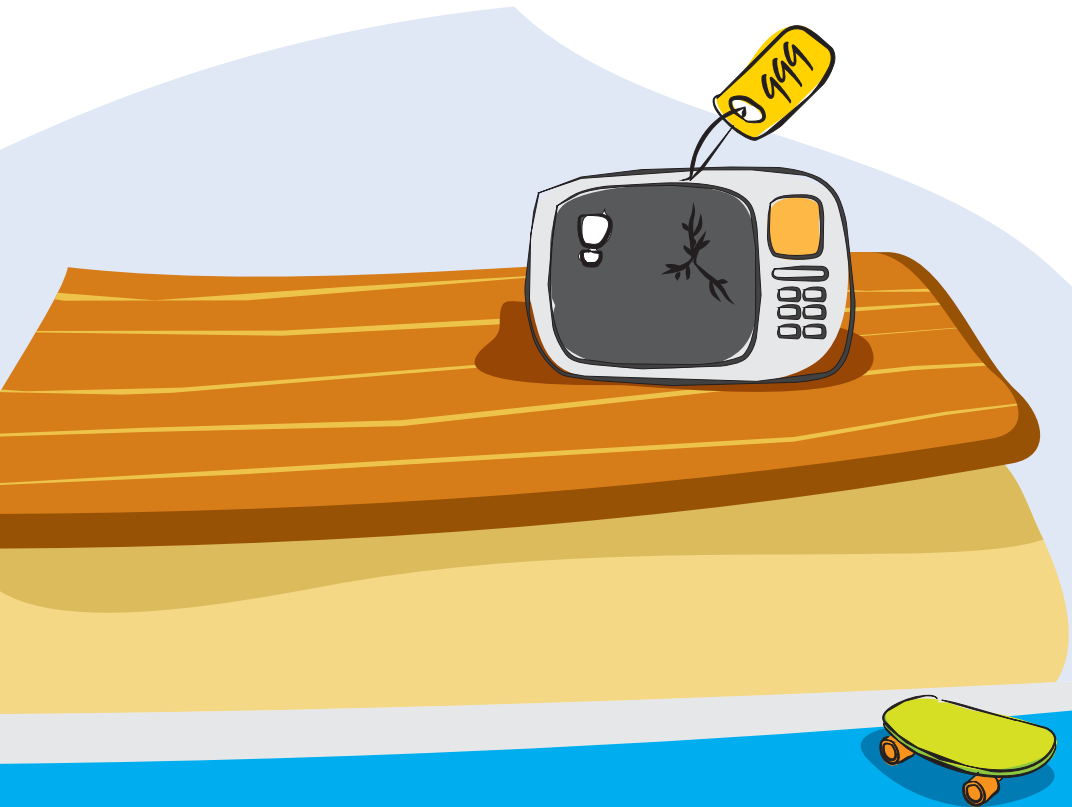
Other questions raised:

<p>ISSUING COMPANIES</p>	<p>- Failure to meet disclosure requirements: website maintenance and contents, communication of significant events, update of significant shareholder filings, mailing of annual and periodic statements, etc.</p>
<p>UNREGISTERED PROVIDERS</p>	<p>Known as boiler rooms, they offer investment services without being licensed to do so and without any type of supervision. In most cases, the investors who are tempted end up losing heavily.</p>



UNREGISTERED PROVIDERS

Because unregistered providers operate outside the scope of securities market regulations, investors cannot pursue a case against them through the normal administrative channels. Their only recourse is to go to law (although the CNMV does exercise a watchdog role in their regard).





06

Tips for investors

Before you invest, make sure the firm you plan to operate with is authorised by the CNMV and entered in its registers.

Better safe than sorry

Be wary of any offer promising returns substantially above the market rate. Do not sign any agreement or pay in capital before checking the relevant conditions.

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Ask for written information on any product you plan to take out. Read carefully through any paper you are asked to sign, with special attention to the small print and details like fees, terms, guarantees, etc.

A few minutes' reading will help you understand the product and its characteristics, and save later surprises and misunderstandings.



Ask your provider about anything you are unsure of, and don't rely exclusively on advertising material.

If you are still in doubt about the nature or risks of an investment, direct your enquiries to the Investor Assistance Office of the CNMV.

Remember caution is probably your best counsel if you are not 100% sure about a product.

When writing your complaint, give a detailed account of the events behind it and enclose a copy of all documentation that supports your version.

Remember the view taken by the person handling the complaint will largely depend on your written submission.

Check that your complaint is in good formal order as regards time limits, ID, minimum contents, etc. That way you can be sure it will be accepted for processing.

Make your complaint as soon as you can: providers are obliged to conserve most of their records for a period of five years.

Keep receipts or other documents accrediting that your complaint went first to the Customer Service Department or Client's Ombudsman of the respondent entity.

Remember the CNMV, in its resolution, may censure a firm's conduct, but will not go into either the appropriateness or amount of possible economic damages.



CNMV Investor Guides

Guides published:

What you should know about mutual funds and collective investment

What you should know about futures and options

What you should know about securities orders

What you should know about the rights and responsibilities of shareholders

What you should know about fixed-income products

What you should know about fly-by-night operations

What you should know about investment service companies

What you should know about investor protection: making a complaint

The aim of this guide is to inform the public in general about different aspects of the securities markets. The text is for information purposes only and as such, cannot constitute a support for subsequent legal interpretations. The prevailing regulations are only ones applicable for these purposes.

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