



# Complaints Handling Policy

Stripe Technology Europe Limited

*Approved and adopted by the STEL Board 15 November 2021*



# Document information

<b>Owner</b>	STEL Head of Compliance & Head of EMEA Regulatory Legal
<b>Approver</b>	Board of Directors for STEL
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# 1. Policy Overview

This Complaints Handling Policy (“Policy”) defines the approach which Stripe Technology Europe Ltd (“STEL” or “Stripe”) takes to the handling of complaints from its users. It is the framework on which operational procedures for complaints handling are built.

This Policy applies to:

- STEL; and
- Full or part-time employees, contractors, secondees, board members, officers, and other senior managers of Stripe (“Employees”).

The Policy should be read in conjunction with the commitments made to users in respect of complaints handling as documented in the [Stripe User Policy on Complaints Handling](#) (“User Policy”). This is made available to Stripe users on its website, and is a detailed guide for users around their rights, and the obligations of Stripe, in respect of the handling of complaints from users. The User Policy was approved by the Board of Directors of STEL (the “Board”) in 2020 and no further amendments have been identified to the User Policy at this point. The User Policy will remain under annual review.

The commitments made to users in the User Policy are the foundation of this Policy, which establishes the standards necessary to adhere to these commitments, and demonstrates STEL’s compliance with applicable regulatory requirements and guidance.

This Policy is a Tier 2 (Country, Entity, or Product Specific Policy) as defined under Stripe’s Policy Framework.

## Policy statement

Stripe is committed to the highest level of service to its users and has developed this Policy in order to document its regulatory obligations and demonstrate that it has adequate organisational controls in place to satisfy the regulatory requirements and expectations for complaints handling in Ireland.

## 2. Background

### 2.1 STEL regulated company overview

STEL is an Irish private company limited by shares.

The Central Bank of Ireland (“CBI”) granted STEL an authorisation to operate as an Electronic Money Institution (“EMI”) in March 2019. By virtue of such authorisation STEL may issue e-money and offer regulated payment services to Stripe users in Ireland and in the EEA (on a freedom of services basis).

As a regulated financial services provider in Ireland providing payment services and/or issuing electronic money, STEL must comply with certain sections of the Consumer Protection Code 2012 (as amended) (“the Code”) with respect to its users and, this Policy also takes into account specific requirements for Irish consumers under the Code..

### 2.2 General principles of the Code

Stripe adheres to the General Principles in the Code, namely:

STEL must ensure that in all its dealings with customers and within the context of its authorisation it:

- acts honestly, fairly and professionally in the best interests of its customers and the integrity of the market;
- acts with due skill, care and diligence in the best interests of its customers;
- does not recklessly, negligently or deliberately mislead a customer as to the real or perceived advantages or disadvantages of any product or service;
- has and employs effectively the resources, policies and procedures, systems and control checks, including compliance checks, and staff training that are necessary for compliance with the Code;
- seeks from its customers information relevant to the product or service requested;
- makes full disclosure of all relevant material information including all charges, in a way that seeks to inform the customer;

- seeks to avoid conflicts of interest;
- corrects errors and handles complaints speedily, efficiently and fairly;
- does not exert undue pressure or undue influence on a customer;
- ensures that any outsourced activity complies with the requirements of the Code;
- without prejudice to the pursuit of its legitimate commercial aims, does not, through its policies, procedures, or working practices, prevent access to basic financial services; and
- complies with the letter and spirit of the Code.

The above provisions are binding on regulated entities and must, at all times, be complied with when providing financial services to customers.

Stripe Employees in 'user-facing' roles are obliged to apply the general principles in their interactions with customers and consumers (where relevant).

## 3. Key Definitions and Requirements

### 3.1 Definitions

#### **What is a complaint?**

Broadly, for the purposes of this Policy, Stripe defines a complaint as follows<sup>1</sup>:

*An expression of dissatisfaction made to an organisation, related to its products or the complaints handling process itself, where a response or resolution is explicitly or implicitly expected and/or that claims that the complainant has suffered (or may suffer) financial loss, material distress or material inconvenience.*

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<sup>1</sup>Note that under the Irish Consumer Protection Code (CPC), "complaint" refers to an expression of grievance or dissatisfaction by a consumer, either orally or in writing, in connection with:

a) the provision or the offer of the provision of a product or service to a consumer by a regulated entity; or b) the failure or refusal of a regulated entity to provide a product or service to a consumer. We will apply this definition to you if you are a consumer in Ireland.



A complaint may be in written or verbal format.

### **Who is a complainant?**

A complainant for the purposes of this Policy is a Stripe user. This Policy does not cover complaints brought by persons or organisations that are not Stripe users, including those who make payments to users (their “Customers”).

In the event that Stripe receives a complaint from a Customer that is not a Stripe user, Stripe will follow its normal support process and redirect the Customer to the appropriate user.

Where a user is a consumer in Ireland, as defined in the Code, and makes a complaint to Stripe, the complaint will be handled in accordance with the complaints process set out in this Policy.

### **What is the definition of a “consumer”?**

“Consumer” means any of the following:

- a person or group of persons, but not an incorporated body with an annual turnover in excess of €3 million in the previous financial year (this includes partnerships and other unincorporated bodies such as clubs, charities and trusts), or,
- incorporated bodies with an annual turnover of €3 million or less in the previous financial year (provided that they are not a member of a group of companies with a combined turnover greater than €3 million).

Notwithstanding that Stripe conducts business to business (“B2B”) activity and therefore has a limited number of Irish consumers on its platform, Stripe strives to respect and apply the standards of the Code in all of its dealings and interactions with customers.

## 3.2 Requirements of the Code in respect of complaints handling

Chapter 10 of the Code (“Errors and Complaints Resolution”) contains the regulatory requirements for STEL in respect of complaints handling:

- A regulated entity must seek to resolve any complaints with consumers.
- When a regulated entity receives an oral complaint, it must offer the consumer the opportunity to have this handled in accordance with the regulated entity’s complaints process.
- A regulated entity must have in place a written procedure for the proper handling of complaints. This procedure need not apply where the complaint has been resolved to the complainant’s satisfaction within five business days, provided however that a record of this fact is maintained. At a minimum this procedure must provide that:
  - a) the regulated entity must acknowledge each complaint on paper or on another durable medium within five business days of the complaint being received;
  - b) the regulated entity must provide the complainant with the name of one or more individuals appointed by the regulated entity to be the complainant’s point of contact in relation to the complaint until the complaint is resolved or cannot be progressed any further;
  - c) within five business days of the completion of the investigation, the regulated entity must advise the consumer on paper or on another durable medium of: i) the outcome of the investigation; ii) where applicable, the terms of any offer or settlement being made; iii) that the consumer can refer the matter to the relevant Ombudsman, and iv) the contact details of such Ombudsman.
- A regulated entity must maintain an up-to-date log of all complaints from consumers subject to the complaints procedure. This log must contain:
  - a) details of each complaint;
  - b) the date the complaint was received;

- c) a summary of the regulated entity's response(s) including dates;
- d) details of any other relevant correspondence or records;
- e) the action taken to resolve each complaint;
- f) the date the complaint was resolved; and
- g) where relevant, the current status of the complaint which has been referred to the relevant Ombudsman.

- A regulated entity must maintain up to date and comprehensive records for each complaint received from a consumer.
- A regulated entity must undertake an appropriate analysis of the patterns of complaints from consumers on a regular basis including investigating whether complaints indicate an isolated issue or a more widespread issue for consumers. This analysis of consumer complaints must be escalated to the regulated entity's compliance/risk function and senior management. It was noted in the Consumer Protection Code Guidance document of May 2021 that the CBI would expect a regulated entity to undertake an analysis of patterns of complaints on at least an annual basis.

## 4. Risk Management Approach for this Policy

The Risk Management Framework for STEL (the "Framework") sets out the approach for management of risk in the entity. This Policy is written in accordance with the requirements of the Framework.

### 4.1 Risk Appetite Statement

The STEL Risk Appetite Statement was approved by the STEL Board in May 2021. Under Regulatory Risk, it is noted that STEL has zero risk appetite for regulatory problems, as defined by the overall Stripe appetite in "Zero Metric for Regulatory Problems". Zero regulatory problems is defined as:



- no significant regulatory action that has a material negative impacts where Stripe operates as a regulated entity;
- no regulatory enforcement action, consent order or other governmental action that results in the imposition of any fine or significantly jeopardizes our ability to provide our products or services;
- no material negative finding assessed in regulatory audits in jurisdictions where Stripe has licenses; or
- no major new regulation or law goes into force that has a material negative impact on Stripe's ability to operate its business.

This in turn informs the standards outlined in this Policy, to mitigate the risk of regulatory problems occurring in respect of complaints handling.

#### **4.2 What are the risks addressed by this Policy?**

- The risk that users face unclear processes or unreasonable barriers to making a complaint;
- The risk that Stripe does not handle complaints effectively and deliver fair outcomes to users;
- The risk that Stripe does not maintain accurate records or fails to log complaints appropriately; and
- The risk that Stripe does not have appropriate processes for analysing and addressing the root cause analysis of complaints, where these point to opportunities to either improve products or services to users, or improve our control environment further.

## 5. Roles and Responsibilities

In accordance with the three lines of defence model outlined in the Framework, roles and responsibilities for the handling of customer complaints are organised as follows:

- First Line (“1LOD”): those functional groups engaging in business activities that create risk on behalf of STEL have primary responsibility for associated risk management activities. For the purposes of this Policy, Stripe has specific complaints handling teams that are part of the 1LOD;
- Second Line (“2LOD”): dedicated risk and compliance management functions are necessary to provide guidance, challenge and risk-based assurance; and
- Third Line (“3LOD”): provision of independent assurance.

The Board sets the tone for risk and compliance management in the STEL entity and maintains appropriate oversight of the entity.

### 5.1 Roles and responsibilities

Roles and responsibilities in respect of each of the lines of defence for complaints handling are:

- First line (teams engaged directly with users in the handling of complaints)
  - Accountable for putting in place operational processes in order to comply with the legal requirements for complaints handling;
  - Accountable for implementing adequate and effective controls (systems, structures, arrangements and training) to meet the risks associated with complaints handling as addressed by this Policy;
  - Identifying, assessing and mitigating risks relating to Complaints Handling;
  - Conduct appropriate analysis of the trends and patterns of complaints from users on a regular basis. This will be provided to senior management as appropriate; and
  - Provision of reports, data and assurance to senior management and the Board in respect of the requirements of the Policy
- Second line (EMEA Enterprise Risk & Compliance; Regulatory Legal)
  - Owners of the Policy;

- Assessment of the control environment for complaints handling by conducting risk-based monitoring of the controls as required by this Policy, to assess their adequacy and effectiveness;
  - The EMEA Regulatory Legal team at Stripe is responsible for advising on matters of STEL's compliance with the Code and notifying employees of any changes to the Code.
  - Assisting teams by providing advice and guidance and where required training material on the requirements of the Policy; and
  - Provision of objective risk profile reporting to senior management and the STEL Board, via Key Risk Indicators ("KRIs") associated with the management of the complaints handling processes
- Third Line (Internal Audit)
    - Provision of independent, reasonable assurance to senior management, the Boards of Stripe and key stakeholders on the effectiveness of Stripe's risk management and internal control environment.

## 6. Standards required by this Policy

### 6.1 Initial assessment of complaints

Complaints are reviewed for completeness from the perspective of:

- Name of complainant
- Contact details
- Stripe user details, including Stripe Account
- The nature of the complaint, including when the conduct or incident giving rise to the complaint occurred; and
- Copies of any documentation supporting the complaint.



Should additional information be required, Stripe will contact the complainant as appropriate.

## 6.2 The Complaint Process

Stripe will carefully consider each complaint, investigating the conduct or incident while taking into account all relevant factors, before providing a response.

If Stripe considers that feedback does not qualify as a complaint (for example, as a result of user error), Stripe may send a final response rejecting the complaint and explaining the basis for doing so.

Similarly, if Stripe finds that another party is responsible for the underlying conduct or incident, Stripe may redirect a complainant to that party.

The final response in respect of the complaint will:

- Accept the complaint and where appropriate, offer redress or remedial action (if required, appropriate to the nature and scale of the complaint),
- Offer redress or remedial action (if required, appropriate to the nature and scale of the complaint) without accepting the complaint, OR
- Explain Stripe's position in the event that the complaint is rejected by Stripe

Stripe ensures that all communications with complainants are in line with local regulatory requirements. For example, communications include details of third party adjudication bodies, as required, such as the Financial Services and Pensions Ombudsman services in Ireland. Information regarding this is in the User Policy.

Where redress or remedial action is deemed appropriate, Stripe will deliver on this offer promptly.

If a complainant does not respond, or if a complainant indicates acceptance, Stripe considers a complaint resolved.



## 6.3 Response times

Stripe aims to:

- Acknowledge complaints promptly and within **5 business days** of Stripe receiving the complaint.
- Provide the email address `complaints@stripe.com` to be used as a single contact channel for the complainant in relation to the complaint.
- Provide a final response within **15 business days** of Stripe receiving the complaint.
- In exceptional circumstances, where Stripe is unable to reach a final conclusion within 15 business days, Stripe will respond with a rationale and indication as to when a final response can be expected, which will be within **35 business days** of Stripe receiving the complaint.
- Whenever Stripe has completed its investigation, a final response will be issued promptly, and within 5 business days.

Unless verbal, Stripe's response will be in the format in which it was received (i.e. email if email). Verbal complaints will be responded to via email.

## 6.4 Root Cause Analysis

Stripe conducts Root Cause Analysis ("RCA") and considers information received via complaints as valuable feedback, and applies lessons learned to the Service. Updates on RCA are provided to management at regular intervals (quarterly).

## 6.5 Training and Awareness

Employees engaging in handling complaints must carry out their role in accordance with procedures, and specific training and awareness measures are in place to help employees identify, resolve and record complaints correctly.

Stripe ensures that employees involved in investigation and/or adjudicating on complaints are appropriately trained or qualified to do so.

## 7. Governance

### 7.1 Policy

The Board shall review and approve this Policy on at least an annual basis, as well as any material changes made to the Policy during the year.

### 7.2 Board reporting

The Board receives quarterly reports from the Chief Risk Officer (“CRO”) on the risk profile of STEL which includes updates on a range of risk appetite metrics and KRIs. This includes KRIs in respect of the volumes of complaints being handled.

In addition, risks associated with complaints handling are captured as a sub-risk of Regulatory Compliance Risk in STEL’s Risk Register. It is reported upon by the CRO to the senior management and the Board .

Complaints handling teams provide regular management Board level metrics and analysis of complaints.

### 7.3 Policy violations

All employees must adhere to the requirements set out in this Policy. Policy violations will be escalated to and addressed by the Regulatory Legal and Compliance teams and/or the Board and may result in disciplinary action.

## 8. Record-keeping and record retention

Complaints and records associated with customer complaints are kept for a minimum of six years in line with Stripe’s record retention policy. The Complaints Handling teams are responsible for the retention of these records.

## 9. Policy Communication

### 9.1 Awareness Methods

This Policy and any amendments will be made available to the STEL Board, STEL Senior Management, Functional Owners and other stakeholders. This Policy is widely available, disclosed and accessible to all Employees via the Stripe intranet. Stripe Employees are expected to comply with this Policy and the Code in Ireland.

### 9.2 Update Requirements

The Head of Compliance for STEL and Head of EMEA Regulatory Legal will review and where necessary, propose updates to this Policy at least annually or as required following operational, legal and regulatory developments. The Board is asked to consider and approve this Policy and any proposed updates at least annually.

### 9.3 Exceptions and interpreting this Policy

For any questions on this Policy or the Program, or to address any situations not covered herein, please reach out to the Head of Compliance and Head of Regulatory Legal.

Any material breaches of this policy will be reported to the STEL Board.



## Appendix A: Supplementary Documentation

The following Procedures should be read in conjunction with this Policy:

[External User Policy on Complaints Handling](#)

[Global Process for Complaints Handling](#)

[Covid-19 Workflow - Returning Fees](#)

[User Operations Guidelines: User Happiness Adjustments](#)