

# TREATING CUSTOMERS FAIRLY POLICY

February 2017



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## 1. INTRODUCTION

- a. This Treating Customers Fairly (TCF) policy document is applicable to ALUWANI Capital Partners (Pty) Limited ("ALUWANI" or "the firm").
- b. For the purposes of this TCF policy the term 'customer' or 'client' is interchangeable and is defined as a retail or institutional client, either natural or juristic, who is potentially vulnerable to unfair treatment by ALUWANI.
- c. The fair treatment of clients has always been, and will continue to be, central to the operating philosophy and values of ALUWANI.
- d. The objective of this TCF policy document is the ongoing governance of the six TCF outcomes as follows:
  - i. Outcome 1: Culture and Governance
    - Clients of ALUWANI must be confident that they are dealing with a firm where the fair treatment of clients is central to the firm's culture.
  - ii. Outcome 2: Products and Services
    - Products and services marketed and rendered to clients by ALUWANI must be designed to meet the needs of the identified clients and be targeted accordingly.
  - iii. Outcome 3: Information and Disclosure
    - Clients of ALUWANI must be given clear and comprehensive information and be kept appropriately informed before, during and after the time of contracting with the firm.
  - iv. Outcome 4: Suitability of Advice
    - Where ALUWANI provides clients with advice, the advice given must be suitable and consider the client's specific circumstances.
  - v. Outcome 5: Performance Expectations and Service Standards
    - ALUWANI must provide clients with products that perform as we have led the clients to expect, and the service provided by ALUWANI to clients must be of an acceptable standard and in line with what the clients have been led to expect.
  - vi. Outcome 6: Post Sales Changes and Switches
    - ALUWANI clients must not face any unreasonable barriers to change product, switch financial services provider, submit a claim or make a complaint after the sale of a product.

## 2. CULTURE AND GOVERNANCE

- a. The Board of Directors of ALUWANI have formally adopted the above TCF principles. Implementation and monitoring must be carried out using a top-down approach.
- b. The oversight and monitoring of TCF has been assigned to the Audit and Risk Committee.
- c. The Executive Committee of ALUWANI, which comprises senior management and team leaders from across different business areas in the firm, is responsible for the ongoing implementation and governance of TCF. The Executive Committee understands its role in delivering TCF outcomes to the firm's clients.
- d. ALUWANI's business strategy must always consider possible implications on the fair treatment of clients. TCF implications and outcomes must always be explicitly considered during the approval of new business projects.
- e. An evaluation of the culture and governance aspects of TCF at ALUWANI must be performed at least once annually to assess ALUWANI's continued understanding of TCF.
- f. Formal and regular reporting on TCF progress, risks and failures must be produced and presented to the Executive Committee, the Audit and Risk Committee and the Board of Directors to ensure the achievement of TCF objectives is evaluated on an ongoing basis.
- g. ALUWANI's Risk Management Plan must include TCF objectives.
- h. TCF objectives must be a consideration during staff performance evaluation and recruitment processes, as well as during remuneration processes.
- i. The unfair treatment of clients will not be tolerated and significant consequences will follow for staff and management that do not adhere to the firm's TCF requirements.
- j. Communication on TCF with all stakeholders (clients, regulators, staff etc.) will be transparent and any appropriate information must be made publicly available.

## 3. PRODUCTS AND SERVICES

- a. When developing or distributing a product, ALUWANI must ensure that research is done on clients to ensure suitability.

- b. ALUWANI must provide information to intermediaries to assist them in selecting suitable clients for the firm's products and ALUWANI must ensure the firm's distribution channels and strategy are both suitable for the target market.
- c. The products and services provided by ALUWANI must be simple enough for clients to understand them. ALUWANI must continuously evaluate its products and services to identify any potential risks to clients.
- d. The ALUWANI product development forum (known as the "Fringe") must consider TCF outcomes when approving new products.
- e. ALUWANI must monitor sales to ensure that products are sold to the right clients and that steps are taken to mitigate situations where products are distributed to inappropriate clients.
- f. Any complaints regarding ALUWANI products must be considered by the product development forum and the resolution of such complaints must consider TCF objectives.

#### **4. INFORMATION AND DISCLOSURE**

- a. ALUWANI must assess the clarity, appropriateness and fairness of information and disclosures provided to clients in respect to the firm's products. The information and disclosures must be signed off by a designated senior member of the Executive Committee of ALUWANI before any distribution.
- b. Any inaccurate, unfair or misleading information provided to clients must be escalated to the Executive Committee and the Audit and Risk Committee, and mitigating steps must be taken as soon as possible.
- c. Regular reviews must be done regarding product information and disclosures which are already in circulation to make certain that they remain accurate, clear and appropriate for identified clients.
- d. Any suggestions or complaints received from either a client, intermediary or staff member regarding product information must be seriously considered by ALUWANI.
- e. ALUWANI must provide clients with relevant information and disclosures on an ongoing basis subsequent to contracting with the client. This information and these disclosures must be provided through appropriate channels and clients must be informed regarding any changes to products in a timely fashion in order to allow sufficient time for the clients to make informed decisions.
- f. ALUWANI staff must be appropriately and adequately trained to provide clients with accurate non-standard information.

- g. Client information held by ALUWANI must always be accurate and up to date and clients should be able to contact the firm through a number of channels in order to receive fast and accurate product information and disclosures.
- h. ALUWANI must keep accurate, secure and retrievable records of product information and disclosures supplied to clients, as well as any other relevant interactions.

## **5. SUITABILITY OF ADVICE**

- a. ALUWANI must always consider the appropriate advice required in order to sell or market the firm's products.
- b. Before contracting with any Financial Services Provider (FSP) to market or sell the firm's products, ALUWANI must perform a reasonable and appropriate due diligence of the FSP to make sure that their advice processes and service levels meet the firm's TCF policy requirements.
- c. ALUWANI must provide any relevant FSPs, and their representatives, with ongoing access to product information to ensure that they render suitable advice to clients.
- d. ALUWANI must monitor feedback and complaints from clients regarding the advice provided by FSPs relating to the firm's products. Where the advice provided is inappropriate, steps must be taken to mitigate the risk to the clients concerned.
- e. ALUWANI must ensure that the firm's TCF policy and objectives are clearly communicated to all FSPs that sell the firm's products, and feedback must be provided swiftly in any instances where the ability to deliver TCF outcomes to clients is impeded.
- f. ALUWANI must review and be satisfied that any FSP that sells the firm's products has no conflict of interest which may lead to inappropriate advice.
- g. ALUWANI must provide information to clients on how to seek redress when they have been prejudiced by inappropriate advice or unfair treatment.

## **6. PERFORMANCE EXPECTATIONS AND SERVICE STANDARDS**

- a. ALUWANI must take steps to mitigate situations where environmental, regulatory or economic developments impact the extent to which the firm's products do not meet reasonable client expectations.
- b. ALUWANI must continuously monitor and act on feedback, complaints and suggestions received from clients, or any other parties, which identify the need for improvements in the firm's products and/or service standards.

- c. ALUWANI must ensure that appropriate steps are taken to rectify situations where products and/or service standards are not performing as clients have been led to expect.
- d. The confidentiality of ALUWANI clients' information is of great importance to the firm and processes must be put in place to protect client information.
- e. ALUWANI must always keep agreements in place which define the division of responsibilities between various parties to ensure fair treatment of clients.
- f. ALUWANI must ensure there is full and unrestricted access to information held by third parties that deal with the firm's products in relation to clients.

## 7. POST SALE CHANGES AND SWITCHES

- a. ALUWANI clients must be informed in advance of any changes that may be made to their products should circumstances change, as well as any important limitations.
- b. Should ALUWANI become aware of a client's circumstances changing, the firm must inform them of possible changes which may be made to their products.
- c. Clients must always be provided with clear and understandable reasons as to why a product change request may be declined.
- d. ALUWANI has a robust complaints management, record keeping and cause analysis process. The firm must ensure that the complaints process is accessible and appropriate for clients. Clients must be informed in advance regarding complaints procedures and how to seek further redress if they are not satisfied with the outcome of the complaint. For more information regarding complaints and how they are dealt with, please refer to the ALUWANI Complaints Handling Procedure document.
- e. Once a complaint has been received, ALUWANI must keep the client informed of progress made and when responding to a complaint, ALUWANI must provide clear and understandable reasons for the response with supporting evidence when required.
- f. If ALUWANI declines to provide redress to a client, the firm must provide information on what steps can be taken to have the decision reviewed.
- g. The relevant ALUWANI employees who deal with complaints must be adequately equipped and must take TCF principles into account.

- h. All decisions regarding complaints are to be objective, consistent, and without any conflicts of interest. Responses to complaints should be followed up to ensure client satisfaction and fair treatment.
- i. ALUWANI's complaints handling process must remain consistent, and fair compensation must be provided if a client is prejudiced by unfair treatment.
- j. Complaints must be analysed in order to identify potential risks of mis-selling and to assess the appropriateness of the firm's products and services for the clients concerned.