



Policy

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TREATING CUSTOMERS FAIRLY

Company Registration no: 2020/058994/07

FSP : 51563

(hereinafter referred to as the Financial Services Provider)

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1. INTRODUCTION

Lebohang Modimo Brokers (Pty) Ltd notes that the FSCA's principles-based "treating customers fairly" ("TCF") initiative underlies all facets of the regulatory framework prescribed by the FSCA. The initiative has as its aim the raising of standards in relation to the fair treatment of clients to whom financial services are provided in order to enhance the client experience and protect clients.

2. PURPOSE OF TCF POLICY

The Treating Customers Fairly (TCF) initiative is a key component of the Financial Sector Conduct Authority's broader customer protection and market conduct directive. Treating Customers Fairly (TCF) is an outcomes based regulatory and supervisory approach designed to ensure that regulated financial customers.

3. SCOPE OF TCF POLICY

The scope of this Policy extends to all employees of the Company and service providers to whom functions have been outsourced by the Company in terms of the Outsourcing Policy.

4. REGULATORY REQUIREMENTS

Lebohang Modimo Brokers (Pty) Ltd commit itself to align TCF initiatives to the organizational culture and business processes in such a way as ensure that the six outcomes of TCF are at all times achieved.

4.1 TCF OUTCOMES

Customers can be confident they are dealing with firms where TCF is central to the corporate culture.

OUTCOME 1 - CULTURE

Products and services marketed and sold in the retail market are designed to meet the needs of identified customer groups and targeted accordingly.

OUTCOME 2 – PRODUCT SELECTION

Policyholders are given clear information and are kept appropriately informed before, during and after the time of entering into a policy.

OUTCOME 3 – PROVIDING INFORMATION

Where policyholders receive advice, the advice is suitable and takes account of their circumstances.

OUTCOME 4 – SUITABILITY OF ADVICE

Policyholders are provided with products that perform as insurers or their representatives have led them to expect, and the associated service is both of an acceptable standard and what they have been led to expect.

OUTCOME 5 – PERFORMANCE

Policyholders do not face unreasonable post-sale barriers to change or replace a policy, submit a claim or make a complaint.

OUTCOME 6 - BARRIERS

4.2 TCF PRINCIPLES

The TCF principles are encompassed in the TCF Outcomes and also embodied in the General Code of Conduct. The principles focus specifically on the fair treatment of the customer.

- OUTCOME 1: Principle of Culture and Governance
- OUTCOME 2: Principle of Product Stability
- OUTCOME 3: Principle of Disclosure
- OUTCOME 4: Principle of Suitable Advice
- OUTCOME 5: Principle of Performance and Services in line with expectations
- OUTCOME 6: Principle of Claims, Complaints and Changes

4.3 MANAGEMENT RESPONSIBILITIES

TCF is the responsibility of senior management. However, taking action to change the business to deliver TCF is the responsibility of everyone in the Company. Management shall ensure that all outcomes which affect the processes are followed and are integrated into the policies and procedures of the company and these shall be evident in the Key Performance Indicators (KPI). Management shall ensure that TCF implications and risks are addressed in the relevant management meetings and communicated accordingly.

4.4 MONITORING OF TCF

Embedding TCF in supervision and enforcement will ensure commitment to monitor the fair treatment of customers, as well as the actions the company will take when employees fail to live up to commitments.

The Company will ensure governance and controls are in place and the Risk Register updated to include TCF related risks. To ensure that the function is effectively managed and implemented, TCF Officer will be appointed who will report to Senior Management and is responsible for:

- updating this Policy;
- implementing appropriate systems that will assist the Company in achieving the TCF outcomes that are relevant to the Company;
- compliance monitoring and reporting on the Company's progress with regard to the integration and embedding of TCF in the Company;

4.5 MANAGEMENT INFORMATION

Management Information is used to measure performance and drive TCF compliant change where needed. The company will use MI to:

- measure progress in implementing the TCF principles;
- take action to improve procedures and customer service where required;
- monitor the outcome of required changes, then demonstrate improved standards in the fair treatment of customers.

5. AMENDMENTS AND PROPOSED CHANGES

The Compliance Department is the custodian of the policy. Any required amendments, adjustments and proposed changes to the policy will be submitted to the relevant for approval, as and when necessary.

6. NON-COMPLIANCE

Lebohang Modimo Brokers (Pty) Ltd views any non-compliance to this policy as well as any non-compliance with its obligations in terms of legislation in a serious light. Any deliberate action by an employee contravenes the above will be subject to disciplinary action or termination from the Company. All instances of non-compliance with this policy will be included within the regular risk reporting process.

7. REVIEW

This Policy will be reviewed with guidance from the Compliance Officer on an annual basis as deemed necessary.