

Treating Customers Fairly (TCF) Strategy & Procedure

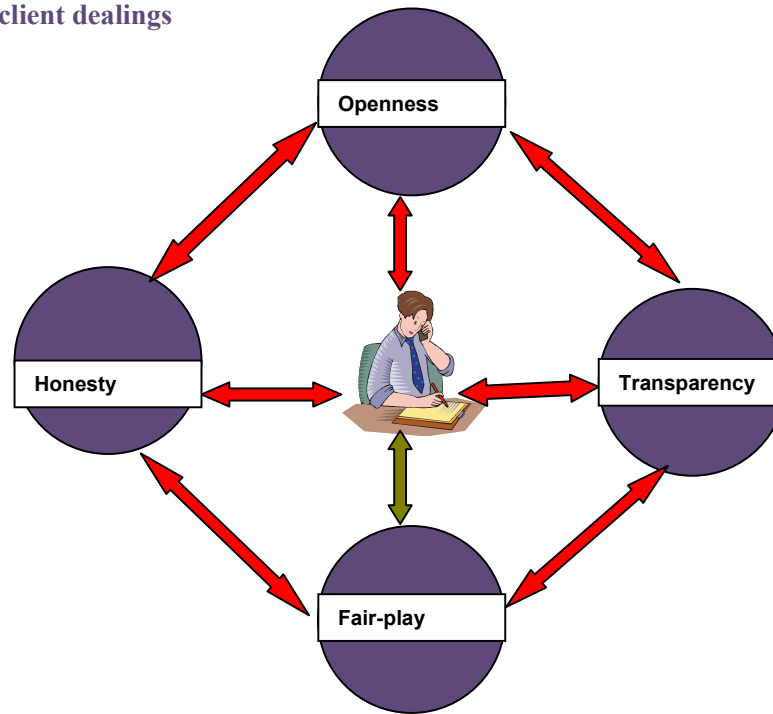
Introduction

It is the regulator's position that all firms should treat customers fairly in their dealings with customers and be seen to be doing so. This is principle 6 of the Financial services Authority's Conduct of Business (COB & ICOB) rules.

Whilst TCF can be seen on one hand as another tacit layer of rules imposed by the regulator, it is your Unleash's position that treating customers' fairly is in line with the principles and art of sound business management and one that is consistent with the way we run our business. Openness, transparency and fair play are after all the bedrock of our business philosophy i.e. "do unto others as you'd wish others to do to you". A business that either detaches itself from its customer or fail to demonstrate fairness in its dealings will fail to exist, given time.

It is equally your network's view that TCF is an integral part of maintaining consumer confidence and that if this was not maintained and indeed restored, then while the industry will still be here in future years, consumer numbers will be lower than they should be and complaints will be higher.

Unleash's philosophy for client dealings



What are the driving forces behind FSA's introduction of TCF?

Evidences were found across the industry that:

- I. Follow up service was largely non-existent after clients have been sold to;
- II. Where clients had problems, they've been cut adrift to deal with such problems on their own;
- III. Products were not being marketed to those who need them, rather those who could be taken advantage of.

Aim

The aim of this document is to provide clear guidelines of the key ways you can in your daily business activities transparently demonstrate our commitment to treating our customers fairly in everything we do. It is worth highlighting the fact that these steps are not necessarily exhaustive and that you should always aim to exceed these standards of “excellence of execution” of service where ever possible. The document aims to deliver on the following points of principle.

1. The needs of consumers/customers/clients;
2. The risk appetites of clients;
3. Level of understanding and rights of clients.

To do this, we’ll focus on the step by step elements of the advice process as well as what core things we should be focusing and delivering on.

Stages	TCF Principles
Financial promotion & Marketing Materials	Accurately apply regulatory and compliance principles by: <ol style="list-style-type: none"> 1. Ensuring that all materials contain information which are True, Fair & not Misleading; 2. Materials are clear and are not targeted at vulnerable members of the community; 3. Materials do not contain offensive language or information which may discriminate against members of any socio-ethnic or cultural community.
Prospecting	Accurately apply regulatory and compliance principles by: <ol style="list-style-type: none"> 1. Introducing yourself clearly; 2. Providing accurate information and explaining the genuine purpose of your service intention; 3. Respecting the prospect’s wishes not to proceed further; 4. Remaining courteous and professional.
Approach/Appointment making	Accurately apply regulatory and compliance principles by: <ol style="list-style-type: none"> 1. Introducing yourself clearly; 2. Providing upfront all pre-sale disclosure information; 3. Being attentive to the clients’ needs, aspiration, hopes, fears and financial objectives. 4. Answering all of clients’ questions frankly and accurately. 5. Remaining courteous to clients at all times. 6. Respecting the client’s wishes not to proceed further.

<p>The first meeting (Fact-find)</p>	<p>Accurately apply regulatory and compliance principles by:</p> <ol style="list-style-type: none"> 1. Introducing yourself clearly; 2. Providing upfront all pre-sale information and documentation including a Terms of Business Letter, Initial Disclosure Documents and Comparison of charges (Menu); 3. Explaining each remuneration option clearly without deliberately directing the client in a disproportionate manner to the option which especially favours your course; 4. Not seeking to charge clients (or recover costs from customers) for dealing with future complaints as to do so would be inconsistent with Principle 6 of FSA's Principles of Business; 5. Ensuring that the amount of fees to be charged for your service is reasonable and fair for your experience, skills and amount of work to be undertaken; 6. Explaining clearly the steps involved in the advice process and the expectation the client can have; 7. Listening to and being attentive to the clients' needs, aspiration, hopes, fears, financial objectives and Demand & Needs; 8. Communicating clearly (avoiding industry jargon) and managing the client's expectation of current and future potential solution to their needs; 9. Assess the clients' situation with skills, care and diligence and ensuring all material factors have considered before obtaining a commitment to planning; 10. Answering all of clients' questions frankly and accurately; 11. Remaining courteous to clients at all times; 12. Maintaining confidentiality of clients' personal and financial information at all times; 13. Being beyond reproach over any existing financial arrangements and products clients may already have in place; 14. Ensuring that the advice given is both suitable and in the clients' best overall financial interest; 15. Respecting the client's wishes not to proceed further with any transaction.
<p>Analysis</p>	<p>Accurately apply regulatory and compliance principles by:</p> <ol style="list-style-type: none"> 1. Evaluating the customer's circumstances and requirements very carefully taking all relevant and material information (including those relating to existing plans) into account; 2. Using independent tools to conduct research into the whole of market to ensure that superior value is delivered to the client; 3. Maintaining total objectivity (no bias) in selecting a product provider for the product(s) to be recommended i.e. not to select provider(s) on the basis of self interest e.g. the one that pays the highest amount of commission or the one that assisted in putting the research material together etc; 4. Paying particular attention to risks inherent in products and ensuring that both the product and provider meets good ethical, fairness and transparency standards. This is especially true of products such as With Profit investments, Lifetime Mortgages, Venture Capital Trusts and Pension Products; 5. Ensuring that recommendations match as closely as possible clients' objective, risk tolerance and other relevant and material requirements; 6. Presenting the client with genuine choice;

	7. Obtaining all associated literature which would in turn provide client with clear unambiguous information about the product(s) they are buying.
Recommendation	<p>Accurately apply regulatory and compliance principles by:</p> <ol style="list-style-type: none"> 1. Presenting complex information in a clear and unambiguous matter. 2. Demonstrating clearly and in a reasonable and responsible way how recommendations match the client's requirements, objectives and Demand & Needs. 3. Providing frank and honest answers to all of client's questions. 4. Accurately recording information provided by the client in any proposal and application forms for a product. 5. Never putting client under any form of emotional and/or psychological pressure to buy a product or service.
Post sale – on-going service	<p>Accurately apply regulatory and compliance principles by:</p> <ol style="list-style-type: none"> 1. Submitting clients' transactions and applications to product providers in a timely manner to ensure fast underwriting and cover; 2. By confirming to writing through mediums such as a Suitability Letter full details of product recommendations to client(s); 3. Delivering on-going service commitments by regularly updating clients on developments in product and services; 4. Providing advice on client's current situation and also on that situation, going forward in a reasonable and responsible way; 5. Earning rights to renewal commissions by providing follow up service; 6. Responding to any queries from clients in a timely and professional manner; 7. Delivering regular review meetings where client pays a retainer fee, to justify earning of such fees; 8. Assisting clients where possible in resolving any service and claims difficulties they may experience with the provider of a product/service that you recommend and not wash your hands off such matters; 9. Evaluating new product materials and initiatives launched by product providers to ensure that catchy headlines are substantiated in products Key Featured Document and other important product documentations before being actively promoted or advised to clients; 10. Maintaining good, timely and accurate record keeping of transactions conducted for the clients; 11. Maintaining consistency in what you do; 12. Maintain on-going professional development of knowledge to ensure currency and relevance of knowledge to market and clients' needs; 13. Maintaining confidentiality of clients' personal and financial information at all times; 14. Reporting product provider failings the Directors of the network so that the collective interest of all clients could be served through senior management intervention; 15. Keeping abreast of socio-economic, political and regulatory developments which may impact on the clients' position as well on recommendations made earlier;

Training & Development	<p>Accurately apply regulatory and Training & Competence principles by:</p> <ol style="list-style-type: none"> 1. Ensuring that you have appropriate qualification and experience to provide advice to the client; 2. Maintaining appropriate competency standards as stipulated in the network's T&C procedure; 3. Maintain on-going professional development of knowledge to ensure currency and relevance of knowledge to market needs. 4. Ensuring that staff within your office set up has appropriate qualification and training appropriate to their roles.
Complaints	<p>Accurately apply regulatory and compliance principles by:</p> <ol style="list-style-type: none"> 1. Acknowledging, investigating and reporting any expression of dissatisfaction from a client in a professional, fair manner; 2. Embrace expression of dissatisfaction from a client as a positive feedback on where there may be short comings which need to be put right in your advice and/or service standards; 3. Provide all relevant information or documentation to client as prescribed in Unleash's complaints procedure; 4. Remove personal emotions from the investigative process of the complaint; 5. Aim for an amicable and satisfactory solution throughout the process.