

# TCF Policy Statement

2014

## Introduction

Atlantic Asset Management (Pty) Limited is committed to ensuring that the Financial Services Board principle of Treating Client's Fairly (TCF) is applied across all business activities in the course of its general financial services business.

Management recognise that fair treatment of clients and excellent provision of client service is essential to the success of Atlantic Asset Management.

## FSB TCF Outcomes

### *TCF Governance*

All financial services providers must be able to demonstrate that they are consistently delivering fair outcomes to clients and that senior management are taking responsibility for ensuring the company and staff at all levels deliver client outcomes relevant to their business through establishing an appropriate culture.

This Policy Statement has been prepared in order to document the various controls and processes that exist enabling the company to demonstrate compliance with the six desired outcomes of the FSB's six TCF Principles.

These are:

- Clients can be confident that they are dealing with financial services providers where the fair treatment of clients is central to the corporate culture.
- Financial products and services marketed and sold in the retail market are designed to meet the needs of identified clients and are targeted accordingly.
- Clients are provided with clear information and are kept appropriately informed before, during and after the provision of financial services.
- Where clients receive advice, the advice is suitable and takes account of their investment objectives and risk tolerance.
- Clients are provided with financial products that perform in accordance with their risk profiles and investment objectives and the associated service is of an acceptable standard.
- Clients do not face unreasonable barriers to switch products, switch providers, redeem investments or make a complaint.

Atlantic Asset Management employees are encouraged to take responsibility for TCF in the course of performing their individual roles.

Atlantic Asset Management has appointed a TCF Officer who is actively involved in promoting and facilitating TCF across the business. The TCF Officer deals with staff at all levels in relation to TCF initiatives and monitoring compliance of Atlantic Asset Management's TCF objectives.

At Atlantic Asset Management, we have considered how we can provide improved outcomes for our clients as a fundamental part of our business. We will demonstrate our commitment to our clients in the following ways:

- market our financial products to meet the needs of identified groups of clients;

- not sell inappropriate financial products;
- obtain an understanding of the basic requirements of the client;
- provide clients with clear information and keep them appropriately informed before, during and after the provision of financial services;
- provide suitable investment advice to address the client's needs. This means that any financial product recommended must fit the client's financial circumstances and help the client achieve their investment objectives;
- provide clients with financial products that perform in accordance with their risk profiles and investment objectives and provide associated services of an acceptable standard;
- put in place and operate internal controls to guard these principles;
- not use incentives for representatives that reward behaviour which is inconsistent with the 6 desired outcomes;
- not create unreasonable barriers for clients to switch products, switch providers, redeem investments or make a complaint; and
- deal with complaints in accordance with regulatory rules and guidelines.

### *Product design*

We will strive to add value to our clients by identifying what they want and need and then provide appropriate financial products and services. Financial products will not be structured in a way that is liable to give rise to unfairness to clients through, for example: unreasonably high up-front charges, hidden penalties, or unexpected risks to their capital.

We will always design our financial products so that the risks are capable of being understood by our clients.

The structuring of financial products will not be limited to legal and/or compliance aspects but will ensure that potential unfairness, from the client's viewpoint, associated with the way in which the product will be marketed and sold is identified and, so far as possible, eliminated at the product design stage.

### *Product disclosure*

We will provide clear 'plain English' explanations of financial products and the use of jargon will be avoided wherever possible. Where jargon cannot be avoided, a suitably clear explanation will be given.

Before bringing an innovative financial product to market we will endeavour to test whether clients or identified groups of clients will be able to understand the product, its suitability to them and its risks and rewards.

### *Advertising and marketing standards*

Our messages will be clear and the content will be fair. 'Small print' will be kept to a minimum and avoided wherever possible.

The quality and clarity of marketing material will be actively scrutinised at a high level of management within the company and, where appropriate, we will seek external expert advice and guidance.

The risks and rewards associated with our financial products and services will always be presented in a balanced manner to enable clients to understand the key features of our products and make an informed decision.

#### *On-going service standards*

We will always tell clients what they can expect from our relationship.

We will monitor the continuing performance of financial products or funds that we have recommended and sold to clients to assess the on-going suitability of the product for the client.

#### *Complaint handling*

We will handle complaints fairly; and record, monitor and report them sensibly.

In dealing with complaints we will 'treat like situations alike' and give careful consideration to whether an error might have affected a wider class of clients; and what should be done to remedy this.

Senior management will pay attention to the outcomes of complaints, which can serve as an important source of intelligence about the health of our business and systems. We will investigate the root causes of complaints and obtain feedback from clients who have experienced our complaints process in order to improve the level of service that we provide.

We will measure the length of time taken to deal with a complaint, the outcome, and the way in which the outcome is communicated to the client in order to ensure that we are treating our clients fairly.

October 2014