

RAILWAY FURNISHERS (PTY) LTD (FSP 46186)

TREATING CUSTOMERS FAIRLY POLICY

VERSION 4 DATE 16 December 2021

TCF is a principle-based environment, not rules-based. It will therefore synergise with all aspects of financial services, especially the compliance and risk control aspects of an organisation in the industry. The core aspect to remember is that TCF is not about customer satisfaction, but rather **fairness** towards the customer.

While TCF is mainly aimed at product suppliers, financial services providers (FSPs) should be aware of the requirements, since most complaints about financial services and products are aimed first at FSPs.

The Conflict of Interest regulations released under Board Notice 58 of 2010 comprise the first example of TCF in action, and is embodied in the Conflict of Interest Management Policy.

The Financial Services Conduct Authority (FSCA), the regulatory body for FSPs, states that TCF enables FSPs to consider their treatment of customers at all stages of their relationship with the customer, from product design and marketing, through to the advice, point of sale and after sale stages. FSPs are required to demonstrate that they are consistently delivering the following clear fairness outcomes for their customers. These are:

Outcome 1: Customers are confident that they are dealing with FSPs where the fair treatment of customers is central to the FSP's culture.

Outcome 2: Products and services marketed and sold in the retail market are designed to meet the needs of identified customer groups and are targeted accordingly.

Outcome 3: Customers are given clear information and are kept appropriately informed before, during and after the time of contracting.

Outcome 4: Where customers receive advice, the advice is suitable and takes account of their circumstances.

Outcome 5: Customers are provided with products that perform as FSPs have led them to expect, and the associated service is both of an acceptable standard and what they have been led to expect.

Outcome 6: Customers do not face unreasonable post-sale barriers to

change a product, switch provider, submit a claim or make a complaint.

Railway Furnishers uses a self-assessment tool to gauge its progress in delivering the above six TCF customer outcomes.

In addition, Railway Furnishers also adheres to the following principles in order to deliver the six TCF customer outcomes :

1. **Outcome 1 :** Railway Furnishers monitors the published decisions of the FAIS and Long Term Insurance Ombud, guidance from the FSCA and other relevant information sources in relation to advice practices, to ensure that controls and practices in relation to TCF remain relevant and effective.
2. **Outcome 1 :** Railway Furnishers ensures that appropriate steps are taken to ensure that the requirements of this policy meets the approval of the applicable authority and/or legislation as required from time to time.
3. **Outcome 1 :** Railway Furnishers satisfies itself that its conflict of interest management policy is adequate and effective and has controls in place to identify and address conflicts of interest between itself and customers.
4. **Outcome 2 :** Railway Furnishers conducts an appropriate level of due diligence to satisfy itself that its advice processes and service levels are likely to meet customers' reasonable expectations, before contracting with any representative to market the Product Supplier's products.
5. **Outcomes 2, 3 and 4 :** Railway Furnishers satisfies itself that its representatives who provide advice products are adequately trained on the specific products concerned to enable them to provide suitable advice on those products.
6. **Outcomes 2, 3 and 4 :** Railway Furnishers has controls in place to prevent its representatives providing advice on products where they do not have adequate product training and its representatives have reasonable

ongoing access to any product information they require in order to provide suitable advice.

7. **Outcomes 2, 3 and 4 :** Railway Furnishers ensures that any of its representatives who market a Product Supplier's products or services is fully informed of the Product Supplier's TCF-related values, commitments and expectations and provides them with feedback in relation to any aspects of their advice or service which inhibit the ability to deliver TCF outcomes to customers.
8. **Outcomes 2 and 5 :** Railway Furnishers tests the Product Supplier's claims and/or disbursement handling process to ensure that it is suitable for the product and target customer group concerned.
9. **Outcomes 2, 3, 5 and 6 :** Railway Furnishers informs customers (not only on request or at claim stage) of how to submit a claim or disbursement request, of the Product Supplier's service standards for claims and disbursement processing and what information Railway Furnishers will need to process the claim or request.
10. **Outcome 3 :** Railway Furnishers has a process in place to ensure relevant and adequate product information is provided to customers, whether by its own staff/representatives or by others, at an appropriate time to enable them to make an informed decision as to whether to enter into the relevant contract.
11. **Outcomes 3 and 6 :** Railway Furnishers provides customers with information and reasonable assistance regarding how to seek redress where they have been prejudiced by inappropriate advice or other unfair treatment in relation to products from the Product Supplier or Railway Furnishers' representative.
12. **Outcome 4 :** Railway Furnishers ensures at all time that the appropriate product is available to the appropriate Product Supplier target market, and further supported by the appropriate advice.

13.Outcomes 4, 5 and 6 : Railway Furnishers satisfies itself that there are clear agreements in place between representatives who provide advice on products that a Product Supplier provides or administers, setting out the respective responsibilities in relation to providing customers with advice, information and service support, which agreements are structured to ensure that customers understand who they should look for in relation to different aspects of the financial products or service provided to them and to ensure fair treatment of customers.

14.Outcomes 4 and 6 : Railway Furnishers has controls in place to identify and act on cases where third parties provide advice on products which they

are not authorised to provide, either because they do not have the necessary contractual arrangements with the Product Supplier or as a result of non-compliance with any requirement of the Financial Advisory and Intermediary Services Act or other legal requirement.

15.Outcomes 5 and 6 : Railway Furnishers reviews any repudiation by accepting written correspondence from a claimant to determine the validity of such request for a review and should:

15.1 the complaint lack any merit, the complaint shall be dismissed;

15.2 the complaint contain merit, the review must take place by incorporating the principles of TCF, including but limited to:

15.2.1 the policyholder's level of comprehension at the point of sale;

15.2.2 the content of the information provided to the policyholder at point of sale, taking into account language barriers, explanation provided and if telesales (the speed and tone of the agent as well as the content of the call); and

15.2.3 point of sale barriers, e.g. incorrect postal or e-mail address.

16.Outcome 6 : Railway Furnishers ensures that it has relevant Complaints Management Processes in place and is able to report any complaints data to the Product Supplier as may be requested from time to time.

17.Outcome 6 : Railway Furnishers has follow-up processes in place to determine customer satisfaction levels after complaints are finalised.

**CHAIRMAN/SECRETARY
TREATING CUSTOMERS
FAIRLY POLICY
ADOPTED BY BOARD
2021/12/16 (date)**

VERSION HISTORY				
VERSION	APPROVED BY	REVISION DATE	DESCRIPTION OF CHANGE	AUTHOR
4	J Shankman obo Board of Directors	16/12/2021	Add version history	N S Norval
3	J Shankman obo Board of Directors	07/08/2020	None - compliance review	N S Norval
2	J Shankman obo Board of Directors	12/11/2018	Business and regulatory updates	N S Norval
1	Jeff Shankman obo Board of Directors	27/10/2015	None - First Draft	N S Norval

PREPARED BY	N S Norval	TITLE	External FAIS Compliance Officer	DATE	16/12/2021
APPROVED BY	J Shankman obo Board of Directors	TITLE	Director	DATE	16/12/2021