

TREATING CUSTOMERS FAIRLY (TCF)



1. INTRODUCTION

The FSCA (Financial Sector Conduct Authority) has taken the step to roll out Treating Customers Fairly (TCF) regulatory initiative. TCF is a regulatory approach which will require all regulated firms 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. Firms such as us- **VOORPOS SHORT-TERM INSURANCE ADVISORS (PTY) LTD** will be required to demonstrate that they are consistently delivering the following clear fairness outcomes for their customers.

The self-assessment tool, available on the FSCA's website <https://www.fsca.co.za>, allows regulated financial firms (including financial advisers) to gauge their progress in delivering the six TCF customer outcomes.

2. WHAT IS TREATING CUSTOMERS FAIRLY (TCF)

TCF seeks to ensure that specific, clearly articulated fairness outcomes for financial services customers are delivered by regulated financial institutions.

In simple terms, financial institutions must

- Deliver products that are suitable to the needs of everyone.
- Provide SERVICE that is FAIR and take all steps necessary to **AVOID SERVICE DELAYS**
- Run EFFICIENT OPERATIONS to ensure sustainable business and industry.

Although the main focus of **TCF** will be on firms that develop products, we as intermediaries will not be totally excluded from the process, as we play a fundamental role in giving advice and selling these products.

The intention of TCF is to create a top-down culture in the firms starting at the Board or the CEO levels. This is to ensure that the best interests of the customers are protected through the life cycle of the products.

3. TCF FAIR OUTCOMES:

OUTCOME #	TFC FAIR OUTCOMES DEFINED AS:	ADDITIONAL TO TFC DEFINED OUTCOMES
1	Customers are confident that they are dealing with firms where the fair treatment of customers is central to the firm culture.	VOORPOS ULTIMATE DESIRED OUTCOMES OF TCF: <ul style="list-style-type: none"> <input type="checkbox"/> Improve customer confidence. <input type="checkbox"/> Supply appropriate products and services. <input type="checkbox"/> Enhanced transparency and discipline in the insurance industry
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	
3	Customers are given clear information and are kept appropriately informed before, during and after the time of contracting.	
4	Customers are provided with products that perform as firms have led them to expect, and the associated service is both of an acceptable standard and what they have been led to expect.	
5	Customers are provided with products that perform as firms have led them to expect, and the associated service is both of an acceptable standard and what they have been led to expect.	
6	Customers do not face unreasonable post-sale barriers to changing a product; switching providers, submit a claim or make a complaint	

True success in delivering TCF will require evidence that fair customer treatment is embedded in the firm's culture at all levels.

VOORPOS SHORT-TERM INSURANCE ADVISORS (PTY) LTD /Voorpos will identify any risks of unfair customer treatment in their business, and that we can demonstrate actual improvements in customer experience and services.