

Treating Clients Fairly (TCF) Policy

VERSION 1 OF 2021

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Policy Owner: Stonewood Asset
Management (Pty) Ltd

Responsible Business Unit:
Operations

POLICY STATEMENT

- Any reference to the “organisation” shall be interpreted to include the “policy owner”.
- The organisation’s governing body, its employees, volunteers, contractors, suppliers and any other persons acting on behalf of the organisation are required to familiarise themselves with the policy’s requirements and undertake to comply with the stated processes and procedures.

POLICY ADOPTION

By signing this document, I authorise the organisation’s approval and adoption of the processes and procedures outlined herein.

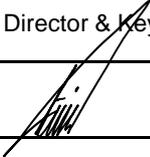
Name & Surname	James Twidale
Capacity	Director & Key Individual
Signature	
Date	06 MAY 2021

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1 TCF CHAMPION

- The FSP has appointed a TCF (Treating clients fairly) Champion as part of its commitment to treat its clients fairly. The appointment of the TCF Champion is confirmed in [Annexure C](#) hereto.
- The general duties of the TCF Champion include:
 - To be actively involved with embedding the TCF principles into the organisation.
 - To help instilling a culture where the fair treatment of clients is embraced and adopted.
 - To assist the governing body of the organisation to implement and adopt business processes aimed at ensuring that the organisation is at all times achieving the outcomes of TCF as set out in this document.
- The TCF Champion has the authority to approach and speak to staff members at all levels about the delivery and achievement of TCF outcomes.
- The TCF Champion need not have any specific qualifications but must have a thorough knowledge of the organisation's functional departments, business processes and the principles associated with treating clients fairly.

2 THE SIX TCF OUTCOMES

- The FSP respects the Regulator's mission to maintain a sound financial investment environment in South Africa and acknowledge its mandate to promote the:
 - fair treatment of consumers of financial services and products
 - financial soundness of financial institutions
 - systematic stability of financial industries
 - integrity of financial markets and institutions
- To this end the FSP welcomes the TCF initiative and commits itself to align the FSP's organisational culture and business processes in such a way as to ensure that the six outcomes of TCF are at all times achieved.
- The six outcomes of treating clients fairly will be achieved by our organisation through ensuring that:
 - our clients are at all times confident that their fair treatment is central to our corporate culture
 - any products and services marketed and sold by us in the retail market are designed to meet the needs of identified client groups and that any related targeting of our clients are done so in accordance with this standard
 - our clients are at all times provided with clear information and are kept appropriately informed before, during and after the point of sale
 - where our clients receive advice, that the advice is suitable and takes into account the individual client's circumstances, given that the client is forthcoming with their financial circumstances or any other relevant information
 - our clients are provided with products that performs as we have led them to expect and that any associated services is also

of the standard that we have led them to expect

- our clients do not face any unreasonable post-sale barriers should they wish to change their products, switch to another FSP, submit a claim or submit a complaint about our services.

3 OUTCOME 1

Clients are confident that they are dealing with firms where the fair treatment of clients is central to the firm culture.

3.1 POLICY STATEMENT

It is our committed objective to ensure that all our clients or potential clients can be confident that they are dealing with an FSP where the fair treatment of clients is central to the corporate culture.

We use our best efforts to ensure that at all times we, our staff members and representatives render financial services honestly, fairly, with due skill, care and diligence, and in the interests of clients and the integrity of the financial services industry. Further, we have adopted [Standards, Procedures and Best Practice Principles \(SPB\) of Honesty, Integrity and Good Standing](#) to ensure all personnel complies with the requirements in respect to personal character qualities of honesty and integrity.

Delivery of the TCF outcomes is a core feature of the FSP's values, ethics, culture and is embedded throughout the FSP's DNA.

3.2 PROCEDURES IMPLEMENTED IN ORDER TO ACHIEVE POLICY OBJECTIVES

3.2.1 Leadership

- TCF is a standing item on the governing body of the FSP's meeting agenda where the FSP's approach to TCF is analysed and discussed. This meeting will be held annually however, can be held on an ad-hoc basis should legislation require the FSP to make any possible amendments.
- Senior management has adopted TCF deliverables and have been allocated specific responsibilities in terms thereof. Senior management in all areas of the FSP that contribute to the rendering of financial services to clients (whether directly or indirectly), understand their respective roles in delivering TCF outcomes to those clients.
- Senior management conducts regular reviews of the main business processes with a view to identifying areas that do, or may, require improved TCF deliverables. Explicit allowance has been made to allow for and consider TCF implications and deliverables during the strategic planning process of any new strategy or change in existing strategy.
- Adherence to the TCF deliverables is monitored as part of our Compliance Monitoring Programme. We ensure on an annual basis that accurate, meaningful and timely Management Information has been produced during the period and that senior management acts accordingly where applicable. Existing tests within our Compliance Monitoring Programme aid us in demonstrating our level of compliance and adherence to the TCF outcomes. Where there are TCF action points, these will be documented and carried over to a further meeting (where required).

3.2.2 Decision Making

- All requests by the FSP's governing body for the approval of product and service innovations or project expenditure,

include due consideration of the possible impact it may have on TCF outcomes.

- The organisation has adopted open communication in the workplace through which staff members and management are able to debate TCF related matters and refer any TCF questions or concerns to senior management.

3.2.3 Governance and Controls

- Oversight and monitoring of TCF delivery has been explicitly assigned to the governance and control structures of the organisation tasked with risk management and the compliance function.
- Procedures have been implemented to ensure formal and regular reporting to senior management on the progress in achieving TCF deliverables across all of the organisation's activities and functional departments.
- The management of TCF and market conduct risks are formally included in the risk management framework of the organisation and are regularly monitored and supervised by senior management and independently monitored by a Compliance Officer.
- Procedures have been implemented for identifying and reporting (at organisation-wide level) TCF risks or failures to senior management.
- There is ongoing evaluation of whether the organisation's governance framework as a whole has been effective in achieving TCF outcomes.
- We have mechanisms in place to monitor and respond to changes in the broader environment such as economic and regulatory developments to enable us to proactively identify TCF related risks.

3.2.4 Employee Participation

- All staff members (including senior management) whose roles require delivery of TCF outcomes have been identified.
- TCF objectives are rigorously applied at all levels of staff, irrespective of their position within the FSP.
- Staff members are provided access to TCF principles on a continual basis by way of SharePoint, as to familiarise themselves of the TCF principles as set out in this policy. Further, a declaration of understanding is required of them.
- We ensure new staff will have the necessary skills to achieve the outcomes of TCF.
- All staff members are aware of the requirement to treat clients fairly. This Policy has been circulated to all staff members and staff members are encouraged to make suggestions to our TCF Champion on how the treatment of our clients might be further enhanced.
- TCF declarations are signed by all relevant personnel on a quarterly basis. The purpose of which is to ensure that the TCF initiative is committed to by all relevant personnel and are aligned to the FSP's organisational culture. This is also to assist management to take any necessary actions.

3.2.5 Reward

- Meaningful consequences (such as retraining, re-assignment or disciplinary action, as appropriate) for staff members or management who do not achieve agreed TCF deliverables, has been adopted.

3.2.6 Management Information (MI)

- Existing MI measures have been reviewed to determine which are useful for TCF monitoring and new measures have been identified where necessary ([See Annexure B](#)).
- Processes are in place to:
 - collate and summarise TCF related MI in such a way as to present a meaningful picture of organisation-wide TCF progress;
 - analyse and act on MI findings to improve TCF outcomes for our clients; and
 - identify staff training needs should any be identified.

3.2.7 Communication

- We communicate transparently with our stakeholders (including the Regulator, should the need arise) on our progress in achieving TCF outcomes.
- We make information regarding our progress in achieving TCF outcomes upon request.

4 OUTCOME 2

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

We develop and provide advice and certain intermediary services on products that fall within the categories and sub-categories of the financial products listed in [Annexure A](#).

4.1 PRODUCT APPROVAL AND SELECTION PROCESS

Our product provider and product selection processes include senior management confirmation that a product adequately meets the outcomes of TCF and that any such product will perform as clients are led to expect.

Our selection processes also include the careful consideration of the elements listed below:

- When selecting a product provider and/or its product to distribute or to administer, we take into consideration needs and various risks factors as per our [Risk Management & Compliance Policy \(RMCP\)](#).
- We provide our staff members and representatives with information and they will determine the suitability of the products for their client base.
- In determining whether our distribution and administration methods are suitable for the product and target market, we take into account all known and foreseeable risks associated with the product.
- We have measures in place to identify and mitigate risks that a product or service may pose to particular clients.
- When approving or selecting any product or service for distribution:
 - we assess the suitability of any promotional or other material that has been designed for clients, and take into

consideration potential complaints.

- We have measures in place to insure the where bundling or “add-on” of products / services, or incentives to funds occur, it does not result in needless products or services to the client group.
- We have measures in place to evaluate the client groups’ financial understanding of products or services offered or provided to them, via the risk profile questionnaire.
- We ensure that the client group has enough information available to them to make an informed decision in selecting products or service by providing investment proposals/quotes/calculations etc.

5 OUTCOME 3

Clients are provided with clear information and are kept appropriately informed before, during and after the point of sale.

- We assess the clarity, appropriateness and fairness of product information provided to clients, whether such information is produced by ourselves or by others and all product related information requires sign-off by senior management.
- We ensure that the appropriateness of each product provider is considered before it is suggested to clients or potential clients. third parties.
- We have implemented appropriate procedures to ensure that any information we provide regarding any other party's products or services is accurate, clear, and fair and is not misleading.
- We have implemented appropriate procedures to ensure that we are able, as far as reasonably possible, to rectify any situation where it becomes apparent that any product information already in circulation (produced by the FSP) is inaccurate, unclear, or unfair or is misleading. Where product information is not produced by the FSP, we will endeavour to notify the relevant provider for rectification.
- We regularly review standardised product information we use (produced by the FSP) to ensure that it remains accurate, clear and appropriate to the applicable client groups. Where product information is not produced by the FSP, we will endeavour to notify the relevant provider for rectification.
- We monitor and act on feedback, complaints and suggestions received from clients, staff members or any other parties that communicate the need for improvement in product information.
- We have a process in place to ensure relevant and adequate product information is provided to our clients, whether by our own staff members / representatives or by other parties, at an appropriate time to enable them to make an informed decision as to whether to enter into the relevant contract.
- We endeavour to provide all existing clients with statements at least once a year that identify any financial products that have been acquired by that client and where such products are still in existence, where we are the intermediary. Such statements provide brief current details (where applicable), of:
 - any ongoing monetary obligations of the client in respect of such products;
 - the main benefits provided by the products;
 - where any product was marketed or positioned as an investment or as having an investment component, the value of the investment and the amount of such value which is accessible to the client; and

- any ongoing incentives, consideration, commission, fee or brokerage payable to ourselves in respect of such products.
- A documented Record of Advice, as provided for in section 9 of the General Code of Conduct ([Board Notice 80 of 2003 as amended](#)), is maintained for material transactions entered into with any client and documented within individual client files. A copy of the applicable record of advice is provided to the client upon completion of the transaction and within a reasonable timeframe.
- We ensure that clients are informed of any recent or pending changes to our products, contractual events or any actions required from them, and that such information is provided in sufficient time to enable any client to reasonably respond to or act on that information.
- To the extent applicable, we control the accuracy and quality of any once-off or non-standard product information provided by staff members or representatives to clients or potential clients.
- We maintain up-to-date contact details of all our existing clients (wherever possible, provided clients are forthcoming with latest details).
- We ensure that clients have current and accessible contact points if they need product or service information or need to get in contact with our functional departments for any reason.
- We have accurate, retrievable, secure records of all product information we have provided to clients and any other material.

6 OUTCOME 4

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

6.1 BEFORE ADVICE IS GIVEN BY THE FSP

- Prior to making any decision to market a particular product, we assess whether or not we have the appropriate skills and business processes in place to render the appropriate financial service and that the particular product will be suitable for the clients concerned.
- Prior to contracting with any product supplier to market their products, we conduct an appropriate level of due diligence to satisfy ourselves that their products and service levels are likely to meet our clients' reasonable expectations.
- We insist that product suppliers provide our representatives with adequate training on the specific products we market to enable them to render suitable financial services on those products (where applicable).
- We have controls in place to prevent our representatives from rendering any financial services to any client in respect of products for which adequate product training has not been provided.
- Prior to contracting with any product supplier to market their products, we make appropriate arrangements to ensure that the FSP and our representatives will have reasonable access to any product information required from the product supplier to enable all parties to render suitable and appropriate financial services to clients and potential clients,
- When assessing product providers, we establish whether there are comparable products offered by other suppliers.
- We have transparent remuneration policies which avoid product supplier incentives from impacting the advice/products and service which we offer our clients and potential clients.

- We have implemented procedures that ensure that all representatives, prior to providing advice to a client:
 - take reasonable steps to seek from the client appropriate and available information regarding the client's financial situation, financial product experience and objectives to enable the provider to provide the client with appropriate advice;
 - conduct an analysis, for purposes of the advice, based on the information obtained;
 - identify the financial product or products that will be appropriate to the client's risk profile and financial needs, subject to the limitations imposed on the provider under the FAIS Act or any contractual arrangement;
 - take reasonable steps to establish whether the financial product identified is wholly or partially a replacement for an existing financial product of the client and if it is such a replacement, follows all the required disclosure procedures; and
 - take reasonable steps to ensure that the client understands the advice and that the client is in a position to make an informed decision.

6.2 ADVICE GIVEN BY THE FSP

- In order to ensure that the highest level of financial services are rendered to our clients and potential clients, we identify any risk of inappropriate financial service and we monitor feedback or complaints received from clients, product suppliers or other third parties regarding the quality of financial service they may have received from our representatives.
- We have implemented procedures to identify instances where our representatives have provided inappropriate advice or misleading information to clients and have implemented further procedures that seek to mitigate the risk to clients should such events occur.
- We provide product suppliers and other third parties in the client value chain with feedback in relation to any aspects of their products or services which inhibit our ability to provide suitable advice or the delivery of other TCF outcomes to clients.
- We have controls in place to identify and address any conflicts of interest between ourselves, our clients and product suppliers whose products we market. Any identified conflicts of interests are disclosed to our clients through our [Statutory Disclosures](#) as well as our website www.stonewoodam.co.za.
- There are clear agreements between ourselves and any product suppliers whose products we market, that set out our respective responsibilities in relation to providing clients with appropriate financial services, information and service support. These agreements are structured to ensure that clients understand who they should look to in relation to different aspects of the financial products or service provided to them.
- We have controls in place to identify and act on instances where our representatives have provided advice which they are not authorised to provide, either in terms of their specific contract or mandate with us and/or with any product supplier, or as a result of non-compliance with our FAIS licence conditions or other legal requirements.
- Our [Complaints Policy](#) makes provision for fair compensation of clients who have been financially prejudiced as a result of any inappropriate financial service rendered by our representatives.
- Our external compliance officer provides us with relevant published decisions of the FAIS Ombud, communications and guidance from the Regulator and any other relevant information sources in relation to advice practices, to ensure that

our controls and practices in relation to this TCF outcome remain relevant and effective.

7 OUTCOME 5

Clients are provided with products that perform as the firm has led them to expect, and the associated service is of an acceptable standard and as they have been led to expect

Our point-of sale and information post-sale, include the careful consideration of the elements listed below:

- Processes are in place to mitigate the risk that products and services are unable to satisfy the reasonable expectations of clients.
- Processes are in place to alert clients to the risks of non-action on their part, such as a failure to review insurance cover needs, investment goals, risk profiles and beneficiary nominations.
- We monitor and act on feedback, complaints and suggestions received from clients, intermediaries and staff members that identify the need for improvements in our services or service standards.
- Where it becomes apparent that products are not performing or are unlikely to perform as clients have been led to expect, we have implemented processes to mitigate the risks to our clients.
- Processes are in place to protect the confidentiality of all client information.

The procedures listed below are for third parties such as product suppliers, Category II, IIA or III FSPs, binder holders, reinsurers, administrators and other outsourced service providers that are part of the overall value chain in providing products or services to our clients. These procedures do not apply to the relationship between product suppliers and Category I FSPs.

- We have clear agreements in place regarding the division of responsibilities between the various parties to ensure the fair treatment of clients.
- We conduct an appropriate level of due diligence on any such third party, before dealing with them, to satisfy ourselves that TCF outcomes are adhered to and that the products and / or service levels, as the case may be, are likely to be as clients (and we) have been led to expect.
- Processes are in place to mitigate the risks to our clients where it becomes apparent that a third party's products are not in fact performing as clients (and we) have been led to expect by that third party or where it becomes apparent that service from the third party is not of an acceptable or agreed upon standard.
- We have full and unrestricted access to information held by the third party in relation to our clients' information.

8 OUTCOME 6

Clients do not face unreasonable post-sale barriers imposed by firms to change product, switch provider, submit a claim or make a complaint

The FSP is committed to ensuring that clients do not face unreasonable post-sale barriers when changing products, switching providers or when making complaints, and consider all client criticism, whether positive or negative, as a critical feedback mechanism.

8.1 CHANGING PRODUCTS

- We inform our clients (in good time, not only on request) of the types of permissible changes they may make to their products if their individual needs or circumstances change and of any important limitations on their ability to access funds or to make amendments to any product.
- When we become aware of any changes to a client's needs or circumstances (including affordability difficulties), we inform such client of possible product changes that are available to them in order to meet their changed requirements.
- We have clear service standards in place for processing product changes (including instances where the request needs to be referred to another party for processing) and communicate these standards to our clients.
- Where a request for a product change is declined by any party in the value chain, we provide the client with clear reasons for the decision.
- When we receive a request to change a product (whether directly or through another party) we inform the client of any potential risks associated with the change, in reasonable time for them to respond to or act on the information.

8.2 SWITCHING PROVIDERS

- We have clear service standards in place for processing switches to other providers and communicate these to our clients.
- When we receive a request to switch providers (whether directly or through another party) we inform the client of any potential risks associated with the switch.

8.3 COMPLAINTS HANDLING

- We test our complaints process to ensure it is accessible and appropriate to our client group/s.
- We have a robust complaints management policy, record keeping, and have devoted sufficient resources to ensure effective complaints handling when needed.
- We inform clients (before complaint stage) of the process that must be followed in order to submit a complaint, and of the various options available for further recourse if the client is dissatisfied with the outcome of the complaint.
- Once a complaint has been received, whether we are dealing with the complaint ourselves or where we have referred the complaint to another party, we keep clients informed of its progress (including the contact details of the person responsible for processing the complaint)
- When responding to a complaint, we provide clear reasons for our response (including where the response is favourable to the client), with supporting evidence where relevant.
- Where a request for redress is declined, wholly or partially, we inform the client of the steps that may be followed in order to have the decision reviewed.
- We have clear service standards in place for processing complaints and we communicate such standards to our clients.
- Complaints processes are structured in such a way as to ensure that there are no conflicts of interest and that all decisions are based on objective facts and criteria.

- Complaints processes are structured in such a way as to ensure that complaints of a similar nature have a similar outcome.
- Follow-up processes are in place to determine the client satisfaction levels of complaints that have been finalised.
- Processes are in place to ensure consistency in complaints handling. We have a policy in place for fair compensation of clients who have been financially prejudiced by unfair treatment, which is not limited only to those clients who complain.
- We analyse complaints to identify any risks of mis-selling (whether by our own representatives or not).
- We consider the nature of complaints received of different product suppliers when recommending a particular product supplier or financial product to our clients.
- Our complaints procedure that we provide our client can be found [here](#) and is also available on our website www.stonewoodam.co.za.

9 ANNEXURE A: AUTHORISED FINANCIAL PRODUCT CATEGORIES AND SUBCATEGORIES

Category I Advisory FSP		Advice	Intermediary Services
1.1	Long-term Insurance: Subcategory A	✓	✓
1.2	Short-term Insurance: Personal Lines	✓	✓
1.3	Long-term Insurance: Subcategory B1	✓	✓
1.4	Long-term Insurance: Subcategory C	✓	✓
1.5	Retail Pension Benefits	✓	✓
1.7	Pension Funds Benefits (excluding retail)	✓	✓
1.8	Shares	✓	✓
1.9	Money Market Instruments	✓	✓
1.10	Debentures and securitised debt	✓	✓
1.11	Warrants, Certificates and instruments	✓	✓
1.12	Bonds	✓	✓
1.13	Derivative Instruments	✓	✓
1.14	Participatory interests in Collective Investment Schemes	✓	✓
1.17	Long-term Deposits	✓	✓
1.18	Short-term Deposits	✓	✓
1.20	Long-term Insurance subcategory B2	✓	✓
1.21	Long-term Insurance subcategory B2-A	✓	✓
1.22	Long-term Insurance subcategory B1-A	✓	✓
1.23	Short-term Insurance Personal Lines A1	✓	✓
1.24	Structured deposits	✓	✓
1.26	Participatory interests in a CIS hedge fund	✓	✓
Category II Discretionary FSP		Advice	Intermediary Services
2.5	Shares		✓
2.6	Money Market Instruments		✓
2.7	Debentures and securitised debt		✓
2.8	Warrants, Certificates and instruments		✓
2.9	Bonds		✓
2.10	Derivative Instruments		✓
2.11	Participatory interests in Collective Investment Schemes		✓
2.13	Long-term Deposits		✓
2.14	Short-term Deposits		✓
2.20	Participatory interests in a CIS hedge fund		✓

10 ANNEXURE B: MANAGEMENT INFORMATION

The data sets listed below are examples of Management Information (MI) that could be used to measure and improve TCF performance. All six outcomes are relevant across all areas of business activity.

Delete data sets that are not applicable. For the remaining sets of data, targets will need to be set that will alert the TCF Champion of the organisation's failure to achieve the outcomes of TCF.

Where the organisation fails to meet the TCF outcomes, the TCF Champion will be required to evidence the actions that were taken in order to investigate and rectify the failure.

DATA SET: COMPLAINTS		(Outcomes 1, 2, 3, 4, 5 & 6)
Data Measured	Possible TCF Implications	
Volume of complaints	May indicate mis-selling or other failings affecting the fair treatment of clients	
Complaints against any particular representative	As above, may reveal a training need	
Complaints against a particular product	May indicate product and/or provider's marketing material is unclear or misleading or unsuitable for the target market. This could lead to mis-selling or other unfair treatment of clients	
Complaints relating to information supplied by representatives	Could indicate either a lack of clarity and completeness of essential features and other information that was supplied by the representative, (or in the actual financial services that were rendered) and/or deficiencies in the product information provided by the product provider to the representative	
Complaints upheld internally – analysed by reference to whether there was negligence, failure to comply with statutory requirements of unfair treatment	May reveal trends depending on the underlying reasons and the need for improvements in the relevant areas. May be a measure of the fairness of the complaints handling procedures	
Volume and percentage of complaints referred to FAIS Ombud	May identify possible areas of misunderstanding by clients as to what constitutes a complaint (assess possible action to reduce this). May indicate unfairness in the complaints handling process	
Percentage of complaints to FAIS Ombud upheld	External measure of complaints handling process	
Percentage of complaints to FAIS Ombud not upheld	May be indicative that the FSP's complaints handling process is fair and resulting in the right outcomes	
Percentage of complaints acknowledged within the time frame stipulated in the official Complaints Policy of the FSP	Performance measurement of timeliness of complaints handling process	
Percentage of complaints resolved within the time frame stipulated in the official Complaints Policy of the FSP	Performance measurement of complaints being handled in a fair and timely manner	
Number of recommendations following complaint raised	Action being taken to improve standards. Could be evidence of a TCF culture and embedding	
Number of recommendations following complaint that resulted in a change to procedure or policy	Action taken to improve standards/reduce complaints. Could be evidence of a TCF culture and embedding	

DATA SET: AFTERS SALES SERVICE		(Outcomes 1, 2, 3, 4 & 6)
Data Measured	Possible TCF Implications	
Percentage of clients contacted within 12 months of completion and reason for contact	May be a measure of the standard of client care, depending on the reason for the contact	

DATA SET: CULTURE AND VALUES		(Outcomes 1)
Data Measured	Possible TCF Implications	
Number of representatives who received retraining following high volumes of complaints/file fail checks	May be indicative of TCF awareness and a TCF culture – firm is routinely identifying and acting on TCF issues	
Documented TCF Policy and strategy	Senior management/business owner commitment and strategy	
Annual review of TCF MI by senior management or business owner and/or TCF Committee or Champion and actions taken in response	Embedding of TCF culture and use of TCF MI is being identified, reviewed and acted on	

DATA SET: ADVERTISING AND PRODUCT PROMOTION		(Outcomes 2, 3 & 5)
Data Measured	Possible TCF Implications	
Volume of complaints by promotion type (advertisement, Direct Marketing)	Could indicate that promotion is unclear or inaccurate, depending on the nature of the complaint	
Number of compliance breaches picked up by the in-house monitoring process	May indicate that monitoring processes are operating satisfactorily, a poor technical understanding in the marketing areas, a poor understanding of what constitutes using clear, fair and not misleading information – may identify training needs	
Number of compliance breaches picked up by the Regulator	Inadequate financial services being rendered to clients. May indicate problems with a poor technical understanding of the product or lack of familiarity with General Code of Conduct requirements	

11 ANNEXURE C: TCF CHAMPION APPOINTMENT

The FSP has appointed a TCF Champion as part of its commitment to treat its clients fairly.

The general duties of the TCF Champion include:

- To be actively involved with embedding the TCF principles into the organisation.
- To help instilling a culture where the fair treatment of clients is embraced and adopted.
- To assist the governing body of the organisation to implement and adopt business processes aimed at ensuring that the organisation is at all times achieving the outcomes of TCF as set out in the FSP's adopted TCF Policy.

The TCF Champion has the authority to approach and speak to staff members at all levels about the delivery and achievement of TCF outcomes.

The TCF Champion need not have any specific qualifications but must have thorough knowledge of the organisation's functional departments, business processes and the principles associated with treating clients fairly.

I, James Twidale, hereby appoint Oratile Tlhabane as TCF Champion for Stonewood Asset Management (Pty) Ltd ('Stonewood'), with immediate effect.

In making this appointment on behalf of Stonewood, I understand that the FICA Compliance Officer will require my support in performing his responsibilities as provided for hereunder.

This appointment may at any time be withdrawn or amended in writing.

James Twidale

Director & Key Individual

Date

I hereby accept the appointment as TCF Champion of Stonewood

Oratile Tlhabane

Head of Operations

Date

12 ANNEXURE D: COMPLIANCE DECLARATION – TREATING CUSTOMERS FAIRLY (TCF)

The FSP respects the Regulator’s mission to maintain a sound financial investment environment in South Africa and acknowledge its mandate to promote the:

- fair treatment of consumers of financial services and products
- financial soundness of financial institutions
- systematic stability of financial industries
- integrity of financial markets and institutions

To this end the FSP welcomes the TCF initiative and commits itself to align the FSP’s organisational culture and business processes in such a way as to ensure that the six outcomes of TCF are at all times achieved.

The six outcomes of treating clients fairly are:

Outcome 1: Our clients are at all times confident that their fair treatment is central to our corporate culture.

Outcome 2: any products and services marketed and sold by us in the retail market are designed to meet the needs of identified client groups and that any related targeting of our clients are done so in accordance with this standard.

Outcome 3: Our clients are at all times provided with clear information and are kept appropriately informed before, during and after the point of sale.

Outcome 4: where our clients receive advice, that the advice is suitable and takes into account the individual client’s circumstances, given that the client is forthcoming with their financial circumstances or any other relevant information.

Outcome 5: our clients are provided with products that performs as we have led them to expect and that any associated services is also of the standard that we have led them to expect.

Outcome 6: our clients do not face any unreasonable post-sale barriers should they wish to change their products, switch to another FSP, submit a claim or submit a complaint about our services.

DECLARATION - By signing this document, I acknowledge that I understand the aforementioned and declare such statements to be true at the date indicated next to my signature:

1. I am aware of the Treating Customers Fairly Policy adopted by the FSP.
2. I confirm that my conduct towards clients do not defeat the above stated outcomes.
3. I understand that I may be subject to disciplinary action, which may ultimately lead to my dismissal, in the event of my failure to uphold the abovementioned TCF outcomes.

Name & Surname

Capacity

Signature

Date