



# TREATING CUSTOMERS FAIRLY POLICY

VERSION 1.14

THE PRIME FINANCIAL SERVICES GROUP

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## CONTENTS

1.	APPLICATION OF THE POLICY .....	2
2.	PURPOSE OF THE POLICY .....	2
3.	DEFINITIONS .....	2
4.	OUTCOME PRINCIPLES OF TCF .....	2
5.	CULTURE AND GOVERNANCE .....	3
6.	PRODUCT AND SERVICE DESIGN .....	4
7.	DISCLOSURE .....	4
8.	SUITABLE ADVICE .....	5
9.	PERFORMANCE AND SERVICE PERFORMANCE EXPECTATIONS .....	5
10.	CLAIMS, COMPLAINTS AND CHANGES .....	6
	<b>ANNEXURE 1 – STANDARDS OF CUSTOMER SERVICE .....</b>	<b>8</b>
	CORE COMMITMENTS .....	8
	EMAIL CORRESPONDANCE .....	8
	WEBSITE .....	8
	CONFIDENTIALITY .....	8
	COMPLAINTS .....	8
	<b>ANNEXURE 2 – OWNERSHIP, APPROVAL &amp; REVISION HISTORY .....</b>	<b>9</b>
	POLICY OWNER .....	9
	POLICY APPROVAL .....	9
	POLICY REVISION .....	9

## 1. APPLICATION OF THE POLICY

- 1.1 This policy is applicable to the legal entities within the Prime Financial Services Group (hereinafter referred to as “the Group”), as shown on the Group’s corporate organogram and amended from time to time.

## 2. PURPOSE OF THE POLICY

- 2.1 The policy outlines the Group’s commitment to the Treating Customers Fairly outcomes based regulatory and supervisory approach as a central operating philosophy.

## 3. DEFINITIONS

- 3.1 **Board of Group Companies:** A collective term referring to the individual Board structures of each corporate entity within the Group structure.
- 3.2 **Financial Advisory and Intermediary Services Act:** The Act (also known as “FAIS”) was designed to protect consumers of financial products and services. The Act is applicable to any provider of financial services and its Representatives, including any person who gives financial advice or who provides an intermediary service.
- 3.3 **Financial Sector Conduct Authority:** Under the “Twin Peaks” model of financial sector regulation, the Financial Sector Conduct Authority, or “FSCA”, acts as a dedicated market conduct regulator. Its main objective is to protect financial customers through the supervision of market conduct. The FSCA was previously known as the Financial Services Board of South Africa, or “FSB”.
- 3.4 **Financial Services Provider:** Any person (including both natural and juristic persons) other than a Representative who furnishes advice or who furnishes advice and renders intermediary services. For the purposes of abbreviation, it can also be referred to as a “FSP”.
- 3.5 **Customer:** The term “Customer” refers to a retail Customer or consumer, encompassing both natural and juristic persons, who could potentially be vulnerable to unfair treatment by the Financial Services Industry.
- 3.6 **Representative:** Any person, as defined by the Financial Advisory and Intermediary Services Act, who renders a financial service to a client on behalf of a licensed Financial Services Provider by means of an employment contract or mandate.
- 3.7 **Risk Management Plan:** A Group document stipulating the risk management framework, categories of foreseeable risks, estimating impacts and defining risk response methodologies. The document also outlines the Group risk assessment matrix.
- 3.8 **Treating Customers Fairly:** An outcomes based regulatory and supervisory approach designed to ensure that specific, clearly articulated fairness outcomes for financial services consumers are delivered by financial firms. For the purposes of abbreviation, these outcomes are also referred to as “TCF”.

## 4. OUTCOME PRINCIPLES OF TCF

- 4.1 The six guiding outcomes of TCF are set out as follows:
- 4.1.1 **Culture and Governance**  
The general public as well as our Customers are confident that the fair treatment of Customers is central to our culture.

- 4.1.2 **Product and Service Design**  
The products and services which we market and sell are designed to meet the needs of identified Customer groups which we target accordingly.
- 4.1.3 **Disclosure**  
Our Customers are provided with clear, relevant and appropriate information regarding our products and services before, during and after entering into a contract.
- 4.1.4 **Suitable Advice**  
We strive to ensure that when Customers receive advice, the advice is suitable and takes their circumstances into account.
- 4.1.5 **Performance and Service Performance Expectations**  
Our Customers will be provided with products which will perform as expected and the associated service will always be of an acceptable standard.
- 4.1.6 **Claims, Complaints and Changes**  
Our Customers will not face unreasonable post-sale barriers when attempting to claim, complain, or switch products or providers.

## 5. CULTURE AND GOVERNANCE

- 5.1 The Board of Group Companies have formally adopted the TCF principles and the implementation thereof. Monitoring will be carried out using a top-down approach.
- 5.2 Senior management is responsible for the ongoing implementation and governance of TCF in the various subsidiaries and divisions. Senior management also understands their role in delivering TCF outcomes to our Customers.
- 5.3 Evaluations will be performed on an ongoing basis (not less than annually) in order to assess our continued understanding of TCF and the objectives of the Group.
- 5.4 The strategy adopted by the Group requires the consideration of possible implications on the fair treatment of Customers. The TCF outcomes will also be considered during approval of business projects.
- 5.5 The oversight and monitoring of TCF has been assigned to the Risk and Audit Committee.
- 5.6 Formal and regular reporting on TCF progress, risks and failures will be produced to the Board of Directors and senior management at board meetings and Risk and Audit Committee meetings. Achievement of TCF objectives will therefore be evaluated on an ongoing basis.
- 5.7 The Risk Management Plan and assessments of the Group includes TCF objectives.
- 5.8 The fair treatment of Customers will be a consideration during staff performance evaluation and recruitment processes.
- 5.9 The fair treatment of Customers will be a factor considered during remuneration processes.
- 5.10 The unfair treatment of Customers will not be tolerated and meaningful consequences will follow for staff and management that do not adhere to the TCF requirements as outlined in this document.
- 5.11 Management information will be gathered in order to provide reporting to the board and senior management regarding TCF objectives. The information will be used to analyze and act on findings in

order to continuously improve TCF outcomes for our Customers. The Group will monitor and respond to market changes in order to identify TCF related risks.

- 5.12 Our communication with stakeholders, including the FSCA, will be transparent regarding TCF and any appropriate information will be publically available.

## **6. PRODUCT AND SERVICE DESIGN**

- 6.1 Customer group identification and research is done when creating or distributing a product in order to ensure suitability.
- 6.2 The Group provides information to intermediaries in order to assist them in selecting the suitable Customer groups. Our distribution channels and strategy will be suitable for the target market.
- 6.3 The products and services provided by the Group aims to be simple enough for any Customer group to understand. We will continuously evaluate our products and services in order to identify potential risks to our Customers.
- 6.4 Senior management will consider TCF outcomes when approving products which will enter the market.
- 6.5 The Group will monitor sales in order to ensure that products are sold to the right Customers and steps will be taken in order to mitigate situations where products are distributed to inappropriate Customer groups.
- 6.6 Any product complaints are considered by product designers and evaluation of success considers TCF objectives.

## **7. DISCLOSURE**

- 7.1 The Group will assess the clarity, appropriateness and fairness of product information which is provided to Customers. The information is also signed off by senior management before distribution.
- 7.2 Any inaccurate, unfair or misleading information provided to Customers will be escalated to senior management and mitigating steps will be taken.
- 7.3 Regular reviews will be done regarding product information which is already in circulation in order to make certain that it remains accurate, clear and appropriate for identified Customer groups.
- 7.4 Any suggestions or complaints received from either our Customers or staff regarding product information will be seriously considered by the Group.
- 7.5 We provide our Customers with relevant information on an ongoing basis subsequent to contracting through appropriate channels. Customers will also be informed regarding any changes to our products in a timely fashion in order to allow sufficient time in order to make decisions.
- 7.6 Our staff are well trained in order to provide Customers with accurate non-standard information.
- 7.7 The Customer information held by the Group will always remain accurate and up to date.
- 7.8 Customers are able to contact the Group through a number of channels in order to receive fast and accurate product information.
- 7.9 The Group keeps accurate, secure and retrievable records of product information supplied to Customers, as well as other relevant interactions.

## **8. SUITABLE ADVICE**

- 8.1 The Group will always consider the appropriate advice required in order to sell or market our products.
- 8.2 Before contracting with any FSP to market or sell our products, we will perform a reasonable and appropriate level of due diligence in order to make sure that their advice processes and service levels are likely to meet our Customers' expectations.
- 8.3 By applying FAIS requirements, we will satisfy ourselves that the FSP's, and their representatives that provide advice on our product, are adequately trained in order for the advice to be suitable. These controls ensure that advice is not provided by persons that do not have the appropriate and adequate training.
- 8.4 The Group and its Associates will provide FSPs and their representatives with ongoing access to product information in order for them to render suitable advice.
- 8.5 We monitor feedback and complaints from Customers regarding the advice provided by FSPs relating to our products. Where the advice provided is inappropriate, steps will be taken to mitigate the risk to the Customer concerned.
- 8.6 The Group and its Associates monitor all TCF indicators, including portfolio switching and claims experience, in order to identify and mitigate the risk of inappropriate advice.
- 8.7 Our TCF objectives are communicated to all FSPs that sell our products and we provide feedback if any practices impede our ability to deliver TCF outcomes to our Customers.
- 8.8 We satisfy ourselves that any FSP that sells our product has no conflict of interest which may lead to inappropriate advice.
- 8.9 The Group and its Associates have agreements in place with FSPs that sell our products setting out responsibilities relating to Customer advice, information and support.
- 8.10 The Group and its Associates have controls in place to identify and prevent parties from providing advice on our products without the necessary authority, whether this is due to FAIS requirements or contractual agreements.
- 8.11 Information is provided to Customers on how to seek redress when they have been prejudiced by inappropriate advice or unfair treatment.
- 8.12 We monitor legal and regulatory guidance in order to ensure that our TCF practices remain relevant.

## **9. PERFORMANCE AND SERVICE PERFORMANCE EXPECTATIONS**

- 9.1 Steps will be taken in order to mitigate situations where environmental, regulatory or economic developments could impact the extent to which our products do not meet reasonable Customer expectations.
- 9.2 Our product switching, early termination, and retention is monitored, and we will seek to identify the risk that our products or services are not meeting expectations created.
- 9.3 The Group and its Associates continuously monitor and act on feedback, complaints and suggestions received from Customers or any other parties, which identify the need for improvements in our products or services. Appropriate steps will be taken to rectify situations where products and services are not performing as Customers have been led to expect.

- 9.4 The Group and its Associates have Management Information regarding Customer expectations and how to meet these expectations.
- 9.5 The confidentiality of our Customers is highly important, and processes are in place to protect Customer information. For further information, please refer to the Privacy Policy of the Group.
- 9.6 The Group and its Associates will always keep agreements in place which define the division of responsibilities between various parties in order to ensure fair treatment of Customers.
- 9.7 We conduct an appropriate level of due diligence as required by legislation on third parties that deal with our products, in order to ensure that service levels and products will perform as we have led Customers to believe.
- 9.8 The Group and its Associates have full and unrestricted access to information held by third parties that deal with our products in relation to our Customers.

## **10. CLAIMS, COMPLAINTS AND CHANGES**

- 10.1 Our Customers will be informed in advance of any changes that may be made to their products should their circumstances change, as well as any important limitations. Should we become aware of a Customer's circumstances changing, we will inform them of possible changes which may be made to their products.
- 10.2 The Group and its Associates have a well-defined service standard in place for processing product changes which are communicated to our Customers. For further information concerning our Standard of Service, please refer to [Annexure 1](#).
- 10.3 Customers will always be provided with clear and understandable reasons why a product change request is declined.
- 10.4 The Group and its Associates' claims handling process will always be suitable for the target Customer group concerned. Our Customers are informed on the process for submitting a claim in advance, as well as what information will be required. Customers are also informed of circumstances under which claims will not be processed and the Customers' obligations are made clear. Further, Customers will be kept informed of progress made once a claim is received.
- 10.5 Where a claim is repudiated, the Customer is provided clear reasons with supporting evidence and relevant steps to take in the event that they wish to review the decision.
- 10.6 When repudiating a claim, we consider our TCF objectives and Customer expectations as a part of the process.
- 10.7 Our claims and repudiation experience are analysed in order to assess the appropriateness of our products for the Customer group concerned.
- 10.8 The Group and its Associates have a robust complaints management, record keeping and cause analysis process. We ensure that our complaints process is accessible and appropriate for our Customer groups. Customers are informed in advance regarding complaints procedures and how to seek further redress if they are not satisfied with the outcome of the complaint. For more information regarding complaints and how they are handled, please refer to the Complaints Resolution Policy.
- 10.9 Once a complaint has been received we keep the Customer informed of progress made.
- 10.10 When responding to a complaint, we provide clear and understandable reasons for our response with supporting evidence when required.

- 10.11 If the Group and its Associates decline to provide redress to a Customer, we provide information on what steps can be taken in order to have the decision reviewed.
- 10.12 The Group and its Associates have service standards in place for processing complaints and these are communicated to our Customers.
- 10.13 The relevant Group and Associate staff handling complaints are adequately equipped to do so and take TCF principles into account.
- 10.14 All decisions regarding complaints are to be objective, consistent, and do not involve any conflict of interest. Responses to complaints are communicated to the affected Customers following the complaint's resolution.
- 10.15 The Group and its Associates' complaints handling process will remain consistent, and fair compensation is provided if a Customer is prejudiced by unfair treatment.
- 10.16 Complaints are analysed in order to identify potential risks of mis-selling and to assess the appropriateness of our products and services for the Customer group concerned.



## **ANNEXURE 1 – STANDARDS OF CUSTOMER SERVICE**

The Group aims to offer a level of service that is efficient and effective, always keeping the needs of our Customers at the heart of our service provision. As a Financial Services Group, we recognize that Customers appreciate:

- Timeliness
- Accurate and Detailed Information
- Development Updates
- Effective Problem Resolution
- Professionalism
- Good Staff Attitude

To that end, the Group is committed to working together to provide the required level of service to not only our Customers, but to any who make use of our services at any time.

### **CORE COMMITMENTS**

Throughout the Group, staff are committed to:

- Treating Customers with respect and courtesy.
- Personalize our services to the Customer's needs and circumstances when practical to do so.
- Offer a timely and professional service, keeping Customers up to date of developments and changes.
- Respond and deal with queries efficiently and promptly.
- Consult with Customers concerning their service needs.

### **EMAIL CORRESPONDANCE**

All emails sent to the Group will be addressed appropriately. In general, emails will be responded to promptly, within 3 (three) working days. If a response requires more time, the enquirer will be informed of this and kept up to date of any and all developments regarding their query.

### **WEBSITE**

The Group aims to make the Group's website available 24 hours a day all year round, keeping any down time to a minimum.

### **CONFIDENTIALITY**

All information related to Customers in the providing of services is kept strictly confidential. For further information, please consult the Privacy Policy of the Group.

### **COMPLAINTS**

If any of the Group's Customers have a complaint concerning the Standard of Service, they may send such complaints to [complaints@globaladmin.co.za](mailto:complaints@globaladmin.co.za)

## ANNEXURE 2 – OWNERSHIP, APPROVAL & REVISION HISTORY

### POLICY OWNER

The Treating Customers Fairly Policy is owned by the Corporate Governance Department who maintains the document through consultation with and the assistance of the Compliance Department.

### POLICY APPROVAL

The policy document was reviewed and approved by the Group’s Risk and Audit Committee on the 26th of May 2023 and formally ratified by management at the next board meeting of the holding company, Prime Financial Services (Pty) Ltd.

### POLICY REVISION

Detailed below is a list of policy versions and the changes/amendments/additions made to the policy with each new version:

DATE	VERSION	CHANGES
Jan 2014	1.00	“TCF” policy established.
Aug 2014	1.01	- Complete format overhaul - Applicable Group entity breakdown included
Aug 2014	1.02	- Inclusion of “Annexure A – Standards of Customer Service”
Oct 2014	1.03	- Reference made to the Privacy policy under Point 6: Performance & Service Performance Expectations
Aug 2015	1.04	- Inclusion of Prime Alternative Investments (Pty) Ltd in the Group structure.
Aug 2015	1.05	- Inclusion of PAI Holdings and Prime Asset Management (Pty) Ltd in Group structure. - GAA’s name is changed to Ascent Capital (Pty) Ltd.
Nov 2015	1.06	- Removal of the Unclaimed Retirement Funds from the Group structure. - Inclusion of Annexure B - Revision History
Aug 2016	1.07	- Global Employee Benefits (Pty) Ltd included in Group structure. - Inclusion of “Associates” in Group Structure. Policy reworded to refer to both the Group and Associates where applicable. - Group structure amended to refer to “Prime Collective Investment Schemes Management Company (RF) (Pty) Ltd” and “Prime Alternative Investments (RF) (Pty) Ltd”. - Header formatting. - Format changes to Group Structure. - Point 1.3 amended to read as follows: “The policy objective of this document” - Point 7.14 amended to read as follows: “All decisions regarding complaints are to be objective, consistent, and do not involve any conflict of interest. Responses to complaints are communicated to the affected Customers following the complaint’s resolution.
Aug 2017	1.08	- Global Financial Administrators (Pty) Ltd included in Group structure. - Global Investment Administrators (Pty) Ltd. included in Group structure. - Global Payroll Services (Pty) Ltd included in Group structure. - Global Nominees (Pty) Ltd - Ascent Capital (Pty) Ltd reclassified as an Associate company. - Numbering & format changes throughout document.
Nov 2017	1.09	- Format changes - Prime Real Estate (Pty) Ltd. included in Group structure. - Unclaimed Funds included in Group structure.

		<ul style="list-style-type: none"> <li>- Orca Global Advisory (Pty) Ltd. included as an Associate.</li> <li>- Section 2: Definitions included.</li> <li>- Annexures Amended</li> </ul>
Jan 2018	1.10	<ul style="list-style-type: none"> <li>- Ascent Capital (Pty) Ltd reclassified as a Group company.</li> </ul>
Feb 2018	1.11	<ul style="list-style-type: none"> <li>- Prime Trade Finance (RF) (Pty) Ltd removed as a Group company.</li> <li>- Mashamba Asset Managers (Pty) Ltd removed as an Associate company.</li> <li>- Orca Global Advisory (Pty) Ltd removed as an Associate company.</li> <li>- Section 2: Definitions updated.</li> <li>- Dormant companies removed from Group structure.</li> </ul>
Jun 2018	1.12	<ul style="list-style-type: none"> <li>- Complaints email amended to <a href="mailto:compliance@globaladmin.co.za">compliance@globaladmin.co.za</a></li> </ul>
Dec 2019	1.13	<ul style="list-style-type: none"> <li>- Address updated.</li> <li>- Format updated.</li> <li>- New heading “Application of the Policy” updated.</li> <li>- List of applicable companies amended.</li> <li>- Complaints email amended to <a href="mailto:complaints@globaladmin.co.za">complaints@globaladmin.co.za</a></li> </ul>
May 2023	1.14	<ul style="list-style-type: none"> <li>- Format updated.</li> </ul>