

3SIXTY LIFE LIMITED

Treating Customers Fairly Policy

Version 1.0 • December 2, 2019

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Document History

Paper copies are valid only on the day they are printed. Contact the author if you are in any doubt about the accuracy of this document.

Revision History

Revision Number	Revision Date	Summary of Changes	Author
Draft	2019	Policy statement	

Reference Documents

Please see the following documents for more information:

Document Name	Version	Author

Distribution List

This document has been distributed to:

Name	Position	Company	Action
	COO	3Sixty Life	Sign off and Implementation
	CEO	3Sixty Life	Sign Off

	Key Individual	3Sixty Life Ltd	Enforce
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1. Personnel Acknowledgement

I confirm that I have read and understand the contents of this document and that I am aware of my duties in		
Name	Date	Signature

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2. TFC Champion

3Sixty Life has appointed a TCF Champion as part of its commitment to treat its clients fairly. The appointment of the TCF Champion is confirmed in Annexure C hereto.

The TCF Champion is actively involved with embedding TCF principles into the organisation and instilling a culture where the fair treatment of clients is embraced and adopted. The TCF Champion will 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.

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.

3. The Six TCF Outcomes

3Sixty 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

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- systematic stability of financial industries
 - integrity of financial markets and institutions

To this end 3Sixty welcomes the FSCA's TCF initiative and commits itself to fully support the outcomes to the extent relevant to our business and our role in the investment product value chain.

The six outcomes of treating clients fairly as published by the FSCA 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 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
- 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

3.1 Outcome 1

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

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.

Delivery of the TCF outcomes is a core feature of our values, code of conduct and ethics policy.

PROCEDURES IMPLEMENTED IN ORDER TO ACHIEVE POLICY OBJECTIVES

LEADERSHIP

- TCF is a standing item on the governing body of 3Sixty's meeting agenda where our approach to TCF is analysed and discussed.
- Senior management has adopted TCF deliverables and have been allocated specific responsibilities in terms thereof. Senior management in all areas 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.

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- 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 a monthly/ quarterly/ bi-annual basis that accurate, meaningful and timely Management Information has been produced during the period and that senior management acts accordingly. 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 (minuted) meeting.

DECISION MAKING

- All requests by 3Sixty'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 established accessible forums or structures through which staff members and management are able to debate TCF related matters and refer any TCF questions or concerns.

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 the governing body and senior management on the progress in achieving TCF deliverables across all of the organisation's activities and functional departments.

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- 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 the Compliance Officer.
 - Procedures have been implemented for identifying and reporting (at organisation-wide level) TCF risks or failures to senior management and the governing body.
 - 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.

EMPLOYEE PARTICIPATION

- All staff members (including senior management) whose roles require delivery of TCF outcomes have been identified.
- Performance evaluation criteria incorporate TCF objectives and are rigorously applied at all levels.
- Recruitment processes have been revised to ensure staff in relevant positions 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.

MANAGEMENT INFORMATION (MI)

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- 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.
 - Processes are in place to analyse and act on MI findings to improve TCF outcomes for our clients.
 - We analyse and act on MI findings to identify staff training needs and to align performance management measures

COMMUNICATION

- We communicate transparently with our stakeholders (including the Regulator) on our progress in achieving TCF outcomes.
- We make information regarding our progress in achieving TCF outcomes publicly available.

3.2 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 certain intermediary services that fall within the categories and sub-categories of the financial products listed in Annexure A.

Our clients can typically be grouped into three broad categories:

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- Low sophistication: Relatively inexperienced groups with a high level of dependence
 - Moderate sophistication: General client groups falling into the mass market
 - High sophistication: Investment groups who have expertise

Our product approval and product selection processes includes 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 product approval and product selection processes also include the careful consideration of the elements listed below:

- When designing a product or selecting a product to distribute or to administer, we identify the particular client groups for which the product can be considered suitable.
- We obtain information from the product supplier regarding client groups in respect of which the product is regarded as most suitable.
- We provide our staff members and representatives with information and guidance to determine the client group/s in respect of whom the products are best suited.
- 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 client groups.
- When approving or selecting any product for distribution:

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- we assess the suitability of any promotional or other material that has been designed for the identified client group
 - we assess the suitability of any related and optional (bundled and "add-on") products or services for the identified client group
 - Moreover, should any product be selected that includes bundled or "add-on" products or services, we confirm that there are processes in place to ensure the fair treatment of clients or members with regard to such bundled and "add-on" products or services, including ensuring that these products or services are appropriately targeted to the needs of client groups for which they are provided.
 - We have measures in place to evaluate the client groups' financial understanding of products or services offered or provided to them.

3.3 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.
- Before any product information is issued, it is carefully tested to ensure that the content will be clear and understandable by the target audience and client group.
- We have implemented appropriate risk mitigation procedures that are designed to address any inaccurate, unfair or misleading information about our products or services that may be provided to clients by 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.

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- 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 (whether produced by the FSP or not) is inaccurate, unclear, or unfair or is misleading.
 - We regularly review standardised product information we use (whether produced by the FSP or not) to ensure that it remains accurate, clear and appropriate to the applicable client groups.
 - 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 provide all existing clients with written 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. 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.
 - 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.

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- 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 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 interactions with clients.

3.4 Outcome 4

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

- 3Sixty's is a Category I license holder and have made a business decision not to give any advice to clients which might impact credit decisions. This applies to our website as well as our employees.

3.5 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

- Processes are in place to mitigate the risk that products and services are unable to satisfy the reasonable expectations of clients.
- We analyse the product retention / portfolio switching / early termination behaviour of our clients to identify the possible risk that products or services are not meeting expectations.
- Processes are in place to alert clients to the risks resultant from their actions (such as early termination of a product, non-payment of contributions, investment portfolio switches, and benefit reductions) in reasonable time for them to respond to or act on the information.

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- 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 have clear service standards in place for client service processes and communicate these to our clients.
 - We research and test our service standards to determine whether they are in line with client expectations.
 - 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.
 - We have adopted "Management Information" on client expectations (See Annexure B).
 - Processes are in place to protect the confidentiality of all client information.

3.6 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

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.

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- 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.

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.

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, record keeping and root cause analysis process.
- 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.

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- We benchmark our complaints data (for example, complaint volumes, resolution rates, referrals to Ombud schemes) against competitors.
 - 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.
 - We have specific staff training in place for complaints handling
 - 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.

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- We analyse complaints to identify any risks of mis-selling (whether by our own representatives or not).
 - We consider the nature of complaints received and the complaints handling performance history of different product suppliers when deciding on whether or not to enter into a business relationship with a particular product supplier
 - We consider the nature of complaints received and the complaints handling performance history of different product suppliers when recommending a particular product supplier or financial product to our clients.

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.

(*delete whichever is not applicable)

DATA SET : SALES 5)		(Outcomes 2, 3, 4 & 5)
Data Measured	Possible TCF Implications	
Sales volume by product type	Product suitability – excessive sales of one product may indicate mis-selling or unsuitable sales including inadequate suitability analysis	
Sales volume by commission rate / type	Commission rate payable on a particular product may result in product bias, leading to mis-selling or unsuitable sales. As above, this may mean suitability was not properly assessed	
Sales volume against expectations	Poor sales may indicate incorrect targeting or that the product is too complex; excess sales may indicate mis-selling and/or unsuitable sales, including affordability concerns	
Cancellation within cooling off period	High cancellation rates may indicate unsuitable advice and/or a misunderstanding of the product on the part of the client	
Early cancellation rates	Excessive early cancellations may indicate a lack of suitability of advice as the client believes the product is unsuitable or is unable to afford premiums and terminates early	

(*delete whichever is not applicable)

DATA SET : COMPLAINTS 6)		(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 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 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
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

(*delete whichever is not applicable)

DATA SET : AFTERS SALES SERVICE
6)

(Outcomes 1, 2, 3, 4 &

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
Clients contacted to notify unsuitability of product following TCF review	Indicative of the existence of serious compliance breaches at the point of sale and possibly in other areas resulting, in mis-selling. May be indicative of wider systemic shortcomings
Percentage of clients contacted following completion of satisfaction survey	Fairness related questions (e.g. 'what does this product do'/'why did you buy it?') and questions relating to whether the client understood what type of service they received may indicate whether the client
Overall service satisfaction score for this period out of 10	May indicate whether clients are being fairly treated, depending on the questions asked

(*delete whichever is not applicable)

DATA SET : CULTURE AND VALUES 1)		(Outcomes
Data Measured	Possible TCF Implications	
Percentage of staff who have completed general TCF training – sales and non-sales	May be indicative of TCF awareness and a TCF culture and communication strategy	
Number of TCF goals in place by business area (financial services, complaints, advertising, after-sales service)	May be indicative of TCF awareness and an embedded TCF culture	
Percentage of TCF goals achieved by business area for this period	May be indicative of TCF awareness and an embedded TCF culture	
Documented TCF Policy and strategy	Senior management/business owner commitment and strategy	
TCF MI reports, regular minutes of meeting, reporting structures and review processes.	Embedding of TCF culture and use of TCF MI is being identified reviewed and acted on	
Minutes evidencing monthly 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	

(*delete whichever is not applicable)

DATA SET : ADVERTISING AND PRODUCT PROMOTION & 5)		(Outcomes 2, 3
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	

(*delete whichever is not applicable)

DATA SET : FEEDBACK TO PRODUCT SUPPLIERS 5)		(Outcomes 1 & 5)
Data Measured	Possible TCF Implications	
Number of cases of product feedback / suggestions to providers to assist TCF	Feedback on the quality / suitability of a product and/or clarity of product information may improve consumer outcomes	

Annexure C: TCF Champion Appointment

3Sixty has appointed a TCF Champion as part of its commitment to treat its clients fairly.

The TCF Champion is actively involved with embedding TCF principles into the organisation and instilling a culture where the fair treatment of clients is embraced and adopted. The TCF Champion will 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.

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.



TCF Champion Signature

31 - OCTOBER - 2019

Date



Member of the Board Of Directors

31 / 10 / 2019

Date