

## AYLETT & CO. TREATING CUSTOMERS FAIRLY (TCF) POLICY:

Revised: October 2018

### TCF Statement

This policy was designed to suit Aylett & Co's (the "Company") specific profile of being an Asset Manager (Category IIA FSP), with a variety of clients and products in addressing TCF, in conjunction with the recommendations made by the FSB with regard to TCF. This document serves to show our commitment to our clients in accordance with the Financial Services Board's initiative of "Treating Customers Fairly" (TCF).

### Desired Outcomes

Our TCF Policy is centered on the Financial Services Board's guidelines and the six outcomes produced are as follows:

**Outcome 1 ("Culture"):** Consumers can be confident that they are dealing with the Company where the fair treatment of customers is central to corporate culture.

**Outcome 2 ("Products and Services"):** Products and services marketed and sold in the retail market are designed to meet the needs of identified consumer groups and are targeted accordingly.

**Outcome 3 ("Clear and Appropriate Information / Point-of-Sale"):** Customers are provided with clear information and are kept appropriately informed before, during and after the point of sale.

**Outcome 4 ("Customer Advice"):** Where consumers receive advice, the advice is suitable and takes account of their circumstances.

**Outcome 5 ("Product Performance"):** Consumers are provided with products that perform as the Company has led them to expect, and the associated service is of an acceptable standard and what they have been led to expect.

**Outcome 6 ("Post-Sale Barriers / Complaints Handling"):** Consumers do not face unreasonable post-sale barriers imposed by the Company to change product, switch provider, submit a claim or make a complaint.

### Achieving the Outcomes and our Commitment thereto:

At Aylett & Co. we will aim to demonstrate through our behaviour and monitoring that we are consistently treating customers fairly throughout the stages of the product life cycle to which we contribute as follows:

#### Culture

At Aylett and Co. we pride ourselves on our commitment and service to our clients. If we didn't have any clients we wouldn't have a business. As a result, we have embedded in our company, a culture of treating clients fairly. It is part of our DNA.

Aylett & Co. and its staff are invested alongside our clients in our own products. This partnership effectively forces us to “eat our own cooking”. To labour the point, we share in our client’s upsides and downsides. As investment professionals, if the product is good enough for us, it’s good enough for our clients as well.

All our members of staff are trained to deal with our clients and are committed to maintaining very high standards of service and will continuously ensure that all staff members fully understand the Six Outcomes as detailed above.

Aylett & Co. fosters a culture of meritocracy. The success of the staff is aligned with the success of the business through a profit-share model, as we want our employees to think and act like an owner. We believe that our staff remuneration is structured in such a way which encourages them to deal with our clients in a fair and unbiased manner.

### **Product and services**

We develop a product when we believe that a new mandate can sustainably meet a clearly defined investor need, and in areas where we have adequate capacity, resources and expertise to deliver results over meaningful periods.

Our products have been developed in a way that the fees payable by clients are reasonable and fair and are not structured in a way that gives rise to up-front charges, hidden penalties, and unreasonable ongoing fees.

We will ensure that all Authorised Representatives have received training on the products being recommended to ensure they understand to which client group each product is most appropriate.

### **Clear and Appropriate Information / Point-of-Sale**

- Clients are presented with an introductory letter informing the client of pertinent facts pertaining to the appointment of Aylett & Co. as their Investment Manager.
- We perform a Full Needs Analysis upfront to ascertain the client’s details, financial status and financial needs.
- We disclose all costs and risks involved with the product being recommended.
- We make sure that the client understands the Record of Advice and any risks associated with any product recommended.
- We ensure that all Conflicts of Interest are clearly disclosed to enable the client to make an informed decision.
- We ensure that all client communications are clear, concise and free of jargon. Small print is avoided.
- Minimum Disclosure documents are produced quarterly for funds being managed, which clearly detail composition, costs and performance.
- Senior Management reviews all promotional material for quality and compliance prior to being issued publicly.
- We send quarterly reports to all discretionary clients detailing progress made during the quarter on investments.
- We will ensure that a mandate is signed between ourselves and the client detailing the extent of our discretionary services.

- Engagement with our institutional clients takes place on an ongoing basis through frequent interaction at client meetings, investment report-backs and operational due diligences. A dedicated Business Development Manager ensures that such client's requests for information are attended to timeously.

### **Customer Advice**

Although financial advisory services do not form part of our regular business, we strive to give our clients an excellent understanding of our products through regular communication and presentations.

Where advice is provided, advisors are fully equipped to provide advice that is suitable to the needs of the customer concerned, following the objectives of TCF and avoiding conflicts of interest.

We meet with discretionary clients at least once a year to review discretionary client's portfolio, providing financial advice that takes into account their current circumstances and needs.

### **Product Performance**

We provide clear and fair information to enable customers to make informed decisions about transacting with Aylett & Co., our products and services. Product risks, commitments, limitations and charges must be transparent.

We provide customers with ongoing relevant information to enable them to monitor whether the product or service continues to meet their needs and expectation, and provide acceptable levels of service for post-sale transactions or enquiries.

Where necessary, we conduct annual reviews with our clients to ensure that their expectations are met and their needs understood. This allows us to manage their investments with their best interests in mind.

Minimum Disclosure Documents are produced quarterly so that performance can be reviewed as to how the funds are doing in relation to its benchmark.

### **Post-Sale Barriers / Complaints Handling**

We honour representations, assurances and promises that lead to legitimate customer expectations. Legitimate expectations must not be frustrated by unreasonable post-sale barriers. There is a requirement to be fair and consistent with handling of claims and a mechanism to deal with complaints timeously and fairly.

- Withdrawals are processed timeously on receipt of a valid Unit Trust Redemption form,
- Clients are free to withdraw their investment at any time,
- At Aylett & Co. we do not impose any exit penalties, surrender fees or other charges to discourage clients from withdrawing,

- All new clients are familiarised with our Customer Complaints procedures, which is disclosed in the Client Introduction Letter that is presented to them upon joining as a discretionary investor,
- We will listen to client feedback and will deal with any complaints timeously,
- Our Customer Complaints Policy and Customer Complaints Form are readily available on our website.

#### **Other examples of TCF principles evidenced in our approach to daily business**

- Fair allocation of trades to all clients' portfolios, we do not favour any products or portfolios over and above others.
- We continue to place a high priority on ensuring that we comply with all regulatory and statutory obligations, as well as industry best practice.
- Where a breach of mandate has taken place we will rectify the situation so that the client is not prejudiced.
- We encourage and welcome feedback from staff and customers on our services and procedures.
- Before we engage with a third party we will satisfy ourselves of their commitment to treating customers fairly through consideration of their TCF policy and information that they can provide to demonstrate the fair treatment thereof.
- A TCF register is kept to record any TCF concerns together with the manner in which it was resolved. This register is reviewed by Senior Management on a regular basis.
- We will continue to review our TCF policy on an ad hoc basis but at least annually.

For any queries or feedback relating to our Treating Customers Fairly Policy, please feel free to contact us at:

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