



## **Treating Customers Fairly (TCF) Policy for Resilience Asset Management incorporating product suitability and testing**

### **Date of Policy Approval:**

- 28 January 2024

### **Date of Policy Implementation:**

- 1 March 2024

### **Key Risk:**

- Legal, Regulatory, and Compliance Risk

### **Key Risk Owner:**

- Group Head of Legal/Group Company Secretary

### **Policy Owner:**

- Group Company Secretary

### **Action Owners:**

- Group Company Secretary and Chief Operating Officer (COO)

### **1. Preamble:**

1.1. This Policy is integral to the Risk Management and Compliance Program (RMCP) at Resilience Asset Management.

1.2. Compliance with this Policy is mandatory for all directors, employees, contractors, and agents of Resilience Asset Management.

1.3. Violations of this Policy may lead to disciplinary action, including potential dismissal or termination of contract.

1.4. This Policy is available electronically for review and reference.

### **Purpose Statement:**



The objective of this policy is to ensure that Resilience Asset Management and its regulated entities abide by the highest standards of customer treatment in line with regulatory expectations and the Treating Customers Fairly (TCF) framework.

### Relevant Definitions:

- **Group:** Refers to Resilience Asset Management and all its entities.
- **Financial Services Provider (FSP):** A company or entity licensed and registered with regulatory bodies to provide financial services.
- **Regulated Financial Firms:** Subsidiaries registered as FSPs to which this Policy and the TCF framework directly apply.
- **TCF:** The regulatory framework ensuring that FSPs conduct their business with the fair treatment of clients as a central tenet.

### 3. Policy Provisions:

#### 3.1 General Provisions:

Resilience Asset Management encompasses subsidiaries authorized as FSPs under financial regulatory authorities. These entities, referred to as "Regulated Financial Firms," are required to comply with this Policy and the TCF principles.

#### 3.2 Specific Provisions:

- **TCF Outcomes:** The Policy incorporates TCF outcomes, ensuring that fairness towards customers is embedded in all stages of product and service lifecycles.
- **Understanding and Application:** All relevant personnel within Regulated Financial Firms must have access to, understand, and apply this Policy in conjunction with the TCF outcomes.
- **Annual Reminder:** An annual communication regarding this Policy and TCF principles will be circulated to all staff, requiring written acknowledgment of understanding and compliance.

### Testing:



- **Implementation and Monitoring:** Designated individuals within Resilience Asset Management will be responsible for the implementation, monitoring, and supervision of TCF within the FSP operations.
- **Integration into Business Conduct:** TCF principles will be integrated into daily business operations, promoting a culture centered around client fairness and satisfaction.

### TCF Policy Review:

This Policy will undergo annual reviews to ensure it remains aligned with regulatory changes, emerging industry practices, and the overall strategic direction of Resilience Asset Management. Adjustments will be made as necessary to continue upholding the principles of Treating Customers Fairly within all aspects of our business operations.

### 4. Training and Awareness

To instill a culture of fairness and ensure compliance with this policy, Resilience Asset Management will implement a comprehensive training program. This program will cover:

- **TCF Principles:** Detailed sessions on the Treating Customers Fairly framework to ensure all employees understand their role in delivering fair outcomes to customers.
- **Regulatory Requirements:** Training on specific legal and regulatory obligations related to customer treatment, focusing on the Financial Advisory and Intermediary Services Act and other relevant legislation.
- **Ongoing Education:** Regular updates and refresher courses will be provided to keep all employees abreast of changes in regulations, market practices, and internal policies.

Employees will be required to complete these training sessions annually and sign an attestation confirming their understanding and commitment to uphold the TCF policy.

### 5. Monitoring and Compliance

Resilience Asset Management will establish robust mechanisms to monitor compliance with the TCF policy, including:

- **Regular Audits:** Internal audits will be conducted to assess adherence to the TCF principles and identify areas for improvement.



- **Customer Feedback:** Gathering and analyzing customer feedback to gauge the effectiveness of the TCF policy in practice and to identify any issues or concerns from a customer perspective.
- **Compliance Reporting:** Regular reporting to the Risk Management and Compliance team on TCF-related metrics, incidents, and corrective actions taken.

Any identified breaches or non-compliance issues will be addressed promptly, with corrective actions implemented to prevent recurrence.

## 6. Policy Enforcement

Non-compliance with this policy will be taken seriously and may result in disciplinary actions, up to and including termination of employment or contract. The enforcement measures are designed to ensure that all employees and agents of Resilience Asset Management consistently adhere to the principles of Treating Customers Fairly, thereby maintaining the integrity and reputation of the organization.

## 7. Feedback and Continuous Improvement

Resilience Asset Management is committed to the continuous improvement of its TCF policy. Feedback from customers, employees, and regulatory bodies will be regularly solicited and reviewed to identify opportunities for enhancement. This iterative process ensures that the policy remains effective and responsive to the needs of all stakeholders.

## 8. Conclusion on main TCF programme

The TCF policy underscores Resilience Asset Management's commitment to the fair treatment of its customers throughout their engagement with the firm. By embedding the principles of TCF into all aspects of its operations, Resilience Asset Management aims to exceed regulatory expectations, build trust with customers, and establish a competitive advantage in the financial services industry.

This policy is a living document and will be reviewed and updated regularly to reflect changes in the regulatory landscape, industry best practices, and the strategic objectives of Resilience Asset Management. All employees and stakeholders are encouraged to familiarize themselves with this policy and contribute to its successful implementation.



## 9. Product Suitability Test Policy Component

In alignment with the Treating Customers Fairly (TCF) principles, Resilience Asset Management integrates a Product Suitability Test as a cornerstone of its approach to customer engagement and product offering. This policy component ensures that all financial products and services offered are suitable for our customers based on their individual needs, objectives, financial situation, and risk tolerance.

### 9.1 Objectives:

- **Ensure Alignment:** Guarantee that each product or service offered aligns with the specific needs and circumstances of the customer.
- **Risk Awareness:** Help customers understand the risks associated with different investment products.
- **Transparency:** Provide clear, accurate, and comprehensive information about financial products and services.

### 9.2 Implementation:

- **Customer Profiling:** Collect and analyze detailed information about the customer's financial status, investment objectives, knowledge and experience in financial matters, and risk tolerance.
- **Product Matching:** Utilize the collected customer data to match individuals with suitable financial products or services, ensuring these offerings meet their needs and investment goals.
- **Regular Reviews:** Conduct periodic reviews of the customer's circumstances and the suitability of the products provided, especially in light of any significant changes in the customer's financial situation or in the financial market.

### 9.3 Training:

Employees involved in customer advice and product sales will receive training on assessing product suitability, including how to:

- Conduct thorough customer profiling.
- Understand and evaluate the features, risks, and benefits of products offered.
- Match products to customer profiles effectively.
- Document and justify product recommendations made to customers.

### 9.4 Monitoring and Compliance:



Compliance with the Product Suitability Test policy will be regularly monitored through:

- Internal audits and reviews of customer files and product matches.
- Feedback mechanisms to gather insights from customers regarding their satisfaction with the suitability of products offered.
- Reports to the compliance department on adherence to the policy, highlighting any areas for improvement.

## **9.5 Enforcement:**

Failure to adhere to the Product Suitability Test policy may result in disciplinary actions against the involved staff members, reinforcing the seriousness with which Resilience Asset Management treats its obligation to offer suitable products to its customers.

## **10. Testing Suitability Policy**

To ensure the effectiveness of the Product Suitability Test policy and its alignment with TCF principles, Resilience Asset Management will implement a testing mechanism that includes:

### **10.1 Scenario Testing:**

- Develop a range of customer scenarios to test the suitability assessments and product matching processes.
- Analyze the outcomes to ensure that the recommended products align with the hypothetical customer profiles and their needs.

### **10.2 Feedback Loop:**

- Establish a feedback loop with customers to gather direct insights into their perceptions of the suitability of the products and services they have received.
- Use this feedback to refine the product suitability assessment processes.

### **10.3 Continuous Improvement:**

- Regularly review and update the Product Suitability Test policy to reflect changes in regulatory requirements, market conditions, and customer needs.
- Incorporate lessons learned from testing and customer feedback into the policy and training materials for staff.



## 11. Cryptocurrency Services Section within the TCF Policy

Recognizing the unique characteristics and risks associated with cryptocurrency services, Resilience Asset Management integrates specific provisions within the Treating Customers Fairly (TCF) policy to ensure the fair treatment of customers engaging in cryptocurrency transactions. This section outlines the principles and procedures governing the provision of cryptocurrency services to align with TCF objectives.

### 11.1 Risk Disclosure:

- Prior to engaging in any cryptocurrency transactions, customers will be provided with comprehensive risk disclosures outlining the volatility, regulatory uncertainty, and other inherent risks associated with cryptocurrency investments.
- The disclosures will be clear, concise, and easily understandable, ensuring that customers are fully aware of the risks involved before making investment decisions.

### 11.2 Suitability Assessment:

- A thorough suitability assessment will be conducted for customers interested in cryptocurrency investments, considering their risk tolerance, investment objectives, and financial situation.
- Customers will only be recommended cryptocurrency products or services that are suitable based on the outcome of the suitability assessment.

### 11.3 Education and Awareness:

- Resilience Asset Management will provide educational resources and guidance to customers regarding the fundamentals of cryptocurrencies, blockchain technology, and best practices for secure storage and management of digital assets.
- The goal is to empower customers with the knowledge and understanding necessary to make informed decisions about cryptocurrency investments.

### 11.4 Transparency and Fairness:

- All fees, charges, and terms associated with cryptocurrency services will be transparently disclosed to customers, ensuring they have a clear understanding of the costs involved.
- Fair pricing practices will be maintained, with no hidden fees or unfair advantages given to any customers.

### 11.5 Ongoing Monitoring:



- Continuous monitoring of cryptocurrency markets and regulatory developments will be conducted to ensure that customers are promptly informed of any changes that may impact their investments.
- Customers will receive regular updates and notifications regarding their cryptocurrency holdings and market conditions.

## **11.6 Complaint Handling:**

- A dedicated process for handling customer complaints related to cryptocurrency services will be established, ensuring timely resolution and appropriate remediation where necessary.
- Customer feedback will be valued and used to improve the quality of cryptocurrency services offered.

## **12. Testing Cryptocurrency Suitability Policy**

Incorporating cryptocurrency services into the broader Product Suitability Test policy, Resilience Asset Management implements specific testing procedures to assess the suitability of cryptocurrency investments for customers. This ensures that customers are provided with suitable recommendations and products tailored to their individual needs and circumstances.

### **12.1 Cryptocurrency Scenario Testing:**

- Develop hypothetical customer scenarios involving cryptocurrency investments to assess the effectiveness of the suitability assessment process.
- Analyze the outcomes of these scenarios to evaluate the accuracy of product recommendations and the alignment with customer profiles.

### **12.2 Cryptocurrency Feedback Loop:**

- Establish channels for gathering feedback from customers who have engaged in cryptocurrency transactions to assess their satisfaction with the suitability of the investments.
- Use customer feedback to refine the suitability assessment criteria and improve the accuracy of product recommendations.

### **12.3 Continuous Improvement:**

- Regularly review and update the cryptocurrency suitability assessment criteria based on market trends, regulatory changes, and customer feedback.





- Ensure that staff members involved in cryptocurrency services are trained and equipped to conduct thorough suitability assessments and provide appropriate recommendations.

<b>TCF Outcome</b>	<b>Description</b>	<b>Policy Considerations</b>
Outcome 1	Customers are confident that they are dealing with an FSP where the fair treatment of customers is central to the FSP's culture.	- Ensuring a customer service culture is maintained. - Staff treating customers as they would want to be treated. - Regular discussions on TCF among staff to keep customer-centric approach. - Compliance with regulations ensuring fair, honest, and diligent service to customers.
Outcome 2	Products and services marketed and sold in the retail market are designed to meet the needs of identified customer groups and are targeted accordingly.	- Conducting needs analysis for each customer to understand their financial situation and objectives. - Providing thorough product knowledge to match products with customer needs. - Due diligence on all products/providers before offering them to customers.
Outcome 3	Customers are given clear information and are kept appropriately informed before, during, and after the time of contracting.	- Using clear explanations when communicating product information to customers. - Keeping customers informed of required processes and information from product suppliers. - Providing disclosures as per regulatory requirements.
Outcome 4	Where customers receive advice, the advice is suitable and takes account of their circumstances.	- Conducting suitability analysis to ensure advice aligns with customer's needs. - Checking recommendations against customer's financial product needs. - Ensuring records of advice contain all required disclosures.
Outcome 5	Customers are provided with products that perform as FSP's have led them to expect, and the associated service is	- Recommending products offered by reputable providers. - Monitoring service provided by product suppliers and offering alternatives if service is



# RESILIENCE

ASSET MANAGEMENT

<b>TCF Outcome</b>	<b>Description</b>	<b>Policy Considerations</b>
	both of an acceptable standard and what they have been led to expect.	unsatisfactory. - Providing feedback to product suppliers on their products and services.
Outcome 6	Customers do not face unreasonable post-sale barriers to change product, switch provider, submit a claim, or make a complaint.	- Providing easy communication channels for customers to seek assistance. - Prioritizing assistance for customers with complaints. - Assisting customers in contacting and dealing with product suppliers post-sale.