

QANTARA PRIVATE CAPITAL (PTY) LTD

TCF POLICY

POLICY / PROCEDURE		
A STANDARD POPI ACT PRIVACY POLICY STATEMENT	Revision	Annually
	V1/2025	Financial Sector Regulation Act, 2017 (FSR Act) FAIS Act, 2002 General Code of Conduct for Authorised FSPs and Representatives
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1. INTRODUCTION

Qantara Private Capital (Pty) Ltd (“the Company”) is an authorised Financial Services Provider (FSP) licensed under the Financial Advisory and Intermediary Services Act, 2002 (FAIS Act). As such, the Company is committed to conducting its business honestly, fairly, with due skill, care, and diligence, and in the best interests of its clients and the integrity of the financial services industry.

This Treating Customers Fairly (TCF) Policy sets out the Company’s approach to embedding the Financial Sector Conduct Authority (FSCA) TCF Outcomes into its culture, governance, and operations. The policy ensures that all representatives, staff, and stakeholders consistently apply the principles of fairness and transparency in dealings with clients across the product life cycle.

2. SCOPE

This policy applies to:

- All directors, officers, representatives, employees, and contractors of Qantara Private Capital.
- All activities carried out under the Company’s FSP licence, including financial product advice, discretionary investment management, marketing, client onboarding, servicing, and complaint handling.
- All client categories as defined in the FAIS Act and relevant subordinate legislation.
- All financial products and services offered by Qantara Private Capital, including private capital, investment products, and related financial solutions.

This policy is to be read together with:

- The FAIS General Code of Conduct;
- The Financial Sector Regulation Act, 2017 (FSR Act); and
- Other relevant regulatory and internal compliance policies (e.g., Conflicts of Interest, Advertising & Marketing, Complaints Management).

3. OBJECTIVES

The objectives of this policy are to:

1. Align with FAIS Act obligations
 - Ensure compliance with the General Code of Conduct for Authorised FSPs and Representatives, particularly the requirement care, and diligence, and in the best interests of clients.to act honestly, fairly, with due skill,
2. Embed the FSCA TCF Outcomes
 - Operationalise the six TCF outcomes across Qantara Private Capital's business processes, ensuring fair treatment is consistently delivered.
3. Promote client trust and confidence
 - Build long-term, sustainable client relationships through transparency, suitability of advice, product appropriateness, and responsive service.
4. Strengthen governance and accountability
 - Ensure directors, management, and all representatives understand their roles and responsibilities in achieving TCF outcomes.
5. Mitigate conduct risk
 - Identify, manage, and report on risks that may compromise the fair treatment of customers, in line with the Company's risk management and compliance framework.

4. TCF OUTCOMES AND FAIS ACT ALIGNMENT

The FSCA has outlined six Treating Customers Fairly (TCF) Outcomes that must be embedded into the culture and daily business operations of all Financial Services Providers. Qantara Private Capital aligns these Outcomes to the obligations of the FAIS Act and the General Code of Conduct, ensuring consistent delivery of fair client experiences.

Outcome 1 – Culture

Clients can be confident that they are dealing with a firm where the fair treatment of customers is central to the corporate culture.

- FAIS Link: General Code, Section 2 – Act honestly, fairly, with due skill, care, and diligence, in the interests of clients and the integrity of the industry.
- **Qantara Application:**
 - Leadership and governance structures demonstrate commitment to fairness.
 - Performance metrics and incentives avoid conflicts with TCF principles.
 - Regular training ensures representatives uphold TCF in every client interaction.

Outcome 2 – Product & Service Design

Products and services are designed to meet the needs of identified customer groups and are targeted accordingly.

- FAIS Link: General Code, Section 8(1) – Advice must be appropriate to the client’s circumstances and financial product needs.
- Qantara Application:
 - Conduct client and market needs analysis before introducing products.
 - Ensure investment products and private capital solutions are suitable for the intended client segments.
 - Avoid offering products inconsistent with clients’ risk profiles or investment objectives

Outcome 3 – Clear Communication

Clients receive clear information and are kept appropriately informed before, during, and after contracting.

- FAIS Link: General Code, Section 7 – Provide clients with concise, adequate, and appropriate information about products, fees, and risks.
- Qantara Application:

- Use plain language in all disclosures and agreements.
- Ensure clients understand product features, risks, costs, and commitments.
- Maintain transparent communication throughout the product life cycle

Outcome 4 – Suitable Advice

Where advice is given, it is suitable and takes account of the client's circumstances.

- FAIS Link: General Code, Section 8 – Take reasonable steps to ensure advice is appropriate to the client's financial needs and circumstances.
- Qantara Application:
 - Conduct comprehensive financial needs analysis (FNA).
 - Document reasons for product recommendations (Record of Advice).
 - Review advice periodically and on material changes in client circumstances.

Outcome 5 – Product Performance Expectations

Products perform as firms have led customers to expect, and service is of an acceptable standard.

- FAIS Link: General Code, Section 3(1)(a) – Ensure representations made to clients are not misleading, false, or deceptive.
- Qantara Application:
 - Monitor product performance and service delivery.
 - Communicate promptly if product performance deviates from expectations.
 - Take corrective action where delivery falls short of commitments.

Outcome 6 – After-Sales and Complaints

Clients do not face unreasonable post-sale barriers to change product, switch providers, submit a claim, or make a complaint.

- FAIS Link: General Code, Section 16 – Maintain an effective and transparent complaints management framework.
- Qantara Application:
 - Provide accessible complaint channels with clear turnaround times.
 - Ensure switching and exit processes are straightforward and cost transparent.
 - Track complaints for root-cause analysis and remedial action.

5. PROCEDURES IMPLEMENTED IN ORDER TO ACHIEVE POLICY OBJECTIVES

5.1 Leadership

- TCF is a standing item on the governing body of the Qantara Private Capital (Pty) Ltd meeting agenda where the Qantara Private Capital (Pty) Ltd 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 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 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 (minute) meeting.

5.2 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 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 to the governing body or appointed risk committee.

5.3 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 the governing body and 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 the governing body 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 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.

5.4 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 of staff, irrespective of their position within the FSP
- Staff members undergo training on TCF principles and deliverables by way of induction and annual training, as to familiarise and to act as a refresher of the TCF principles as set out in this policy.
- 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.

5.5 Reward

- Remuneration is meaningfully linked to the achievement of TCF objectives, at all levels and all reward and recognition processes have been revised in the light of TCF objectives, and is aimed at encouraging performance without negatively impacting the treatment of clients.
- Employment and service agreements have been amended and updated to permit the imposition of meaningful consequences (such as retraining, re-assignment or disciplinary action, as appropriate) for staff members or management who do not achieve agreed TCF deliverables.

6. GOVERNANCE, OVERSIGHT AND MONITORING OF TCF

Qantara Private Capital ensures that the Treating Customers Fairly (TCF) Outcomes are integrated into all levels of governance, management, and daily operations. Oversight is structured to ensure that TCF is not merely a compliance requirement, but a core business principle aligned with the FAIS Act and the General Code of Conduct.

6.1 Board of Directors

- **Role:** Ultimate accountability for embedding TCF across the business.
- **Responsibilities:**
 - Approve and review the TCF Policy.
 - Set the tone for a culture of fairness in customer relationships.
 - Monitor management reporting on TCF delivery, complaints trends, and risks.
 - Ensure incentive structures do not conflict with TCF principles.

6.2 Senior Management

- **Role:** Operational responsibility for TCF implementation.
- **Responsibilities:**
 - Translate the six TCF Outcomes into business strategies and procedures.
 - Ensure product design, marketing, and advice processes meet FAIS and TCF standards.
 - Report to the Board on TCF performance indicators and any gaps.
 - Oversee staff training and development to promote customer-centric conduct.

6.3 Compliance Officer

- **Role:** Independent assurance that Qantara complies with FAIS, FSCA directives, and the TCF framework.
- **Responsibilities:**
 - Monitor compliance with FAIS Act and General Code of Conduct provisions relating to advice, disclosure, and client interaction.
 - Conduct periodic reviews of complaints data, disclosures, and client files to assess alignment with TCF Outcomes.
 - Submit compliance reports to the FSCA and the Board.
 - Escalate any systemic issues impacting fair customer treatment.

6.4 Representatives (Advisors/Key Individuals)

- **Role:** Frontline responsibility to ensure TCF is delivered in client engagements.
- **Responsibilities:**
 - Act honestly, fairly, with due care and diligence in line with FAIS Section 2.
 - Provide suitable, needs-based advice supported by a documented Record of Advice.
 - Disclose risks, fees, and material information clearly and in plain language.
 - Treat all client complaints or dissatisfaction with seriousness and escalate appropriately.

6.5 Monitoring and Reporting Mechanisms

Qantara applies the following mechanisms to monitor and evidence TCF compliance:

- **Management Information (MI):** Collection of data on complaints, product performance, sales practices, and advice quality to test TCF outcomes.
- **Internal Reviews:** Regular compliance and audit checks on advice files and client records.
- **Customer Feedback:** Periodic surveys and client feedback mechanisms to identify service gaps.
- **Complaints Root-Cause Analysis:** Tracking of complaint patterns to ensure systemic issues are corrected.
- **FSCA Reporting:** Provision of TCF-aligned reports as required by the FSCA under the FAIS Act and Financial Sector Regulation Act.

ANNEXURE A: QANTARA'S FAIS-LICENSED PRODUCT CATEGORIES

Qantara Private Capital (Pty) Ltd is duly licensed as a Financial Services Provider (FSP) by the Financial Sector Conduct Authority (FSCA) in terms of the Financial Advisory and Intermediary Services Act, 2002 (FAIS Act).

The following product categories are authorised under Qantara's FAIS licence:

Category I (Advice & Intermediary Services)

Qantara is authorised to provide financial advice and intermediary services in respect of the following financial products:

- Long-term Insurance subcategory A (assistance policies)
- Long-term Insurance subcategory B1 (risk policies)
- Long-term Insurance subcategory B2 (investment/savings policies)
- Long-term Insurance subcategory B1-A (fund policies)
- Short-term Insurance Personal Lines
- Short-term Insurance Commercial Lines
- Retail Pension Benefits
- Pension Fund Benefits (excluding Retail Pension Benefits)
- Securities and Instruments (Shares, Money Market Instruments, Debentures, Warrants, Certificates and other instruments acknowledged by FSCA)
- Participatory Interests in Collective Investment Schemes (CIS)
- Deposits defined in the Banks Act (exceeding 12 months and 12–24 months)

Category II (Discretionary FSP Services)

Qantara is authorised to render discretionary investment management services, meaning it may manage investments on behalf of clients without prior approval per transaction, subject to mandate agreements.

The following products are included:

- Participatory Interests in Collective Investment Schemes (CIS)
- Securities and Instruments: Shares, Debentures, Money Market Instruments, Warrants, Certificates, and other tradable securities recognised by the FSCA
- Structured Products
- Derivative Instruments (where applicable under licence conditions)

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 organization 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: SALES		(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 misunderstanding of the product on the part of the client advice	
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	
Percentage of file check fails – total and by representative (based on a sample of files)	By FSP / Representative - evidence of systemic weaknesses and/or breaches of the General Code of Conduct (particularly disclosure) which may result in misleading or insufficient information being given and/or mis-selling. By representative – may indicate training needs	
Number of new products introduced during a given period	Review in conjunction with product training statistics	
Percentage of representatives completing new product training within a given period	Training and competency of representatives is a key component in ensuring that clients are treated fairly. Poor product knowledge may lead to inappropriate recommendations	

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 representative	As above, may reveal a training need	
Complaints about 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 – analyzed 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 : POINT OF SALE (Outcomes 2, 3 & 4)	
Data Measured	Possible TCF Implications
Score rating of quality of financial services rendered and/or information provided following mystery shopping, telephone or other monitoring	Measure of the quality of financial services rendered and/or information provided by representative. Shortcomings may result in unsuitable sales or other unfair outcomes

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
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 has been treated fairly
Overall service satisfaction score for this period out of 10	May indicate whether clients are being fairly treated, depending on the questions asked

DATA SET: CULTURE AND VALUES (Outcomes 1)	
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
Percentage of staff who have completed additional TCF training specific to their area	As above – likely to further enhance TCF awareness and the development of an embedded TCF culture
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
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
Number of sales/non-sales staff rewarded for meeting TCF targets	May be indicative of TCF awareness and an embedded TCF culture
Number of staff rewarded for suggestions to improve service (whether following complaints or otherwise) – all and/or by business area	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
Staff surveys/opinions on how TCF is working and on how it could be improved	Captures staff perception of how fairly a firm treats its clients. Further evidence of embedding of TCF culture

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	

DATA SET: FEEDBACK TO PRODUCT SUPPLIERS		(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	

DATA SET: STRATEGY		(Outcomes 1)
Data Measured	Possible TCF Implications	
The FSP has a strategic commitment (documented) to avert major TCF risks / failings through ongoing scrutiny of sales targeting of products	FSP's commitment to prevent major TCF failings – such as endowment mis-selling.	

