

## Policy Statement on Treating Customers Fairly (TCF)

The aim of this statement is to detail the Firm's policy with regard to FSA Principle 6: "Pay due regard to the interests of its customers and treat them fairly" and the processes of putting customers' interests at the heart of the business."

### General risk assessment:

The firm is committed to the rules and general principles of the FSA and has close links with its clients. Complaint levels are low with none made in the last 18 months. We have excellent recording and administrative systems and regularly review staff competence. We monitor levels of client care on a regular basis, particularly where there is any evidence of client misunderstanding regarding the firm's services, systems and advice process. Good communication with our customers provides a better understanding of their requirements and ultimately builds trust between customer and firm. The firm's remuneration structure is regularly reviewed to ensure that it does not cause any conflicts of interest.

All of the above embodies TCF and why we assess our TCF risk as low. On an ongoing basis, we have the advantage of using external consultants, threesixty, who will assess our strengths and weaknesses in terms of TCF.

### Financial promotions, correspondence and report letters:

It is the policy of the firm to attempt to make all correspondence and promotions with clients as clear, concise, simple, fair and not misleading.

### Advice and sales process:

We will at all times ensure that advice is appropriate and that due account has been taken of the client's specific profile, needs, knowledge and attitude to risk. When assessing our client's attitude to risk we will do our best to ensure that they understand what this means. [We now advocate a risk profiling exercise for each of our clients]. We will always obtain sufficient client information to understand their circumstances, needs and requirements.

By carrying out full and/or regularly updated fact finds, where possible, we will structure a programme over time to protect a particular client in terms of their exposure to risks and capitalise on opportunities via good financial planning. We will then give our clients the option to act upon these needs or reject them if they wish without pressure to proceed.

We will always ensure that we disclose information in a way that is understandable to our clients whilst complying with FSA rules and requirements. This particularly applies to the potential risks clients take when investing.

We will always ensure fair treatment.

### Flow of information between the firm and its customers:

It is important that customers understand the nature of the services being offered by the firm and how they pay for them.

The firm's policy is to charge fees and rebate any commission and we will always agree any fee charged before the commencement of the work. Where renewal commission is retained, this will be through prior agreement with the client.

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If additional charges are to be incurred, then we will agree and explain these to the customer before carrying out the actual work. We will maintain adequate records to account for client monies and invoices raised.

We will always be open with our clients and will, if relevant, communicate with them on any matters that might affect them.

### Accurate and timely record keeping:

It is important that we keep accurate and adequate records of customer needs and instructions at each stage of the sales process. It is also important that the administration of a client's transaction is carried out efficiently. Accurate records are kept to record all advice and information given and received.

If a customer requires information, we will be open and responsive to their request, replying in a timely manner. We will be mindful of the need to review customer information to ensure its accuracy and to comply with the Data Protection Act. This will enable us to respond fairly to our customers in the unfortunate event of a customer dispute.

At all times we will ensure that client data remains confidential.

### Disputes and complaint handling:

We already have in place a written complaints procedure that every member of staff has read and understood. It is important that disputes are handled sympathetically and that the firm is open and honest about its mistakes. We recognise that a well-handled complaint can prevent a potentially difficult situation escalating and can ultimately retain customer loyalty.

We will be open in our complaint handling procedures and inform customers of areas outside of their complaint, if applicable, where we may have discovered errors of which they may not be aware. A complaint does not automatically lead to compensation, putting the matter right and offering an apology may often be more than enough. Customers readily accept that errors occur and in many cases are gratified that a firm will accept that they are fallible and keen to rectify the situation.

### Staff training:

We acknowledge that the dealings of all staff affect whether customers are treated fairly. Having members of staff who are adequately trained and mature enough to acknowledge whether a task is outside their expertise is important in this regard. Continuous professional development is important for all members of staff to maintain skills and competence. We also encourage our staff to obtain professional examinations.

### Keeping up to date:

The Apportionment & Oversight Function will continue to monitor further FSA guidance, to ensure that TCF is consistently built into the overall culture of the business, at all times.

Signed on behalf of the firm's Senior Management:

SIGNATURE REQUIRED

Alaric Gordon  
Chief Executive Officer  
27 February 2008

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