



**Valu-Trac Investment Management Limited**

# Valu-Trac Investment Management Limited

## TREATING CUSTOMERS FAIRLY POLICY

**Responsible Executive: Chief Risk & Compliance Officer**

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## Introduction

Valu-Trac Investment Management Limited is committed to ensuring that the FCA principle of treating customers fairly (TCF) is applied in all areas of our day-to-day business activities and the processes of putting customers' interests first is at the heart of our business.

This Policy lays out how we have applied this principal and how we measure our effectiveness, this applies to everyone involved in our business. For the avoidance of doubt this includes all officers and employees (permanent, contract and temporary staff).

### A note on Principle 12

From July 2023, the FCA added the additional Principle 12 – “A firm must act to deliver good outcomes for retail customers”, this is an extension of Principle 6, see below, and refers specifically to retail customers, as such there is a separate Framework document that discusses Valu-Trac's Consumer Duty Objectives summarised in appendix 1.

This document gives the principles of Valu-Trac's approach to all types of consumers and compliments the Consumer Duty Objectives.

### **Principle 6: “A firm must pay due regard to the interests of its customers and treat them fairly”**

In adopting the TCF principle Valu-Trac recognise that fair treatment of our customers is about adding value to the service, we recognise that a satisfied customer could still be treated unfairly and not know it, and so we aim to protect the interests of our customers at each stage of the service process from initial contact by the customer right through to dealing with any queries or concerns, and meet as best we can the unique needs of each customer by offering a transparent, efficient and professional service, and constantly reviewing our service to identify areas for improvement.

The FCA have identified 6 outcomes of TCF, Valu-Trac use these outcomes to achieve and measure our progress in TCF.

### **The FCA's 6 TCF outcomes**

**Outcome 1:** Consumers can be confident they are dealing with firms where the fair treatment of customers is central to the corporate culture.

**Outcome 2:** 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:** Consumers are provided with clear information and are kept appropriately informed before, during and after the point of sale.

**Outcome 4:** Where consumers receive advice, the advice is suitable and takes account of their circumstances.

**Outcome 5:** Consumers are provided with products that perform as firms have led them to expect, and the associated service is of an acceptable standard and as they have been led to expect.

**Outcome 6:** Consumers do not face unreasonable post-sale barriers imposed by firms to change product, switch provider, submit a claim or make a complaint.

## Valu-Trac's Application of the 6 TCF outcomes

**Outcome 1:** Valu-Trac strive to ensure that the interests of our consumers is always prioritised, and staff are aware of their obligations. We do this by:

- Having processes in place to identify and combat money laundering and fraud.
- Ensuring that queries and requests from consumers are dealt with promptly and effectively.
- Using Value Assessments of Funds to identify products that may not be offering value to consumers and putting forward options to address these.
- Ensuring staff have received and understood this Policy as well as receiving annual training on the TCF principals.

**Outcome 2:** While Valu-Trac do not market or sell funds directly to the retail market we do recognise that our Funds are available to retail consumers. Therefore Valu-Trac:

- Ensure that all marketing material is produced in line with FCA Handbook COBS 4, in that it is fair, clear and not misleading and contains the necessary warnings and advisements for consumers to take independent professional advice.
- Work with fund sponsors to ensure new funds are properly set up to identify and meet the needs of its targeted consumer groups.

**Outcome 3:** Valu-Trac provide regular reporting to consumers and work with third party providers, such as platforms to ensure that consumers receive all information that they may require during their dealings with our Firm. Including but not limited to:

- Website access to Fund information on KIIDs, Prospectuses, regular Factsheets (where appropriate) and application forms.
- Application forms are clear and give contact details for consumers to use if necessary.
- Dedicated fund email addresses managed by the teams that manage each fund.
- Contract notes provided on day of transaction giving details of the transaction undertaken and expectation of date of money transfers.
- Regular statements or annual reports depending on activity on the consumers accounts.

**Outcome 4:** Valu-Trac do not offer advice to consumers, this is not part of our regulated permissions. This is made clear to all staff and any consumer enquiry that requests advice of any sort, for example, tax treatment of dividends or suitability of a particular fund is advised to seek their own independent financial advice.

Calls to and from Valu-Trac are recorded and these recordings can be reviewed to ensure this requirement is being adhered to.

**Outcome 5:** Valu-Trac monitor the performance of its funds regularly. We do this by:

- Having systems in place that identify Fund performance of an unexpected nature, i.e. sudden increases or decreases in fund value, on a day by day basis.
- Regular reviews (i.e. monthly, quarterly) of funds taking into account performance over a longer time-frame and ensuring that the performance is satisfactory without adopting an inappropriate level of risk.
- Assessments of new stock purchases within the funds to ensure they fit with the objective of the fund.
- Annual Value Assessments of Funds to assess the Funds performance and level of service.

**Outcome 6:** Valu-Trac aims to ensure that a consumer can always carry out every transaction with as much ease as possible, from becoming a consumer of Valu-Trac to moving away from a Valu-Trac Fund. Valu-Trac also aim to answer any queries, concerns or complaints fully and quickly. We do this by:

- Offering dedicated fund email addresses managed by the teams that manage each fund.
- Staff do not question a consumer's decision to leave or change product, any request received is dealt with immediately and efficiently.
- Phone calls into the Firm by consumers are logged and reviewed by the Compliance Department to ensure follow up.
- Dissatisfaction expressed by a consumer or an internally identified lack of service is reported to the Compliance Department via the GRC System, regardless of the consumers intention to take the matter further.
- Any consumer expressing dissatisfaction or wishing to make a complaint is provided with our Complaints Procedure and referred to the Compliance Department.

### Valu-Trac's ongoing monitoring and improvement

As referred to above Valu-Trac have a number of systems to monitor and assess our performance of TCF, listed below for ease of reference. Valu-Trac's Risk and Compliance Committee regularly review the findings of these systems to identify and address any failings or improvements that can be made.

### Systems and processes

- Call log of received calls from consumers – Compiled by Reception Team
- Complaints and dissatisfaction log – Reported by all staff into the GRC system and reviewed and addressed by the Compliance Department and reviewed by the Board Risk and Compliance Committee
- Annual Assessments of Value – Compiled by the Product Governance Team and approved by AOV Committee
- MLRO reporting – Compiled by MLRO reported to Board of Directors
- Annual Staff Training logs – Reviewed by Risk and Compliance Committee
- Financial Promotion sign off log – Compiled by Compliance Department

## Appendix 1 - Extract from Consumer Duty Framework

### Consumer Duty Outcomes

The outcomes have been set by the Board and are a guide of the minimum standards that the Board expect Valu-Trac to deliver to consumers.

### Product and Services

- Our Products and Services are designed to meet the needs, characteristics, and objectives of a targeted set of consumers.
- Our Products and Services are distributed via the appropriate channels for those consumers in the intended target market.
- Our Products and Services are regularly (and proactively where needed) reviewed so that they continue to meet the needs of the identified target market throughout their lifecycle.

### Pricing and Value

- Our Products and Services provide Fair Value to consumers across all groups in the target market, so there is a reasonable relationship between the price paid and the overall benefit consumers receive.
- Our Products and Services provide Fair Value to consumers with vulnerable and / or protected characteristics.
- Our Products and Services are regularly (and proactively where needed) reviewed so they continue to provide ongoing Fair Value to consumers.
- Our Products or Services that have been assessed as not providing Fair Value are addressed swiftly with appropriate action taken to avoid causing foreseeable consumer harm.

### Consumer Understanding

- We provide the right information, at the right time, in a way that allows our consumers to understand their products and services and make timely, informed, and effective decisions.
- We tailor our communications to take account of consumer characteristics, the communication channel used and the complexity of products.
- We regularly test, monitor and update communications to support good consumer understanding.
- We proactively seek to identify whether consumers understand communications and staff are trained on how to identify misunderstanding.

### Customer Support

- We support our consumers to allow them to use their products as intended, regardless of the channels used.
- We provide appropriate support to our consumers, including those with vulnerable/protected characteristics, to enable them to realise the benefits of the products and services they receive.
- Our consumers do not face unreasonable barriers or costs during the lifecycle of a product and service, and it is at least as easy to switch product, leave a service or make a change, as it is to buy the product or service in the first place.
- Our support services are regularly (and proactively where needed) reviewed so they continue to provide ongoing effective support.