

STERLING.

INVEST

Treating Customers Fairly Policy

Name of FSP	Sterling Invest (Pty) Ltd
FSP Number	46577
Key Individual responsible for Actions contained herein	Ebrahim Suleman Moola

1. Introduction

The overriding principle central at Sterling Invest is that clients come first. Sterling Invest is committed to the fair treatment of all clients. Client satisfaction is the foundation on which we build our business to ensure that it is sustainable over the long term. Apart from any legislative or regulatory obligations, treating customers fairly is a business imperative. Without clients, we have no business.

The purpose of this document is to outline a basic framework for Treating Customers Fairly (“TCF”) that Sterling Invest will abide by. The aim is to ensure that the policy addresses the 6 key TCF outcomes. We aim to integrate it into the total approach to doing business, and not see it as a standalone activity which is the sole responsibility of a select group of people. TCF is everyone’s business at Sterling Invest.

2. Sterling Invest’s Values

Our client-centric model is reflected in our company “Values”:

- Earning the trust of our investors is the foundation of everything we do
- Always act with integrity and humility
- Build enduring relationships with our carefully selected stakeholders
- Work diligently and smartly to achieve successful outcomes for our investors
- Have an unwavering commitment to long-term thinking

3. TCF Outcomes

The “Treating Customers Fairly (“TCF”) Roadmap” as published by the FSCA requires firms to measure their activities against six TCF fairness outcomes (the “**Outcomes**”) that aim to reduce market conduct risks and protect consumers of financial products. Sterling Invest supports these TCF Outcomes, to the extent relevant to our business.

Outcome 1 (“Culture”): Customers are confident that they are dealing with a financial services provider where the fair treatment of customers is central to its culture.

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

Outcome 3 (“Clear and Appropriate Information”): Customers are given clear information and are kept appropriately informed before, during and after the time of contracting.

Outcome 4 (“Customer Advice”): Where customers receive advice, the advice is suitable and takes account of their circumstances.

Outcome 5 (“Product Performance Expectations”): Customers are provided with products that perform as firms have led them to expect, and the associated service is both of an acceptable standard and what they have been led to expect.

Outcome 6 (“Post Sale Barriers”): Customers do not face unreasonable post-sale barriers to changing products, switching providers, submitting a claim or making a complaint.

4. TCF Implementation / Measurement

We have set out below how we aim to ensure these principles are embedded in our approach to dealing with our customers. The TCF principles are a business imperative and are embedded in our strategy, governance and daily processes.

For context, we offer 4 primary services, with varying degrees of customer interaction:

- 1) Local & Offshore Share Portfolios
 - We maintain a strong direct relationship with the investor (investment is facilitated by an authorised financial advisor in the case of life-wrapped share portfolios) in a discretionary investment manager capacity.
- 2) Section 12J & 12B Alternative Investments
 - We maintain a strong direct relationship with the investor, in an advisory capacity.
- 3) Model Unit Trust Portfolios
 - We have a limited relationship with the investor (investment must be facilitated by an authorised financial advisor through a LISP platform) in a discretionary investment manager capacity.
- 4) Unit Trust Fund (CIS)
 - We have no direct relationship with the investor (investment must be facilitated by an authorised financial advisor through a LISP platform) and perform the service in a discretionary investment manager capacity.

Clients:

Putting clients' needs at the forefront is a key priority for us. Our investment professionals and administrative staff respond to all client queries in accordance with strict turnaround times. We aim to provide excellent levels of service to all our clients, measured through ongoing client feedback, client retention and word-of-mouth client referrals we receive.

We ensure that advice (where relevant) to clients is suitable to their needs and takes account of their circumstances. As a CAT II FSP, we often rely on CAT I FSPs to conduct holistic financial planning and ensure the appropriateness of our investment products. We have agreements in place that allow us access to these records of advice on demand.

We provide our clients with clear information and keep them appropriately informed before, during and after the time of contracting. We are dedicated to the protection of our clients' personal information and therefore ensure that business processes incorporate appropriate governance and controls. We provide regular and timely feedback to our direct clients and CAT I FSPs through personal meetings, telephonic and electronic means.

Product-related updates are regularly communicated to our clients. We strive to ensure information is valid, accurate, complete, concise and in plain language. Each product clearly indicates the unique client need, risk profile, investment objectives and features associated with the product.

Sterling Invest is committed to ensuring that clients do not face unreasonable post-sale barriers to changing products, switching providers, withdrawing funds or lodging complaints. There are no barriers to switching and we do not impose any exit penalties, surrender fees or other charges to discourage clients from withdrawing from products. All product-related features are disclosed during the purchase process. The only access constraints applied are those required by law (and which are disclosed upfront if relevant).

Client feedback is important to us. Sterling Invest has a formal "Complaints Policy and Procedure", is committed to handling client complaints in a timely and fair manner, and has implemented systems and procedures to satisfy this commitment. Sterling Invest provides a number of avenues for clients to provide feedback and/or log a complaint, namely: telephonically, by email, and/or directly through our staff at our offices.

Staff:

Our staff are at the core of delivering on our Values and TCF outcomes. We have an open-door policy, providing for ongoing access to management on any aspect of the business. Staff compensation is plain and simple without any sales-based commissions or perverse incentives – everyone receives a fixed monthly salary and an annual bonus that is dependent on overall business performance. It is clearly communicated and understood by all staff that the long-term success of the business is intrinsically linked to treating customers fairly, providing an overall excellent service and retaining clients.

Regulators and Industry Bodies:

We keep up to date on any regulatory developments by visiting the FSCA website regularly to check for any regulatory updates and/or changes. We also receive notifications from our external compliance officer who conducts an audit visit monthly.

Annexure A – Share Portfolios/Model Unit Trust Portfolios/Unit Trust Fund (Discretionary Investment Management Services)

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

- Our business strategy is focused on our clients – our TCF policy has been approved by our senior management.
- We live out our business values and strategy in our daily operations and dealings with clients.
- Regular monitoring of FSCA and industry websites as well as compliance officer's email updates and monthly visits for any news and other releases to ensure that we are up to date with all relevant information to ensure proper compliance.
- Apart from initial staff training, periodic TCF sessions are scheduled with staff to cover any relevant new product information.

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.

- Our discretionary investment management services cater for investors with various needs.
- All our investment products are risk-profiled and are publicly disclosed on our website.
- Clients are required to sign a discretionary mandate when investing in share portfolios or model unit trust portfolios – the mandates are FSCA-approved and clearly indicate the relevant investment objective and strategy.
- We are a FAIS category 2 investment manager and have the skill-set to manage investment portfolios in line with the stated objectives to meet the client's needs.
- Where clients are referred to us or if an investment is facilitated by an independent financial advisor, we are provided access to the relevant records of advice and suitability assessments for our own evaluation.
- The independent financial advisors and investment platforms we partner with employ their own compliance protocols in addition to our own.
- For our unit trust fund, the MDD is presented in clear plain English and clearly states the portfolio objective as well as the investment strategy, addressing the client's needs clearly.
- Where clients complain, we will investigate and if it is a material breach or mis-sell by a financial advisor, we will report them to the FSCA and terminate their contract.

Outcome 3 Consumers are provided with clear information and kept appropriately informed before, during and after the point of sale.

- Detailed disclosure is an integral part of the application/onboarding process.
- Clients are provided 24/7 online access to statements and portfolio reports, including performance history and asset allocation.
- Performance statements are emailed quarterly to all investors, either by ourselves or facilitated through the relevant investment platform.
- Clients can request information on their portfolio at any time through email, telephone or physical appointments at our office.
- Clients are actively encouraged to reach out to the respective portfolio manager should they want to discuss any aspect of their portfolio.
- For our unit trust fund and model unit trust portfolios, comprehensive factsheets are updated quarterly and uploaded to our website.
- Our investment platform partners offer online access to statements, and portfolio reports, including performance of portfolio and benchmarks, asset allocation, and other relevant portfolio information.
- Our unit trust fund MDD is BN92 compliant and is checked by our MANCO partner (Prescient) on a quarterly basis for accuracy and uniformity and lodged with the FSCA.
- In the event of any misrepresentation being detected, we will immediately address it with the party who provided it as well as with the investor – where appropriate we will report such financial advisor to the FSCA.

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

- We ensure that we comply with FAIS in all aspects and we've appointed an external compliance officer to assist us with this.
- We maintain a complaints register and follow up on all client queries and complaints timeously. Where a complaint is lodged about poor advice, we follow up to ensure that it is not a case of mis-selling of the portfolio and if so, we address it with the financial advisor and request the client to also notify the Ombudsman.
- Our portfolio managers interact with clients and/or their financial advisors on a regular basis to ensure that the portfolios that they are invested in are still suitable for 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.

- Clients are provided 24/7 online access to statements and portfolio reports, including performance history and asset allocation.
- Performance statements are emailed quarterly to all investors, either by ourselves or facilitated through the relevant investment platform.
- Our investment committee meets regularly to review portfolios against their mandates, remedial actions are instituted if/when required.
- We ensure that clients receive timely feedback on any complaints and/or concerns raised.
- We review records of advice from referring independent financial advisors to ensure that no unrealistic expectations have been set.
- We have a clear understanding of our and the other parties' roles in the investment process. As the investment manager, our core responsibility is ensuring investment performance is in line with the objective.
- Our unit trust fund and model portfolio fund factsheets are updated and uploaded to our website on a quarterly basis. The relevant portfolios return versus benchmark are clearly indicated.
- We liaise with financial advisor intermediaries on a regular basis to ensure that client services are at an acceptable standard.

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

- Detailed portfolio performance data from inception is accessible to all clients through investment platform online portals or via request.
- Portfolio managers are available to address queries in person as well as via email and telephonically.
- We have a complaints policy in place, which is approved by senior management and actively managed, that is accessible to all clients.
- We maintain a complaints register and follow up on all queries and complaints timeously.
- We address all client queries timeously.

Annexure B – Section 12J & 12B Alternative Investments (Advisory Services)

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

- Our business strategy is focused on our clients – our TCF policy has been approved by our senior management.
- We live out our business values and strategy in our daily operations and dealings with clients.
- Regular monitoring of FSCA and industry websites as well as compliance officer's email updates and monthly visits for any news and other releases to ensure that we are up to date with all relevant information to ensure proper compliance.
- Apart from initial staff training, periodic TCF sessions are scheduled with staff to cover any relevant new product information.

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.

- Section 12J & 12B investments are only marketed to a select group of investors with relatively large investment portfolios, significant taxable income and a long-term investment horizon.
- We take due care to highlight the nuanced risks that are prevalent in alternative investments.
- We employ skilled professionals who conduct detailed due diligence on the alternative investment managers and the underlying investment product.
- All alternative investment products are managed by authorised Category II FSPs.
- We prepare records of advice and conduct suitability assessments for all S12J and S12B clients.
- We risk profile clients.
- We only recommend 12J and 12B alternative investments if the investor has significant taxable income to offset and the investment makes up less than 10% of their overall investment portfolio.

Outcome 3 Consumers are provided with clear information and kept appropriately informed before, during and after the point of sale.

- Detailed disclosure as part of the application process.
- We provide investors with all relevant content and information provided by the alternative investment manager, as well as our own analysis and recommendation.
- Statements and performance reports are emailed directly to all investors either quarterly or bi-annually, we as advisors also receive this information and store it for record-keeping purposes.
- Clients can request information on their portfolio at any time through email, telephone or physical appointments at our office.
- Clients are actively encouraged to reach out to the respective portfolio manager should they want to discuss any aspect of their portfolio.

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

- We ensure that we comply with FAIS in all aspects and we've appointed an external compliance officer to assist us with this.
- We maintain a complaints register and follow up on all client queries and complaints timeously. Where a complaint is lodged about poor advice, we follow up to ensure that it is not a case of mis-selling of the portfolio and if so, we address it with the advisor and request the client to also notify the Ombudsman.
- Section 12J & 12B investments are only marketed to a select group of investors with relatively large investment portfolios, significant taxable income and a long-term investment horizon.
- We take due care to highlight the nuanced risks that are prevalent in alternative investments.
- We only recommend 12J and 12B alternative investments if the investor has significant taxable income to offset and the investment makes up less than 10% of their overall investment portfolio.
- Our advisors meet with clients regularly to ensure that the portfolios that they are invested in are still suitable for 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.

- We provide investors with all relevant content and information provided by the alternative investment manager, as well as our own analysis and recommendation.
- Statements and performance reports are emailed directly to all investors either quarterly or bi-annually, we as advisors also receive this information and store it for record-keeping purposes.
- Our investment committee meets regularly to review 12J and 12B investment performance against their expected outcomes.
- We ensure that clients receive timely feedback on any complaints and/or concerns raised.
- We review records of advice from our advisors to ensure that no unrealistic expectations have been set.
- We have a clear understanding of our and the other parties' roles in the investment process.

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

- Detailed portfolio performance data from inception is accessible to all clients or via request.
- Our advisors are available in person as well as via email and telephonically.
- We have a complaints policy in place, which is approved by senior management and actively managed, that is accessible to all clients.
- We maintain a complaints register and follow up on all queries and complaints timeously.
- We address all client queries timeously.
- Withdrawals (where unrestricted) as well as all client static changes are processed timeously.