



# Culford De Beauvoir

Independent Mortgage Advisers

## TREATING CUSTOMERS FAIRLY (TCF)

All firms regulated by the FCA have to support the FCA Sourcebook's principle that a firm 'must pay due regard to the interests of its customers and treat them fairly'.

The TCF ('treating customer fairly') principle aims to raise standards in the way firms carry on their business by introducing changes that will benefit consumers and increase their confidence in the financial services industry.

Specifically TCF aims to:

- ✓ help customers fully understand the features, benefits, risks and costs of the financial products they buy
- ✓ minimise the sale of unsuitable products by encouraging best practice before, during and after a sale

Desired consumer outcomes of TCF

The FCA has outlined six core consumer outcomes that it wishes to see as a result of the TCF initiative. These are:

- **Outcome 1** - Consumers can be confident that 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 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

What TCF isn't

TCF does not mean:

- creating satisfied customers; a satisfied customer could still be treated unfairly and not know it
- that every firm must offer an identical level of service – the FCA recognises that businesses have different resources and ways of doing things
- that the FCA has the final say on which products consumers should want or be sold
- that customers are no longer expected to make decisions or take responsibility for them

TCF is about a culture - doing business in a way that will help ensure customers get fair treatment.