

TCF

What is TCF?

TCF stands for Treating Customers Fairly. The FSB describes it as follows:

Treating Customers Fairly (TCF) is an outcomes based regulatory and supervisory approach designed to ensure that specific, clearly articulated fairness outcomes for financial services consumers are delivered by regulated financial firms.

Firms are expected to demonstrate that they deliver the following 6 TCF Outcomes to their customers throughout the product life cycle, from product design and promotion, through advice and servicing, to complaints and claims handling – and throughout the product value chain:

- Customers can be confident they are dealing with firms where TCF is central to the corporate culture
- Products & services marketed and sold in the retail market are designed to meet the needs of identified customer groups and are targeted accordingly
- Customers are provided with clear information and kept appropriately informed before, during and after point of sale
- Where advice is given, it is suitable and takes account of customer circumstances
- Products perform as firms have led customers to expect, and service is of an acceptable standard and as they have been led to expect
- Customers do not face unreasonable post-sale barriers imposed by firms to change product, switch providers, submit a claim or make a complaint.

From when does TCF apply?

There is no single 'launch date' planned for TCF implementation. Instead, the FSB is in the process of introducing TCF into both its regulatory and supervisory frameworks on a gradual, incremental basis.

How does it affect a consumer?

Financial firms have to comply with the TCF outcomes – some of which are already included in existing legislation such as the FAIS Act General Code. The Code already requires financial service providers to render services honestly, fairly, with due skill, care and diligence and in the interest of the client and the integrity of the financial services industry, which correspond with the TCF outcomes.

The main aim of TCF is to ensure that fair treatment of customers is embedded within the culture of financial firms.