



# **FX-EDGE**

TRADING VENUE

**Treating Customers  
Fairly Policy**

February 2023

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## INTRODUCTION

The Treating Customers Fairly ('TCF') initiative is a key component of the Financial Sector Conduct Authority's broader consumer protection and market conduct mandate. 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.

DNKR ZA (Pty) Ltd incorporates TCF into the way that we conduct business every day and in the way that we deal with our clients. We may not outsource this responsibility to another party, although our compliance officer may provide guidance and assistance with regards to incorporating TCF into our business.

Our approach to TCF is reflected into the following organisational structures and processes:

### **Leadership:**

The Board and management provide direction and monitor the delivery of TCF behaviours and outcomes.

### **Strategy:**

The TCF aims are not merely stated vision and values but built into our strategic and business plans.

### **Decision-making:**

Decision-making protocols ensure that all decisions that impact on customers are subject to the challenge implicit in our TCF strategy.

### **Governance and controls:**

Our governance structures and control mechanisms are designed to cater for TCF considerations and include TCF measurement systems and identification of TCF risks.

### **Performance management:**

Our staff and representatives are trained to deliver appropriate TCF outcomes. TCF deliverables form part of our staff performance contracts, and performance is evaluated in terms of TCF competence and expectations.

**Reward:**

Our remuneration, incentive and reward policies take cognizance of fair customer outcomes and ensure that conflicts of interest are avoided.

**THE SIX TREATING CUSTOMERS FAIRLY FAIRNESS OUTCOMES**

We have incorporated the following 6 TCF outcomes into our business operations:

**Outcome 1:**

**Customers are confident that they are dealing with a firm where the fair treatment of customers is central to the firm culture.**

**a. Is our board involved with TCF decisions and communicating to staff about it?**

Our board is involved with the TCF decisions and is communicating to the staff about it.

**b. If we are your own client, would we be happy with the way we are treated?**

We frequently revisit the consideration as to whether we, as our own client, would be satisfied with the treatment received.

**c. Do we talk about the treatment of clients and do we have a unified approach amongst our staff?**

We talk about the treatment of clients and have a unified approach amongst our staff.

**d. In terms of section 2 of the FAIS General Code of Conduct we must always render financial services honestly, fairly, with due skill, care and diligence and in the interests of clients and the integrity of the financial services industry. How do we currently comply with this section?**

In terms of section 2 of the FAIS General Code of Conduct we must always render financial services honestly, fairly, with due skill, care and diligence and in the interests of clients and the integrity of the financial services industry. We comply with this section by updating and distributing our internal rules FAIS policy to all staff members annually.

The Board and Management monitors the staff performance in order to assure that everyone complies with the regulations.

**e. Do we do a due diligence on other businesses before contracting with them?**

We always do due diligence checks on other businesses before contracting with them.

**f. Have our board and executive management thought about the strategic implications of TCF and how we treat our clients?**

Our board and executive management discuss on a regular basis about the strategic implications of TCF and how we treat our clients.

**g. Is TCF a standing agenda point at all our investment committee meetings?**

TCF is a standing agenda point at all our executive committee meetings.

**h. How has TCF responsibility been allocated to management and staff?**

TCF responsibility has been allocated to management and staff through a monthly meeting.

**i. What is the level of staff awareness of TCF?**

We have ensured a high level of staff awareness of TCF.

If any changes are needed to the current structure, we will amend and change accordingly. Depending on the need that arises, we will implement new structures according to the situation.

**j. Does our risk management plan incorporate TCF principles and are these monitored on an on-going basis?**

Our risk management plan incorporates TCF principles and are these monitored on an on-going basis.

**k. How does our conflict-of-interest policy deal with specific conflict of interest issues?**

Our conflict-of-interest policy deals with a comprehensive scope of conflicts of interest and upholding the best interest of our clients at all times.

**l. How does our Personal Trading policy deal with specific conflict of interest issues?**

We are not a Market Maker and therefore we do not have a conflict of interest with our clients. We have implemented through our conflict-of-interest policy with which our Company aims to comply with the best practice and statutory requirements in order to protect our clients' interest.

**Outcome 2:**

**Products and services marketed and sold in the retail market are designed to meet the needs of identified customer groups and are targeted accordingly.**

**a. Do we understand our clients, their financial situation and their financial needs?**

We understand our clients, their financial situation and their financial needs and thus developed our trading platform accordingly. Clients are encouraged to seek financial advice on the suitability of our trading platform from an duly authorized FSP outside of DNKR ZA.

**b. Do we understand what the products really do and how they match the needs of our clients?**

We understand what the products really do and how they match the needs of our clients.

**c. Do we conduct due diligence on all the products/providers that we offer?**

Yes, a full and complete due diligence is undertaken when deciding on a Product to offer on our trading platform.

**d. To what extent do we consider the profile of the end client when designing products or constructing funds (i.e. structuring portfolios and their charges)?**

We extensively consider the profile of the end client when designing products or constructing funds (i.e., structuring portfolios and their charges)

**e. Would we know whether our funds/products were being sold into the wrong target markets? If so, what would we do about it?**

We would know whether our products were being sold into the wrong target markets. If we find that our products were being sold into the wrong target markets will immediately advise the client.

**f. Would TCF standards influence our choice of who we allow to 'wrap' or distribute our products or whose platform we put them on?**

TCF standards influence our choice of who we allow to 'wrap' or distribute our products or whose platform we put them on.

**g. What due diligence do we undertake when deciding to which products to offer on our trading platform?**

Yes, a full and complete due diligence is undertaken when deciding on a Product to offer on our trading platform.

**h. Do we have sufficient details about our clients and our clients' existing positions?**

We keep ongoing and sufficient details about our clients and our clients' existing positions.

**i. Do we understand who the client is? (could be more than one client e.g. pension fund, broker force, administrator, trustees)**

We understand who our client is, including individuals, pension funds, brokers, administrators and trustees as and where applicable.

**Outcome 3:**

**Customers are given clear information and are kept appropriately informed before, during and after the time of contracting.**

**a. Do we use clear explanations of the products when talking to our clients?**

We use clear explanations of the products when talking to our clients.

**b. Are the mechanics and risk profile of the product disclosed to the client in plain language?**

The mechanics and risk profile of the product disclosed to the client in plain language.

**c. Do we keep our clients informed of our own processes and information required by others in the value chain?**

We keep our clients informed of our own processes and information required by others in the value chain.

- d. In terms of section 7 of the General Code of Conduct we must provide a reasonable and appropriate general explanation of the nature and material terms of the relevant contract or transaction to a client, and generally make full and frank disclosure of any information that would reasonably be expected to enable the client to make an informed decision. How do we disclose information in terms of section?**

We disclose such information in applicable contractual documentation.

- e. Do we consider the end client when we develop marketing and product disclosure material (e.g. fund fact sheets, other marketing material, websites)? Do we test it with clients/IFAs?**

We consider the end client when we develop marketing and product disclosure material - reference can be made to our website.

- f. Do we review the quality and accuracy of material used by others who market or distribute our products?**

We review the quality and accuracy of material used by others who market or distribute our products. Monthly meetings are held with our distribution partners to provide performance feedback and discuss about the experience from the broker/client perspective and any updates that need to be made on our materials.

- g. What would we do if we discovered misrepresentation of our products/services?**

if we discover misrepresentation of our products/services, the agreement that there is in place with the respective distribution partner will be terminated immediately, the Partner is obliged to return to the Company all documents, brochures, call reports and any other material in the Partner's possession relating to the Services.

- h. Are we accessible to end clients who may need information on our products?**

We are accessible to end clients who may need information on our products.

- i. What controls do we have in place to ensure our product/service information remains current?**

We have controls in place to ensure our product/service information remains current:

- Articles are compiled and distributed weekly to keep our clients and end users updated on the latest market movements



- A comprehensive market overview, as well as updated fund fact sheets are distributed monthly to inform our clients and end users of the market statistics and our performance therein
- A full monthly update is distributed to our distribution partners detailing changes and decisions within the company, as well as a comprehensive fund update
- All information is updated on our website at the time of distribution

#### **Outcome 4:**

**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.**

**a. Do we check product performance before we offer to our clients?**

We always check product performance and perform our own analysis before we offer any of our products to our clients.

**b. Do we give feedback to product suppliers about their products and services?**

We always give feedback to product suppliers about their products and services and suggestions in order to upgrade their products or improve their services.

**c. Do we have adequate service liaison structures in place to ensure the end client receives reasonable service?**

We have adequate service liaison structures in place to ensure the end client receives reasonable service.

**d. Do we consider the client service standards of those who market or distribute our products?**

We consider the client service standards of those who market or distribute our products.

**e. How do we deal with errors?**

Once we are made aware of any error we immediately try to rectify the error, and if the error effect our client, we immediately inform the client and compensate if there is a loss. Errors are dealt with at the highest leadership capacity possible – the CIO and CEO would become directly involved when and where necessary.

**f. What happens if there was a profit because of an error? Who does it belong to?**

If the Company discover a profit as a result of an error, this profit would be returned to the party to whom this portion rightly belonged, including client reimbursement in case this is applicable.

**g. Do we do client reimbursement?**

Yes, we do reimbursement in case of failure of our systems or any other error from our side.

**h. Do we conduct assessments with FSPs in terms of service levels and standards if the FSP is the end client?**

We conduct assessments with FSPs in terms of service levels and standards if the FSP is the end client.

**i. Do we conduct feedback assessments in terms of whether the products are suited to what the product supplier said it would?**

we conduct feedback assessments in terms of whether the products are suited to what the product supplier said it would be.

**j. Is accountability in terms of this outcome clearly defined in the value chain?**

Accountability in terms of this outcome clearly defined in the value chain

**Outcome 5: Customers do not face unreasonable post-sale barriers to change product, switch provider, submit a claim or make a complaint.**

**a. When we provide after-sales services, is it easy for clients to contact us for assistance?**

When we provide after-sales services, it is easy for clients to contact us for assistance.

**b. Do we make it a priority to assist clients who have complaints?**

We make it a priority to assist clients who have complaints.

**c. What insight do we have into the types of end client complaints relating to our funds/products – directly or indirectly?**

Our clients may approach us directly in order to submit any complain to us.

**d. How easy is it for an end client to complain to us?**

It is very easy for an end client to contact us in order to submit a complain. Our complaints policy is freely available on the website detailing the contact person and their contact details.

**e. Do we consider the end client's position when dealing with complaints from others in the value chain?**

We always consider the end client's position when dealing with complaints from others in the value chain