




YARD
INSURANCE

Treating Customers Fairly Policy for YARD Insurance Limited

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1. INTRODUCTION

Treating Customers Fairly (TCF) is a requirement set by the Financial Sector Conduct Authority (FSCA). Fair treatment of customers underpins the General Code of Conduct for financial services providers (FSPs). The TCF also aligns with the Policyholder Protection Rules (the "PPR's"), so that all TCF Outcomes remain embedded in all Yard Insurance Limited's (Yard) business practises and business partner interactions. Yard is an authorised Financial Service Provider (FSP) and is obliged to comply with TCF obligations.

2. PURPOSE

The policy outlines Yard's commitment to the TCF outcomes-based compliance approach as its central operating philosophy. Yard's purpose is to be the most reliable and trusted insurance partner to its business partners and clients for sustainability.

3. SCOPE

This Policy applies to all Yard directors and employees (including permanent employees, temporary employees, independent contractors and employees or contractors of contracted service providers) as well as agents and consultants. This policy sets out the principles which must be adhered to by Yard's employees, agents, and contractors to comply with the applicable compliance obligations.

Yard management is responsible for educating staff members within their respective areas of work on this Policy.

4. POLICY STATEMENT

Yard is a cell captive insurer that aims to ensure that it has a strong focus on customer satisfaction. Yard is aware that each cell captive or binder holder is a key contributor in sustaining long-term growth and is determined to provide customer confidence hence our Treating Customers Fairly (TCF) policy is an integral part of that objective.

This TCF policy is structured according to the guidance provided by the Financial Sector Conduct Authority (FSCA) to ensure that Yard consistently delivers fair outcomes to clients. It is the responsibility of Yard staff to provide an enhanced service quality to clients, based on a culture of openness and transparency. Apart from any compliance obligations, treating cell captives and clients fairly is a business imperative.

5. SUCCESS FOR YARD INSURANCE

Success for Yard is to be approachable, innovative, nimble, and agile with short turnaround times to the satisfaction of our business partners and clients and to maintain and continually improve to high performance through the ongoing alignment of the business strategies.

Therefore, the main desired outcomes for Yard out of this Policy is:

- To provide business partners', customers' and clients' satisfaction through quality service within the shortest turnaround time;
- To be current, relevant and provide appropriate sustainable solutions to our business partners, customers and clients;
- To be recognised for our innovation, efficiency, accessibility, and aptitude for the benefit of our business partners, customers and clients;
- To provide our business partners, customers and clients with the ease of doing business;
- To respect all people and value the differences among them;

- To be accountable, taking ownership of our actions and responsibilities in accordance to the TCF outcomes; and
- To esteem honesty, integrity, and good standing in our dealings with our business partners, customers, and clients.

The Yard business strategy is founded on TCF principles. When the organisation's strategy is reviewed, TCF is specifically the epitome of these reviews.

6. TCF OUTCOMES

Yard will strive to comply with and embed the TCF outcomes in accordance with the FSCA compliance requirements viewed from the perspective of the customer. Yard has adopted the following TCF outcomes across all business practices, governance, and day-to-day processes:

- Outcome 1: Policyholders are confident that they are dealing with an insurer where the fair treatment of policyholders is central to the insurer's culture.
- Outcome 2: Products and services are designed to meet the needs of identified types, kinds or categories of policyholders and are targeted accordingly.
- Outcome 3: Policyholders are given clear information and are kept appropriately informed before, during and after the time of entering a policy.
- Outcome 4: Where policyholders receive advice, the advice is suitable and takes account of their circumstances.
- Outcome 5: Policyholders are provided with products that perform as insurers 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: Policyholders do not face unreasonable post-sale barriers to change products, switch providers, submit a claim or make a complaint.

7. ROLES AND RESPONSIBILITIES

The Board of Directors (Board) of Yard is ultimately accountable for compliance with compliance obligations.

The Audit and Risk Committee (ARC) is responsible for monitoring that the TCF policy is effectively implemented. It is responsible for oversight of TCF compliance.

Management is responsible for the implementation of the TCF policy and for the procedures to ensure compliance with the relevant compliance obligations.

All staff members must undertake business activities in compliance with the applicable TCF compliance obligations by adhering to the operating procedures of Yard. Staff members must report instances of non-compliance and highlight gaps in procedures where they are identified.

The risk and the compliance function are responsible for assisting the ARC and management in complying with the relevant TCF obligations. It adopts a consultative approach in this regard and facilitates compliance communication and reporting. The responsibility of the end-to-end implementation of the TCF framework is also with risk and compliance as the custodian of the internal / external rollout across the cell captive / binder holders and Yard as a whole.

8. MEASURES OF SUCCESS AND ASSURANCE

Measurable TCF outcomes are determined by Yard. These are addressed considering the business imperative to treat customers fairly and the need to comply with applicable compliance obligations.

Management information relating to TCF is produced on an ongoing basis and compliance monitoring relating thereto is undertaken. Independent review is undertaken by internal audit in terms of the internal audit plan.

The ARC receives assurance relating to TCF in a manner that keeps the ARC apprised of the benefits thereof and material risks and exposures.

There should be a specific focus on key success measures that relate to the outcomes addressed in the next section, including product and services features, disclosures, advice, claims, complaints, cancellations, and relevant Business Partner performance measures.

TCF is viewed as being a crucial part of the Yard stakeholder management process. This articulates into the organisation's sustainability assessment, i.e. across the triple context.

9. MEASURES TO ACHIEVING THE OUTCOMES

Yard aims to demonstrate through our behaviour and monitoring that we are consistently treating customers fairly throughout the stages of the product life cycle to which we can contribute. These will include the following outcomes:

OUTCOME 1: TCF CULTURE AND GOVERNANCE

Policyholders and customers can be confident that they are dealing with an insurer where the fair treatment of customers is central to the corporate culture.

- Fit and proper requirements for management, audit, risk and compliance requirements, board and committee structures, whistle-blower protection rules, management incentives are always be followed and adhered to,
- Considering the growing cell captive market, the staff at Yard has made it their goal and mission to embody a culture of customer satisfaction and business practices that achieve these outcomes and eventually become an inherent part of all areas within the business. Yard also needs to demonstrate to the regulators that they adhere to the TCF principles and treat their customers fairly. Accordingly, Yard undertakes an ongoing assessment of the outcomes of its TCF process and management action that is needed is appropriately governed,
- Yard maintains regular, accurate and reliable data exchange with all binder holders which will enable the Company to analyse management information to identify possible instances of poor customer outcomes and to then mitigate them,
- Yard has in place a Claims Forum where matters concerning TCF are discussed as another mechanism of nurturing TCF.

OUTCOME 2: PRODUCTS AND SERVICES DESIGN

Products and services and their distribution strategies are designed and developed for specific target markets, based on a clear understanding of the likely needs and financial capability of each policyholder.

- Yard has put its clients' needs at the forefront of their processes by using a thorough detailed onboarding process enshrined in the Due Diligence and Onboarding documents and processes. Rigorous reviews are also undertaken by Portfolio Management,
- These processes ensure that the product, pricing, distribution method and disclosures remain appropriate for the market it is intended for. To this end, policyholders and customers will be protected if they choose to take up a product or service offered on our licenses,
- To ensure that all product design, product development and pricing within Yard places the customers' needs at the forefront of their process, new prospects are discussed and tracked in marketing divisional meetings and approved by a New Deal Committee.

OUTCOME 3: DISCLOSURES AND POINT OF SALE

Policyholders are given clear information and are kept appropriately informed before, during and after the time of entering a policy.

- Yard also follows through on “disclosures” as per the Policyholder Protection Rules of the short-term insurance requirements,
- Customer engagements on all stages of policyholder’s and or client’s journey within binder holder and intermediaries/registered FSP relationships are done. Clear, plain, and fair communications (including electronic and telephonic) that are not misleading and are appropriate to all our clients are provided,
- This will enable policyholders and clients to make informed decisions about transacting with Yard. Product risks, commitments, limitations, and charges always shall be transparent.

OUTCOME 4: SUITABLE ADVICE

Advice that is given to policyholders must be suitable and should take into consideration their circumstances.

- Before contracting with any FSP, Yard will perform a reasonable and appropriate level of due diligence to make sure that their advice processes and service levels are likely to meet customers’ expectations,
- Strict intermediary agreements have been put in place for all outsourced intermediaries who shall interact with policyholders and clients to ensure that they provide advice with a clear understanding of their responsibilities,
- Where advice is provided, Yard ensures the use of fully equipped representatives who can provide advice that is suitable to the needs of the policyholders and clients concerned, following the objectives of TCF and avoiding conflicts of interest under the FAIS Act,
- In compliance to the FAIS Act, Yard will implement due diligence processes prior to contracting with a new intermediary. This is done in order to ascertain that the independent intermediary and, where applicable, any persons rendering services as intermediary on behalf of the independent intermediary:
 - have the knowledge competency requirements to support the advice process and;
 - are licensed as financial services providers and authorised to render financial services in respect of the policies that will be offered.

OUTCOME 5: PERFORMANCE MANAGEMENT

When selling policies to policyholders, the service provider must ensure that the service or product is acceptable and will perform as policyholders have been led to believe.

- It shall remain a prerequisite for Yard to:
 - Assess and ensure that its business partners have in place adequate measures to protect the policyholders’ interests’
 - Fully utilise the New Deal Committee and its comprehensive onboarding assessment so that that all TCF principles are considered before signing off any material changes to existing products and services and before a new product is launched’
 - Provide policyholders and clients with ongoing relevant information that is not misleading or constitutes misrepresented facts to enable them to monitor whether the product or service continues to meet their needs and expectations,
 - Hold annual reviews on cell facilities and binder holders so that products and services offered remain acceptable and suitable for the target market concerned,
 - Continue to use efficient and effective binder agreements with service level arrangements to outsourced partners to ensure that all service levels are maintained, monitored, improved, and managed to maintain customer confidence,
 - Continue to ensure that outsourced partners strengthen their grievance redress procedures and complaint resolving procedures where they are found to be inadequate,
 - Promote proper assessments of rejections and fostering prompt assessments of claims.

OUTCOME 6: POST SALES BARRIERS

Customers do not face unreasonable after sale barriers when they want to change a product, switch providers, submit a claim or make a complaint.

- Yard is committed to:
 - Provide acceptable levels of service by thoroughly monitoring, managing information relating to claims and switching processes to identify any poor customer treatment and to implement corrective measures to prevent post-sale transactions or enquiries,
 - Ensure that each of its Service Providers or outsourced partner has adequate complaints management processes to ensure the accurate recording of all reportable complaints and the fair treatment of Complainants including an obligation on the outsourced partner or Service Provider to submit complaints data to Yard to allow the company to analyse and aggregate complaints,
 - Execute suitable channels and open communication lines for customers to easily contact Yard if they have complaints or queries,
 - Observe and review all claims and complaint data to ensure that agreed turnaround times and minimum service standards are always met,
 - Encourage and welcome feedback from staff and customers on Yard services and procedures,
 - Honour representations, assurances and promises that lead to legitimate customer expectations. Legitimate expectations shall not be frustrated by unreasonable post-sale barriers.

10. MANAGEMENT & MONITORING

In managing the treatment of customers fairly, Yard shall monitor:

- The compliance with requirements of the FAIS Act, including all sub-ordinate legislation by all service providers and outsourced partners. Specific reference is made to the General Code of Conduct for Representatives in this regard.
- Adherence to its Policy in dealing with policyholders, clients, binder holders and intermediaries/registered FSPs.
- That there will be management information mechanisms in place by all its outsourced partners and service providers that are designed to monitor and measure performance in delivering the relevant fairness outcomes.
- Its employees are trained to deal with outsourced partners and clients and are committed to maintaining high standards of service.
- its employees will not be remunerated or incentivised in ways which encourage them to deal with clients in an unfair or biased manner.

11. CONTROLS

By virtue of being the insurer, Yard has oversight responsibilities to ensure that its business partners, namely Underwriting Managers (UMAs), Intermediaries/ registered FSPs, Representatives, and Cell Owners are treating all policyholders, customers, clients, and suppliers fairly and have embedded the TCF fairness outcomes in accordance with the FSCA compliance obligations.

Management obtains relevant information relating to the status of TCF in business partners through the following:

- Periodic business partner meetings;
- Requiring business partners to provide periodic compliance reporting; and
- Where material risk and exposures relating to TCF are identified by business partners, these must be communicated timeously to Yard.

12. TREATING SUPPLIERS FAIRLY

Yard further undertakes to treat its suppliers (particularly on the insurance claims related services) fairly by:

- Being transparent regarding its processes and procedures with suppliers;
- Applying fairness principles when dealing with suppliers;
- Enhancing levels of inclusivity in its supply chain; and
- Maintaining consistency in its approach to all suppliers.

13. REVIEW

This policy will be reviewed on an ongoing basis by management, and once in every two years by ARC or earlier when there is change in legislation or changes in the circumstances of the business that would require a to change the policy or and/ or where there are proposals to do so by the Board.