



# Treating Customers Fairly (“TCF”)

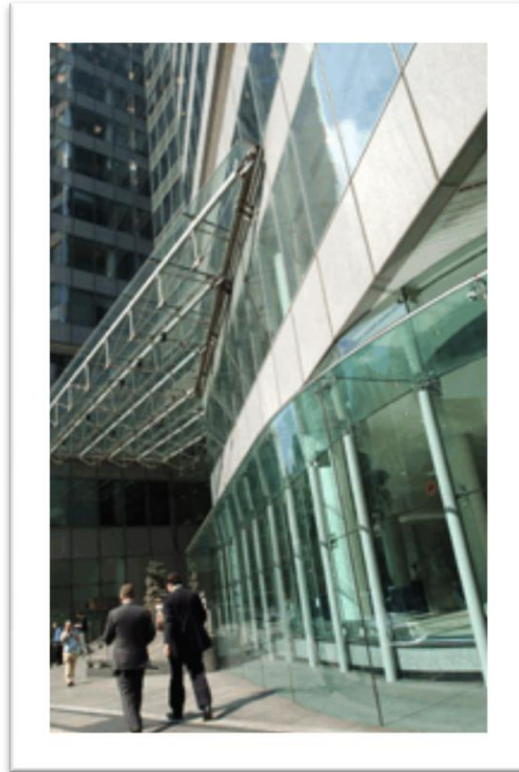
## The UK Experience

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# The Beginning



## Different Perspectives from Industry

**Views from the UK, more than six years on...**



*TCF was one of the best things, and one of the worst things ever to hit the UK insurance industry.*

*-- Mick James, UK **Business Development Manager***

*TCF was the single best thing the FSA has ever done, but also the most abused.*

*-- Mark Johnson, UK **Business Development Manager***

# Mind the Gaps



## Guidelines

### Top Tips

- Consider engaging an experienced professional consultant to help you identify any gaps in your current environment.
- Understand your company's current culture and ensure that fair treatment of customers is central to the corporate culture from the top down. If it isn't, change it!
- Make sure culture gets promoted from the board level throughout firm.
- Ensure the products and services that you market and sell are designed to meet the needs of your identified consumers and target them accordingly.
- Make sure remuneration for sales rewards quality, not just volume.
- Review product materials, to ensure they are clear, correct and concise.

## Guidelines

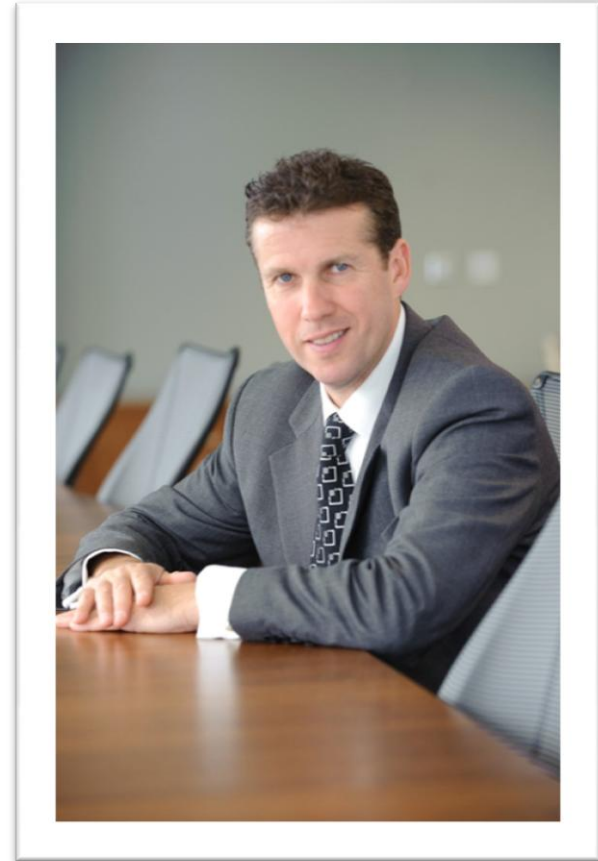
### Top Tips

- Make sure consumers are kept appropriately informed before, during and after the point of sale through well written letters.
- Review contracts. Consider amending intermediary or agent contracts, or any other agreements, to require adherence to TCF.
- Produce and use excellent Management Information and Reports.
- Revisit your post-sale process. Make sure your complaints process is easy to follow.
- Work collaboratively with regulators. Be transparent, and build trust.
- Make sure all levels of the organization have knowledge of, and can describe, your company's culture and philosophy for treating customers fairly.

## Looking Ahead

*Treating customers fairly should not prove to be an onerous challenge for firms that put customers at the heart of their business. However, never under-estimate the ability of a regulator to be over zealous in its implementation of a sensible concept!*

--- Ken Hogg, Previous FSA Director of Insurance



## Parting Advice

*Treating Customers Fairly is an obvious and sensible way to do business, but it takes ruthless discipline in product and process design, plus an investment in professionalising both sales and customer service.*

--- Ex-CEO HSBC Insurance (Life and P&C)



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**Thank you for your attention.**