

## **TCF COMMITTEE**

### **TERMS OF REFERENCE**

#### **1 Composition and Procedure**

- a) The TCF Committee shall consist of a minimum of two members, comprising a Chairman and at least one other member. The TCF Committee shall be appointed by the Board and membership shall not be confined to Directors. The members of the TCF Committee for the time being shall be: - *Georgina Foster, Operations Director, Charlie Palmer Chief Executive and Steve Bell Compliance Director.*
- b) The majority of members of the TCF Committee shall attempt to act independently of the management of the Company. Other directors and employees of the Company's subsidiaries (which together with the Company, the "Group") may be invited by the TCF Committee to attend meetings as and when appropriate. It is expected that other directors and staff will be invited to attend meetings, but shall not be entitled to vote.
- c) Care should be taken by the TCF Committee to minimise the risk of any conflict of interest that might be seen to give rise to an unacceptable influence. It is recommended that, where possible, the Chairman and members of the TCF Committee should be rotated on a regular basis.
- d) In the absence of the TCF Committee Chairman and/or an appointed deputy, the remaining members present shall elect one member present to chair the meeting.
- e) One other member shall act as the Secretary of the TCF Committee.
- f) The quorum for the transaction of business shall be two members, of whom at least one must be clearly independent. A duly convened meeting of the TCF Committee at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions vested in or exercisable by the TCF Committee.
- g) The TCF Committee shall meet not less than four times per year and at such other times as the TCF Committee Chairman shall require. Meetings of the TCF Committee may be held by telephone.
- h) Any member of the TCF Committee may request that a meeting be convened by the Secretary of the TCF Committee. The Company's external auditors may request that a meeting be convened if they deem it necessary.
- i) Unless otherwise agreed, notice of each meeting confirming the venue, time and date together with an agenda of items to be discussed and any supporting papers, shall be forwarded to each member of the TCF Committee, any other person required to attend and all other Directors, no fewer than five business days prior to the date of the meeting.
- j) The Secretary shall minute the proceedings and resolutions of all meetings of the TCF Committee. The Secretary shall ascertain, at the beginning of each meeting, the existence of any conflicts of

interest and minute them accordingly.

- k) Minutes of TCF Committee meetings shall be circulated promptly to all members of the Board.

## 2 Annual General Meeting

The TCF Committee Chairman shall attend each annual general meeting of the Company prepared to respond to any shareholder questions on the TCF Committee's activities.

## 3 Duties

- a) **Objectives of the committee** – The TCF Committee shall have as its overriding objective the management of the six TCF outcomes defined by the FSA as set out below.

- ✓ **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 are 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 both 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.

- b) The TCF Committee shall keep under review the effectiveness of the Company's procedures for dealing with the objectives above.

- c) The TCF Committee shall exercise the following powers and discretions when reviewing TCF before its submission to the full Board, focusing in particular on a review of each of

- ✓ Compliance department
- ✓ Operations department
- ✓ Finance department

The review should focus on for each department

1. actions since the last quarter
2. Management information produced
3. Gaps identified in the above
4. Actions proposed

#### **d) Reporting Responsibilities**

- The TCF Committee or its Chairman shall meet formally with the Board at least once a quarter.
- In the light of its other duties, the TCF Committee shall make whatever recommendations to the Board it deems appropriate.

#### **e) Other Matters**

- ✓ The TCF Committee shall be responsible for co-ordination of the TCF plans.
- ✓ The TCF Committee shall, on a regular basis, review its own performance, constitution and terms of reference to ensure it is operating at maximum effectiveness.

#### **4. Authority**

The TCF Committee is authorised by the Board:-

- to seek any information it requires from any employee, consultant and other provider of services to the Company (for example, solicitors, tax advisers, management consultants) in order to perform its duties;
- to obtain, at the cost of the Company, such outside legal or other independent professional advice as the TCF Committee shall consider, in its discretion, to be appropriate to the exercise of its powers and to secure the attendance of outsiders with relevant experience and expertise if it considers this necessary.