

TREATING CUSTOMERS FAIRLY POLICY STATEMENT

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ECU places great importance on Treating Customers Fairly ('TCF') and is making every effort within each division to ensure that TCF is fundamental to all client processes and procedures and forms the basis of the company's ethos.

TCF is a fundamental part of both the ECU Client Adoption Process and the ongoing client relationship

There are a number of ways in which ECU assesses whether it is following TCF policies and they are broadly as follows:

2.1 Initial client contact

ECU undertakes an initial detailed conversation with potential clients to establish whether they meet ECU's minimum documented target client criteria. Whether they do or not, all calls are handled in a professional manner.

2.2 Client Suitability and Risk Meeting

Potential ECU clients attend a 'Risk Meeting', preferably face to face. All parties to an ECU currency mandate are required to attend and if they are unable to, then a recorded telephone meeting is arranged. At the Risk Meeting, a set agenda is followed and potential clients are provided with full information about ECU products and services including a detailed review of the associated risks.

Clients are encouraged to ask questions throughout the meeting to ensure that they fully understand the ECU products and services they are considering. The Client Relationship Manager completes an 'Investment Experience' Form with the client to ascertain the client's 'attitude to risk' and investment experience. Potential retail clients are also required to complete a Personal Financial Questionnaire (PFQ) which includes a statement of both the client's appetite for risk and capacity for loss.

Retail clients will be made fully aware that ECU requires that a client warrant that they have taken advice from a suitably qualified independent professional adviser regarding the risks involved and their suitability for ECU's products, or that they have chosen not to do so. The PFQ records the client's financial status and allows ECU to assess client suitability and appropriateness.

ECU carries out regular reviews

3.1 ECU regularly reviews client documentation

ECU client documentation is reviewed by both the ECU Compliance Officer and where appropriate by an external compliance consultant on a regular basis. Any action to be taken as a result of the review is recorded. ECU endeavours to make all client documentation clear, fair, not misleading and as informative and user friendly as possible. ECU carries out regular reviews of all literature including product guides and the company website. ECU also plans to introduce new product information that will be helpful and beneficial to clients, for example, a Frequently Asked Questions document.

3.2 Regular Banking Review

ECU monitor bank/bank counterparties' trading activities on the clients' behalf (as specified in the Client Agreement) to ensure that all trades are conducted in line with market standards.

3.3 ECU Executive Committee Meetings

ECU's Executive Committee meets weekly and any action points relating to TCF are noted and dealt with as appropriate.

3.4 ECU monthly compliance review

ECU holds monthly compliance meetings attended by the company's external compliance consultant where all compliance matters arising are discussed, and TCF features highly on the agenda. Any issues arising are minuted and prioritised to ensure the appropriate action is taken.

3.5 Best Execution Policy

ECU has in place a Best Execution Policy which states ECU's intent to deal at the best possible price and to allocate all trades pro rata between clients participating in any given programme.

ECU places great importance on thorough record keeping and reporting

4.1 Client records

All new business and all client redemptions are recorded and reasons given by clients for terminating ECU mandates are noted.

4.2 Client files

Client files are created and checked for an 'audit trail'. Full notes are recorded on the database from the initial contact through to client take-on. The notes are included within the Suitability Report where relevant and a copy of the database Contact Notes are kept on the client file. All ongoing client correspondence and communications are scanned and stored electronically on individual client files.

4.3 Client Feedback

Client Satisfaction Surveys (pre and post client take-on) help us to refine our product and procedures and improve our service. ECU records client feedback on an ongoing basis: Client Feedback spreadsheet, Client Concerns Document, Complaints Register.

4.4 Recorded telephone calls

All ECU landline calls are recorded and client conversations are noted on the company database. ECU employees are not permitted to discuss with a client any substantive matters concerning a client's account on a mobile phone. Exact terminology is used and the date and time is recorded and held. This can be mutually beneficial in the event of a misunderstanding.

4.5 Client Reporting

Clients are able to obtain current balances/view their accounts via their bank/platform provider. ECU issues account statements either quarterly or annually (depending on service). ECU's market commentary is available on the company's website and ECU distributes periodic publications such as monthly newsletters. A Client Relationship Manager is available to discuss any aspects of a client's ECU mandate at any time.

ECU places great importance in having experienced, qualified, well trained personnel

5.1 ECU employees

ECU has long term employees who have a detailed understanding and knowledge of all ECU products and services. Any new employees will be recruited because they hold the appropriate skills and qualifications. All new employees will receive specific training regarding ECU products, services, policies and procedures.

5.2 Training

Staff Training is held on a "needs" basis. At induction, employees are instructed on the importance of TCF throughout all areas of the business. In addition to induction and ongoing training, employees are encouraged to ask questions regarding any uncertainties they may have about TCF. ECU has previously carried out a number of TCF staff surveys and the results have been circulated.

5.3 Training and Competence

A great deal of emphasis is placed on Training and Competence and records are held in each employee's personnel file. Regular meetings are held with employees to identify any shortcomings with regard to TCF. These are then addressed with the employee. In addition, each employee is provided with a personal Development Plan which is updated at each Review and Appraisal. In line with FSA guidelines, the Company ensures that Continuous Professional Development (CPD) is undertaken by all employees.

5.4 Management and TCF

Management support of TCF is indicated and evident in everything ECU does. This can be demonstrated by the regular management meetings where TCF features on the agenda. Company management time is allocated to ensuring that ECU clients are satisfied. All ECU staff are very aware that the "client comes first", as without the clients, there is no business.

ECU does not market its services directly to retail clients

6.1 Marketing ECU Services

ECU does not advertise, and its services to private (retail) clients are provided principally via third party professional advisers. ECU is providing product information only and is not providing mortgage or investment advice, and ECU stresses in written and verbal communications that clients should obtain financial advice from a suitably qualified independent professional adviser.

6.2 Financial Promotions

ECU operates a strict Financial Promotions approval procedure. All Financial Promotions are subject to approval by ECU's Compliance Officer and Chief Executive and where appropriate by ECU's external compliance consultants.

ECU has a Client Concerns Policy as well as a strict Complaints Policy

7.1 Client Concerns Procedure

ECU records any client 'concerns'. These are defined as any 'general client expressions of dissatisfaction'. The report is regularly reviewed and forms part of Management Information documentation. The information is analysed for trends and used to help improve the ECU product or service in the most client-focused way possible. ECU does not take on clients that it deems to be either unsuitable for the product or service in question, based inter alia on each client's perceived financial sophistication, appetite for risk and ability to sustain loss, and extreme care is taken at the time of initial assessment.

7.2 Client Complaints Procedure

ECU has a clear Complaints Procedure in place. All employees know the location of the policy document on the company Intranet and know precisely the procedure that they must follow.

7.3 ECU Complaints Monitoring

With a strict Complaints Procedure logging and monitoring process, ECU is confident that in the event of a Complaint, it would be handled within the specified time-frame. The 'target' is to satisfy the client in as short a time as possible.

Everything ECU does is for the good of the client

8.1 ECU and client interest aligned

Everything ECU does is for the good of the client. Without long-term positive performance and a good client service, ECU would have no clients – ECU and client interests are completely aligned. It is unfortunately not possible to always guarantee positive performance, but ECU will always act in the best interest of all its clients.

8.2 Clients free to terminate ECU mandate at any time

Clients are able to speak with their client relationship manager at any point and if they have any concerns or changes to their risk tolerance or are not satisfied with the ECU service or performance, they are able to terminate their ECU mandate at any time.

ECU is totally committed to providing the best service possible

ECU listens to client feedback and uses the information to continuously improve the services provided. Lessons learnt from any concerns/complaints would be used as 'markers' across the board within the Company. ECU is totally committed to providing the best service possible and resolving any issues as quickly and as smoothly as possible. ECU wants to retain client and build long term relationships. Anything that can be done will be done to ensure that this happens.

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