



MMVI

**Consumer
Duty
Policy**

INTRODUCTION

MMVI Ltd (“MMVI”) is committed to providing a service that is compliant, professional, efficient, and valued by its customers. A crucial element of this is meeting our obligations under the Consumer Duty and adhering to the Financial Conduct Authority’s (FCA) Principles for Businesses Principle 12 ‘firms must act to deliver good outcomes for retail customers’ and the associated cross-cutting rules and consumer outcomes.

This policy should be read in conjunction with other relevant documents such as the Vulnerable Customer Policy.

SCOPE

This policy and process applies to all individuals working at all levels and grades, including senior managers, officers, directors, employees consultants, contractors, trainees, seconded staff, home employees, casual employees and agency staff, volunteers, interns, agents, sponsors, or any other person associated with us, or any of our subsidiaries or their employees, wherever located, collectively referred to as employees in this policy.

POLICY STATEMENT

MMVI will ensure that it establishes and implements clear, effective and appropriate policies and procedures to ensure we understand our target market and our products and services are designed to meet our customer needs and are tested to ensure good customer outcomes are being achieved. We will consider our customers’ financial objectives in relation to our services and ensure our service is delivered in a way that enables our customers to pursue their financial objectives. We will act in good faith by ensuring our services are delivered in an open, honest and transparent way. We will avoid causing foreseeable harm to our customers through our acts and omissions and by ensuring we review our services proactively and reactively.

To measure and improve our service we first need to understand what a good outcome looks like for us and what we mean by good value. A good outcome for us means successfully achieving our goals and objectives, creating a positive impact on our customers, progressing and improving all aspects of our work and developing good relationships with our customer base.

Good value for us means supplying a service that meets or exceeds expectations at a reasonable price. It doesn’t necessarily mean the cheapest option but rather the best balance between quality and cost.

This policy sets out the approach we will take in achieving our policy statement objectives and the requirements under the Consumer Duty.

THE CROSS-CUTTING RULES

The cross-cutting rules flow throughout the conduct we expect to see in our strategies and interactions with customers and underpin the Consumer Duty. Through delivering high standards of conduct, we will ensure good customer outcomes are achieved. The cross-cutting rules are seen as a set of rules that outline the standard of conduct that we expect. MMVI recognises that a breach of any one of the rules is likely to lead to multiple cross-cutting rule breaches and we therefore appreciate the significance of their application.

ACTING IN GOOD FAITH

MMVI will act in good faith towards our customers by being open, honest, and transparent in the way we communicate and present information to our customers. By conducting ourselves in this way, we will also prevent foreseeable harm towards our customers.

Examples of how we will act in good faith:

- We will ensure our letters are written in plain English and avoid jargon or technical terms.
- We will be honest and open with customers during our interactions with them.
- We will design our service to meet the needs of our customers and we will not exploit behaviour biases or lack of knowledge.

Examples of how we will avoid acting in bad faith:

- We will not exploit behaviour biases of our customers through the design of our products and services or through our customer interactions.
- We will not design our service in a way that is not fair value, and we will not hide or disguise our fees or charges.
- We will not provide incomplete information or mislead the customer regarding the consequences of non-payment.

If we identify that we have acted in bad faith, we will provide an effective remedy that is appropriate in the circumstances.

AVOID CAUSING FORSEEABLE HARM

MMVI will avoid causing foreseeable harm through our acts and omissions by having a robust set of policies and procedures that outline the conduct we expect from our employees, and the conduct that is not acceptable.

We will proactively monitor the impact our products and services have on our customers, and we will regularly test that good customer outcomes are being achieved.

Examples of how we will avoid causing foreseeable harm:

- We will ensure our processes are clear and easy for customers to navigate, and that we provide easy to access, useful information such as signposting for free debt advice. This will added to our website.
- We will properly test our services in a range of scenarios to ensure that we understand the impact on our customers, and we will test our communications regularly to ensure customers understand the information we present to them.
- We will be transparent about the charges that are levied and when there are increases or escalated charges and we will ensure the charges represent fair value.
- We will ensure customers with characteristics of vulnerability are fully supported and can access our service.
- We will design our services having regard to our customers' behavioural biases and ensure foreseeable harm is avoided through the design.
- We will consider relevant indicators of harm such as complaints root cause and trend analysis, Management Information and regulatory publications.

Where we identify actual or foreseeable harm, we will act to effectively remedy the harm and prevent future instances of harm occurring.

ENABLING AND SUPPORTING CUSTOMERS TO ACHIEVE THEIR FINANCIAL OBJECTIVES

MMVI will enable and support customers to achieve their financial objectives in relation to the products and service we offer. We will provide relevant information in a clear and transparent way to enable customers to make informed decisions and to support them in achieving their financial objectives.

Examples of how we will enable and support customers to achieve their financial objectives:

- We will provide relevant information in a clear and transparent way to enable customers to make informed decisions and we will test our communications regularly.
- We will signpost customers to relevant third-party organisations who can provide additional information and support.
- We will not charge unreasonable fees that mean the services we provide are not fair value.
- We will ensure our channels of communication are effective and do not create barriers for our customers when they want to interact with us.

THE CONSUMER OUTCOMES

MMVI will deliver services to customers in a way that is fit for purpose and achieves good customer outcomes. We will regularly monitor and test that good outcomes are being achieved.

OUTCOME: PRODUCTS AND SERVICES

As a Distributor, we will ensure that we obtain appropriate information from the manufacturer so we can understand the service we distribute. This information will include:

- The characteristics of the loan
- The identified target market
- The needs, characteristics and objectives of customers with characteristics of vulnerability
- The intended distribution strategy

We will not distribute services that we do not sufficiently understand.

TARGET MARKET

As a distributor, we will ensure that we understand the target market for our service we distribute and mitigate the risk of harm by ensuring the service is distributed as intended.

APPROVAL PROCESS

We will design our service so it meets our customers' needs, characteristics and objectives. We will ensure our service is distributed in a way that is appropriate for customers within our target market. We will conduct regular reviews and testing to ensure the service continues to meet our customers' needs, characteristics and objectives.

Our approval process will ensure a documented assessment of our service is completed and approval is given and signed off by the board.

DISTRIBUTION STRATEGY

As a Distributor, MMVI will have distribution arrangements and a documented distribution strategy for the service we distribute that is aligned to the intended distribution strategy provided by the Manufacturer. We will ensure our distribution arrangements:

- Avoid causing foreseeable harm, or mitigate the harm caused where harm cannot be avoided.
- Manage conflicts of interests
- Ensure the needs, characteristics and objectives of the target market are taken into account.

We will provide the manufacturer with information on any issues we identify with the distribution arrangements.

PRODUCT REVIEWS

As a distributor, MMVI will obtain copies of the product reviews completed by the manufacturer and will take appropriate steps to follow the distribution strategy as required, provide information as requested and meet regularly with the manufacturer to ensure distribution is in accordance with the strategy.

OUTCOME: PRICE AND VALUE

MMVI recognise that customers are subject to harm when the product or service on offer to them does not provide fair value. We will offer fair value by ensuring the services are reasonably priced for the benefits provided and by ensuring the features are suitable for our customers.

As a Distributor, MMVI will undertake value assessments at the design stage and before distributing new services to customers. We will consider the information provided by the manufacturer regarding fair value and the cumulative impact of any other firms within the distribution chain. Our fair value assessments will consider the impact of the charges we levy on the value of the services. We will review the value assessment on a regular basis.

When assessing the value of the service we distribute, we will consider the impact of

- The nature of the service including the benefits and quality.
- The limitations of the service
- The anticipated total price customers will pay
- Non-financial costs such as the time and effort needed to apply
- The costs incurred to manufacture and distribute the service.
- The market rates and charges for comparable services and any significant differences making the service an outlier.
- Whether there are any products in the firm's portfolio which are priced significantly lower for similar or better benefit.
- Any accrued costs and benefits for existing or closed products.
- Customer research and feedback.

If we find that our distribution arrangements for the service does not provide fair value or cease to provide fair value, we will take appropriate action to mitigate and prevent harm.

OUTCOME: CONSUMER UNDERSTANDING

MMVI will ensure our communications with customers are written in a way that is clear, fair and not misleading and are provided at an appropriate time within the customer journey to enable customers to make informed decisions. Our communications will be suitable for our target market or the customers receiving them – in content, delivery and channel. Communications will be layered where appropriate to present pertinent information to customers.

The product review or product approval will be the catalyst for understanding the information needs of the target market. Following the product review / approval, communications will be designed with the identified needs in mind.

Testing will then occur as an important step to ensuring consumer understanding. Testing of communication will be by way of:

1. Customer Feedback.
2. Complaint log.
3. Customer reviews on google/trust pilot and our website.

OUTCOME: CONSUMER SUPPORT

MMVI understands that an important element of good outcomes is excellent customer service and support. This is because customers may require support in order to make well informed decisions which contribute to their financial objectives and/or allows customers to avoid harms. The quality of customer service also impacts the value of the product or service.

MMVI recognises that poor support can hinder the customer's ability to utilise all benefits of a product or service. In order to avoid poor outcomes, the following will occur:

- Anticipated service needs of the target market will be identified as part of the Product Approval Process and Product Reviews.
- The service needs will be built into the distribution strategy of the product.
- Team members will be trained, as appropriate, on the characteristics of the target market, their likely service needs and how to meet those needs, including communication needs.
- Outcomes monitoring will be used to identify instances where customers are not receiving good outcomes; root cause analysis will be undertaken to identify instances where this is caused by a lack of support.
- The support provision will be tested through a range of quality assurance measures, including customer journey reviews, first line testing and audit.

Furthermore, good support and service is an example of MMVI acting in good faith, as a result we will never employ practices which prevent or discourage customers from seeking support, including sludge practices designed to limit contact. As a matter of good faith, and in order to support vulnerable customers, a range of contact methods will be available to customers and made equally prominent. Customer journey reviews and outcomes monitoring will be used to test adherence.

OUTCOME TESTING AND MANAGEMENT INFORMATION

MMVI will undertake regular testing of our service assess whether we are meeting the identified needs of our target market, including customers with characteristics of vulnerability. We will use qualitative testing and

consider the likely needs of our target market in the future and whether our service will continue to meet their needs. We will also use quantitative data where relevant to assess the risk of harm to our target market.

When testing our service, we will use a range of customer data that represents a broad group of customers from our target market.

DISTRIBUTION REVIEW

In order to monitor the effectiveness of the distribution strategy, MMVI will consider the following key indicators:

- Sales data and business persistency
- Customer feedback
- Complaint data
- Analysis of whether the service has functioned as expected and if customers use the service as expected
- Consumer focus groups where appropriate

Where issues are identified within the review that are causing actual harm or could cause foreseeable harm, action will be taken to mitigate the situation and prevent further harm from occurring. Information will be provided to distributors on the nature of any actions being taken.

TESTING COMMUNICATIONS

Communications are tested on an ongoing basis through outcomes monitoring. The following data sets are used to identify instances where communications are not meeting the needs of customers:

- Business persistency, drop off / withdrawal where the root cause can be attributed to customers' information needs not being met
- Complaints root cause analysis
- Customer feedback

QUALITY ASSURANCE

MMVI will review on a regular basis the following areas as part of its quality monitoring and assurance work:

PRICING AND FAIR VALUE REVIEW

MMVI will review the value assessments regularly during the service life cycle.

We will consider the following data when considering whether good customer outcomes are being achieved:

- The expected price paid by customers.
- Whether the price paid is fair; a comparison to similar products in the market will be used to guide this assessment as will the quality of service provided, transparency/understanding, and differential pricing.
- Profitability data including revenue and profit margins.
- Complaints, root cause and trend analysis.
- Customer feedback, trust pilot scores
- Transactional data and retention rates.

- Feedback from firms within the distribution chain.
- Costs of providing the product / service and market conditions.

THE CONSUMER DUTY CHAMPION

The designated Consumer Duty champion is William Rikki Smith and has been allocated the role as their independence and seniority in the business will enable them to complete their responsibilities, which are to:

Promote the firm's intended culture throughout the business and leadership team.

Ensure compliance, audit and risk activities are conducted through a Consumer Duty lens.

- Monitor compliance with the Duty.
- Ensure sufficient and accurate MI is provided to enable the governing body to understand the outcomes provided to customers.
- Challenge MI produced to ensure accuracy.
- Challenge the governing body to continually produce better customer outcomes ensuring they provide adequate time at meetings to properly review and discuss information provided to them.
- Oversee action plans to promote effective completion of actions.
- Complete FCA reporting obligations.

Through the actions above the Consumer Duty Champion will help guarantee customer focused products and services.

GOVERNANCE & OVERSIGHT

A key element to implementing the Consumer Duty is the Governance framework of MMVI. The governance framework will:

- Ensure a clear apportionment of responsibilities is set out between departments and management.
- Ensure reporting lines are clear and ensure that conflicts of interest are avoided.
- Set out the methods by which data and management information (**MI**) is cascaded throughout.

MI is also produced for the governing body. The aim of the MI is to enable the management of the firm to understand and assess the firm's level of compliance with the Duty and the level to which customers are receiving good outcomes. This is produced monthly and includes:

- **Whether the firm is delivering good outcomes:** high level summary using the other information on the dashboard to measure.
- **Evidence of poor outcomes:** Using evidence gained from quality monitoring and customer journey reviews.
- **Evidence of different groups of customers getting different outcomes:** Using evidence gained from quality monitoring and customer journey reviews.
- **Complaints and RCA.**
- **Business persistence:** analysis of customer retention records – e.g., claims and cancellation rates. This may flag where poor treatment is contributing to high customer turnover.
- **Distribution of products/pricing and fees and charges:** review of whether certain groups of customers are more likely to buy certain products or appear to be receiving outcomes that are not as good as other groups of customers.
- **Behavioural insights:** customer interactions and drop off rates; use of different communications channels including digital; consumer testing of user interfaces and design such as websites and apps,

and the results of such testing, e.g., whether consumers changed their behaviour as a result of the design.

- **Training and Competency records:** providing oversight of the level of training.
- **Customer Feedback:** which indicates the outcomes for customers and groups of customers.

The governing body must review the information provided to it, challenge the data as necessary, understand the root cause of identified issues, identify areas where improvement is necessary and/or could be made, set actions to make such improvements and check the progress of previously set actions.

TRAINING & MONITORING

William Rikki Smith and all staff members will be made aware of this policy at the beginning of and during employment. Employees will be informed during induction training and further 'refresher' training will be provided at least annually, or as relevant legislation or regulation changes. Updates to legislation and regulation will be monitored by the William Rikki Smith. Any new employees will be monitored on an ongoing basis to ensure they are adhering to this policy. Monitoring will be by the following methods:

- Annual test
- Call monitoring
- Quality assurance of written communications
- Customer journey reviews
- Complaints received
- Periodic audit
- Management Information

Where an employee is found to be in breach of this policy, the company's Disciplinary Policy will be followed.

REVIEW

This policy will be reviewed annually by William Rikki Smith and updated where appropriate. The review will ensure updates are made where any issues are highlighted, and additional updates will be made on an ad-hoc basis following relevant legislative and regulatory change.

However, the policy will be reviewed sooner in the event of any one or more of the following:

- Weakness in the policy is highlighted.
- Weaknesses in systems and controls are identified.
- In case of new threat(s) or changed risks.
- Changes in regulatory or legislative requirements.