

## **Why is this policy important?**

The Financial Markets Authority (FMA) has defined a vulnerable client as, “someone who, due to their personal circumstances, is especially susceptible to detriment”, particularly when a brokerage is not acting with appropriate levels of care. Standard 1 of the Code of Professional Conduct for Financial Advice Services (the Code) requires Financial Advisers to act with integrity and not take advantage of clients’ vulnerabilities.

All clients must be treated fairly, with respect and empathy. We must take account of any vulnerabilities they may have when providing advice to them.

A client might be vulnerable for a range of reasons. The purpose of this policy is to ensure that the necessary steps are taken to help vulnerable clients understand the advice and that they are not disadvantaged.

## **Our policy**

We do this:

- Seek to understand our clients’ level of knowledge and financial literacy.
- Identify clients who may have vulnerabilities and ask if additional support is required.
- Allow sufficient time when providing advice and check clients’ understanding throughout the advice process.
- Ask clients if they have questions or need further information.
- Recommend products that are suitable.
- Provide clients with written advice and documents that are easy to understand.

We don’t do this:

- Specifically target vulnerable people.
- Pressure clients into making decisions.
- Take advantage of vulnerable customers.

## **Implementation**

All brokers and employees receive induction and annual retraining on the contents of this policy.

The six-step advice process provides guidance for dealing with vulnerable clients.

## **Ensuring compliance**

Adherence to this policy is monitored as part of our advice monitoring and assurance process.

## **Date**

01/03/2021