

Whitchurch IFA Ltd Core Principles, Policies and Processes

27th of November 2011

The following document sets forth the Core Principles, Policies and Processes under which Whitchurch IFA Ltd shall pursue its objects as set out in the company's Memorandum of Association

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Registered in Wales, Company No. 7859123

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1 Definitions & Conventions

- a) Whitchurch IFA Ltd shall be herein referred to as the Company
- b) Although the company shall initially have one director who shall also be the only shareholder, and although the company shall not initially take on any employees nor agents nor request permission from the regulator to authorise any other adviser(s) for at least the first twelve months of authorised operation, this document is written such that the principles, policies and processes herein shall apply to any and all future director(s), adviser(s), employee(s) and agent(s) of the company as appropriate.

2 The Purpose of This Document

This document defines the ethical and professional standards the Company, its director(s), adviser(s) and agent(s) will uphold and the principles and policies to which they will abide in all their dealings. It is referred to in the Company's Memorandum of Association as in the following extract from that document;

Company Principles, Policies and Processes

3.14 In carrying out its objects the company, its director(s), adviser(s), employee(s) and agent(s) shall be bound to abide by the Company's standards and limitations as defined in the Company's document "Whitchurch IFA Ltd Core Principles, Policies and Processes" which may be changed from time to time at the discretion of the director(s) in order to;

3.14.1. Comply with any instruction from the regulator(s)

Or by the director(s) with the express agreement of the shareholder(s) in order to;

3.14.2. Ensure that the company abides by all changes in law and regulation

3.14.3. Maintain level "real" minimum charging levels in line with indexation

3.14.4. Ensure that the company remains competitive and profitable

The company is bound to abide by these principles, policies and processes to achieve the following;

1. To protect the Company's clients.
2. To ensure that the outcomes as defined by the Financial Services Authority's Treating Customers Fairly initiative are achieved and clearly demonstrated.
3. To set definitions against which the Company's level of success in upholding these standards may be easily measured by the shareholder(s), director(s) and the regulator.

3 Core Principles

The Company (the company), its directors, advisers and employees shall abide by the following core principles (in no particular order) for the protection of all parties in all its actions and endeavours;

1. The company, its director(s), adviser(s), employee(s) and agent(s) shall abide by both the letter and the spirit of all applicable law and regulation. The same standards shall be extended to all non-regulated business activities (for example will writing and Lasting Power of Attorneys);
2. The company, its director(s), adviser(s), employee(s) and agent(s) shall uphold the strictest standard of professional ethics in all its dealings and at all times. In particular, when providing advice to meet the needs of the client within the client's affordability and constraints and within relevant UK regulation and legislation the company's adviser(s) shall place the client(s)' needs and welfare above all other factors;
3. The company shall remain strictly independent – no obligation shall be held by the company, its director(s), adviser(s), employee(s) or agent(s) to any bank, building society, insurer, financial services provider or any panel or grouping of providers or intermediaries over any other, at any time. Selection of providers and products must be made on an individual client-needs basis from the whole of the market (in so far as is possible);
4. The company shall receive fair remuneration only; fees and commissions will only be accepted where they are in fair remuneration for work done and/or advice given in accordance with the company's fee structure and in accordance with a signed client agreement or in remuneration for a non-advised introduction;
5. Neither the company nor its director(s), adviser(s), employee(s) nor agent(s) shall hold client(s)' funds in the company's name or accounts nor in the name or accounts of the company's director(s), adviser(s), employee(s) nor agent(s) for any reason at any time. All client(s)' cheques or transfers for recommended products or services must be written/transmitted to the provider as instructed by the provider/recipient or they shall not be accepted. The only cheques ever to be accepted made payable to The Company are for payment of fees.
6. Neither the company nor its adviser(s) shall charge a fee for any initial meetings, telephone calls or other enquiries carried out prior to the client's written engagement of the company's services for the purpose of ascertaining whether the company's services would be appropriate and cost effective for the client.
7. The company shall exercise all reasonable due diligence when engaging with any third party company, organisation or individual for the purposes of conducting regulated or non-regulated business, receiving client(s) referrals or for referring client(s) onward for provision of products or services. This due diligence shall include confirmation of identity, suitability for purpose, fitness of character and professional reputation as appropriate.
8. The company shall not provide execution-only sales or arrangements of financial products or services – the company's primary object is to advise upon and then transact/arrange financial products and services accordingly.
9. The company shall not undertake client-insistent recommendations unless the secondary recommendation is a “close-second” option which can be shown to meet client(s) needs more closely than inaction.
10. Charitable donations – at the director(s)' discretion the company shall donate an amount equal to 2% of turnover each calendar month, minus costs incurred in that calendar month, minus the monthly equivalent of fixed annual costs and before payment of director(s)' salaries or dividends. This donation will be made to a local charity - the company shall also act to promote active community participation in fund-raising for the same wherever possible. This charity shall be the Noah's Ark Appeal for the Children's Hospital for Wales initially but this is subject to change at the director(s)' discretion.

4 Charging Structure – Broad Policy

1. As stated in the core principles of the firm, the company shall ensure that all fees and commissions received for financial advice and transacting/arranging recommended products and/or services are to be in remuneration for work done only. With a view to this, the company's charging policy shall recognise the following factors;
 - i. The minimum man-hours and costs required to research, advise, arrange and report when providing financial advice and arrangement/transaction of products and services recommended;
 - ii. The greater the investment premium or sum-assured, the greater the number of man hours which will normally be required to complete research, provide advice, transact/arrange the recommended product or service and report on the advice. However, this relationship is expected to show a decreasing proportionality to scale;
 - iii. That increased liability on the company and the adviser is incurred when advising on higher invested sums, higher sums-assured or higher general client(s)' liabilities;
 - iv. That increased liability is expected to be incurred when advising on traditionally higher risk business areas;
2. Financial advisory business areas may carry a standard minimum charging amount which shall reflect the minimum costs in man-hours and fixed costs required for each area. This minimum charge may be waived at the adviser's discretion.
3. Where the man-hours to carry out a specific piece of work for a client are reasonably expected to be in excess of the normal fee to be charged under the company's fee policy for that business area, the adviser may impose a higher fee; however this MUST be agreed upon by the client(s) in advance and signed in the form of a bespoke fee agreement.

5 Charging Structure – New Investment / Pension Advice

The company shall charge fees for investment/pension advice and transaction/arrangement as follows:

1. Advice and transaction/arrangement of investment and pension subscriptions and lump sums is to be remunerated by fee only. Where the investment provider gives the option for the client(s) to remunerate the adviser by a product commission – and where this is permitted by the regulator – the client(s) may choose to offset part or all of the fees payable by electing to have this commission paid to the Company. It is the duty of the adviser to ensure that the client is fully aware of any relative advantages or disadvantages of these options before proceeding to elect such commissions to be paid.
2. Fees chargeable for providing investment advice are to be charged on a “per case” basis, not a “per product” basis; if the client(s) invest in multiple separate products (i.e. investment ISA, Investment Bond, Unit Trust/OEIC Portfolio, Personal Pension) then the fee shall be calculated using the total balance invested using the formula set forth below. For regular-subscription investments and pensions the charging structure shall be calculated using the same formula based on a notional “sum invested” equal to the first five year's expected total subscriptions.
3. For advising on and transacting pension and investment sums a fee shall be charged equal to the following unless decreased at the discretion of the director(s);
 - i. 3% of the sum invested up to the amount of £50,000 plus
 - ii. 2% of the sum to be invested in excess of £50,000 but below £100,000 plus

- iii. 1.5% of the amount to be invested in excess of £100,000 but below £250,000 plus
- iv. 1% of the amount to be invested in excess of £250,000
- v. subject to a minimum of £400 per case (individual client or client couple)

6 Charging Structure – Investment / Pension Servicing

1. The standard investment/pension ongoing investment/pension servicing contract shall include the following services;
 - i. Annual initial and (if appropriate) follow-up servicing meetings to review and rearrange the serviced products as necessary
 - ii. Access to the client(s) adviser by phone, email and post
 - iii. Quarterly investment reporting by post
2. The standard percentage charge for ongoing servicing shall be 0.5% of the invested sum on the anniversary of investment in the year of servicing subject to a minimum £100 per annum. This minimum shall apply to total funds under management in any number of products, platforms or wrappers.
3. A higher-level servicing contract shall be made available for 0.7% per annum, subject to a minimum of £140 per annum, which shall provide the client(s) with bi-annual initial and (if appropriate) follow-up meetings.

7 Charging Structure – Protection Advice

1. Advice on Protection is to be remunerated by fee or commission at the choice of the client. However, it is the duty of the adviser to ensure that the client(s) are fully aware of any relative advantages or disadvantages of these options before proceeding to elect such commissions to be paid. The client(s) must be informed both verbally and in writing (in the client(s) agreement) that the sum remains payable in the event that the client(s) cancels a protection product within the providers “claw back” period - in the event that any proportion of the commission paid is clawed back this sum shall be invoiced to the client. If the client(s) is not happy to make this agreement then business is to be conducted on a fee-paid remuneration basis only.
2. The company shall charge fees or receive commissions for protection advice as follows:
 - i. Remuneration for providing protection advice is to be charged on a “per product” basis, not a “per case” basis – if the client(s) accepts multiple separate product recommendations then the fee or commission chargeable shall be calculated separately for each product.
 - ii. For the purposes herein the “normal commission rate” is defined as the commission sum normally offered by the product provider. This may be “100% LAUTRO” commission levels or the providers offered commission.
 - iii. Fees/commissions chargeable for protection products shall be equal to 100% of the first £1000 of the normal commission rate payable by the provider plus 50% of any normal commission rate payable by the provider above the £1000 level subject to 2iv below;
 - iv. Fees chargeable for protection cases shall be subject to a minimum of £350 per policy, however in

cases where multiple protection products are recommended the adviser has discretion to waive the minimum per-product charge.

- v. Where neither “LAUTRO” commission rates nor provider commission rates are available for reference, the charging structure is to be agreed for the work required between adviser and client(s) before work begins. This is to take into account the man-hours required to complete the business as well as any and all costs incurred by the company and a reasonable return to the liability incurred by the company on providing the advice.

8 Charging Structure – Mortgage Advice

1. The company shall charge a flat fee for advice and arrangement of mortgages. However, any received commission from the provider shall be offset against the fee to be invoiced and any commission received above the level of fee to be charged shall be;
 - i. remitted to the provider in return for an equal reduction in fees to be charged by the lender
 - ii. or, if this is not permitted by the lender, refunded to the client on completion of the mortgage.
2. Fees are higher for Buy-To-Let mortgages than for residential mortgages as both the work required to advise and arrange such a product and the liability accepted by the company in doing so is expected to be higher due to the investment nature of the proposition.
3. Fees to be charged are as follows for advice and arrangement of;
 - i. a residential mortgage £595
 - ii. a direct-offer residential mortgage £295
 - iii. a Buy-To-Let mortgage £695
 - iv. a direct-offer Buy-To-Let mortgage £395
4. These fees shall be inclusive of costs of all meetings and research as necessary to advise the client(s) on the most suitable mortgage options and the man-hours necessary to arrange the mortgage including;
 - i. Assisting the client face-to-face in the completion of all forms and documentary requirements
 - ii. Liaising with the mortgage provider, estate agent, solicitor and any other parties as required and as permitted by the client
 - iii. Telephone, email and face-to-face contact as necessary between client(s) and adviser to complete the mortgage
5. The charging structure is reduced where a direct-offer mortgage is recommended to the client, i.e. the recommended mortgage provider will not liaise with a third party intermediary. It is expected that in these cases the adviser's role in arranging the mortgage will be limited to;
 - i. Assisting the client face-to-face in the completion of all forms and documentary requirements
 - ii. Telephone, email and face-to-face contact as necessary between client(s) and adviser to complete the mortgage

9 IT, Information, Contingency and Disaster Recovery Policy

1. The company, its director(s), adviser(s), employee(s) and agent(s) shall abide by the letter and spirit of the Data Protection Act 1998 and any and all future amendments. Furthermore the company shall take undertake all reasonable due diligence to ensure that all third-party individuals, firms and associations meet the same standards before carrying out any interaction which will require the exchange of data controlled by the act or otherwise sensitive.
2. Computer use policy;
 - i. The company shall utilise IT based systems for the majority of works carried out and all paper-based documents shall be scanned and maintained in digital files.
 - ii. The company shall organise documents in a logical, repeatable and intuitively navigable file structure.
3. Data Security; the company shall maintain all digital records (including those in off-site storage locations) encrypted to 128-bit AES security standards, or equivalent, or greater. The only exclusion to this rule shall be digital records which are intended to be public domain – for example text, images and code intended to be viewed publicly on the companies internet.
4. E-mail policy; email messages are to be considered non-secure unless the medium attached is encrypted to the same minimum standards as defined in 3.
5. Software Systems;
 - i. The company shall retain – within the competency of its director(s), adviser(s), employee(s) or agent(s) or by way of a professional servicing contract – expertise in installation, maintenance and repair of sufficient experience and competence for each software system required.
 - ii. All company data is to be held on separate partitions to the operating systems/software installations of all systems. This is to permit data-partitions to be backed up separately following a system failure and/or to allow a failed operating system to be replaced with minimised risk of data loss.
 - iii. The company shall predominantly utilise GNU/Linux-based laptop, desktop and server computer systems for the following reasons;
 - a) Their higher expected resistance to the majority of denial-of-service and data-theft software, “viruses”, “malware” and direct access or “hacking” attacks.
 - b) Their reputation for efficiency and reliability.
 - c) The intial director-shareholder's high level of competence in setting up, using and administering these systems.
 - iv. User-level system logins are to be used for all non-system-administrative purposes.
 - v. Proprietary Operating Systems / Software; It is expected that proprietary (Microsoft Windows) systems will occasionally need to be used to permit use of required third party software or websites which only offer compatibility with these systems. These systems shall operate either -
 - a) From their own drive partitions without access to any GNU/Linux system partition or data partition or;
 - b) On a software “virtual-machine” operating within a GNU/Linux system on an on-demand basis. Furthermore, such systems shall use a regularly maintained and updated anti-virus and anti-malware software system and shall not be used except when such third-party compatibility is required.

6. Backup Policy;
 - i. All digital records held on to be backed-up weekly on stand-alone backup drives. These backups will be complete “snap-shot” compressed archive files to enable easy navigation and sourcing of individual files.
 - ii. All digital records to be backed-up daily to a third-party off-site data storage provider in a file or “container” encrypted to the standards defined in 3 above. Intelligent backup software (rsync initially and for the foreseeable future) is to be used such that backups are incremental, minimising bandwidth usage and allowing individual files or whole archives to be restored to specific historic dates.
7. Adviser Absence and Disaster Recovery Policy;
 - i. The Company's appointed locum(s) shall be provided with information digitally encrypted to the standards set out in 4i in the event that an adviser shall be out of contact on personal leave. This shall contain the information required for the locum to service the adviser(s) client(s) in their absence.
 - ii. The locum adviser shall be provided with access to the off-site data storage facility in case of unexpected incapacity of the director(s) and/or employee(s) or their inability to act.
 - iii. The locum shall be provided the contact details of an IT professional who is qualified to extract data from the company on-site systems (laptop computers, desktop computers or data storage devices) and equipped with the necessary passwords and encryption keys to do so. This contractor must be authorised to act on the behalf of an incapacitated director on the locum's instruction.

10 Potentially Vulnerable Client Policy

1. The Company shall class as “potentially vulnerable” and shall take additional steps to protect any client who;
 - i. Is over the age of 70
 - ii. Has been assessed by a qualified professional as having diminished capacity to act, either now or at any time in the past
 - iii. Has a history of any illness or disorder which may be reasonably considered likely to diminish capacity at any point in time
 - iv. Wishes to discuss or take advice on areas typically considered at “high risk” i.e. inheritance tax, client-inaccessible trust-planning (for example discretionary, absolute and discounted gift trusts), equity release or home reversion plans.
 - v. Any client on whose behalf their attorney has sought advice
 - vi. Any other client whom any director, adviser, employee or agent deems at their discretion to be potentially vulnerable.
2. The Company, its adviser(s), director(s), employee(s) and agent(s) shall abide by the following rules and policies in their dealings with potentially vulnerable clients;
 - i. Our pre-meeting correspondence shall include a paragraph informing all clients that they are welcome to have a third party of their choice, including legal or financial professionals, present for any and all meetings.
 - ii. All clients assessed as potentially vulnerable are to be advised to have a third-party, preferably a

family member and beneficiary to the client(s)' will, present at all meetings. Should the client decline to have a third party present this must be discussed and documented and the adviser will have discretion to decline to provide advice.

- iii. Advice will not be given to clients who have been assessed by a qualified professional as having diminished capacity without a member of family, attorney, guardian or solicitor present.
- iv. Advice on client-inaccessible trust-planning (for example discretionary, absolute and discounted gift trusts), equity release or home reversion plans or any other advisory area deemed at the adviser's discretion to be of vital risk or significance to a vulnerable client OR their potential beneficiaries shall proceed only if;
 - a) the client consents to having at least one and preferably all of their children or intended beneficiaries present at at least one meeting or, failing this;
 - b) their beneficiaries confirm to us in writing that they are aware of the advice being sought and/or the form of product being recommended, or failing this;
 - c) a written and signed declaration from the client explaining that they do not wish to inform their beneficiaries of their planning and the reason for this decision. The adviser will have discretion to decline to provide advice.

11 Treating Customers Fairly Policy

The Company, its director(s), adviser(s), employee(s) and agent(s) will place Treating Customers Fairly at the core of the businesses functions in all of its activities to ensure its demonstrable adherence to the TCF outcomes. Specifically;

1. *Outcome 1: Consumers can be confident that they are dealing with firms where the fair treatment of customers is central to the corporate culture.*

This outcome shall be demonstrated firstly by adherence to the core principles of the firm as defined in this document which incorporate the principles of Treating Customers Fairly regulation and shall be available to clients. Most importantly of these;

- i. The Company, its director(s), adviser(s), employee(s) and agent(s) shall uphold the strictest standard of ethics at all times (Core Principle 2) and act in the best interest of its clients in all the advice it provides (Core Principles 2, 8 and 9)
- ii. The Company shall remain strictly independent (Core Principle 3). This is to ensure that the most appropriate product or service recommendation for the client is given from the whole of the market (in so far as this is possible)
- iii. The Company shall take fair remuneration only and shall make no charge for any initial assessment as to whether the company's services are cost effective and appropriate to the client (Core Principles 4 and 6)
- iv. The Company shall take all reasonable steps to ensure any party to which the client(s) is referred adheres to the same high standards (Core Principle 7)
- v. The Company shall undertake a feedback survey; a questionnaire shall be sent to each client or client couple after business is concluded to ascertain whether the client(s) felt their needs and expectations had been met to the standards desired. The results of these questionnaires shall be tabulated, analysed and used to amend policies and processes in the future as appropriate.

Secondly this shall be demonstrated by the activities of the Company in informing clients of its TCF policy and in ensuring these and other standards are met and monitored ongoing. To this end the Company shall;

- vi. Provide its customers with a pre-meeting letter indicating;
 - a) the services which may be offered;
 - b) an outline of the company's Treating Customer's Fairly policy
 - c) the company's complaints procedures (including what to do if the company is unable to resolve a complaint to the complainant's satisfaction),
 - d) that the client may have present any third party they wish and how the customer may prepare for the meeting.
- vii. Undertake a customer feedback survey; a questionnaire shall be sent to each client or client couple after business is concluded to ascertain whether the client(s) felt their needs and expectations had been met to the standards desired. The results of these questionnaires shall be tabulated, analysed and used to amend policies and processes in the future as appropriate.

2. *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.*

The Company shall promote and sell its services in providing financial advice and transacting/arranging recommended products and services from the whole of the market (in so far as this is possible) after a full factfind and research to show and document suitability. In order to meet Outcome 2 the company shall;

- i. market its services specifically toward retail and commercial (small to medium business) clients via referrals (both client/friends/family referrals and professional paid referrals) and printed advertisements. Printed advertisements shall be targeted specifically toward retail or commercial clients and shall promote holistic services in all cases as stated in the "Company Advisory Process Policies – General" section of this document (12.4)
- ii. Refer clients who require services outside of the capabilities, authorisations or permissions of the company to a suitable provider/adviser (subject to due diligence under Core Policy 7) or to a route whereby the client may identify a suitable provider/adviser (such as the FSA register).

3. *Outcome 3: Consumers are provided with clear information and are kept appropriately informed before, during and after the point of sale.*

To meet Outcome 3 The Company shall;

- i. Provide its customers with a pre-meeting letter (or at the first meeting in cases where the first meeting has been arranged at too short notice to mail it ahead) indicating;
 - a) the services which may be offered;
 - b) an outline of the Company's advisory process;
 - c) an outline of the Company's Treating Customer's Fairly policy;
 - d) the company's complaints procedures (including what to do if the company is unable to resolve a complaint to the complainant's satisfaction).
- ii. Agree all charges and fees in advance with the client before beginning work – any work carried out prior to the engagement, including a first meeting and any and all works carried out to ascertain whether it may be cost-effective for the client to engage the company's services, shall not be chargeable (Core Principle 6).

- iii. Records and audit-trails shall be maintained for all regulated and non-regulated business detailing when meetings, conversations and written/electronic correspondence have taken place. Electronic copies/recordings of these communications shall be maintained on file where possible in accordance with the Data Protection Act.
- iv. All required future contacts with clients or with third parties on behalf of clients shall be diarised electronically with automated reminders.
- v. During the process of data gathering, researching and providing advice, clients shall be kept informed of the progress toward providing advice and shall be given accurate expectations of timescales involved.
- vi. After advice has been given and recommended products/services are to be arranged/transacted, clients shall be kept informed of the progress of their applications and of interactions between the adviser and the provider(s) as they arise. The adviser(s) give the client(s) realistic expectations of when and if their applications will be accepted by providers (if acceptance is not a given).

4. *Outcome 4: Where consumers receive advice, the advice is suitable and takes account of their circumstances.*

To meet Outcome 4 the Company, its director(s), adviser(s) and agent(s) shall;

- i. Abide by Core Principle 1: “The company, its director(s), employee(s) and agent(s) shall abide by both the letter and the spirit of all applicable law and regulation. The same standards shall be extended to all non-regulated business activities (for example will writing and Lasting Powers of Attorney)”;
- ii. Abide by Core Principle 2: “The company, its director(s), employee(s) and agent(s) shall uphold the strictest standard of professional ethics in all its dealings and at all times. In particular, when providing advice to meet the needs of the client within the client’s affordability and constraints and within relevant UK regulation and legislation the company’s adviser(s) shall place the client(s)’ needs and welfare above all other factors”;
- iii. Abide by Company Advisory Process Policies – General; 2.: “ The company shall indefinitely maintain a policy of 100% file pre-checking by a third-party compliance-services provider for all regulated financial advice with the exception of mortgage and/or simple protection advice at the discretion of the compliance officer. This provider shall be Simply-Biz initially and for the foreseeable future.”
- iv. Abide by the general and area-specific advisory policies in this document;
- v. The company shall continuously strive to maintain and increase the qualification levels, experience and competency levels of the company’s adviser(s) by;
 - a) Ensuring the company’s adviser(s) undertake continuous professional development to at least the FSA’s minimum standards.
 - b) Sharing best-practise with Simply-Biz, New Model Business Academy, IFA peers, product providers (taking care to identify and account for vested interest) and professional bodies.
 - c) Ensuring professional qualifications are achieved in advance of future increases in regulatory qualification standards such as the Retail Distribution Review.
 - d) Regularly review the relevant press (the financial press, Citywire, New Model Adviser etc)

5. *Outcome 5: Consumers are provided with products that perform as firms have led them to expect, and the associated service is of an acceptable standard and as they have been led to expect.*

To meet Outcome 5 the Company, its director(s), adviser(s) and agent(s) shall;

- i. Provide its customers with a pre-meeting letter (or at the first meeting in cases where the first meeting has been arranged at too short notice to mail it ahead) indicating
 - a) the services which may be offered;
 - b) an outline of the Company's advisory process
 - c) an outline of the Company's Treating Customer's Fairly policy
 - d) the company's complaints procedures (including what to do if the company is unable to resolve a complaint to the complainant's satisfaction),
- ii. that the client may have present any third party they wish and how the customer may prepare for the meeting;
- iii. Adhere to all policies and processes in this document and in doing so ensure that the expectations and standards set in the introductory letter to the client are met;
- iv. Undertake a customer feedback survey; a questionnaire shall be sent to each client or client couple after business is concluded to ascertain whether the client(s) felt their needs and expectations had been met to the standards desired. The results of these questionnaires shall be tabulated, analysed and used to amend policies and processes in the future as appropriate;
- v. Provide the client with all relevant provider illustrations, keyfacts documents and other relevant documentation for recommended products and ensure the client(s) understanding of the same to ensure that their expectations as to how the products or services recommended will perform are accurate;
- vi. Maintain contact throughout the advisory and application stages with both client and product provider to ensure;
 - a) that both parties are aware of the situation and of any actions required by any party throughout the process
 - b) that the process is completed efficiently and to expectations.

6. *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.*

To meet Outcome 6 the Company, its director(s), adviser(s), employee(s) and agent(s) shall ensure that restrictions to clients switching between both financial advisers and between providers/products recommended are minimised by;

- i. Stating in the company's client agreement (and in the introductory letter sent to clients before their first meeting) that the client can end their agreement with the Company at any time.
- ii. Ensuring that products recommended do not restrict future switches by imposing explicit or implicit costs unless such features are fully justified by benefits which would otherwise not be available. For example;
 - a) Capital-guaranteed investment products, which often will not offer a guarantee of capital on withdrawal before a given date.
 - b) Offshore and onshore life assurance bond investments which may offer tax advantages making them suitable for certain clients but from which a tax liability may arise on withdrawal

12 Company Advisory Process Policies – General

1. All clients shall be send a letter prior to their first meeting which shall;
 - i. Set client(s)' expectations as to the services the company will offer
 - ii. Summarise the Company's Treating Customer's Fairly policy
 - iii. Outline the processes involved in providing advice
 - iv. Summarise the Company's complaints policy
 - v. Highlight that conflicts of interest will be identified and declared to the client(s) as soon as they are identified
 - vi. Advise that the customer is free to have a third party present at any of our meetings - this may be a member of the client(s)' family, a solicitor, a financial professional or a trusted friend.
 - vii. Recommend that the customer have present at least one of their intended beneficiaries if they wish to discuss their estate, trust planning, equity release, home reversion plans or long term care planning.

Should a first-meeting be arranged in too short a time-scale to permit this letter to be sent to the client(s) before time then it shall be provided at the first meeting and the points above i-vii shall be explained verbally to the client.

2. The company shall offer a strict minimum of 2 meetings to provide advice on all business areas, both regulated and non-regulated.
3. The company shall indefinitely maintain a policy of 100% file pre-checking by a third-party compliance-services provider for all regulated financial advice with the exception of mortgage and/or simple protection advice at the discretion of the compliance officer. This provider shall be Simply-Biz initially and for the foreseeable future.
4. The company shall promote holistic or broad-spectrum financial planning as its primary service offering. Where the client declines to accept holistic planning and requests a focused review of specific need areas the adviser shall highlight any other areas of potential need, shortfall or liability to the client where reasonably possible given the information provided by the client and record;
 - i. The reason the client does not wish to address this area currently
 - ii. When and if the client wishes to address this area in the future.

The suitability report will express these points and recommend that the client take appropriate financial advice in the appropriate time frame.

5. The company shall utilise a computer-based factfind which shall closely mirror the factfind offering by Simply Biz (the third-party compliance services provider);
 - i. The same data fields from the Simply-Biz offering shall be included in the company factfind but with additional areas for further data, notes and soft-facts.
 - ii. The company factfind shall include fields automatically-populated based on data input in other fields, such as;
 - a) Client(s)' current age(s)

- b) Client(s)' state retirement age(s) based on current formula
 - c) Sum of client(s) income and outgoings individually and separately i.e. for consideration of finances on first-death of a couple
 - d) Sum of investments held, broken down into tax wrapper, investment types, income receivable etc.
- iii. The company factfind shall be formatted such that all pages and fields may be printed out in a clear and easily legible form for inclusion as an appendix of the client(s)' suitability report.
6. The company shall provide the Suitability Report and factfind to the client(s) simultaneously at all times for the protection of the client(s) and the company. These documents shall be bound together as one with the factfind headed as an appendix to the suitability report.
7. Advising within Affordability and Budget Constraints
- i. definitions;
 - a) Affordability - the client(s)' ability to afford a given product from their current income given their outgoings.
 - b) Budget constraint; the client(s)' willingness to pay for a given product or class of products.
 - ii. Recommendations shall be made for products paid by monthly premiums within the client(s) affordability. Should the client decline these recommendation(s) due to their budget constraint the adviser may make a secondary recommendation to fit this budget constraint after documenting their initial advice and the reasons for the decline.
 - iii. Where the client imposes a single-product or overall budget constraint initially the adviser shall advise on product(s) to meet this budget constraint. However, the adviser must make clear the following points in discussion and in the suitability report;
 - a) the preferred recommendation within the client(s) affordability as opposed to the secondary recommendation made within their imposed budget constraint and;
 - b) why this would be superior and;
 - c) why the client has declined this recommendation.
 - iv. Where the client imposes a budget constraint which in the advisers assessment precludes meeting the client(s)' needs the client shall have discretion to decline to provide advice.

13 Investment Advice Policy

Whitchurch IFA shall use an investment process, each step of which as defined below shall be followed for all client(s) save where a client(s)' specific need or preference dictates that a specific step is demonstrably not applicable or where an additional step is introduced at the adviser's discretion. This process shall be used for all investments whether within pensions, trusts or personal investment products and wrappers.

1. Client(s) Cash Reserve;
- i. It shall be the policy of Whitchurch IFA to advise that all client(s) hold a minimum of £10,000 cash as a reserve in accessible accounts or a minimum of 6 months outgoings, whichever is the greater, at all times.
 - ii. If client(s) refuse this advice it shall be the policy of the Company that advice will not proceed if the client(s) insist on holding a cash reserve of less than £5,000 or three months' outgoings, whichever is

the greater.

- iii. The adviser will discuss with the client(s) and identify and document any need to increase their cash reserve level above the recommended minimum to deal with any potential liabilities which may arise in the foreseeable future.
 - iv. Where a client(s) wishes to begin a regular contribution to an investment or retirement product but does not have the required minimum cash reserve the client(s) must be advised to build an appropriate cash reserve prior to investing. However, it may be considered appropriate to begin regular investment immediately if the client(s) declines the company's advice to wait. In this case investment advice will proceed only if the client(s)' remaining disposable income after the investment premium is sufficient to allow the client(s) to build up an appropriate cash reserve over time.
 - v. Ideally cash shall be recommended to be held in index-linked, tax efficient savings vehicles with short-notice or no-notice required. NS&I vehicles to be favoured wherever possible, in particular index-linked savings certificates and fixed-interest savings certificates as appropriate to the current interest/inflation climate.
 - vi. If the client(s) is not utilising their ISA allowances within any advised investments then they will be advised to use and accrue their available ISA wrappers within cash ISAs as part of their cash reserve.
2. Discussion and documentation of client(s)' attitude to risk – soft facts.
 3. Discussion and documentation of client(s)' investment experience including examples as appropriate.
 4. Completion of psychometric risk assessment questionnaire. It is intended that this questionnaire be a third party provision and ideally be non-platform specific. The questionnaire shall be chosen as a company standard for use with all client(s) (though it may vary in relation to advice area, e.g. pensions and investments may utilise a different questionnaire) and is subject to change with business needs, economic/investment environment changes, new market offerings and regulatory changes.
 5. Discussion and documentation of client(s)' capacity to accept risk and loss – the client(s)' reaction to how they and their dependants would cope financially and emotionally with a total or partial loss of a given sum to be invested. Monetary examples shall ideally be used where appropriate.
 6. Discussion of specific investment goals and objectives shall be held and documented in full. The likelihood of the client being able to meet these goals shall be assessed and commented on by the adviser based on;
 - i. The client(s)' intended lump-sum and/or regular premium subscription levels
 - ii. The provider's illustrations (though their expected limitations should be discussed and documented)
 - iii. Historic performance (though it shall be noted in all suitability reports and in all discussions that past performance is no guarantee of future performance).
 - iv. The client(s)' understanding and expectations of current and future economic/investment conditions
 - v. The likely future income yields of annuities and/or income funds if appropriate, with reference to current available rates and also recent trends in rate changes. Careful attention will be paid to discuss and document the possibility of further future demographic changes and the effect these may be expected to have on future rates.
 7. The intended investment term shall be discussed along with the effect this will have on the expected outcome of the investment – generally, a longer term will enable higher confidence in the ultimate return for an investment of given volatility.
 - i. It is company policy that capital-at-risk investments be considered unsuitable for terms under 5 years.

- ii. For terms between 5-10 years, portfolio risk must be in line with or below the attitude to risk as assessed by the company's adopted attitude to risk assessment tool agreed upon with the client.
 - iii. For terms in excess of 10 years, portfolio risk may be higher than the assessed attitude to risk provided that the client's needs and circumstances fully support such action, that the client(s) understand such risk and that the client(s)' understanding is documented.
 - iv. Where client(s) wish to take risks outside of policies 6i-6iii above, such recommendations shall be limited to cases where the client(s) can show good understanding of investment and risk, a documented and specific desire or need to take such risk based on their expectations, beliefs and experience, and where a strong capacity to accept such risk and potential losses can be shown.
8. Consideration of existing investments;
 - i. Attention must be paid to the effect of any new recommended investments on the risk profile of the client(s)' overall portfolio. Appropriate strategy is to be discussed with the client(s) and thoroughly documented.
 - ii. Normally it shall be expected that any new investments should be recommended with asset allocations defined such that the client(s)' overall asset allocation, when including their existing investments, matches that demanded by their agreed risk profile according to the company's adopted risk profiling tool. Exceptions to this may be made at the adviser's discretion in discussion with the client, for example where -
 - a) the existing and recommended investments are for significantly different investment terms or are invested toward different client goals or;
 - b) the existing product's expected risk or volatility is expected to vary significantly from that suggested by its asset allocation. For example structured products or other investments with any form of guarantee in place.
 - iii. The reasons and justifications for exceptions shall be clearly documented in the suitability report.
9. Passive vs Active investment – the client(s)' understanding and opinion on active and passive management shall be discussed and documented.
10. The relative advantages and disadvantages of bespoke portfolio creation with an adviser servicing contract shall be discussed and documented as opposed to discretionary fund management, sub-diversified managed funds (fund-of-funds & manager-of-managers funds) and automatically rebalanced bespoke portfolios. This shall include;
 - i. The client(s)' understanding and opinion of these options
 - ii. That the company's standard servicing contract fee is charged as a percentage of funds under management subject to a minimum charging level per annum. For investment amounts where the minimum charging sum will equate to a higher percentage than would normally be charged, the option to recommend a fund-of-funds, manager-of-managers, discretionary fund management (DFM) or auto-rebalancing approach without a servicing contract to minimise costs shall be considered and discussed with the client(s) and would normally be recommended.
 - iii. That auto-rebalancing is to be considered the poorer of these alternative options due to its “blind” operation and is to be advised only when low cost is a main client priority.
11. Platform Selection; it is the policy of the Company to remain platform-agnostic and make a recommendation of platform or wrap based on each client(s)' specific individual needs. It is expected that this decision take into account availability of wrappers, costs, range of funds and specific features as a minimum.

12. Bespoke portfolio design; Where such a solution is deemed suitable it shall be the policy of the Company to design bespoke portfolios to meet the client(s)' assessed attitude to risk by matching the asset allocation indicated by the third-party risk profiler adopted. Funds shall be picked to meet each asset class with adequate diversification based on quantitative data to firstly short-list funds and secondly to rank them;
- i. Available funds in the given sector shall be short-listed by filtering for first-quartile 1, 3 and 5 year performances to ensure all funds chosen show consistent historic performance. Additional filters may be employed to meet client-specific requirements such as ethical investment.
 - ii. The short-listed, filtered funds shall then be ranked by;
 - a) Crown and RSM ratings each with high importance,
 - b) volatility and risk-adjusted performance (Sharpe-ratio) each with medium importance
 - c) and by their cumulative performances over 1, 3, 5 and 10 years each with low importance (low importance has been selected as the funds to be ranked have already been screened for top quartile performance in i. above)
 - iii. The asset-allocation required shall then be filled from the short-listed funds on a highest-ranked-first basis as required to ensure high diversification standards – single-fund exposure shall not exceed 4% of total investment unless the performance of a given fund is sufficient in relation to the next-best option(s) to justify the additional exposure.
 - iv. Secondary diversification between imperfectly correlated sub-divisions is desirable where possible within the filtered and ranked funds available within a given asset class. For example diversification may be possible between small-, medium- and large-capitalisation equities funds or between short- and long-dated fixed interest securities funds.
 - v. Where “high alpha”, “small-cap” or similar funds expected to show higher volatility relative to the asset class in question are amongst those highlighted by the above filtering and ranking process, care must be taken to ensure that the expected or historic overall volatility of the combination of fund(s) picked to meet that asset allocation does not differ substantially from the expected volatility of that general asset class.
 - vi. It is anticipated that on occasion the above short-listing requirements will severely limit fund diversification opportunities, i.e. there will be instances where few funds have achieved first-quartile performance in all 1, 3 and 5 year periods. In such cases the following actions may be taken at the discretion of the adviser;
 - a) 1, 3 and 5 year performance metrics may be omitted in the initial screening stage to increase the number of funds available for ranking, starting with the near-term metrics first; i.e. 1 year first-quartile performance may be omitted first, 3 year first-quartile performance may be omitted second and 5 year first-quartile performance omitted last to prioritise longer-term reliability of performance over shorter term.

Where this occurs the 1, 3 and 5 year performance metrics must be increased to “high importance” in the fund ranking stage.

Where all three cumulative performance short-listing criteria are omitted, RSM rating must be used instead as a fund short-listing requirement.
 - b) Passive funds may be considered, given that the a lack of funds achieving consistent market-beating performances might be seen to reduce the expectation of any given actively managed fund consistently beating the market and therefore justifying its cost.
 - vii. Adviser discretion may be employed to omit funds for qualitative reasons. These may include;

- a) adverse customer service history (to adviser or client)
 - b) adverse commentary or
 - c) to address specific client concerns.
13. Fund-of-funds/multi-manager selection;
- i. Where deemed suitable, fund-of-funds and/or multi-manager sub-diversified funds are to be chosen using the same fund selection criteria as for portfolio design as in 12 above.
 - ii. Asset allocation is highly unlikely to be precisely matched to that dictated by a risk profiling tool when selecting a single sub-diversified fund to meet the investment needs of the client. In all cases, where the asset allocation of the recommended fund does not precisely meet that of the risk profiler tool the client(s) must be made aware of this prior to investing and the reasons for selecting the chosen fund made clear both in discussion and in the suitability report. The client's assessed attitude to risk may be matched to a suitable fund as follows;
 - a) Where the adopted risk-profiler tool provides a mapping to an IMA or FE sector and where an equivalent IMA or FE risk rated fund exists among the short-listed and higher-ranked options available this may be used.
 - b) A best-match asset-allocation strategy may be adopted. Reference should be made to the historic volatility and performance of the recommended fund as compared to the expected volatility and performance of a bespoke portfolio to precisely match the indicated asset allocation of the client(s)' risk rating.
14. Tax wrappers available shall be utilised with careful attention paid to asset class – ISA wrappers shall not be used proportionally throughout the portfolio but rather used to wrap specific funds based on;
- i. The client(s)' marginal income tax and capital gains tax rates, allowances and exemptions.
 - ii. growth expectations – funds expected to grow faster over the long term may be more effective use of wrappers.
 - iii. income requirements – funds paying net of income tax might be more effective use of wrappers than those paying net of dividend voucher
15. Central-Authority Protection Schemes;
- i. Policies and collectives expected to benefit from FSCS (or successor) protection are to be prioritised unless client(s) needs can only be met by a non FSCS-covered collective and the client(s) is fully aware of the risk and accepts that risk (to be confirmed in writing signed by the client).
 - ii. Client(s) must be made aware of the scope and potential limitations of government compensation schemes including;
 - a) Protection limitations on advised product classes
 - b) The fact that government-backed compensation schemes are subject to change
 - c) The fact that a given fund might logically be expected to have fallen significantly in value by the point of provider failure
 - d) That payment by a guarantee scheme may be dependant on application

14 Mortgage Advice Policy

1. Residential Mortgages

Client(s) are to be made aware of the potential risks and disadvantages of buying a property via a mortgage. These shall include but not be limited to;

- i. That the client(s) could lose their home if they do not keep up repayments. In all cases, the Money Advice Service's documents "You can afford your mortgage now but what if...?" and "Mortgages" are to be provided to the client(s).
 - ii. That the monthly and overall cost of a mortgage is highly likely to change over time and could be significantly higher than the near-term costs as indicated in product illustrations and keyfacts documents.
 - iii. The legal and financial risks and liabilities associated with owning property;
 - a) Maintenance and repair costs
 - b) Insurance costs
 - c) Potential legal liabilities
 - d) Housing market volatility and timing risk. The client(s)' expectations of the housing market should be discussed and documented.
 - iv. The risk of a negative-equity situation should house-prices fall and the negative effects this might have. Selling the property or moving home would require that the excess mortgage debt over the property value be repaid to the lender. This might be costly, possibly to the point of making selling or moving prohibitive.
 - v. The immediate costs of purchasing/selling/mortgaging which the client(s) may not have considered; legal fees, valuation fees, provider's costs as appropriate, estate agency fees, advice fees.
2. In cases where a high loan-to-value ratio would be required in order to gain a mortgage for the client(s), and where the interest rate chargeable on that mortgage would be comparatively high, a comparison should be made with lower loan-to-value loans available at that time and discussed with the client(s). The client should be advised to consider the option of waiting until they have saved a larger deposit to obtain a better interest rate and reduce the risk of a negative-equity situation arising.

This would be particularly appropriate where the interest component of the monthly payment under the considered mortgage would be larger than their current monthly rental payment, as the client(s) could anyway accrue savings toward a deposit faster than they would be accruing capital in the property under the mortgage.

3. Repayment Methods;

- i. It is the policy of The Company to recommend capital-repayment mortgages above interest-only mortgages for residential properties on all occasions.
- ii. Should the client(s) insist on an interest-only residential mortgage the adviser will have discretion to accept this insistence and arrange such a product ONLY if a sound and suitable repayment vehicle is in place which is expected to provide for the sum of the debt by the date required with high confidence. If such a vehicle is not in place the adviser may not recommend or arrange an interest-only mortgage. Examples of such suitable vehicles are;
 - a) A sufficient and documented lump sum from a defined-benefit pension scheme to be received by

the client(s) before the debt falls due

- b) An investment of appropriate sum and term with appropriate protection or guarantee. For example a life-assurance bond with a guaranteed future value and an expected net-of-tax return on the guarantee date to repay the mortgage debt.

It is expected that incidences of insistent-client(s) interest-only mortgage arrangement will be extremely low. In such instances the adviser must document that they have advised the client(s) to take a capital-repayment mortgage and that the client(s) have rejected this advice.

4. Buy-To-Let Mortgages;

- i. The client(s)' reasons for wishing to acquire a Buy-To-Let property with a mortgage are to be discussed and documented – what do they wish to achieve, by when, and for what purpose?
- ii. The clients understanding of the specific risks and costs associated with buy-to-let property investments should be discussed, including:
 - a) The “gearing” effect of borrowing to invest. Not only is the effect of market volatility on the clients capital effectively multiplied (up and down), but the risk of loss is not limited to the invested capital. With a poor result the client could end up owing a substantial amount over and above their lost initial investment capital. An explanation of this effect is to be included in all suitability letters written for Buy-To-Let cases.
 - b) Market risks – the client(s)' understanding and expectations of the property and rental markets, nationally and locally, are to be discussed and related to recent trends.
 - c) The risk of a negative-equity situation should house-prices fall and the negative effects this might have. Selling the property at such a time would require that the excess mortgage debt over the property value be repaid to the lender.
 - d) That the debt and its repayments are an obligation on the borrower whether the property is let or not – should the payments not be met the property may be at risk.
 - e) The risk that the property may go un-let for significant periods during the term.
 - f) That investment in property may represent poor investment diversification, particularly if the client is already invested in the property market by way of their own home.
 - g) The increased risk caused by poor geographical diversification (as appropriate) in the housing and rental markets.
 - h) The risk associated with a high-value holding in a single material investment – the property may be damaged or even destroyed by fire, flood, riot etc. with the client dependent on a successful insurance claim to recoup losses.
 - i) Liquidity risk – can the client(s) afford to risk a delayed-sale or non-sale of their asset in a poor housing market?
 - j) The expected ongoing costs and time commitments involved in buying, maintaining, letting and insuring a Buy-To-Let property.
 - k) Tax liabilities on rental income and capital gains

The client(s)' capacity to accept applicable risks should be discussed and recorded.

- iii. Explicit consideration must be given to other options which might meet the client(s)' stated goals and needs. These must be discussed and documented before proceeding with a buy-to-let mortgage

recommendation. These may include;

- a) Collective, multi-asset managed or passive investments through manager-of-manager, fund-of-funds, discretionary fund management or bespoke portfolios. Such options may offer tailored risk, greater diversification, greater liquidity and lower cost.
 - b) Pensions, ISAs, life assurance bonds, offshore investments or other potentially tax efficient options.
 - c) Collective investments in property, actively managed or passive – if the client wishes to invest solely in property but would prefer greater diversification between property classes and geographical areas these may be more appropriate than a buy-to-let property.
- iv. The adviser will decline to recommend a buy-to-let mortgage should discussion of the above factors and completion of a full factfind indicate that the client does not have capacity to accept the risks and costs associated with a mortgaged Buy-To-Let investment property.

15 Protection Advice Policy

1. Investment-linked Protection Policies. Due to-
 - a) The uncertainty of premium costs and benefit levels in the future
 - b) The inseparability of investment and insurance elements

It is expected that investment -linked protection policies shall not be recommended except in situations where;

- a) The protection benefit is otherwise unavailable (within affordability or at all)
- b) The need for insurance and investment is demonstrably best met via an investment-linked protection policy than by any available combination of pure protection policy and investment product.

It is expected that recommendations of investment-linked policies will be few.

2. General Protection - Research and selection of provider. The Company shall;
 - i. Make a reasonable comparison of the market when researching protection solutions.
 - ii. Screen for required features and rank providers for financial strength
 - iii. Recommend waiver of premium wherever client(s)' income is in any way volatile (i.e. unless their income is independent of their state of health).
 - iv. Recommend guaranteed premium policies wherever possible. The exception to this is where the recommended level of cover cannot be sourced with guaranteed premiums.
 - v. Confirm with provider(s)' underwriters the likely impact of any relevant medical data prior to application. This data shall be recorded along with names of representatives spoken to, telephone numbers and reference numbers where possible. If possible these phone calls will be recorded.
3. Mortgage/Debt Liability Protection;
 - i. The Company shall recommend life protection as an absolute minimum to cover all mortgage and

liabilities. This shall be of a form to suit the debt repayment method and, if the client intends to make overpayments to the debt in the future, a provider which permits the sum assured to be decreased regularly should be selected.

- ii. Protection to cover debts against ill-health shall be recommended in all cases except where affordability demonstrably prevents this, in which case this deficiency shall be discussed in depth with the client.
 - iii. Whilst critical illness insurance would normally be expected to be the preferred recommendation for debt protection in the event of significant ill health (normally in the form of a first-event life & critical illness policy) the relative benefits and disadvantages of critical illness and income protection policies will be discussed with clients wherever affordability or budget constraints limit the client to a choice of one of these options.
4. Critical/Serious Illness Protection;
- i. Clients shall be informed of the potential benefits but also the expected limitations of critical and serious illness insurance policies, specifically that benefits will normally be paid only on diagnosis of a list of conditions defined by the policy or on “total permanent disability” as defined by the policy. A critical/serious illness policy would normally pay no benefit where a medical condition is not diagnosed as one of the defined conditions within the policy terms.
 - ii. “Total and Permanent Disability” shall be recommended in all cases where this is available and affordable.
 - iii. “Comprehensive” cover shall be recommended in all cases where this is available and affordable.
 - iv. “Serious Illness” protection policies shall normally be recommended above critical illness policies where appropriate and within affordability due to the normally greater number of covered medical conditions.
5. Income Protection Insurance;
- i. Where available, affordable and suitable for the client, income protection insurance the following features shall be recommended;
 - a) Guaranteed premium where available and affordable
 - b) Own-occupation benefit criteria where available and affordable
 - c) Index-linked benefits where available and affordable
 - d) Full benefit payable over the term (not tiered or time-limited benefit payments) where available and affordable
 - ii. Clients shall be informed of the limitations of income protection insurance in all cases, including but not limited to;
 - a) the maximum benefit payment possible relevant to client(s)' earnings at time of advice and at time of claim
 - b) the relationship between employer and/or state income benefits payable and the benefit that may be claimed under an income protection policy.
 - iii. Recommendations will normally be made with term till the client's retirement date. However, where the client wishes to retire early the suitability of recommending an income protection policy to that intended date shall be assessed against;

- a) The planning the client has put in place toward their intended retirement date and the viability of that retirement date accordingly;
- b) The possibility that the client may not be able to retire at that date and might therefore be uninsured should they continue working. The client should be recommended a policy to state retirement age wherever there is any doubt that their planning will be successful.

16 Attestation

Written by James Leslie Parsons of 70 The Philog, Cardiff CF14 1EB

Signed;

A handwritten signature in black ink, appearing to be 'JP', with a long horizontal flourish extending to the right.

James Parsons, Director / Shareholder

17 Version History

Date	Version / Amendment
27/11/2011	1.0