

Vulnerable Client Policy – Salisbury Financial Services

This policy sets out how we aim to identify and treat clients and prospective clients who may be considered as being vulnerable by virtue of their age, disability or circumstances.

Although vulnerability can come in many forms, it is important that such individuals are dealt with appropriately, fairly and consistently.

We are committed to making sure that we treat any vulnerable client as an individual. We will do this by being:

- Flexible in our approach to client communications
- Empathetic to any specific needs or concerns they have

We will provide training all our staff to identify the key indicators of vulnerability and providing appropriate support and solutions for vulnerable clients

What is a vulnerable client?

The FCA defines a vulnerable client as: *'Someone who, due to their personal circumstances, is especially susceptible to detriment, particularly when a firm is not acting with appropriate levels of care'*.

What is detriment?

Detriment is essentially any disadvantage a client could suffer, for example this could range from being treated unsympathetically by your firm or choosing the wrong product or policy. This can occur in particular with vulnerable clients because financial products can be relatively complex and, in certain cases, may not be optional.

We are mindful that many clients in vulnerable situations may not think of themselves as being 'vulnerable'.

Types of Vulnerability

There are a number of factors that could result in a client being deemed vulnerable on a temporary, sporadic or temporary basis.

A vulnerable client could be considered to be anyone who by virtue of their health, age or circumstances may be less able than others to:

- Realistically and objectively identify and prioritise their own needs
- Fully understand the risk, cost or implications of any advice provided
- Assess information in the usual format, for example, orally during meetings or visually in respect of written advice

This means that we would consider individuals affected by the following factors to be vulnerable:

List here the circumstances / situations in which your firm would consider a client as being vulnerable.

Consider the following:

- Changes in circumstances (for example; divorce, redundancy, diagnosis of a long-term or terminal illness or bereavement)

- Low literacy, numeracy and financial capability skills
- Physical disability
- Severe or long-term illness
- Mental health problems
- Low income and/or debt
- Caring responsibilities (including operating a power of attorney)
- Being 'older old' (for example over 80) although this is not absolute – this could be associated with cognitive or dexterity impairment, sensory impairments such as hearing or sight, onset of ill-health, not being comfortable with technology)
- Being young (associated with less experience)
- Lack of English language skills
- Not possessing standard documents or credit history (for example armed forces personnel returning from abroad, ex-offenders, care-home leavers).

The above list is not exhaustive

Are there any other factors which would prompt you to consider a client to be vulnerable?

The presence of one or more of the above factors does not necessarily mean that the client is vulnerable. Each adviser will need assess their client's personal circumstances and ensure that every client is treated individually and with respect and empathy. Any concerns around the assessment of clients should be referred to Cliff Cooper or Complete Compliance.

Identifying a Vulnerable Client

To be in a position to identify if an existing or potential client falls within our definition of a vulnerable client, we have the following processes in place:

The assessment will be drawn from conversations, client situation and the fact find data that we collate. Primarily it will be the adviser who flags whether a client is vulnerable.

The obvious situation for a potentially vulnerable client is where there is a LPA or POA. In such circumstances we obtain ID/AML on the attorney.

If there is any doubt about the transactions being proposed, the matter must be referred to a Director to review.

If a client is identified as being vulnerable, we will treat them in line with the steps noted below;

Dealing with a Vulnerable Client

We will make sure that in all cases, a client has the capacity to understand the advice they are being given. If they don't and there is no attorney or deputy in place, the advice process will be suspended, and the case will be referred to Cliff Cooper or Complete Compliance.

If we identify a potential client as being vulnerable, we will:

Refer the advice being given to a Director and ensure that a client has a full understanding of the advice being given. Where possible we encourage another person to be present in a meeting – relative/close friend etc.

If we identify an existing client becoming vulnerable, we will:

- Adapt our advice process to best accommodate the vulnerability.
- If language is a problem, we will ask for someone to be present that is fluent in English.
- For physical disabilities, we will offer meetings at their home, or somewhere that can accommodate their disability.
- For mental impairment, we will encourage a family member/close friend to be present, or in the case of LPA/POA the attorney or Deputy.
- If we feel there are pressures being put on the client to take action, we will refer this to a Director to review. Where we do not feel it is in the client's best interest, we will not advise/facilitate the requested actions.
- Different methods of communication will be offered. Eg for elderly clients we may increase the font size of reports.
- For clients that are not computer literate, we will always send our communications in writing, or discuss matters verbally.

Internal Process

In addition to our usual systems & controls, to make sure that we treat all vulnerable clients fairly, we have the following additional processes in place:

Cases are referred to a Director to review such that any case is pre-vetted prior to the advice being actioned.

We also obtain AML on the Deputy/Attorney.

We will keep a log of all Vulnerable clients in the office.

Staff are provided with a copy of our policy and annual updates are sent to ensure people remain familiar with the policy.

Data protection

As part of delivering financial services to vulnerable clients, we will gather detailed information from them, especially about their physical and/or mental health. This information will be dealt with in accordance with our data protection policy.

Training

We will make all staff aware of this policy when they join our firm.

All staff will also be given training on dealing with vulnerable clients upon joining and on an annual basis.

Our training will include providing an update of our policy

Reviewing this Policy

To ensure this policy continues to accurately reflect the process we have in place, Complete Compliance will review this policy on an annual basis.

If any updates are required, these will be made and the revised policy circulated to staff within two weeks of the review by email.

This policy was last reviewed 26.07.2024