

BUSINESS REPLACEMENT

STAYING COMPLIANT AND PUTTING YOUR CLIENTS INTERESTS FIRST

Only initiate a change of provider/product after a current product fit-analysis, a full provider/product comparison and full risk-benefit assessment has been completed.

This will enable us to meet our obligations under the Code of Professional Conduct and ensure that our clients interest are put ahead of our own.

1. DEVELOP POLICY STATEMENT - PROMISE TO OUR CLIENTS

"We will only ever recommend a change of product or provider if it is clearly in your interest"

2. DEVELOP PROCESSES AND PROCEDURES (TASKS)

- Clearly record any of the clients changed needs and circumstances and the reasons for these.
- Complete a current-product 'fit' analysis and determine whether the existing provider/product can meet the client's changed circumstances and needs, even if it requires amendments.
- Only proceed to a new provider/product selection process after the current product fit analysis indicates this is justified.
- Complete a full benefit/risk analysis for new option(s) personalised to the client.
- Provide an SOA/ROA with a clear comparison between the current and proposed product with key benefits and specific risks to the client demonstrating that the change is clearly in the client's interests.
- Discuss and record your adviser interests in the changes and how these are managed and how any conflicts are mitigated (disclosure).

3. DEVELOP CONTROLS (CHECKS)

Recommend that all replacement business is peer reviewed and signed off, namely;

- Check the replacement business advice is always accompanied by a client needs-analysis, and that there is a current product fit-analysis.
- Red flag any replacement advice that has a current product fit-analysis with no clear indication to proceed or if no analysis has been completed.
- Check that the new provider/product selection has personalised benefits for the clients and risks to client are all covered.
- Check that the adviser interests are recorded and managed or mitigated when there is a conflict (disclosure).