Induction Process: Advice Frameworks & Standards

Adviser Advice Standards

Impact Financial Services

1 PURPOSE OF ADVICE FRAMEWORKS

During the induction process advisers are introduced to the Advice Frameworks and Standards used at Impact Financial Services.

These frameworks provide a structured approach to client advice and help ensure that:

- advice is suitable for the client
- the advice process is consistent across the firm
- regulatory requirements are met
- client outcomes remain positive

Following structured advice frameworks helps advisers deliver clear, responsible and compliant advice.

2 IMPACT ADVICE STANDARD

At Impact Financial Services advisers are expected to follow the Impact Advice Standard when working with clients.

This means advisers should:

- understand the client's needs and circumstances
- explain available solutions clearly
- recommend suitable products
- ensure the client understands the advice provided

The aim is to ensure that every client receives clear, transparent and responsible financial advice.

GOOD PRACTICE
Adviser follows a structured process: gathers client information thoroughly, explains options in plain language, and confirms the client understands the recommendation before proceeding.

BAD PRACTICE
Adviser skips key steps, jumps straight to a product recommendation without fully understanding the client's situation, and does not check client understanding.

3 CLIENT FACT FIND

The Fact Find is the foundation of the advice process. Advisers must ensure that sufficient information is collected before making any recommendation.

This includes information about:

- personal circumstances
- financial commitments
- income and expenditure
- client objectives and priorities

Fact Find information must be recorded accurately within Pro System CRM.

GOOD PRACTICE
Adviser asks open questions, explores the client's full financial picture, and records all relevant details in Pro System before considering any recommendation.

BAD PRACTICE
Adviser collects only basic information, does not explore the client's wider circumstances, and leaves key fact find fields blank or incomplete.

4 NEEDS ANALYSIS

After completing the Fact Find, advisers must assess the client's needs and priorities.

Needs analysis helps advisers:

- identify financial risks
- understand client goals
- determine appropriate solutions

Recommendations must be based on the client's specific circumstances.

GOOD PRACTICE
Adviser identifies that a client with a young family and mortgage needs life cover and income protection, and explains why these are priorities based on their circumstances.

BAD PRACTICE
Adviser recommends the same product to every client regardless of their individual needs, without conducting a meaningful analysis of their situation.

5 SUITABLE RECOMMENDATION

Advisers must ensure that any recommendation made to a client is suitable.

A suitable recommendation should consider:

- the client's financial situation
- affordability
- product features and limitations
- the client's long-term needs

Advisers must be able to explain why the recommended solution is appropriate.

GOOD PRACTICE
Adviser recommends a product that matches the client's budget, covers their key risks, and explains why this product was selected over alternatives.

BAD PRACTICE
Adviser recommends the most expensive product without assessing affordability, or selects a product based on commission rather than client suitability.

6 CLEAR CLIENT COMMUNICATION

Advisers must communicate advice in a clear and understandable way.

Clients should understand:

- what the product does
- how it works
- any risks or limitations
- the financial commitments involved

Clear communication helps clients make informed decisions.

GOOD PRACTICE
Adviser explains products using plain language, checks client understanding at each stage, and encourages the client to ask questions before making a decision.

BAD PRACTICE
Adviser uses technical jargon, rushes through explanations, and does not check whether the client has understood the advice before proceeding.

7 MORTGAGE ADVICE FRAMEWORK

Mortgage advisers are expected to follow the structured mortgage advice process used within Impact Financial Services.

Mortgage Advice Process

- Fact Find
- affordability assessment
- Decision in Principle (DIP)
- lender and product selection
- full mortgage application
- offer and completion

All mortgage cases must be documented within Pro System CRM.

GOOD PRACTICE
Adviser follows each stage of the mortgage process in order, documents progress at every step, and ensures the client is informed throughout the journey.

BAD PRACTICE
Adviser submits a mortgage application without completing a proper affordability assessment, skips the DIP stage, and does not keep the client updated on progress.

8 PROTECTION ADVICE FRAMEWORK

Protection advisers follow a structured protection advice process.

Protection Advice Process

- identifying client protection needs
- assessing financial risks
- recommending suitable protection solutions

Protection advice may include: life insurance, critical illness cover, income protection.

Recommendations must always be based on the client's needs and circumstances.

GOOD PRACTICE
Adviser assesses the client's full protection needs, explains the difference between products, and recommends a tailored solution that addresses the client's specific risks.

BAD PRACTICE
Adviser recommends a single product without exploring the client's broader protection needs, and cannot explain why the product is suitable for the client.

9 DOCUMENTATION STANDARDS

Advisers must ensure that all client cases are properly documented.

This includes:

- fact find records
- notes from client discussions
- supporting documents
- records of recommendations

Documentation must be stored in Pro System CRM to ensure a clear compliance record.

GOOD PRACTICE
Adviser records detailed notes from every client interaction, uploads all supporting documents promptly, and ensures Pro System records are complete before case submission.

BAD PRACTICE
Adviser keeps minimal notes, does not upload supporting documents, and submits cases with incomplete records that cannot be audited effectively.

10 CONSUMER DUTY AND CLIENT OUTCOMES

Advisers must always consider the client's best interests when providing advice.

Advice frameworks at Impact Financial Services are designed to support positive client outcomes by ensuring that:

- clients understand the advice they receive
- products are suitable for their circumstances
- risks are clearly explained

Maintaining strong client outcomes is a key part of the firm's professional standards.

GOOD PRACTICE
Adviser prioritises the client's best interests, ensures the client fully understands the product before proceeding, and follows up to confirm the client is satisfied.

BAD PRACTICE
Adviser focuses on completing the sale quickly, does not ensure the client understands the product, and does not follow up to check client satisfaction.

11 PROFESSIONAL ADVICE STANDARDS

Advisers at Impact Financial Services are expected to maintain high professional standards.

This includes:

- acting with integrity
- providing responsible advice
- maintaining accurate records
- treating clients fairly

Following the firm's advice frameworks helps advisers deliver consistent and professional financial advice.

DOCUMENT CONTROL

Owner: Training & Competence **Version:** 1.0 **Classification:** Internal