

# VULNERABLE CLIENT SUPPORT PROCEDURE

Impact Financial Services Limited

This procedure outlines the steps advisers and staff must follow when a client is identified as potentially vulnerable.

The purpose of this process is to ensure that vulnerable clients receive appropriate support and that the firm continues to deliver good outcomes in line with the FCA Consumer Duty.

## 1 IDENTIFICATION OF VULNERABILITY

Vulnerability may be identified during any stage of the client journey, including:

- Initial enquiry
- Fact find discussions
- Needs analysis
- Medical questionnaire
- Policy explanation
- Post-sale communication

Advisers should remain alert to indicators described in the Vulnerable Client Identification Guide.

## 2 ADVISER INITIAL ASSESSMENT

If a potential vulnerability is identified, the adviser must:

- Remain calm and supportive
- Avoid making assumptions
- Allow the client additional time to communicate
- Ensure explanations are clear and simple

The adviser should consider whether the client requires additional support before proceeding with advice.

## 3 RECORDING VULNERABILITY

Where vulnerability is identified, the adviser must:

- Record the vulnerability in the firm's CRM system (Pro System)
- Note any relevant circumstances affecting the client
- Document any additional support provided

This ensures the firm can maintain appropriate support throughout the client relationship.

Access to vulnerability records is restricted to authorised staff only.

## 4 PROVIDING ADDITIONAL SUPPORT

Depending on the client's circumstances, advisers may provide reasonable adjustments including:

- Allowing additional time during meetings
- Simplifying explanations
- Providing written summaries of recommendations
- Scheduling follow-up meetings
- Using alternative communication methods
- Allowing the presence of a trusted family member or friend

These steps help ensure the client fully understands the advice being provided.

## 5 ESCALATION TO COMPLIANCE

If the adviser believes the client may have difficulty understanding financial decisions, the case should be escalated to management.

This may involve:

- Notifying the Compliance Director
- Requesting an additional file review
- Seeking guidance before proceeding with the recommendation

Escalation ensures appropriate oversight where vulnerability may affect suitability.

## 6 SUITABILITY CONSIDERATIONS

When advising vulnerable clients, advisers must ensure that:

- The product remains suitable
- The client understands the long-term commitment
- Affordability has been carefully assessed
- The client has had sufficient time to make a decision

Additional documentation may be provided to support the client's understanding.

## 7 UNDERSTANDING CONFIRMATION

Before proceeding with any recommendation, advisers must confirm that the client:

- Understands the purpose of the policy
- Understands the costs and payment commitments
- Understands when benefits would be paid
- Understands key exclusions or limitations

Advisers may ask the client to explain the recommendation in their own words.

## 8 ONGOING MONITORING

Vulnerability may change over time.

Advisers should remain alert to changes in a client's circumstances during:

- Policy reviews
- Service calls
- Claims discussions
- General client communication

If new vulnerability is identified, the same procedure should be followed.

## 9 EXTERNAL SUPPORT

Where appropriate, clients may be directed to independent support organisations including:

Citizens Advice	<a href="http://www.citizensadvice.org.uk">www.citizensadvice.org.uk</a>   0800 144 8848
Mind	<a href="http://www.mind.org.uk">www.mind.org.uk</a>   0300 123 3393
Age UK	<a href="http://www.ageuk.org.uk">www.ageuk.org.uk</a>   0800 678 1602
The Samaritans	<a href="http://www.samaritans.org">www.samaritans.org</a>   116 123

## 10 COMPLIANCE OVERSIGHT

The Compliance Director is responsible for ensuring that:

- Advisers follow this procedure
- Vulnerability records are appropriately maintained
- Periodic file reviews consider vulnerability handling

This process forms part of the firm's Consumer Duty monitoring framework.

**Identifying vulnerability does not mean that a client cannot receive financial advice or products.**

However, it requires advisers to provide additional care, communication and support to ensure the client receives fair and appropriate outcomes.

### COMPLIANCE APPROVAL

Impact Financial Services Limited

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