**Hayden Williams IFS Ltd**

**Standard Operating Procedures Guidelines 2017**

**Appointed Representatives**

**PURPOSE & SCOPE& TCF**

Provision of a fully automated call recorded telephone based life insurance service to UK retail customers only on a non-advisory execution, Information only basis.

Make appropriate oral disclosures when selling a protection product to a consumer by Phone.

Provide product Information in a way which is clear, fair and not misleading.

Evidence from consumer research is clear that purchasers of Protection products rely more heavily on oral than written disclosures.

In a sale that does not involve a personal recommendation- reasonable steps to ensure a customer understands their responsibility whether a policy meets their demands and needs.

If a firm provides information on any main characteristic of a policy orally during a Non advised sale, reason steps must include explaining the customers responsibility orally.

A firm must take reasonable steps to ensure that the information provided orally is sufficient to enable the customer to take an informed decision on the basis of the information provided.

A firm must provide PRICE information in a way calculated to enable the customer to relate it to a regular budget.

Price information- must be given in writing in good time before conclusion of the contract. Distance contract concluded over the TELEPHONE- IMMEDIATELY AFTER CONCLUSION. NO LATER THAN 8 HOURS after the sale submitted.

Price Information- Reviewable Premium & Guaranteed Premium- If Reviewable Premium- Timing of Reviews to be explained.

Advised/ Non Advised- Prior to conclusion of an Initial Contract of Insurance with a consumer- A firm must state- Whether giving Personal Advice or INFORMATION ONLY.

Non Advised example- The customer decides or knows the specific product they want.

**The Firm offers information on a range of products for the customer to make their own informed decision.**

Any significant exclusions and limitations of the policy must be highlighted to the customer.

This must be done by way of the Initial Disclosure Document- emailed or posted along with Personal Quote and Key features Document.

Consequences of Non- Disclosure – Explain that Customers duty is to disclose and the consequences of any failure to make such a disclosure.

Cancellation- 30 days contract of Insurance- After 30 days may not be entitled to a refund of the premiums they have paid. Right to cancel a policy before conclusion of the contract must be explained. Advisers monitored Quarterly regarding this area of cancellation.

Claims- If the sale was made without advice, the firm that sold the product should be able to demonstrate through their records that the customer selected the product without any specific recommendation.

IDD documents- The type of product being purchased, Advice or Information only, whether the clients individual needs taken into account.

Qualifications- There are no qualification requirements for Telephone Based Non advised staff. However an Insurance adviser should be competent and remain competent for the roles they perform. Therefore appropriate supervision needs to be in place – Principal/ AR/ Adviser.

Competent guide- All new Advisers- to undergo 1 week intensive training.

Minimum Requirements

Day 1- Induction- Meet the team- Managers- Quality Controllers. Lead generators. Overview provided of the AR operation.

Day 2.- Call listening to Lead generators and Advisers. Min of 4 sales calls listened to.

Day 3- Product knowledge training- min 6 hours. ( Manager)

Day 4- Product TEST- Sales Procedures- Complaints- Money Laundering- Vulnerable clients. Non Disclosure-To be covered- 70% pass rate.

Day 5- Live on the telephone- feedback provided after each sale by manager on first 5 sales.

**Sales Procedures**

**All sales to be Quality checked by Quality controllers prior to submission to an Insurer**

The QC Team trained to check on the following:

* Check appropriate oral disclosures when selling Protection products to a consumer by phone
* Provide product information in a way that is clear, fair and not misleading
* Be clear about the status and scope of service being provided to the client.
* Non- Advised Information service.
* Product features and policy characteristics explained to ensure customers can make informed decision.
* Exclusions and limitations to be highlighted
* Importance of explanation of medical non- disclosure and pre-Existing conditions
* Scope and limitations of their cover
* Nature of service being provided
* Company status and branding
* After sales procedures

**Policy Sales-**

1. Term Assurance- Checked for – Price- Cover- Term- All clients must be placed in a better position – Otherwise - No sale permitted. This needs to be clearly demonstrated.
2. At least 1 Benefit must be enhanced- Ideally 2-3 – Explanation of benefit explained to client by adviser and checked by QC prior to submission.
3. Critical illness sales- Not price driven- Full information on CIC to be supplied to client. Then Budget/cover/Term have to be fully understood by client
4. Information on- Guaranteed Premium- Waiver of Premium- Indexation- Total permanent Disability to be supplied to all clients at point of sale.
5. Personal Illustrations – KFD- IDD- Emailed at point of sale.
6. All clients with any Existing policies- Information needs to be gathered as to – When policy taken out- Method ie Phone/IFA/Mortgage Broker.
7. Additional confirmation that client happy and satisfied to proceed with product.
8. Critical Illness sales- Advisers have to provide clients with sufficient information for them to be able to provide select this product- Screen based CIC information to be used by advisers. PDF and sales aid by insurers are factual and direct information can be given directly to clients from these sales aids/ Key fact Document.
9. To Ensure a Non- advised sale- Advisers must state on the sales call- Start and End of the sale- That No personal advice or recommendation is being made- Based on the information and price provided the client is happy to proceed and go ahead.
10. All sales- The Adviser must point out the reason or reasons the new policy is being taken out.
11. Re cancellation of existing products- Advisers are not permitted to advise them to cancel their existing plans- But can explain How to cancel them if required or asked by the client.

**After sales Care**

* Email documents
* Texts messages
* Day 2 customer care call
* Trust forms sent
* Day 7 Customer care call
* CYD/ DD/ Policy schedule/ Trust forms discussed.

**Weekly Monitoring**

AR Firm to keep up to date Business Register. All client details and policy information- Policy numbers to uploaded.

All call recordings uploaded at the end of each Day.

AR firms responsible for staff recruitment & Training- Refer to Compliance HUB

Principal and AR MONTHLY meetings- Discuss – Sales- CFO rates- Complaints- call auditing.

External Consultant- Compliance service to monitor and call audit- 1 sale per adviser per month - Independent call audit- feedback entered on Compliance Hub

Customer telephone calls to be made for each adviser per month to check- Customer understanding and general customer service call. Compliance - hub to be updated with results and findings of audits.

ARs responsible for feedback to Adviser on the Independent call audit.

External Consultancy Firm CCSC to Provide Regular compliance support and external Audit.

Appointed reps- Responsibility.

* Data
* TPS screened and client opted in- ICO compliant.
* Data security.
* Staff resources- To ensure all sales can be handled from Lead generators.
* Call recordings
* Business Register

SCOPE

UK retail customers aged 18 – 90 who have expressed a need/desire to improve upon existing life insurance policies, or expressed a need for new policy provision.

PREREQUISITES ;

Basic customer information is required prior to inception, as this allows a customer to be provided with a personal life insurance quotation. (Basic information required - DoB/gender/smoker status/amount of cover/term of cover. A personal customer quotation can be generated prior to any customer commitment.)

RESPONSIBILITIES ;

HWIFS principal Hayden Williams is responsible for all appointed Representatives, appointed representatives are responsible for all products introduced to new and existing customers.

OPERATIONAL PROCEDURES;

Computer based- Compliance Hub- all documents – procedures – Testing tools available.

REFERENCES ;

Product providers provide support, training, testing, and ongoing KPI analysis input to the AR community. The AR community liaise with principal Hayden Williams on a weekly basis and attend quarterly development meetings. Hayden Williams deals directly with the product providers to ensure KPI’s are acceptable, processes are workable, and to also discuss any isolated customer concerns regarding the provision of life insurance cover.

(This is underpinned by CRM- Bedrock/compliance hub/dashboard.)

COMPLIANCE HUB ;

A total AR support tool known as a compliance hub is available to the AR community, this provides a suite of support documentation: examples include sales guidelines regarding vulnerable customers, personal development plans, protection testing material, new starter development plans, KPI performance parameters regarding CFO/mid-term/complaints and complaints upheld, and a complete library of documentation that may be required day-to-day.

HWIFS EMPLOYS ;

Office Manager, administration support team 4 staff members, IT systems support, and an outside compliance function to provide independent business support.

**Appendix**

1. Hayden Williams
2. AR Agencies
3. UKFS
4. Administration Support
5. Dashboard/Systems & Controls
6. Compliance Hub
7. KPI Data/Risk Analysis
8. Call Recording/RAG
9. Data Protection & Record Keeping
10. Complaint Handling
11. T/C & Protection Testing
12. Independent Compliance Function

**HWIFS**

1. Hayden Williams;

Principal HWIFS, providing financial services and products to retail customers across the UK.

1. AR Agencies;  
   Independently run execution only provision of life insurance products to UK retail customers under the guise of HWIFS.
2. UKFS;  
   HWIFS uses several of the UK’s top life insurance services companies, such as Legal & General, Aviva and Aegon.
3. Administration Support;  
   Underpinned by an experienced financial services office manager and staff.
4. Dashboard/Systems & Controls;  
   Secure log-in to manage HWIFS AR businesses encapsulating FCA rules and regulations with treating customers fairly (TCF) in everything HWIFS/AR do day-to-day.
5. Compliance Hub;  
   A secure log-in AR site to avail and support AR businesses for everything compliance.
6. KPI Data/Risk Analysis;  
   Live daily recording of business analysis which allows HW/AR to recognise KPI issues/concerns.
7. Call Recording/RAG;  
   All customer calls are recorded across the AR community to act as a reference point for best practice and recommended sales process.
8. Data Protection & Record Keeping;  
   All customer calls are recorded alongside all AR staff tested and kept abreast of data protection requirements on a day-to-day basis.
9. Complaint Handling;  
   Any customer complaints are dealt with in a timely fashion with the customer directly contacted within 24-hours and complaints resolution within five working days.
10. T/C & Protection Testing;  
    Training and compliance documentation alongside up to date life insurance testing material is held in the compliance hub for use by the AR community and support staff.
11. Independent Compliance Function;  
    An outside source of financial services expertise providing an independent view of functions on a daily basis with monthly and quarterly meetings held with principal Hayden Williams to highlight any training and development needs.