

Conflicts of Interest Policy

- Summary & Ownership Information
- Conflict of Interest policy
- Conflicts of Interest Register (template)
- FCA COBs references

Summary

At Ethical Futures we endeavour to act in the best interests of our clients and act with integrity. In most situations, we will work as the clients 'agent' but on occasion there may be either a real or perceived conflict of interest.

The FCA requires Ethical Futures to take all reasonable steps to manage its conflicts of interests appropriately. Principle 8, of the FCA's Principles for Business state that a firm "*must manage conflicts of interest fairly, both between itself and its customers and between a customer and another client*".

This policy covers provides clarification about the status and ownership of Ethical Futures and explains our interpretation of when a conflict of interest might arise and how we manage this.

Status

Ethical Futures is authorised and regulated directly by the Financial Conduct Authority (FCA Reg: 552583)

Ownership

Ethical Futures is a limited liability partnership. The partnership has two owners, Julian Parrott & Martin Wight. We have no other investors and do not have finance or loans as part of financial backing.

Conflicts of Interest definition

A conflict of interest arises where a person or organisation is involved in multiple interests, one of which could mean the client's best interests are not put first, or are different from the interests of the person or organisation.

Ethical Futures is committed to ensuring its decisions and decision making processes are, and are seen to be, free from any bias and do not unfairly favour any individuals and clients.

At all times, Ethical Futures conducts its business in accordance with FCA rules and principles, and is committed to effectively preventing and managing conflicts of interest fairly between itself and its clients.

Ethical Futures, The Board and Senior Management Team are responsible for ensuring that systems, controls and procedures are adequate to manage any conflicts of interest.

Conflicts of Interest policy

All staff, advisers, and management of Ethical Futures will strive to prevent and avoid any conflict of interest between the interests of Clients of Ethical Futures on the one hand, and personal, professional, and business interests on the other. This includes avoiding actual conflicts of interest as well as the perception of conflicts of interest.

The purpose of this policy is to protect the integrity of Ethical Futures decision-making process, to enable our stakeholders to have confidence in our integrity, and to protect the integrity and reputation of staff, advisers and management.

In the course of meetings or activities, advisers will disclose any interests in a transaction or decision where there may be a conflict between Ethical Futures best interests and the client's best interests or a conflict between the best interests of any organisations that the adviser is involved with.

This policy is meant to supplement good judgment, and staff, advisers and management should respect this.

Disclosure to clients

Clients are provided with the Ethical Futures disclosure documents before commencing any business relationship. The "About Regulation & Protection, Terms and Conditions of Business" document provides notification to clients as to what the process is should any conflict(s) of interest arise.

Remuneration

Ethical Futures clients are given a choice of how they wish to pay for services from a given menu of options. Both the level of service and the cost is agreed at outset prior to any work commencing.

- **For investment and pension business** payment can only be made by way of a fee, be this fixed, a percentage of the investment amount or an hourly rate. This ensures that there is no bias towards a particular provider or platform.
- **For a non-investment insurance product** payment can be made by either commission from the insurance provider, a fee or a combination. These commissions will be disclosed to clients before they proceed.

Compliance procedures

The Ethical Futures compliance procedures manual confirms that advisers must provide notice of any other business activities they have or wish to become involved with, whether these are a conflict of interest or not.

Advisers must seek approval from Ethical Futures in writing before commencing engagement or with any other business activity or intend to sign any agency agreements, introducer agreements, or set up any other businesses whether financial services related or not.

This ensures that Ethical Futures are aware of any activities that could cause potential conflicts of interests. If potential conflicts of interest may arise then these other business activities will not be authorized by Ethical Futures.

Examples of conflicts of interest

Examples noted below of what could be considered conflicts of interest

- A product provider may offer gifts or entertainment that may influence the placement of a product with that particular product provider
- An employee is to make financial gain, or avoid financial loss, at the expense of a client
- An adviser receives a payment from a third party in relation to services provided to the client that is outside the normal commissions or fees for the agreed service
- Advising a client on investments that are not regulated
- An adviser who is also on the board of another organisation that is competing for a client
- An adviser who has shares in a business that may profit from unregulated advice
- An adviser passing large amounts of business to a particular insurer because they previously worked at the insurer and still have friends there
- A mortgage adviser passes large amounts of business to a lender because they have a relative working at that lender
- A product provider may offer a loan and cash gift in the expectation of getting more business in return
- An adviser has a financial or other incentive to benefit the interests of one customer over another
- An adviser dealing with both divorced clients

Register

Ethical Futures maintains an internal Conflicts of Interest Register within which any conflicts are noted and how they are managed.

Identifying conflicts of interest

Ethical Futures has developed a number of processes to identify potential conflicts of interest.

These include at least an annual analysis of the products and providers recommended and the types and amount of remuneration received, in addition to reviewing internal procedures and processes to ensure these remain suitable to ensure any potential risks can be identified.

A central record is also held to log details of where a third party, product provider or fund management group provides training and seminars to advisers.

FCA

FCA rules regarding Conflicts of Interest, their disclosure and management can be found here:

<https://www.handbook.fca.org.uk/handbook/SYSC/10.pdf>