

Independent v Restricted Advice

When discussing our services with our clients we are often asked what the difference is between advisers classed as Independent, and those classed as Restricted.

The short answer is that at Raymond James, Hampstead, we do not advise on unregulated products, hedge funds or certain structured products as these do not fit with our investment philosophy. As a result, the advice we give does not fulfil the 'Independent' criteria set by the FCA and is therefore classified as 'Restricted'.

What we will do, is always manage your money and give advice in a way that is unbiased, unrestricted and looks at the whole of the market when selecting investments for you.

The background of the restricted advice concept began on the 31st December 2012, when the Financial Services Authority (FSA, now FCA) changed what is meant by 'Independent' advice, and introduced the concept of 'Restricted' advice.

In order for advice to be 'Independent' it must involve the selection of an investment that is unbiased, unrestricted and looks at a broad spectrum of providers. In addition, it must cover a wide range of what the regulator terms 'packaged products', for example, pensions, life insurance policies, investment trusts and unit trusts. Advice that does not meet all of these criteria is automatically 'Restricted'.

As explained above, we do not advise on the full range of products that fits with the definition of 'Independent' advice above because we have consciously excluded certain types of high risk investment that don't fit with our investment philosophy, such as Unregulated Schemes, Hedge funds and certain types of structured products.

It is for this reason that we are classed as Restricted rather than Independent.

Whether 'Independent' or 'Restricted, a wealth manager is required to:

- Hold the same qualification standard level
- Show the same standard of professionalism
- Act in their client's best interests

We have absolute confidence that our investment philosophy best serves our clients' interests without the need to access high risk, unregulated investments, so see no negative implications of the Restricted classification.

More information on Raymond James, Hampstead and the services we can offer you are available on our website – www.Hampstead.RaymondJames.uk.com.