

# Benchmark

# Investor Protection Guide

## Fusion Wealth Platform

This document provides information about how client money and assets held on the Fusion Wealth Platform are protected, including the levels of protection available to you through the UK Financial Services Compensation Scheme (FSCS). The information in this document is correct at the time of publication, but the limits and levels of cover of the FSCS are subject to change.

## What is the Financial Services Compensation Scheme?

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The Financial Services Compensation Scheme (FSCS) is the compensation fund of last resort for clients of authorised financial services firms if a firm or bank becomes insolvent or ceases trading and has insufficient funds to meet claims. It is an independent organisation and is funded by taxes on the firms that it covers and is accountable to the UK Financial Conduct Authority (FCA).

As firms authorised and regulated by the FCA, Fusion Wealth and the firms and banks we appoint to hold client money and assets on our behalf are covered by the FSCS. Funds managed by FCA authorised UK-based fund managers will also be covered. The level of cover which applies to each of these is set out below, subject to you meeting the FSCS eligibility criteria.

## How are client money and assets protected?

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### Client money

Fusion Wealth appoints its custodian SEI Investments (Europe) Limited (SEI) to hold client money on its behalf. SEI generally deposits cash held on behalf of clients with a number of UK banks in pooled client money bank accounts and has a policy not to hold more than 50% of its total client money balance with any one bank at any time in order to achieve diversification and minimise the risk of exposure to any one bank or financial institution. An up-to-date list of the banks utilised by SEI is available to advisers on request.

Your money is always held separately from our company money and from the money of SEI or any bank we use to hold this money. Money is held in designated client money bank accounts, established under trust. In the event that SEI should fail financially, your money will remain yours and any administrator will be obliged to return it to you as part of the wind down process. SEI completes daily client money reconciliations to ensure that client money remains segregated and protected at all times, but in the unlikely event of a shortfall this would be covered by the FSCS, up to the limits set out below.

Cash held in client money bank accounts is similarly protected. In the very unlikely event that one of the UK banks with which SEI holds client money were to fail, client money would be segregated from the money of the bank meaning that it could not be used to cover the bank's debts. In the event of a shortfall, this would be covered by the FSCS, up to the applicable limits which are set out below.

### Client assets

We arrange for safe custody of client assets by appointing SEI as custodian. All client assets held on the Fusion Wealth Platform are registered in the name of SEI's nominee, SEI Global Nominee Ltd, which is a separate company from both Fusion Wealth and SEI. This means that in the unlikely event of either SEI or Fusion Wealth failing, your assets cannot be used to cover the debts of either firm.

### Investments

Should the UK-based fund manager of a unit trust or open-ended investment company (OEIC) in which you hold shares or units fail, then as long as the fund manager is authorised by the FCA and therefore covered by the FSCS your investment will be covered, up to the applicable limits. Please refer to the relevant fund prospectus to check whether a specific fund is covered by the FSCS and ask your adviser if you are unsure.

Other fund managers domiciled in other jurisdictions will be subject to different arrangements. Please ask your adviser for more information about arrangements specific to your investments.

## How much cover does the FSCS provide?

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## Money held in UK Bank accounts on your behalf

If a bank holding client money on behalf of SEI were to fail and couldn't return your money, you would be protected for **100% of the first £85,000** held with the bank.

The £85,000 limit applies per investor per institution, and covers all money held with the bank, not just money held through the Fusion Wealth platform, meaning that all money held on the Fusion Wealth platform, along with any personal bank accounts you hold with that bank, will be included in the limit you could claim. In the case of joint accounts, the limit applies per person, not per account.

For third party products such as SIPPs, you should refer to the product provider for more information.

### Examples of how FSCS claims could be calculated where a bank holding client money fails

	Example 1	Example 2	Example 3
<b>Total held with bank</b>	<b>£50,000</b> held in Fusion GIA	<b>£90,000</b> held in Fusion GIA	<b>£50,000</b> in Fusion GIA <b>+ £40,000</b> in off platform savings account <b>= £90,000</b> total
<b>Calculation of claim</b>	100% of first £85,000	100% of first £85,000	100% of first £85,000
<b>Maximum claim</b>	<b>£50,000</b>	<b>£85,000</b>	<b>£85,000</b>

## UK Fund Managers

If an FCA authorised UK based fund manager becomes insolvent and is unable to return your money, you will be protected for 100% of the first £85,000 invested with the fund manager.

The £85,000 limit applies per investor per fund manager firm, and covers all money invested with that fund manager, so if two different fund managers become insolvent you could claim up to £85,000 from both, depending on how much you have invested.

### Examples of how FSCS claims could be calculated where a fund manager becomes insolvent

	Example 1	Example 2	Example 3
<b>Total invested</b>	<b>£50,000</b> in fund managed by manager ABC	<b>£90,000</b> in fund managed by manager XYZ	<b>£50,000</b> with fund manager ABC <b>+ £90,000</b> with fund manager XYZ <b>= £140,000</b> total
<b>Calculation of claim</b>	100% of first £85,000	100% of first £85,000	100% of first £85,000 per fund manager
<b>Maximum claim</b>	<b>£50,000</b>	<b>£85,000</b>	<b>£50,000 + £85,000 = £135,000</b>

## Brexit and FSCS Protection

FSCS protection for UK-based clients of UK authorised firms will not change as a result of the UK leaving the European Union (EU). This means that in most cases existing FSCS protection will continue, including after the Brexit transition period ends. However, FSCS protection may change if a client and/or their firm is based in the European Economic Area (EEA). The EEA includes EU countries and also Iceland, Liechtenstein and Norway. For information about FSCS protection for your financial services product, please contact your firm directly.

## Further information

Further information is available from the FSCS directly at [www.fscs.org.uk](http://www.fscs.org.uk) and you may contact them at:

Telephone: 0800 678 1100

Address: Financial Services Compensation Scheme, PO Box 300, Mitcheldean, GL17 1DY

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