



## SOUTHERNHAY

FINANCIAL PLANNING

Registered in England and Wales No. 8168055

### CLIENT AGREEMENT FOR INVESTMENTS & INSURANCES

**This document must be read in conjunction with our Service Proposition & Engagement**

#### **Authorisation Statement**

Southernhay Financial Planning Limited is Authorised and Regulated by the Financial Conduct Authority. The Financial Conduct Authority (FCA) regulates financial services in the UK and you can check our authorisation and permitted activities on the Financial Services Register by visiting the FCA's website <https://register.fca.org.uk/> or by contacting the FCA on 0800 111 6768. Our Financial Services Register number is 711110.

#### **Our Services**

Southernhay Financial Planning Ltd. is able to act on your behalf in advising you on investments and non-investment insurance contracts. We offer products and services as follows:

- **Investments** - we offer an Independent advice service. We will recommend investments based on a comprehensive and fair analysis of the market. We will place no restrictions on the Investment Markets we will consider before providing investment recommendations, unless you instruct us otherwise. We will however only make a recommendation when we know it is suitable for you
- **Non-investment protection contracts** - we offer term assurance, income protection and critical illness insurance from a range of insurers
- **General Insurance Contracts** - we offer buildings & contents insurance from a range of insurers

We offer you an initial discussion (without charge) at which we will describe our services more fully and explain the payment options. If you decide to go ahead, we will:

- Gather and analyse personal financial information about you and your aims and objectives;
- Recommend and discuss any action we think you should take and, with your agreement, arrange relevant solutions for you

You should be aware that investments carry varying degrees of risk and as their underlying value can fall as well as rise you may not get back the full amount invested.

#### **Your aims and objectives**

Unless we notify you in writing to the contrary, we will be treating you as a "retail client" for investment business and a "consumer" for insurance business.

This means that you are afforded the highest level of protection under the regulatory system and should have the right to take any complaint to the Financial Ombudsman Service.

Any advice or recommendation that we offer to you, will only be given after we have assessed your needs and considered your financial objectives and attitude to any risks that may be involved. We will also take into account any restrictions that you wish to place on the type of products you would be willing to consider.

With very few exceptions, we will confirm to you in writing the basis of our recommendations along with details of any special risks associated with the products recommended.

Full details of the products we recommend to you including, for example, the minimum duration of the product, information on your right to cancel or whether no right to cancel exists, and any other early termination rights and penalties, will be covered in the relevant product disclosure information you will receive before conclusion of any contract.

We will issue any documentation/recommendations and any other communication to you in English (unless agreed otherwise).

We may also, on occasion, advise on other financial products which are not regulated by the FCA under the Financial Services and Markets Act 2000. The Financial Services Compensation Scheme does not apply to any of these products.

Under the terms of this agreement, we may, if appropriate, advise you on investments which are not readily realisable. We would draw your attention to the risks associated with these investments as there is a restricted market for them. In some circumstances it may therefore not be possible to deal in the investment or obtain reliable information about its value.

### **Our Ethical Policy**

We are committed to providing the highest standard of financial advice and service possible. The interest of our clients is paramount to us and to achieve this we have designed our systems and procedures to place you at the heart of our business. In doing so, we will:

- be open, honest and transparent in the way we deal with you;
- not place our interests above yours;
- communicate clearly, promptly and without jargon;

### **Our Investment Services and Costs**

We provide you with an initial consultation free of charge. This helps us to understand your financial objectives and will confirm how we can support you in working towards these. We will also discuss the cost, and levels, of our services both initially and throughout our relationship with you.

We charge our services by way of a fee. These fees are based on a percentage of the amount you invest.

### **Financial Review and Recommendation**

This can be a continuation from the initial discussion, where agreed, or a further appointment. This process covers the:

- gathering of information about your existing financial arrangements and full personal circumstances;
- understanding of your investment knowledge and attitude and tolerance towards investment risk;
- recommendation of an asset allocation model that matches your risk profile and the subsequent assessment and suitability of any existing holdings;
- preparation of our recommendations to you;
- arranging a second appointment to explain and discuss our recommendations in detail

Our charge for this service is a fixed fee of £500 payable on provision of the report containing our recommendations to you. This fee will be waived wholly or in part should you decide to implement any of our recommendations.

To assist us with the delivery of our Investment Services we use a system called Dynamic Planner by Distribution Technology. Distribution Technology is the UK's leading provider of financial planning and sales technology and has an excellent reputation for market-leading advice technology. Distribution Technology has appeared in the annual Tech Track Top 100 ratings in September 2009. Their tool allows us to analyse our clients' attitude to risk using a range of psychometric questionnaires, and providing clients with a view of the consequences of their decision through the production of expected gains and losses based upon client risk choices.

### **Policy Arrangement & Implementation**

Should you instruct us to proceed with any of our recommendations we will act for you in the following ways:

- Handle all fund and policy administration on your behalf;
- Provide regular updates to keep you informed of progress;
- Ensure all your documents are issued in line with your expectations;
- Provide confirmation of all actions taken on your behalf in writing

### **Policy Arrangement & Implementation – Lump Sum Investments, Transfers**

Our charge for this service is based on a percentage of the amount you invest and / or transfer. These charges are applied as follows:

- For the first £75,000 – 3%
- For the next £75,001 to £150,000 – 2%
- For any amount between £150,001 and £500,000 – 1%
- Any amount above £500,001 – 0.50%

This payment can either be taken from your investment upon receipt by the policy provider or paid directly by you. Where we receive such a payment we will waive our 'financial review and recommendation' fee by the same amount.

Example 1; if we arrange an investment on your behalf for £10,000 our Policy Arrangement & Implementation fee would be £300. As this is less than the 'financial review and recommendation' fee of £500 we would charge you an additional £200 as the balance. The total fee payable would be £500.

Example 2; if we arrange investments on your behalf totalling £100,000 our Policy Arrangement & Implementation fee would be 3% of first £75,000 = £2,250 plus 2% of the remaining £25,000 = £500. As this exceeds the 'financial review and recommendation' fee no other charges would be applied. The total fee payable would be £2,750

Example 3; if we arrange investments on your behalf totalling £300,000 our Policy Arrangement & Implementation fee would be 3% of first £75,000 = £2,250 plus 2% of the next £75,000 = £1,500 plus 1% of the remaining £150,000 = £1,500. As this exceeds the 'financial review and recommendation' fee no other charges would be applied. The total fee payable would be £5,250

### **Policy Arrangement & Implementation – Regular Savings or Investments**

Our charge for implementing a regular contribution savings or investment plan is 50% of the first year's contributions.

You pay this directly on commencement of the policy. On receipt of this payment we will waive our 'financial review and recommendation' fee by the same amount with any balance falling due at the same time.

Example 1; if your monthly contribution is £20 our Policy Arrangement & Implementation fee would be £120. As this is less than the 'financial review and recommendation' fee of £500 we would charge you an additional £380 as the balance. The total fee payable would be £500.

Example 2; if your monthly contribution is £200 our Policy Arrangement & Implementation fee would be £1,200. As this exceeds the 'financial review and recommendation' fee no other charges would be applied. The total fee payable would be £1,200.

Example 3; if your monthly contribution is £2,000 our Policy Arrangement & Implementation fee would be £12,000. As this exceeds the 'financial review and recommendation' fee no other charges would be applied. The total fee payable would be £12,000.

### **Ongoing Reviews and Changes to Existing Investments**

We will discuss the full range of our on-going services during our initial consultation. These services include, but are not limited to, providing you with:

- structured reviews to give you peace of mind;
- an assessment of your circumstances and any changes to your plans that are needed;
- regular updates and information regarding your holdings;
- a choice of differing levels of support depending on your needs;
- ongoing support with correspondence and administration issues

Details of these different levels of services are contained in our Service Proposition and Engagement document. We will agree separately the level of on-going services at the time of, or prior to, making our recommendation(s) to you. Our costs are 0.75% per annum and are based on the value of your investment(s) at each 12 month anniversary, and are paid monthly / annually in arrears.

It should be noted that if you choose any of our ongoing management services they are subject to a minimum fee per annum.

- Core £250
- Standard £500
- Premium £1,000

Where we agree to provide ongoing services you can choose to cancel this at any time by providing us with written confirmation of your decision. Payments would then cease within 7 business days or after collection of any due proportion of any period charges if later.

\*The charges listed above can be deducted from your investments or paid directly by you\*

### **Our Insurance and Protection Services and Costs**

Similar to our investment services above, we will provide you with a personal and financial review prior to making our recommendation(s) to you. Should you accept our recommendation(s) we will arrange the implementation of this/these for you. The reasons for our recommendations will also be provided to you in a written report.

We do not charge a fee for our insurance and protection services as we will normally receive commission from the policy provider. You will not be subject to VAT for this service.

## VAT

Under current legislation our services are not subject to VAT but should this change in future, and where VAT becomes due, we will notify you before conducting any further work.

## Cancellation rights

In most cases you can exercise a right to cancel by withdrawing from the contract. In general terms you will normally have a 30 day cancellation period for a life, pure protection, payment protection or pension policy and a 14 day cancellation period for all other policies.

For pure protection policies the start of the cancellation period will normally begin when you are informed that the contract has been concluded or, if later, when you have received the contractual terms and conditions. In other cases, the cancellation period will begin on the day the contract is concluded or, if later, the day on which you receive the contractual terms and conditions. Instructions for exercising the right to cancel, if applicable, will be contained in the relevant product disclosure information which will be issued to you.

If you cancel a single premium contract, you may be required to pay for any loss you might reasonably incur in cancelling it which is caused by market movements. This means that, in certain circumstances, you might not get back the full amount you invested if you cancel the policy.

## Client money

**Southernhay Financial Planning Ltd.** is not permitted to handle client money and we cannot accept a cheque made out to us (unless it is in respect of an item for which we have sent you an invoice) or handle cash.

## Documentation

We will endeavour to make arrangements for all your investments to be registered in your name unless you first instruct us otherwise in writing. All policy documents will be forwarded to you as soon as practicable after we receive them. If there are a number of documents relating to a series of transactions, we will normally hold each document until the series is complete and then forward them to you.

## Instructions

We prefer our clients to give us instructions in writing, to aid clarification and avoid future misunderstandings. We will, however, accept oral instructions provided they are confirmed in writing.

## Material Interest

We will act honestly, fairly and professionally known as conducting business in 'Client's best interest' regulations. Occasionally situations may arise where we or one of our other clients have some form of interest in business transacted for you. If this happens or we become aware that our interests or those of one of our other clients conflict with your interest, we will write to you and obtain your consent before we carry out your instructions, and detail the steps we will take to ensure fair treatment. In accordance with the rules of our regulator, The Financial Conduct Authority, we are prohibited from accepting any payment (commission or other non-monetary benefits) which is likely to conflict with the duty of the firm to its clients.

## Complaints

If you wish to register a complaint, please write to **Southernhay Financial Planning Ltd.**, 20 Southernhay West, Exeter, Devon, EX1 1PR or telephone 01392 439009

A summary of our internal complaints handling procedures for the reasonable and prompt handling of complaints is available on request and if you cannot settle your complaint with us, you may be entitled to refer it to the Financial Ombudsman Service at [www.financial-ombudsman.org.uk](http://www.financial-ombudsman.org.uk) or by contacting them on 0800 023 4567.

### **Compensation Scheme**

If you make a complaint and we are unable to meet our liabilities, you may be entitled to compensation from the Financial Services Compensation Scheme. Investment business will normally be covered up to a maximum of £50,000.

Further information about these amounts and limits for all other product types are available from the FSCS at <http://www.fscs.org.uk/what-we-cover/products>

### **Data Protection**

The information you have provided is subject to the Data Protection Act 1998 (the "Act"). By signing this document you consent to us or any company associated with us for processing, both manually and by electronic means, your personal data for the purposes of providing advice, administration and management.

"Processing" includes obtaining, recording or holding information or data, transferring it to other companies associated with us, product providers, the FCA or any other statutory, governmental or regulatory body for legitimate purposes including, where relevant, to solicitors and/or other debt collection agencies for debt collection purposes and carrying out operations on the information or data.

In order to provide services to you we may be required to pass your personal information to parties located outside of the European Economic Area (EEA) in countries that do not have Data Protection Laws equivalent to those in the UK. Where this is the case we will take reasonable steps to ensure the privacy of your information.

We may also contact you or pass your details to other companies associated with us to contact you (including by telephone) with details of any other similar products, promotions, or for related marketing purposes in which we think you may be interested.

The information provided may also contain sensitive personal data for the purposes of the Act, being information as to your physical or mental health or condition; the committing or alleged committing of any offence by you; any proceedings for an offence committed or alleged to have been committed by you, including the outcome or sentence in such proceedings; your political opinions; religious or similar beliefs; sexual life; or your membership of a Trade Union.

If at any time you wish us or any company associated with us to cease processing your personal data or sensitive personal data, or contacting you for marketing purposes, please contact The Data Protection Officer on **01392 439009** or in writing at **Southernhay Financial Planning Ltd**, 20 Southernhay West, Exeter, Devon, EX1 1PR.

You may be assured that we and any company associated with us will treat all personal data and sensitive personal data as confidential and will not process it other than for a legitimate purpose. Steps will be taken to ensure that the information is accurate, kept up to date and not kept for longer than is necessary. Measures will also be taken to safeguard against unauthorised or unlawful processing and accidental loss or destruction or damage to the data.

Subject to certain exceptions, you are entitled to have access to your personal and sensitive personal data held by us. You may be charged a fee (subject to the statutory maximum) for supplying you with such data.

### **Anti-Money Laundering**

We are required by the anti-money laundering regulations to verify the identity of our clients, to obtain information as to the purpose and nature of the business which we conduct on their behalf, and to ensure that the information we hold is up-to-date. For this purpose we may use electronic identity verification systems and we may conduct these checks from time to time throughout our relationship, not just at the beginning.

### **Law**

This client agreement is governed and shall be construed in accordance with English Law and the parties shall submit to the exclusive jurisdiction of the English Courts.

### **Force Majeure**

**Southernhay Financial Planning Ltd.** shall not be in breach of this Agreement and shall not incur any liability to you if there is any failure to perform its duties due to any circumstances reasonably beyond its control.

### **Termination**

The authority to act on your behalf may be terminated at any time without penalty by either party giving seven days notice in writing to that effect to the other, but without prejudice to the completion of transactions already initiated. Any transactions effected before termination and a due proportion of any period charges for services shall be settled to that date.

**DECLARATION – Client Copy**

This is our standard client agreement upon which we intend to rely. For your own benefit and protection you should read these terms carefully before signing them. If you do not understand any point please ask for further information.

- Please tick this box if you do not consent to us or any company associated with us processing any such sensitive data
- Please tick this box if you do not wish for us or any company associated with us to contact you for marketing purposes by e-mail, telephone, post or SMS

I / We are aware of the costs of the Financial Review and Recommendation(s), and where appropriate, the Policy Arrangement and Implementation services and agree to the method and timing of these.

My / Our preferred method of paying these costs is (please tick as appropriate);

- (where possible) By deduction from the policy

You should note that when paid through the investments it may reduce your personal tax thresholds and/or exemption levels. Where this happens we will discuss it with you and confirm it in your personal recommendation report.

- By direct payment

Client Name .....

Client Signature .....

Dated .....

Client Name .....

Client Signature .....

Dated .....

Date of Issue .....

Signed on behalf of firm .....

NB: In relation to your chosen level of ongoing service this will be agreed separately within our Service Proposition & Engagement document.



**DECLARATION – Firm Copy**

This is our standard client agreement upon which we intend to rely. For your own benefit and protection you should read these terms carefully before signing them. If you do not understand any point please ask for further information.

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