



## Client Agreement for Investments & Insurances

**This document must be read in conjunction with our Service Level Agreement Form**

### **Authorisation Statement**

**IFA Financial Services (UK) Ltd** is Authorised and Regulated by the Financial Conduct Authority. The Financial Conduct Authority (FCA) regulates the financial services industry in the UK and their address is 25 The North Colonnade, Canary Wharf, London, E14 5HS. You can confirm this by visiting the Financial Services Register website [www.fsa.gov.uk/register](http://www.fsa.gov.uk/register) FCA No. **447432** or by contacting the FCA on 0800 1116768.

### **Our services**

**We provide independent investment advice.** We will consider a range of regulated products from the available market that can meet the investment objectives of a retail client but we will only provide a recommendation to you when we know the product is suitable for your personal circumstances.

***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.***

For **Non-investment protection contracts** we are an intermediary and will act on your behalf when providing advice and making our personal recommendation(s) to you. We will do this based on a fair and personal analysis of insurers for term assurance, income protection, critical illness and whole of life plans.

### **Free Exploratory Consultation (with no obligation to engage our services)**

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

- Data Gathering – Research Your Financial Situation and Arrangements
- Establish Your Objectives and Timescales
- Analyse Your Situation

***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 general 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 FSA 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;
- Seek your views and perception of our dealings with you to ensure it meets your expectations or to identify any improvements required.

### **Instructions**

We only accept instructions in writing (paper or electronic means) to aid clarification and avoid future misunderstandings. Please note we will not act on oral instructions to avoid any possible misunderstandings.

### **Our Investment Services and Fees**

We provide you with an exploratory 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 fixed fees, monthly retainers and a percentage of the amount invested. These fees differ depending upon the Service Level option you select.

### **Fact finding Meeting – Data Gathering and Establishing your Objectives**

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

- Gathering information about your personal and financial circumstances:
- Ascertain your short, medium and long term financial goals and priorities:
- Establish your attitude to risk and your capacity for loss, through detailed discussion.

## **Analysis of your Situation and Developing your Plan**

This part of the process involves researching your existing financial products/solutions/investment strategy and what's available across the whole of the market place.

- Gathering information about your existing plans by contacting your current providers to obtain valuations, terms and conditions:
- Examine whether alternatives to your existing arrangements represent an appropriate strategy:
- Preparation of a compliant financial planning report detailing suitable Financial Products, Solutions and Investment Strategies which match your risk profile and objectives:
- Arranging a second/third appointment to explain and discuss our recommendations in further detail if necessary.

Our charge for this service is shown in the table below and is payable on provision of the report containing our recommendations to you. This fee may be waived wholly or in part should you decide to implement our recommendations and we will confirm this in writing to you.

<b>Cost for producing initial report of recommendations</b>	<b>Fee £</b>
Cost for Analysing your situation and preparing a financial planning report	£1,500
Additional cost for each pension plan/ISA being reviewed (consolidation and transfers)	£350

Example 1: If we are reviewing an existing personal pension plan the cost for the production of the initial report would be £1,500.

Example 2: If we are reviewing 3 personal pension plans for you the cost will be £1,500 plus 2 x 350 for each additional plan review. Total cost would therefore be £2,200.

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 clients' risk choices.

## **Presentation Plan & Implementation of Recommendation – Lump Sum Investments, Pensions or Pension transfers**

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 and any changes
- Ensure all your documents are issued in line with your expectations
- Provide confirmation of all actions taken on your behalf in writing

### **Implementation fee**

Our charge for this service is based on a percentage of the amount you invest and/or transfer. These charges are applied as follows but are subject to a minimum of £1,500.

<b>As a % of the Total Amount Invested</b>	<b>Flat Fee</b>
Up to £100,000	3%
£100,001 - £500,000	2%
£500,001 +	1%

This payment can either be taken from your investment upon completion of the Lump Sum Investment or Transfer or paid directly by you.

Example 1; if we arrange an investment on your behalf for £20,000 our implementation fee would be £600. As this is less than the 'Analysis and Developing of Plan fee' of £1,500 we would charge you an additional £900 as the balance. The total fee payable would be £1,500.

Example 2; if we arrange an investment on your behalf for £200,000 our implementation fee would be £4,000. As this exceeds the fee of £1,500 for analysing your situation and providing a financial planning report no other charges would be applied.

## **Presentation of Financial Plan and Implementation of Recommendations – Regular Premium Investments/ Pensions**

Our charge for implementing a regular premium investment / pension / savings plan is a fixed fee of £1,500. You can pay this directly on commencement of the policy.

### **Preparation of a Pension carry forward Report and/or Pension Income Tapering calculation**

Where clients are looking to use previously unused annual pension allowances from previous years, we will charge a fee for the completion of this calculation. This will be a fixed fee of £1,500

## **Ongoing Management Services and Reviews**

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

- A choice of differing levels of support depending on your needs
- A structured review agenda to give you peace of mind
- Assessment of your current circumstances and any changes required to your Financial Products Solutions and Investment strategy
- Regular updates and information regarding your investments, Savings and Pensions
- Ongoing support with correspondence and administration issues

Details of these different levels of services are contained in our **Service Level Agreement**. We will agree separately the level of on-going management services at the time of, or prior to, making our recommendation(s) to you. Typically our costs range from 0.5% to 1% per annum and are based on the value of your investment(s) at each 12 month anniversary, and are paid pro-rata monthly in arrears. The amount you pay will fluctuate with the value of your investment; if your investment increases in value the amount you pay us will also increase and if your investment falls in value the amount you pay us will reduce. Any change to the level of services throughout this agreement will result in pro-rata charge being applied. We may also charge a monthly retainer dependent on the service level you select, this will be a fixed monthly fee of between £85 and £150 and is paid in addition to the on-going annual servicing charge.

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

**Details of the service levels we offer and the charges associated with each service level are contained within our Service level agreement document. This client agreement document is to be read in conjunction with our service level agreement.**

## **Our General 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 adviser fees from the policy provider. You will not be subject to VAT for this service.

## **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.

### **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.

### **Client money**

**IFA Financial Services (UK) 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 **IFA Financial Services (UK) Ltd, Stablegate, Sworders Yard, Bishops Stortford, Herts, CM23 2LD** or telephone **01279 655200**.

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 4 567.

### **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. For investment business you will be covered up to a maximum of £85,000.

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>

### **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**

**IFA Financial Services (UK) 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.



SMART FINANCIAL  
PLANNING FOR A  
SECURE FUTURE

**Declaration**

**Client consent**

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.

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.

I/We confirm that we agree to the adviser being remunerated on the basis selected below;

By deduction from the Fund / Policy	
By direct payment Personally	
By direct payment Company	

**Please tick one of the boxes above to confirm your preferred method of remuneration**

Client 1 Name: .....

Client Signature: .....

Date of Issue: .....

Client 2 Name: .....

Client Signature: .....

Date of Issue: .....

Signed on behalf  
of firm: ..... Date: .....

**IFA Financial Services (UK) Ltd**  
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**IFA Financial Services (UK) Ltd is authorised and regulated by the Financial Conduct Authority.**  
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