

Client Agreement:
Investment & Protection Planning



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1. INTRODUCTION

This agreement sets out the terms under which our services are to be provided, including details of the specific services and a summary of our charges for those services.

Stratagem Wealth Limited is a financial planning business, focussed on helping you understand and plan for your financial future. We are also able to act on your behalf in advising you on investments, pensions (including transfers), non-investment insurance contracts (protection) and mortgages (including lifetime mortgages). We offer you an initial discussion (without charge) at which we will describe our services more fully and explain the payment options. Following our initial discussion, should you decide to go ahead there is a cost for our advice and services.

If we intend to advise you on mortgages (including lifetime mortgages), we will provide you with a separate document detailing the services we offer and the costs of those services.

2. OUR SERVICES

We offer both **initial** and **ongoing** services. Any products we have arranged for you will only be kept under review as part of an agreed ongoing service for which you agree to pay. Our ongoing services are optional. However where you agree to purchase an ongoing service, unless otherwise agreed, the ongoing service will be provided as a follow up to the initial 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.

In some circumstances, we may provide you with a non-advised service where you will **not** receive advice or a recommendation from us. Where this is the case we will provide details of our non-advised services and charges separately.

3. COMMENCEMENT

This agreement shall commence on the date of signature and shall remain in force until terminated in accordance with Section 7 – Cancellation below.

4. OUR SERVICE PROPOSITION

We feel you have a right to

- Objective advice from an experienced adviser
- Privacy and confidentiality
- Staff who are competent, courteous and act with integrity at all times
- Staff who are professional and diligent
- Transparent fee structure
- Timely response to telephone calls and correspondence

What you can do for us

- Respond promptly to our communication where possible
- Let us have the information we require when we need it
- Communicate your views frankly, courteously and openly and let us know, as soon as possible if anything is not as you would expect from us, or if our service falls below the standards that you expect

Our Fees

Full details of how our fees are determined are set out in Section 5 – ‘Financial planning and how we charge for it’ below. We will invite you to agree to our service and fee proposal before committing you to any cost.

Our Service Proposition

Our service proposition is for clients who recognise the need for expert advice together with regular contact with their adviser and as a minimum will include:

- An initial comprehensive financial review
- Presentation of our recommendations in a comprehensive report
- Regular Portfolio valuations
- Regular meetings to review investments, objectives and your current situation
- Access to expertise and experience
- Satisfaction that your affairs are being properly looked after – personal contact

Ongoing Service and Review

Our ongoing services includes a review of your investments under our advice. Full details of our ongoing service proposition are included in the table below:

| List of Services | Ongoing Service Included | | Transactional only |
|--|--------------------------|-----------|-----------------------|
| Annual statement of holdings | ✓ | ✓ | ✓ |
| Access to our support team | ✓ | ✓ | |
| Ongoing access to your adviser | ✓ | ✓ | |
| Quarterly newsletters | ✓ | ✓ | |
| Annual Review Meeting, which includes: | ✓ | | |
| <i>Review of Existing Investments/Pensions</i> | ✓ | | |
| <i>Review of Objectives/Financial Situation</i> | ✓ | | |
| <i>Review of Risk Profile & Capacity for Loss</i> | ✓ | | |
| <i>Review of Asset Allocation (if required)</i> | ✓ | | |
| <i>Review of tax changes</i> | ✓ | | |
| Cost based on the total value of your investments | 0.75% | | Not applicable |
| Minimum Cost | £1,000 | £0 | Not applicable |

Our ongoing service fee does not just include annual review meetings. Once you are engaged as a client you will have:

- Access to expertise and experience at any time, via telephone, email or letter (additional fees may be charged, but only after agreement with you once we have a clear identification of the project to be undertaken)
- Satisfaction that your affairs are being properly looked after – personal contact

Naturally, people's objectives and need for further advice will alter with their changing circumstances. You may not wish a particular objective to be further advised on but we would always look to summarise and conclude in a meeting which additional objectives, if any, are to be considered.

Other areas of advice we are usually asked to consider include:

- Protection for you, and if appropriate, for your business
- Taxation Planning, to ensure that you maximise the use of allowances and investment structures
- Inheritance Tax, Will and Estate planning including the use of Trusts
- Long term care advice

5. FINANCIAL PLANNING AND HOW WE CHARGE FOR IT

For any aspect of our financial planning, all charges and fees will be fully disclosed to you. We will not charge you until we have discussed your payment options and agreed with you how we are to be paid. We will also let you know if there are any other costs that might arise in connection with the services we provide to you.

Our charges/fees will be VAT exempt unless the work we provide for you only involves advice and/or preparing a report, in which case VAT may be applicable. We will always tell you if you have to pay VAT before we undertake any work for you.

Investment Planning

We provide an **independent advice** service. This means that we will make a recommendation for you after we have assessed your needs. Our recommendation will be based on a comprehensive and fair analysis of the market.

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, often referred to as an 'adviser charge'. The adviser charge you pay will be shown as a fixed fee or a fixed fee based on a percentage of the amount you invest. We will discuss your payment options with you and answer any questions you may have.

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 £1,000, 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.

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

We will not charge you until we have agreed how we are to be paid and will confirm this amount in writing. Whether you buy a product or not, you will pay us a fee for our advice and services, which will become payable upon issue of our recommendations.

A full breakdown of our charges is provided below:

Initial Adviser Charges - Lump Sum Investments (including pensions)

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 charge of £1,500 and a maximum charge of £10,000.

- Up to £200,000 2%
- £200,001 to £500,000 1.5%
- Over £500,000 1%

The payment can either be taken from your investment, upon receipt by the policy provider, paid directly to us or by combination of the two. Where we receive such a payment, we will waive our 'financial review and recommendation' fee by the same amount.

We will notify you in writing if the fees are likely to be higher than the above due to any of the reasons mentioned.

Details of any expenses or disbursements due to be paid by you will be notified as and when they occur, in writing.

Example 1: if we arrange an investment on your behalf for £50,000, our initial adviser charges would be £1,000 (ie. 2% of £50,000). As this is below the minimum initial adviser charge of £1,500, a further charge of £500 would be applicable and the total charge payable would be £1,500.

Example 2: if we arrange an investment on your behalf for £100,000, our initial adviser charge would be £2,000 (ie. 2% of £100,000). As this exceeds the minimum initial adviser charge of £1,500, no other charges would be applied.

Example 3: if we arrange an investment on your behalf for £250,000, our initial adviser charge would be £4,750 (ie. 2% of £200,000, 1.5% of £50,000). As this exceeds the minimum initial adviser charge of £1,500, no other charges would be applied.

Example 4: if we arrange an investment on your behalf for £500,000, our initial adviser charge would be £8,500 (ie. 2% of £200,000, 1.5% of £300,000). As this exceeds the minimum initial adviser charge of £1,500, no other charges would be applied.

Example 5: if we arrange an investment on your behalf for £750,000, our initial adviser charge would be £10,000, as £11,000 (i.e. 2% of £200,000, 1.5% of £300,000, 1% of £250,000) would exceed the maximum initial adviser charge of £10,000.

Initial Adviser Charges – Defined Benefit 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 but are subject to a minimum charge of £4,000 and a maximum charge of £10,000.

- Up to £200,000 2.5%
- £200,001 to £500,000 1.5%
- Over £500,000 1%

The payment can either be taken from your investment, upon receipt by the policy provider, paid directly to us or by combination of the two. Where we receive such a payment, we will waive our 'financial review and recommendation' fee by the same amount.

We will notify you in writing if the fees are likely to be higher than the above due to any of the reasons mentioned.

Details of any expenses or disbursements due to be paid by you will be notified as and when they occur, in writing.

Example 1: if we arrange an investment on your behalf for £100,000, our initial adviser charge would be £2,500 (ie. 2.5% of £100,000). As this is below the minimum initial adviser charge of £4,000, a further charge of £1,500 would be applicable and the total charge payable would be £4,000.

Example 3: if we arrange an investment on your behalf for £250,000, our initial adviser charge would be £5,750 (ie. 2.5% of £200,000, 1.5% of £50,000). As this exceeds the minimum initial adviser charge of £4,000, no other charges would be applied.

Example 4: if we arrange an investment on your behalf for £500,000, our initial adviser charge would be £9,500 (ie. 2.5% of £200,000, 1.5% of £300,000). As this exceeds the minimum initial adviser charge of £4,000, no other charges would be applied.

Example 5: if we arrange an investment on your behalf for £1,000,000, our initial adviser charge would be £10,000, as £14,500 (ie. 2.5% of £200,000, 1.5% of £300,000, 1% of £500,000) would exceed the maximum initial adviser charge of £10,000.

Initial Adviser Charges – Regular Premiums

Our initial adviser charge for implementing a regular premium savings or investment plan is 50% of the first year's premium, subject to a minimum fee of £1,000.

You will pay this directly to us on commencement of the policy. On receipt of this payment, we will waive our 'financial review and recommendation' fee by the same amount.

Example 1: If your monthly contribution is £100, our initial adviser charge would be £600 (ie. 50% of £1,200). As this is below the minimum initial adviser charge of £1,000, a further charge of £400 would be applicable and the total charge payable would be £1,000.

Example 2: If your monthly contribution is £250 our implementation fee would be £1,500 (ie 50% of £3,000). As this exceeds the minimum initial adviser charge of £1,000, no other charges would be applied.

Ongoing Adviser Charges

We will agree separately the level of ongoing services at the time of, or prior to, making our recommendation(s) to you. Typically, our costs are 0.75% per annum and are based on the value of your investment(s).

It should be noted that, to receive an annual review meeting, there is a minimum ongoing adviser charge of £1,000 per annum. The maximum ongoing adviser charge payable is £5,000.

Example 1: if your investments are valued at £50,000, the ongoing adviser charge we would receive is £375 (ie. 0.75% of £50,000). If you wish to receive an annual review meeting, to meet the minimum ongoing adviser charge of £1,000, a further charge of £625 would be payable.

Example 2: if your investments are valued at £100,000, the ongoing adviser charge we would receive is £750 (ie. 0.75% of £100,000). If you wish to receive an annual review meeting, to meet the minimum ongoing adviser charge of £1,000, a further charge of £250 would be payable.

Example 3: if your investments are valued at £250,000, the ongoing adviser charge we would receive is £1,875 (ie. 0.75% of £250,000). As this exceeds the minimum charge of £1,000 for an annual review, no other charge would be applied.

Example 4: if your investments are valued at £500,000, the ongoing adviser charge we would receive is £3,750 (ie. 0.75% of £500,000). As this exceeds the minimum charge of £1,000 for an annual review, no other charge would be applied.

Example 5: if your investments are valued at £1,000,000, the ongoing adviser charge we would receive is £5,000, as £7,500 (ie. 0.75% of £1,000,000) would exceed the maximum ongoing adviser charge of £5,000.

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

Should you wish to pay directly, we can arrange for a standing order to be set up on a monthly basis at 1/12 of the fee agreed. You can spread the payment over a 12 month period by standing order. At each anniversary of this agreement we will revalue your investments and notify you of any revised annual charges due to any fluctuation of your investments at that time.

Should you wish to pay by deduction from the investments you hold, the payment of our ongoing adviser charge will be taken directly from your investment on a monthly, quarterly or annual basis. 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 suitability report.

You should note that 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 also decrease.

Ongoing services can be cancelled at any time by simply informing us in writing. Please note that we reserve the right to charge you for services provided prior to cancellation.

Protection Planning

Our advised protection planning services are suitable if you are looking for the best way to protect you, your family or your business through products such as critical illness cover, health insurance and life cover. We advise on non-investment protection products, eg. term assurance, income protection and critical illness, from a range of insurers.

You can pay for our advised protection services by:

- Commission (where this is available – a fee may be charged if commission is unavailable)

Where we are paid by commission we will tell you the amount before we carry out any business for you. Although you may pay nothing to us up front, this does not mean that our services are free. You still pay us indirectly through deductions from the amount you pay into your product.

6. OUR OBLIGATIONS

Recommendations

We will confirm to you in writing the basis of our recommendations along with details of any special risks associated with the products recommended.

Best execution

In transmitting investment applications on your behalf to third parties, we will take all reasonable steps to ensure that we obtain the best possible result for you. This is referred to as 'best execution'.

Protecting your personal information

Your personal information is important to us. We will endeavour to take all due care to protect this information. We highlight below matters relating to your information that you should be aware of.

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 data, or contacting you for marketing purposes, please contact The Data Protection Officer on 0161 464 4000 or in writing at Stratagem Wealth Limited, 68 Meadway, Bramhall, Stockport, Cheshire, SK7 1LX.

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.

Conflict of interests

We will endeavour always to act in the best interests of you our client. However, circumstances can arise where we or one of our other clients may have some form of interest in business being transacted for you. If this happens or we become aware that our interests or those of one of our other clients conflict with your interests, 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.

Other benefits we may receive

From time to time we may attend training events funded and /or delivered by product providers, fund managers and platforms. These events are designed to enhance our knowledge and ultimately therefore enhance the quality of service we provide to our clients. Further details are available on request.

Communicating with you

We may communicate with you by telephone, post, e-mail or in person. In certain circumstances, we may ask you to confirm any instructions in writing prior to implementation. All our communications with you will be in English.

7. CANCELLATION

Termination of this Agreement

You or we may terminate this agreement and our authority to act on your behalf at any time, without penalty. Notice of this termination must be given in writing and will take effect from the date of receipt. Termination is without prejudice to any transactions already initiated which will be completed according to this agreement unless otherwise agreed in writing. You will be liable to pay for any services provided prior to termination and any fees outstanding, if applicable.

Product cancellation rights

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 the conclusion of any contract.

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, protection, payment protection or pension policy and a **14 day cancellation** period for all other policies.

Instructions for exercising the right to cancel, if applicable, will be contained in the relevant product disclosure information which will be provided 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.

8. HOW YOU ARE PROTECTED

Stratagem Wealth Ltd is authorised and regulated by the Financial Conduct Authority (FCA), 25 The North Colonnade, Canary Wharf, London, E14 5HS. Our Financial Services Register number is **750604**.

Our permitted business is advising on and arranging investments, pensions (including transfers), non-investment insurance contracts and mortgages (including lifetime mortgages). You can check this on the Financial Services Register by visiting the FCA's website www.fca.org.uk/firms/systems-reporting/register or by contacting the FCA on 0800 111 6768.

Unless we notify you in writing to the contrary, we will be treating you as a **retail client**. 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.

Complaints

If you are dissatisfied with a recommendation we have made you are entitled to make a complaint. We have a complaints procedure that is available on request. If you wish to register a complaint, please contact us:

In writing: The Compliance Officer, Stratagem Wealth Limited, 68 Meadway, Bramhall, Stockport, Cheshire, SK7 1LX.

By phone: 0161 464 4000

By e-mail: david@stratagemwealth.co.uk

Please be assured we treat complaints seriously. A summary of our internal complaints handling procedures for the reasonable and prompt handling of complaints is available on request.

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 or by contacting them on 0800 023 4567.

Financial Services Compensation Scheme

We are also covered by the Financial Services Compensation Scheme ('FSCS'). You may be entitled to compensation from the scheme if we cannot meet our obligations. This depends on the type of business and the circumstances of the claim.

Deposits – a maximum compensation limit of £75,000 per person per firm (£150,000 for joint accounts).

Investments – a maximum compensation limit of £50,000 per person per firm.

Insurance – a maximum compensation limit of 90% of the claim with no upper limit*

* Long term insurance benefits are protected 100% (eg. annuities)

We may also, on occasion, advise on other financial products which are not regulated by the Financial Conduct Authority (FCA). The Financial Services Compensation Scheme does not apply to any of these products.

Further information about the compensation scheme is available from the FSCS at www.fscs.org.uk/consumer.

Client money

We are not permitted to handle client money and we cannot accept a cheque made out to us (unless it is in respect of a service for which we have sent you an invoice) or handle cash.

9. GENERAL

Jurisdiction

This agreement is governed by and should be interpreted in accordance with English law and you agree to submit to the non-exclusive jurisdiction of the English Courts.

Legal and accounting advice

Our firm is not able to render specific legal or accounting advice or to prepare any legal or accounting documents.

It is hereby understood and agreed that the onus is on you, the client, to refer to a solicitor or accountant any point of law or accountancy that may arise during the course of discussions with us.

Unsolicited promotions

We may contact you in the future by means of an unsolicited promotion (by telephone, email or post) should we wish to discuss the relative merits of a particular product or service which we feel may be of interest to you.

Investment related

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.

Investment Performance & Risks

Please be aware that investments can fall, as well as rise, and that you may not get back the full amount invested. The price of investments we may recommend may depend on fluctuations in the financial markets, or other economic factors, which are outside our control. Past performance is not necessarily a guide to future performance.

Specific warnings relevant to the investments, investment strategies or other products we recommend will be confirmed to you in your suitability report. 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.

Unregulated financial products

Our services may also include advice on investments relating to, or executing transactions in unregulated financial products. Accordingly, you should carefully consider whether such investments are suitable for you in light of your personal circumstances and the financial resources available to you.

Insurance related

Providing information to your insurer

Your insurance / protection cover is based upon the information you provide to the insurance company. Where you are buying insurance as an individual, this means that you must take 'reasonable care' to answer all questions asked by the insurer fully and accurately. For general insurance policies such as car insurance or liability insurance, once cover has been arranged, you must immediately notify the insurers or us of any changes to the information that you have already provided. Failure to provide accurate and up to date information may invalidate your insurance cover and mean that a claim may not be paid.

All other clients (e.g. commercial clients) must still disclose all 'material facts' (any information that may influence the insurer's decision over cover or terms) prior to inception and throughout the period of the policy. Again, failure to disclose material information may invalidate your insurance cover and could mean that a claim may not be paid.

INVESTMENT & PROTECTION CLIENT AGREEMENT DECLARATION

Your 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 acknowledge that the client agreement will come into effect from the date of issue.

I/We authorise the transfer of personal information, on a confidential basis and in accordance with the Data Protection Act 1998, between Stratagem Wealth Limited and any relevant third parties. I/We agree that Stratagem Wealth Limited, or any such third party may contact me in the future by any means of communication (including by electronic communication e.g. email) considered appropriate at the time.

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.

Client Name(s) _____

Client Signature(s) _____

Date _____

Signed on behalf of firm _____

Date _____