

# My Personal Finances Limited

## Client Agreement

This agreement is issued on behalf of My Personal Finances Limited, Registered Office Catchpell House, Carpet Lane, Edinburgh, EH6 6SP. Company No. SC259051 FSA Registration Number 231031.

### Independent Financial Advice

My Personal Finances Limited is an appointed representative of Accord Consultancy Limited which is authorised and regulated by the Financial Services Authority to provide investment advice and arrange and effect transactions relating to pensions, pension transfers, unquoted shares, regulated and unregulated collective investments. We operate independently and therefore provide investment services from the whole market. We are also authorised to arrange and effect transactions in other investments such as stocks and shares through a duly authorised intermediary. You can confirm this by visiting the FSA's website <http://www.fsa.gov.uk/register> or by contacting the FSA on 0845 606 1234.

My Personal Finances Ltd are Independent Financial Advisers.

### Client Classification

Each client of the firm is categorised to identify the appropriate level of regulatory protection. We propose to classify you as a 'Retail Client' for investment purposes.

### Advice

We will only advise on those areas that you have asked us to. We will normally inform you of the basis on which we have made our judgement in arriving at the advice given. The advice or recommendation offered to you will be based upon your stated investment objectives, your acceptable level of investment risk and any restrictions you wish to place on the type of investments or policies you are willing to consider. We will issue you with a 'suitability report' to confirm our recommendation. Unless otherwise agreed, we will not place any restrictions on our recommendations.

We act as your agent in advising you and arranging investments for you.

We will also make arrangements for all your investments to be registered in your name unless you instruct us otherwise in writing. We will forward all documents showing ownership of your investments to you as soon as practicable after we receive them. When there is more than one document, normally involving a series of transactions, we will hold each document until the series is complete, then forward them all to you.

### Investment Risk

You should be aware that many investment transactions involve an exposure to risk and volatility. Whenever we carry out any investment services for you, we will point out to you our understanding of the advantages and disadvantages involved and the degree of investment risk to which you will be subject.

### Statement of Review

Where we have arranged any investments for you, they will not be kept under review and we will not give you any further advice on those particular investments unless you specifically request it and we agree to provide ongoing services.

We will be pleased to provide further advice at any time once you have agreed how we are paid.

We also may contact you in the future by means of an unsolicited promotion to discuss the relative merits of an investment or service we feel may be of interest to you.

Where you select your own investments and are not receiving any advice from us as to their suitability or merit, then you take responsibility for those investments' suitability to your circumstances and requirements. Where we arrange such investments for you, we will do so on a limited advice basis and subject to an 'appropriateness test' to confirm your understanding of the nature of the investments and the risks involved.

If you are making an investment following an offer made to you, without consideration of your specific circumstances (direct offer), you will be taking responsibility for the investment's suitability to your circumstances and requirements.

We no longer offer advice on the suitability or merits of contracting in or out of the State Second Pension. We will however, upon request, provide you with relevant information in order to assist you in this decision process. We will charge a fee for this service and we will make you aware of this prior to providing such service.

## **Communications**

We will communicate with you in English, both verbally and written, for the sending and receipt of orders and instructions.

## **Client Money**

We do not hold client monies for investment business and all payments for investments should be made payable to the product provider concerned. If we receive money payable to you we will forward it to you at the latest address we have for you by crossed cheque or, if you have given details of your bank account and so request, to that account.

## **Paying for services**

Not all firms charge for advice in the same way. We offer you three ways to pay for our services.

We will discuss your payment options with you and answer any questions you have. We will not provide advice until you have agreed how we are paid. It is our policy to ask clients to sign a fee agreement prior to undertaking any chargeable work; this is to avoid any confusion at a later date.

### **(1) We can be paid by a fee**

In this case, whether you buy a product or not, you will pay us a fee for our advice and services. If we receive commission from the product provider when you buy a product, we will pass on the full value of that commission to you in one or more ways. For example, we could reduce our fee; or reduce your product charges; or increase your investment amount; or refund the commission to you. You can ask us for an estimate of how much we might charge in total and you may ask us not to exceed a given amount without checking with you first. We can normally quote a fixed fee for a specific project, please ask us for more information.

### **(2) We can be paid by commission (or product charges)**

If you buy a financial product, we will normally receive commission on the sale from the product provider. Although you pay nothing up front, that does not mean our service is free. You still pay us indirectly through product charges. Product charges pay for the product provider's own costs and any commission payable. These charges reduce the amount left for investment. We will tell you how much the commission will be before you complete an instruction for investment, but you may also ask for this information earlier.

### **(3) We can be paid by a combination of commission and fee**

In this case we will charge a fixed fee together with a reduced level of commission for our advice and services.

In all cases, we will notify you of the fees and/or commissions payable to us.

## **Example of our full advice fee option**

### **For a lump sum investment**

We will agree the rate we will charge before beginning work. We will tell you if you have to pay VAT. Our typical charges for arranging an investment of £50,000 will be £749 - based on a fixed advice fee of £499 plus associated administrative costs.

### **For funds under management**

We will agree what we will charge you before beginning work. Our typical charges are 0.5% p.a. of the funds we manage and this is in addition to any product or fund charges. For an investment of £100,000 this will be £500 p.a.

## **Example of our limited advice fee option**

### **For a lump sum investment**

We will agree the rate we will charge before beginning work. We will tell you if you have to pay VAT. Our charges for arranging any investment will be £499. This is a fixed fee regardless of the size of investment.

## **Example of our full advice commission option**

We will confirm the actual amount to you before you buy a product. The table below illustrates our normal rates of commission for advice. If the amount charged is greater than these examples, written confirmation of the actual amount will be provided to you.

### **Regular Contributions – example commissions based on £200 per month**

Collective Investment	1.5% of all contributions plus ongoing investment commission of 0.5% of your fund value from year 1
Whole of Life Policies	150% of the first 12 months contributions plus 2.5% of all contributions from month 13
Personal and Stakeholder Pension	30% of the first 12 months contributions plus ongoing investment commission of 0.5% of your fund value from year 1

### **Lump Sum Investment – example commissions based on £50,000 invested**

Collective Investment	1.5% of the contribution plus ongoing investment commission of 0.5% of your fund value from year 1
Investment Bonds	1.5% of the contribution plus ongoing investment commission of 0.5% of your fund value from year 1
Personal and Stakeholder Pension	1.5% of the contribution plus ongoing investment commission of 0.5% of your fund value from year 1
Annuities	1.5% of the contribution used to purchase the annuity
Income Draw-down	1.5% of the contribution plus ongoing investment commission of 0.5% of your fund value from year 1

### **Ongoing Investment Commission**

In addition to any initial commission paid, we may also receive an ongoing commission payment from a product provider. This 'trail' commission is provided out of standard product or fund charges and is generally 0.5% of the fund value per annum. It is used to assist in covering the back-office administration costs, such as providing valuations and changing addresses. As an example, an ISA valued at £7000 would pay £35 'trail commission' over a 12-month period.

## **Material Interest**

We will act honestly, fairly and professionally when conducting business with our clients. 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 if we become aware that our interests or those of one of our other clients conflict with your own interest, we will write to you and obtain your consent before we carry out your instructions detailing the steps we will take to ensure fair treatment for you.

## **Rights to Cancel**

We will inform you of your statutory right to cancel. Regulatory directives normally grant you 30 days in which you may cancel a life or pension contract and 14 days for most other investments. However there will be occasions where no statutory rights are granted and in this instance this will be explained before any contract is concluded.

Information on your right to cancel, or whether no right to cancel arises, and any other termination rights and penalties, will be covered in the relevant product disclosure information you will receive before conclusion of any contract.

## **Complaints**

We always strive to give the highest possible standards of service and advice. Should you have any complaint about the service or advice you receive please write to; Lee Clifford, Managing Director, My Personal Finances Ltd, Catchpell House, Carpet Lane, Edinburgh, EH6 6SP. If you are not satisfied by our investigation and response, you may have the right to refer your complaint to the Financial Ombudsman Service. (FOS)

## **Compensation Scheme**

We are covered by the Financial Services Compensation Scheme (FSCS) if we become unable to meet our obligations. Most types of investment business are covered to 100% of the first £30,000 and 90% of the next £20,000 - so the maximum compensation is £48,000. This is dependent upon the type of business and the circumstances of any subsequent claim. Further information about this compensation scheme arrangement is available from the FSCS. <http://www.fscs.org.uk>

## **Data Protection**

The information you provide to us is subject to the Data Protection Act 1998 (the "Act"). By signing this document you consent to us 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 FSA or any other statutory, governmental or regulatory body for legitimate purposes. 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.

If at any time you wish us, or any company associated with us, to cease processing your personal data, or to stop contacting you for marketing purposes, please contact us at our registered office address.

You may be assured that we, and any company associated with us, will treat all personal data as confidential and we will not process it other than for legitimate purposes. 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 your personal data against unauthorised or unlawful processing and accidental loss or destruction or damage.

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

**Law**

These Terms of Business are governed and shall be construed in accordance with Scottish Law and the parties shall submit to the exclusive jurisdiction of the Scottish Courts.

**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 the other to that effect, but without prejudice to the completion of transactions already initiated. Any transactions effected before termination and all charges for services provided to the date of termination will be due immediately.

**Records**

We keep records of all our business transactions for six years and indefinitely for pension transfers and free standing additional voluntary contributions. You may inspect copies of all documents on your client file. We treat all clients' records as confidential so we reserve the right to give you copies of your particular records rather than allow access to files containing records about other clients. We maintain the highest standards of confidentiality with regard to information we hold about our clients. We shall, however, regard ourselves as authorised by you to provide information to your professional advisers and any other parties in the conduct of their business with you unless we are notified to the contrary by you.

**Third Party Rights**

These terms of business exclude any rights, which may be conferred upon third parties by the Contracts (Third Party Rights) Act 1999.

**Declaration**

**Client consent**

I/we understand and consent to the above terms and I/we hereby authorise the transfer of information, as described above on a confidential basis when warranted between such third parties. I agree that the Terms of Business will come into effect from the date of issue.

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

**Firm remuneration**

I/we have read and understood the terms laid out in this agreement and indicated below how I/we will remunerate the firm. I/we understand exact fees/commissions will be agreed and confirmed in writing before any advice is provided.

- Payment of a fee.**
- Payment by commission (or product charges).**
- Payment by a combination of commission and fee.**

**Client Name(s):** .....

**Client signature(s):** .....

**Date of Issue:** .....