

CLIENT AGREEMENT

WHO WE ARE AND HOW WE WORK

Apex CB Financial Planning Ltd is a highly experienced Independent Financial Adviser providing a holistic financial planning and wealth management service to personal and corporate clients throughout Dorset and South Hampshire.

This important document is designed to provide you with enough information about our company and how we act for you. It explains the service that you are being offered and how you will pay for it. If any of the information here is unclear please do not hesitate to ask us.

TREATING OUR CUSTOMERS FAIRLY

We recognise that our clients and our reputation are our two most important assets. We are committed to providing the highest standard of financial advice possible. As a firm, we take very seriously the requirements of our regulator, the Financial Conduct Authority; in particular, the requirement to treat our clients fairly. Therefore we promise that we will always:

- ▶ Make sure we deliver the service we have agreed with you
- ▶ Offer financial advice and solutions that are appropriate and suitable for your needs
- ▶ Provide you with a glossary to help understand the jargon (see www.apexcb.com/financial-planning/investment-glossary)
- ▶ Act with integrity, diligence, timeliness and fairness in all our dealings with you

THE FINANCIAL CONDUCT AUTHORITY (FCA)

The Financial Conduct Authority (FCA) is the independent watchdog that regulates financial services. Apex CB Financial Planning Ltd is authorised and regulated by the FCA. Our FCA Register number is 507964. You can check this on the FCA's Register by visiting the FCA's website www.fca.gov.uk/register or by contacting the FCA on 0800 111 6768.

Our permitted business is to provide investment advice and arrange life assurance, pensions, collective investments (e.g. unit trusts, investment trusts and OEICs), individual savings accounts, mortgages and general insurance.

WHICH SERVICE WILL WE PROVIDE YOU WITH?

We provide a full financial planning and advice service, which means that we will take time to get to know your circumstances, needs and aspirations, and will consider your attitude to risk and experience in dealing with financial matters. We will then advise you and make a recommendation after we have assessed your needs. We will not just provide you with a selection of products and expect you to decide which is best. This means that we are responsible for the suitability of our advice and we take this very seriously.

If you don't need a full financial planning service, alternatively we can provide specific advice on:

- ▶ savings and investment,
- ▶ protecting yourself and/or loved ones in the event of death, serious illness or disability,
- ▶ retirement planning.

WHOSE PRODUCTS DO YOU OFFER?

We offer an independent advice service. We will recommend investments based on a comprehensive and fair analysis of the market, and will place no restrictions on the Investment Markets we will consider before providing recommendations, unless you instruct us otherwise. We will however, only make a recommendation when we know it is suitable for you.

We understand that you may not need to purchase a financial product, in which case we are happy to provide advisory services only.

CLIENT CLASSIFICATION

When advising you we will classify you as a "retail client". As a retail client you have the highest regulatory protection available to you which is detailed in the FSCS section. If you are to be classified as a "professional" client that does not receive the full protection of the regulator we will inform you in writing.

HOW WE WORK

1. CONSULTATION

- ▶ Introduction
- ▶ Discuss needs & objectives
- ▶ Gather information
- ▶ Complete risk assessment
- ▶ Agree action points
- ▶ Agree remuneration

2. RESEARCH

- ▶ Assess your needs & objectives
- ▶ Produce risk profile report
- ▶ Research possible solutions
- ▶ Consider taxation consequences
- ▶ Compile recommendations including investment strategy (if appropriate)
- ▶ Prepare paperwork

3. IMPLEMENTATION

- ▶ Meeting to discuss recommendations
- ▶ Presentation of solutions advantages & disadvantages
- ▶ Discussion of investment strategy (if applicable)
- ▶ Walk through literature
- ▶ Send off applications and follow through to acceptance
- ▶ Complete applications
- ▶ Back-office file quality checks
- ▶ Issue documentation
- ▶ Issue advice confirmation report
- ▶ Set up your Wealth Management website

4. REVIEW (OPTIONAL)

- ▶ If required we can agree an ongoing service plan
- ▶ Provide plan valuations
- ▶ Assess progress towards achieving your goals
- ▶ Review & adapt your investment strategy
- ▶ Deal with product providers

HOW DO WE CHARGE FOR OUR SERVICES?

Our income comes from fees paid directly by our clients, or agreed charges taken from investments, or commission paid by firms we write business with. We charge for the initial work involved in advising you and for setting up any financial products and services you require, followed by the ongoing work to administer and maintain your account and plans.

We may also agree to charge you a combination of these options. We will discuss your payment options with you and will answer any questions you have. We will not charge you until we have agreed with you how we are to be paid. We do not differentiate our charge based on how you choose to pay and aim to offer you the choice of payment option you prefer.

If we agree to work on fees we can provide an estimate before advising you and aim to notify you should the likely cost exceed the estimate as soon as we become aware. If we receive commission from the product provider (e.g. for non-investment products such as term assurance) we will pass on the value of that commission to you in one or more ways, such as by reducing our fee or product charges, increasing your investment amount, or refunding the commission to you. We will tell you if you have to pay VAT.

YOUR PAYMENT OPTIONS

Whether you buy a product or not, we charge for our advice and services, which will become payable on completion of our work. If you decide not to proceed having instructed us to provide a recommendation the minimum charge will apply. We ask that you settle your charges as a single payment. We will send you an invoice for the agreed charge for settlement within 7 days. We accept cheque / cash payments and you will be provided with a receipt upon payment.

FOR INVESTMENTS AND PENSIONS LUMP SUMS AND TRANSFERS

We charge for our services based on the amount that you ask us to invest:

THE FIRST £250,000	2% of capital advised on e.g. £200 per £10,000 Minimum charge £700
THE NEXT £250,001 UP TO £500,000	0.75% of capital advised on e.g. £75 per £10,000
THE NEXT £500,001 UP TO £1,000,000	0.5% of capital advised on e.g. £50 per £10,000
ABOVE £1,000,000	0.25% of capital advised on e.g. £25 per £10,000

RESIDENTIAL MORTGAGE AND EQUITY RELEASE ADVICE AND IMPLEMENTATION

We charge for our services based on the amount that you borrow:

THE FIRST £250,000	1% of capital borrowed or released e.g. £100 per £10,000 Minimum charge £750
THE NEXT £250,001 UP TO £500,000	0.25% of capital borrowed or released e.g. £25 per £10,000
THE NEXT £500,001 UP TO £1,000,000	0.20% of capital borrowed or released e.g. £20 per £10,000
ABOVE £1,000,000	0.15% of capital borrowed or released e.g. £15 per £10,000

OTHER WORK

LIFE ASSURANCE	REGULAR CONTRIBUTIONS TO PENSIONS AND SAVINGS	ANNUITY PURCHASE	UNSECURED PENSION (DRAWDOWN) AND INCOME PLANNING	COMMERCIAL MORTGAGES	LASTING POWER OF ATTORNEY
Full commission from the provider Minimum charge £500	Fixed charge of £350, payable in advance or by deduction from your first 12 months contributions	2% of the annuity purchase value, e.g. £200 per £10,000 Minimum charge £600	Fixed additional charge of £500	1% arrangement fee plus a fee from the lender	£250 per document. In addition, court registration fees will be payable

OUR HOURLY RATES

We are able to undertake other work at hourly rates. You may ask us for an estimate of how much in total we might charge. You may also ask us not to exceed a given amount without checking with you first. Our current rates are as follows:

Director/Financial Adviser – £210 per hour | Adviser support – £125 per hour | Please note these are actual rates.

Examples:

Review meeting with valuation: £500 (based on 2 hours adviser time, and 1 hour admin)

Death claim for probate: £350 (based on 3-4 hours of administrator's time)

COMMISSION CLAWBACK

Where you opt to pay for our services by commission this will often be subject to a third party firm's commission clawback policy for 2-5 years or more, known as the clawback period. This allows the third party firm to demand our original payment or a proportion of it to be returned to them in the event that for whatever reason the policy is encashed / surrendered / switched away or ceases within this clawback period.

Should we in the future receive a clawback request for all or a proportion of our agreed remuneration for services previously supplied to you then we reserve the right to invoice you immediately for the amount clawed back and would expect payment within our normal invoice payment terms.

ONGOING SERVICE OPTIONS

SERVICE OPTION	LIGHT	COMPREHENSIVE
<p>We recognise that our clients have different needs for advice and information and want the comfort of knowing that their plans are being looked after.</p> <p>Putting a service agreement in place ensures that we will review your plans to keep you on track.</p> <p>We therefore offer a range of cost-effective options.</p>	<p>To ensure that your plans receive basic monitoring and oversight we will provide basic administration of your policies.</p> <p>This includes issuance of provider statements and important notices, and access to a financial adviser when required (subject to additional charges) but we will not offer review meetings or monitor your investment returns or make changes to funds until you ask us to.</p>	<p>Designed for the majority of our clients who want to ensure their plans stay on track to meet their needs at an affordable cost.</p> <p>This provides a review meeting each year with your Financial Advisor to undertake a full review of your financial needs and check that your plans keep pace with the changes in your life.</p> <p>We include a free risk profiling service and investment solutions matched to your risk profile.</p>
<p>How do we charge for this?</p> <p>Primarily our ongoing services are paid for by a percentage charge taken from your investments. Many clients prefer this option but some choose to pay us directly.</p> <p>As the charge is percentage based it will increase as your assets under advice change. The charge will be reviewed annually and may be increased or decreased depending on your assets under advice.</p> <p>Charges will start from the point that you agree we provide services to you.</p>	<p>This is a retainer service: We charge a basic monthly fee for retaining our services plus additional fees for work instructed. All additional work is charged at the applicable hourly rate.</p> <p>Typical costs would be:</p> <p>Valuation summary by post: £125 (based on 60 mins of administrator's time).</p> <p>Review meeting with adviser: typically £500 but may increase depending on preparation and follow up work required.</p> <p>Policy surrender: £125 (based on an hour of administrator's time).</p> <p>Death claim for probate: £350 (valuations and surrender only, excludes tax or legal advice).</p>	<p>We have a tiered charging structure based on funds that we advise on:</p> <p>The first £250,000: 1.0% p.a. for funds managed (e.g. £100 per £10,000 with a minimum charge of £600 per annum)</p> <p>The next £250,001 and up to £500,000: 0.4% p.a. (e.g. £40 per £10,000)</p> <p>The next £500,001 and up to £1m: 0.3% p.a. (e.g. £50 per £10,000)</p> <p>£1m up: 0.25% p.a. (e.g. £40 per £10,000)</p> <p>Management of income including pension drawdown £500 per annum in addition to the above charges.</p> <p>For non-investment clients we can charge £50 per month or £600 per year. Review meetings typically require 3-4 hours of adviser and administrator time.</p>
Face to face reviews with your adviser per year	0	1
Personal website with online valuations	✓*	✓
Valuation summary report	✓	✓
Access to financial adviser when required	✓	✓
Plan administration	✓	✓
Plan alterations / fund changes at no additional charge	✓	✓
Annual fact find to identify changes in circumstances		✓
Detailed risk assessment questionnaire and report		✓
Investment solutions matched to your risk profile		✓
Holistic financial planning with your other advisers		✓

*Where supported by plan providers

PAYMENT FOR ONGOING SERVICES

Our method of charging will be as agreed with you and based on the service plan that we agree. The frequency of the charge will depend on the service you choose and is usually charged monthly either by standing order from your bank account or by deduction from your investment portfolio.

You agree that we make this charge as long as we are the servicing agent for any plans that we administer for you. If you cancel the trail commission (on legacy products) or adviser charge we will invoice you for work carried out to date and reserve the right to withdraw our services. In the absence of an agreement we reserve the right to retain any payments received from product providers to cover our costs.

OTHER BENEFITS WE MAY RECEIVE

We advise on a range of products from a variety of firms; we may receive certain non-monetary benefits from these firms, which are used to enhance the quality of service we provide to you. Benefits we may receive include access to technical services, information technology support or the supply of product literature.

INFORMATION ABOUT OTHER COSTS AND ASSOCIATED CHARGES

There may be other costs, including taxes, that are payable through other parties (such as the product provider) that we may not be party to. Such charges are normally disclosed in relevant third party documentation, for example a Key Features Document.

MANAGEMENT OF CASH AND YOUR INVESTMENTS

We are not authorised to handle client money. This means that we will never accept a cheque made out to us unless it is in settlement our fees and charges.

Similarly all investments that we place on your behalf will be registered in your name, and we will forward to you all documents showing ownership of your investments as soon as practicable after we receive them; where a number of documents relating to a series of transactions is involved, we will normally hold each document until the series is complete and then forward them to you.

Several of the investment platforms we use have cash management accounts built into them. These accounts are in effect current accounts for the investment platform and are used for the payment of platform charges and adviser fees/charges. It is therefore necessary to maintain a positive cash balance at all times. We recommend that you keep enough cash in the account to cover the product establishment charge and a minimum of 12 months product maintenance charges and the Initial Adviser Charge and 12 months on-going adviser charges (if applicable).

It may be necessary to sell units from your investment funds to maintain sufficient cash. You authorise us to do this as necessary and without prior consultation.

There may be tax implications for selling units. It is your responsibility to report any tax liabilities due. Alternatively you may wish to pay additional monies into your account to avoid the need to sell units.

BEST EXECUTION

It is in your and our interests that we obtain the best possible result when placing orders with product and investment providers. The FCA requires us to take all reasonable steps to provide 'best execution' when carrying out such transactions.

Where we place or transmit orders for such investments on behalf of our clients, we may utilise the services of a third party broker and base our decision to place or transmit an order on the price and cost of execution of the order. For orders in collective investment schemes (e.g. unit trust), however, the price of units or shares in the scheme is normally set by the scheme operator or manager and as such we have little influence over the price available.

INVESTMENT RISK

You should be aware that because investments can fall as well as rise you may not get back the full amount invested. Past performance is not a guide to future performance.

TAXATION

Any statements or information regarding taxation, whether explicit or implied, must be checked with an accountant. Apex CB Financial Planning does not take responsibility for tax liabilities arising as a result of information provided where you have not verified this information with an accountant or tax specialist prior to acting on it.

CONFLICTS OF INTEREST

Occasions may arise when we or one of our other clients 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.

USE OF YOUR PERSONAL DATA

Please refer to our Privacy Terms and Disclosure document.

ARE WE COVERED BY THE FINANCIAL SERVICES COMPENSATION SCHEME (FSCS)?

Yes, we are covered by the 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.

▶ Investment

Most types of investment business are covered up to a maximum limit of £85,000.

▶ Non-Investment Insurance

Claims under compulsory insurance, professional insurance and certain claims for injury, sickness or infirmity of the policyholder are protected at 100%. Other types of claim are protected 90% of the total claim.

▶ Mortgages

Mortgage advising and arranging is covered up to a maximum limit of £85,000 per eligible person, per firm.

▶ Long-term Insurance Plans (e.g. Life Assurance)

100% of the claim is covered with no upper limit.

Further information about compensation scheme arrangements is available from the FSCS.

WHAT IF YOU ARE NOT HAPPY WITH OUR SERVICE?

It is of paramount importance that you are satisfied with the service we provide you. We regularly seek feedback from our clients and publish this on our website so that potential customers can check the standard of our work. If there is anything that you are not happy about please speak to us and we will endeavour to resolve matters to your satisfaction. If we are unable to resolve your query and you feel the need to complain, please contact us:

in writing : The Customer Service Manager, Apex CB Financial Planning Ltd, Suite 2 Jellicoe House,
Admiralty Park, Station Rd, Holton Heath, Poole, BH16 6HX

by phone: Call 01202 622223

If you cannot settle your complaint with us, you may be entitled to refer it to the Financial Ombudsman Service.

We maintain profession indemnity insurance to meet any liability that may arise in respect of advice and services provided to you.

CANCELLATION RIGHTS

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

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.

TERMINATION OF AUTHORITY

You or we may terminate our authority to act on your behalf at any time, without penalty. We ask that you give us notice of this termination in writing and this will take effect from the date of receipt. Termination is without prejudice to any transactions already initiated, which will be completed according to the Client Agreement unless otherwise agreed in writing. You will be liable to pay for any work carried out prior to termination and any fees which may be outstanding.