

CLIENT AGREEMENT FOR INVESTMENTS

**(includes our Service Proposition
& Engagement)**

Authorisation Statement

Thompson Jenner Financial Services Limited is Authorised and Regulated by the Financial Conduct Authority (FCA). The 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 www.fca.org.uk/firms/systems-reporting/register. Our Financial Services Register number is 210740.

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.

Full details of the products we recommend will be confirmed in the product literature you will receive before it is arranged. We will inform you if any investment we recommend restricts future access to your capital.

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. 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(s) we offer to you will only be given after we have assessed your needs and considered your financial objectives, attitude to risk and capacity to bear any losses. We will also take into account any restrictions that you wish to place on the types of products or investment strategy you would be willing to consider.

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.

Investment Services and Costs (including structured deposits)

We provide you with an initial consultation free of charge. This helps us to understand your financial objectives and we will confirm how we can support you in working towards these goals. 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 the products recommended and complexity of the solution based on a flat rate for each product and a percentage of the amount being invested, subject to a minimum fee. The 2 steps of this process are explained here:

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 **minimum fixed fee of £500** depending on the complexity of your situation, and is payable on provision of the report containing our recommendation(s) to you. This fee will be waived wholly or in part should you decide to implement any of our recommendations, and wish for our fees to be paid by the product providers.

Policy Arrangement & Implementation – Lump Sum Investments or Transfers

Should you instruct us to proceed with (any of) our recommendation(s) 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.

Our charge for this service is based on a fee for each contract being arranged plus a percentage of the amount you invest and/or transfer. Where multiple plans are arranged either individually or as part of a household, we will discuss and agree any reduction in the charges below where applicable. These charges are applied as follows:

- | | |
|--|----------------------|
| • Personal Pension Plan for Accumulation Purposes | £500 |
| • Self Invested Personal Pension Plan for more Complex Investments | £750 |
| • Personal Pension Plan or SIPP for Flexi Access Drawdown | £750 |
| • Analysis of existing personal pensions with a view to consolidation | £250 per plan |
| • Arrangement of an Annuity or similar retirement product | £500 |
| • Setting up a new ISA / General Investment | £500 |
| • Review of existing ISA/GI plans | £250 per plan |
| • Structured Deposits | £500 |
| • Investments offering Business Relief | £750 |
| • Investments written in trust | £750 |
| • All other investments to be discussed and agreed at the time of initial meeting | |
| • In addition there will be a charge of 1.0% of the lump sum being invested or transferred added to the charge | |
| • For new funds being added to existing contracts, the charge will just be 1% of the new funds added | |

This payment can either be facilitated by the product provider when they receive your funds 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** into a single ISA, our Policy Arrangement & Implementation fee would be £400 (£300 plan charge + 1% of £10,000)

Example 2; if we arrange investments on your behalf totalling **£100,000** split between a personal pension and ISA, our Policy Arrangement & Implementation fee would be £1,600 (2 x £300 policy implementation + 1.0% of £100,000)

In all cases, we reserve the right to charge additional fees where exceptional amounts or circumstances are involved. If this is the case, we will advise you at the initial meeting stage if we feel this may apply and gain your agreement to proceed.

Defined Benefit Pension Transfer Advice

This is a complex area of advice with a very specific set of regulatory rules which have to be adhered to in all cases. We are restricted in this area by our Professional Indemnity Insurers to only give advice where we either recommend that the transfer doesn't take place or where we recommend a transfer, the funds are transferred to a plan recommended by us and where the investment funds are based on our recommendations.

We will NOT proceed with execution only advice, or on an "insistent client" basis. Neither will we recommend a transfer to a plan of the client's choosing or where the client chooses their own investment strategy and portfolio.

At our initial meeting we will explain, on a generic basis, the potential advantages of transferring funds out of an occupational scheme, as well as fully explaining the usual disadvantages and loss of benefits which occur when a fund is transferred. Based on that meeting you will need to decide whether to proceed with a full analysis of the scheme and the viability of the transfer. Our recommendation will either be to transfer or not transfer the scheme, and in either case our charge for the transfer report will be the same, so as to show no bias one way or the other.

The cost of our advice for this work will be **£1,800** which includes the cost of the third party independent report which we obtain to provide us with the detailed financial analysis required.

In addition, if our recommendation is to transfer the funds away from the defined benefit scheme to a defined contribution plan, then the same set up charges and fees will be applied to the funds as detailed in the implementation charges set out above i.e. a plan implementation charge plus 1% of the funds being transferred.

Policy Arrangement & Implementation – Regular Savings / Investments

Our charge for implementing a regular contribution pension, savings or investment plan is just the initial plan arrangement fee, with no additional charge on the regular premium. However, if a lump sum is paid in at the same time, there will be the additional 1% of the lump sum as detailed above.

Hourly Charging Rates

If you prefer, we can arrange for our charges after the initial meeting to be paid for on an hourly charge out rate as follows:

- Director/ Financial Planner - £160 per Hour
- Paraplanner/Senior Administrator - £60 per Hour
- Administration - £55 per Hour including all subsidiary costs

This will be charged by way of a fee note on conclusion of the advice process or after plan implementation if applicable.

In cases where advice only is being sought and no product or plan recommendation is being made, we will charge on an hourly basis as per the rates above, and wherever possible, agree a limit on these fees at the outset, after which further charges would have to be agreed before further work was carried out.

Ongoing Services

It is important to review every investment you hold and at regular intervals. At the time of, or prior to, our recommendation to you we will discuss our on-going service proposition. This is confirmed in our '**service proposition and engagement**' section which forms part of this agreement.

VAT

Under current legislation our services are not subject to VAT but should this change in future and VAT becomes payable, 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 investments this will typically start when funds are invested and for pure protection policies this 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. Instructions for exercising the right to cancel, if applicable, will be contained in the relevant product information issued to you.

If you cancel a single premium contract, you may incur a loss due to 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

We are 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 immediately after we have received 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. We will issue all communications in English, unless agreed otherwise.

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. Where this cannot be achieved, we will not conduct the business.

Complaints

If you wish to register a complaint, please write to Neil Sear, Compliance Officer, Thompson Jenner Financial Services Ltd, 1 Colleton Crescent, Exeter EX2 4DG, telephone 01392 258553 or e-mail enquiries@tjfs.co.uk.

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 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. For investment business you will 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>

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

Thompson Jenner Financial Services Limited 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 a due proportion of any period charges for services shall be settled to that date.

CHARGING FOR ADVICE

At Thompson Jenner Financial Services we strongly believe in building a long-term relationship with our clients, through mutual trust and understanding. Therefore, we believe that face to face meetings are an essential part of the financial planning process. Appointments can be made at either of our Devon offices in Exeter or Exmouth during office hours, but if it is more convenient, an appointment can be made either at a client's home address or business premises.

Our regulatory body the Financial Conduct Authority has laid out guidance for firms to identify themselves as either Independent or Restricted in the level of advice they give. In order to give our clients the best possible advice across the whole market place, Thompson Jenner Financial Services Limited have operated as Independent Financial Advisers since the company was set up in April 2002.

Comprehensive Financial Review

We treat every new client or business as an individual, and prepare a personalised report based on detailed analysis of your current financial arrangements and needs, taking account of the requirements and commitments you know you will have in the future, whilst still making plans and provisions to help you to achieve your dreams and aspirations.

We will offer an initial meeting at our expense, at which we will gain an understanding of your current financial position and current needs as well as your longer term goals. We will then produce a brief generic report outlining the areas we can help you and the potential costs and charges we will make. At this stage, if you decide not to proceed, there will be no charge.

If you wish to proceed, we will gain your agreement as to how we will be remunerated based on the charges detailed in the following pages, before researching the market place and making specific recommendations to meet your needs. We will undertake a full assessment of your attitude to risk and capacity for loss before any investment contract is arranged to ensure that you understand what is being recommended.

We will then complete the applications and ensure any plans are completed fully, before forwarding on all policy documentation and a full report covering our recommendations.

Our remuneration terms as detailed below cover most areas of advice and will be applied in the majority of cases. However, where the advice we give is of a highly specialised nature involving much more initial work, we may have to increase the charges accordingly, but would not do so without agreeing this with you in advance. Equally, if the level of investment is such that the remuneration is far greater than the work involved would warrant, we are happy to negotiate individual terms.

We will also continue to offer an hourly charged service if you prefer and this will also apply where advice is being given in areas where no funds are being invested.

SERVICE PROPOSITION & ENGAGEMENT

This agreement is made between Thompson Jenner Financial Services Limited and the client(s) specified on the declaration and consent page at the end of this document.

All investments should be reviewed on a regular basis and this agreement sets out the terms on which we charge for our ongoing services to you. Should you decide to sign up for our ongoing services we will ask you to acknowledge your consent at the end of this agreement. You should then retain your copy of this for future reference.

Below we set out the on-going services we provide and the associated cost to you. Please notify me if you wish to discuss any aspect of these terms.

SERVICES PROVIDED
An annual financial review to include: <ul style="list-style-type: none">Your needs and objectivesChanges in your personal circumstancesYour attitude to risk and capacity for lossImpact of tax and legislative changesYour will and personal estateReview and confirmation of the ongoing suitability of your investmentsProvision of a personal recommendation where changes are required
A minimum of at least annual reviews of the underlying investment funds within your portfolio. This will ensure the funds are rebalanced in line with the agreed asset allocation. Where our model portfolios are used, this will take place quarterly and our recommended changes will be conveyed to you for your approval. This will not take account to the suitability of the investment where conducted outside of the above annual review.
On-going access to a qualified financial adviser to assist you with any queries or guidance needed/advice at your request
Liaison, at your request, with any other professional adviser
On-going administration support
Quarterly newsletters, regular investment market updates and budget updates
Personalised access to our on-line cash management system
The cost of this service is based on the value of your investment(s) held with us and is charged at a rate of 0.5% of their value per annum
The annual minimum charge for this service is £350 and the maximum we charge is £6,000 per household. However, we may agree to reduce this amount where the overall portfolio is relatively straightforward and the ongoing work involved dealing with your requirements is lower than expectation.

Where the value of your investments rises, then the fees for this service will increase, conversely, if the value of your investments falls, the cost of this service will decrease. This is subject to the above minimum and maximum charges.

You can choose to pay this fee directly or by deduction from the Plan(s) you hold.

Should you wish to pay directly you can spread the payment over a 12 month period quarterly standing order based on the value of the portfolio on the anniversary date of your review.

When you sign this ongoing service agreement it is deemed to commence immediately and payable monthly (or quarterly if by standing order direct payment) in arrears. 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.

CLIENT AGREEMENT DECLARATION & CONSENT (Investments)

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:

Initial Advice

This will be settled by:

- By deduction from the policy (paid via provider)
- By direct payment (client fee note)

Ongoing Servicing

I/we understand that the fee for ongoing servicing is 0.5% of the value of the relevant investments each year with no minimum fee. This will be settled by:

- By deduction from the policy
- By direct payment on a quarterly basis
- Not applicable (transactional only)

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

You should note that when paid though 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.

Client 1 Name: Client 2 Name:

Client Signature: Client Signature:

Date of Issue: Date of Issue:

Signed on behalf of Thompson Jenner Financial Services Ltd:

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Neil Sear/Philip Dalley