



## CLIENT AGREEMENT

### KEY FACTS ABOUT OUR SERVICES

#### The Financial Conduct Authority (FCA)

The FCA is the independent watchdog that regulates financial services. The information in this document has been designed by the FCA to be given to consumers considering buying certain financial products. Please use this information to decide if our services are right for you.

#### Our service

Independent

We offer independent, whole of market, financial advice with the aim of meeting your future financial objectives. You can choose exactly what you want us to do for you. Our main proposition is an initial financial report based on your current position and future aspirations. We recommend planned actions to move you towards your goals whether they are for financial security in retirement, a specific purchase or an investment in later generations. We can arrange investments and insurance protection. We assess a wide range of providers and products and will make personal recommendations for you based on our professional assessment of your attitudes and needs.

We can recommend discretionary fund management services when we consider that these are suitable and we also specialise in post retirement strategies utilising Self Invested Pension arrangements and Enhanced Annuities. We restrict our advice to mainstream products with a regulatory protection in the majority of cases and we will outline any risks associated with our recommendations.

#### Investment products

The range of regulated financial services we can provide includes (but is not limited to) researching, advising upon and arranging packaged retail investment products including:

- Individual Personal Pensions Pension including Self Invested
- Group Personal Pensions
- Collectives (OEICs, unit trusts, investment trusts)
- Annuities
- Bonds and life funds
- Structured Products excluding capital at risk products, (SCARP)

In making our recommendations we will consider the full range of packaged retail investment products available and we will recommend those that are suitable for you in our professional opinion. We will also advise you if we consider other products such as cash deposits, discretionary fund management or other investment options are suitable for you.

There are certain products and investments that we have assessed and consider to be unsuitable for the majority of our retail clients. The following are examples of those products that we will not consider advising upon:

SCARP - Structured products reliant on the performance of certain indices where the return of capital is not guaranteed and dependent on certain events especially where the possibility of capital loss is significant.

UCIS – Unauthorised Collective Investment Schemes It is a scheme which is not authorised by the Financial Conduct Authority (FCA), through which a number of investors pool their money to invest in one or more assets, with the intention of receiving a profit or income. Examples of UCIS may include investment in property, fine wines, teak, renewable energy or gemstones.

## **Insurance**

We offer insurance products from a wide range of insurers and products in respect of life assurance, income protection and critical illness covers and we undertake a fair and comprehensive analysis of the relevant market.

We offer general insurance products for both personal and commercial risks from a carefully selected range of providers.

## **Execution Only**

If you so request, and without advice, we will arrange a contract with a provider specified by you. In these circumstances you agree that you have sufficient knowledge and experience to make this decision and you do not want us to give any advice on the suitability of the product in relation to your circumstances.

## **Our charges – investment and pension related**

Before we provide any advice we will agree the cost of our services with you. For this purpose we will enter into a fee agreement with you.

**Clarity and knowing from the outset how much you will pay are very important, therefore in all cases we will be happy to agree a Fixed Price for the advice to be provided which will be calculated on the basis laid out below. Once agreed, unless you request specific alterations or there are unreasonable obstacles you will never pay more than the agreed amount. Any alterations will be by mutual consent and always in writing be that by letter or email.**

Our fees may be paid directly to us or taken from your investments or your investment income if you so wish, we will discuss with you and agree which option is most tax efficient and appropriate for your circumstances.

## **Our charges – insurance and non-investment advice**

In respect of non-investment insurance products we are normally remunerated entirely by commission from the product provider. Where required we will give you full details of any fees or commission in writing before you proceed.

## **Our charges – mortgage and home purchase advice**

In respect of mortgage and home purchase products we are normally remunerated entirely by procuration fee from the lender. The procuration fee is expressed as a percentage of the amount raised or borrowed and is typically between 0.2% and 0.4%. Due to the increased difficulty in obtaining mortgage borrowing and the time involved in dealing with lender requirements it has become necessary to charge a processing fee of £250 in addition to cover this. Typically when dealing with smaller cases we would require a minimum overall payment of £500. We will give you full details of any fees or procuration payments in writing before you proceed.

Where we establish that the best provider is one that only deals directly with the public and or does not pay a procuration fee then we will levy a fee of £250 for the introduction which is based on the time taken to source the best deal for you.

## **Our Status**

CopperHouse Financial Ltd is authorised and regulated by the Financial Conduct Authority. You can check this on the FCA's Register by visiting the FCA's website <https://register.fca.org.uk/register> or by contacting the FCA on 0800 111 6768 Our registered office address is Rochester House, 275 Baddow Road, Chelmsford, Essex CM2 7QA.

CopperHouse Financial Ltd is a Private Limited Company. Registered in England and Wales, Registered No 10956622

## **Complaints**

It is our intention to provide you with the highest possible level of client service at all times. Should we not meet your expectations we have a complaints procedure which is explained below. Should you wish to complain please contact The Complaints Manager either:

- in writing: 156 Springfield Road, Chelmsford, Essex, CM2 6LG
- by telephone: 01245 603870
- by email: [admin@copperhousefinancial.co.uk](mailto:admin@copperhousefinancial.co.uk)

Should you not be satisfied with our final response you may be entitled to refer the matter to the Financial Ombudsman Service (FOS) within six months of the date of our final letter:

- The Financial Ombudsman Service,
- South Quay Plaza, 183 Marsh Wall, London E14 9SR.
- Tel: 0800 023 4567 or 020 7964 0500.
- Email: [complaint.info@financial-ombudsman.org.uk](mailto:complaint.info@financial-ombudsman.org.uk)
- Website: [www.financial-ombudsman.org.uk](http://www.financial-ombudsman.org.uk)

## **Financial Services Compensation Scheme**

We are 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.

- Most types of investment business are covered for up to £50,000.
- Insurance advising and arranging is covered for 100% of the claim, without any upper limit.
- Eligible deposits are covered up to £85,000.

Further information about compensation scheme arrangements is available from the Financial Services Compensation Scheme (<http://www.fscs.org.uk>).

## **TERMS of BUSINESS**

### **This Agreement**

This is our standard Terms of Business 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.

### **Client Classification**

We intend to treat you as a 'retail client' or 'consumer' unless you agree otherwise and you will be afforded the highest level of regulatory protection available.

### **Conflicts of Interest**

We offer independent advice but occasions could arise where we, or one of our clients, could have some form of interest in business that we are transacting 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 inform you in writing and obtain your consent before we carry out your instructions.

## **Money Laundering Regulations**

We are required by law to verify the identity of all our investment clients. No application will be made on your behalf until such verification has been obtained.

## **Client Money**

We are not authorised to accept client money and therefore we never accept payment unless it is in settlement of our charges or disbursements. All other payments MUST be made payable to the end service provider.

## **Client Assets**

All investments will be registered in your name unless otherwise agreed in writing. All contract notes and documents of title in respect of your investments or policies will normally be sent to you directly by the issuing company but where this is not the case they will be forwarded to you, unless otherwise instructed in writing, as soon as practicable after being received by us. Where a number of documents relating to a series of transactions are involved we will normally retain the documents until the series is complete and then we will forward them to you.

## **Commencement and Termination**

This Client Agreement takes effect from the date it is given to you and will apply until either terminated or superseded by any new terms which we may give to you prior to any new services being undertaken. You, or we, may terminate our authority to act on your behalf under this agreement at any time, without penalty. Either party may terminate this agreement by providing one month's notice in writing. Any outstanding fee payments must be settled immediately upon termination. Termination will not prejudice the completion of transactions already initiated on your behalf or any rights or obligations already arising.

## **Your Duty to Disclose Information**

We will base our investment recommendations on information you have given to us. It is important that you give us full information in order that we may provide the best advice for your needs and circumstances. It is your responsibility to provide complete and accurate information. It is important that you ensure all statements you make on insurance proposal forms, claim forms and other documents are full and accurate. Please note that if you fail to disclose any material information to us and your insurers this could invalidate your insurance cover.

## **Cooling Off**

The product information document will detail your rights to cancel your arrangement once you have taken it out. Depending on the type of product you have purchased you may be entitled to cancel within 14 days (30 days for certain products) of either conclusion of the contract or receiving your documentation, whichever occurs later. You will then receive a full refund provided no claim has been made, except in the case of certain investment products where funds have already been invested, then you will get back the value of the investment whether this has gone up or down.

## **Data Protection**

As part of our arrangement with you, CopperHouse Financial Ltd ("we", or "us", or "our") has certain obligations under privacy laws, including the Data Protection Act (the "Act") to notify individuals how it will process any personal information it collects about them. Our full data protection statement is available upon request or can be viewed on our websites:

[www.copperhousefinancial.co.uk](http://www.copperhousefinancial.co.uk)

## **Our Services and Charges**

### ***Research & Reporting, (for investment and pension planning plus any advice or service where a method of payment is not built into the product or service).***

We conduct an extensive fact finding exercise around your circumstances, needs, attitudes, objectives and your existing financial arrangements. This is done with the aim of making personal recommendations for you and then making the recommended arrangements. After we have obtained sufficient information about your situation then we will research products and providers available to find the most suitable solutions for you.

Our charge for this work is a fee based calculation for each project undertaken. We will agree this with you each time you require services before we start work. We will provide an estimate of the time and resource required to complete the task.

Although the initial estimate will be as accurate as possible, we reserve the right to make additional charges based on our hourly rates noted below where a project is particularly unusual or complex or where there is a barrier to completion not within our control. In this case every effort will be made to defray some of the additional costs to the source of the additional delay or complexity.

All work we undertake starts with fact finding, then research and a report. We will request relevant and detailed information from you and from your existing pension and investment providers in order that we can fully assess and advise on your situation and prospects.

### ***Investment & Pension Implementation Fee:***

We believe that we have a unique approach to charging for our time which evidences absolute transparency and which works well for smaller investors and may reward those with larger portfolio's. Charges are based on the time taken to do the work on your behalf as shown below.

Our fee basis takes consideration of not only the time taken to research and advise but also the level of risk accepted by offering that advice which can vary considerably.

## **Our Fees**

We will confirm the rate we will charge in writing before beginning work via our Client Engagement letter. This will specifically set out the proposed fee we intend to charge you for our services. We charge on a time cost basis, our hourly charges are as follows:-

Investment Adviser	£150 per hour
Administration	£ 75 per hour

### **Advisory**

We will confirm to you whether or not VAT applies, most arrangements are VAT exempt. You may optionally pay our fee out of your investments in which case we will arrange for the investment service provider to facilitate payment to us on your behalf.

As for all regulated firms, we experience a risk in transacting business on your behalf which is reflected on us by the size of our annual contribution to the Financial Services Compensation Scheme, (FSCS) Levy. For this reason, we apply two sets of multipliers to the fees we charge. These are applied 'by product' and also the 'size' of the investment and the relevant multipliers are shown in the table below:-

### Product Multipliers

Product Type	Product Multiplier
Deposit based advice	1.00
Structured product (deposit based)	1.10
Collective Unit Trust/Open ended investment companies	1.10
Pension, regular and single premium	1.10
Annuity	1.10
Investment Trusts	1.20
Pension transfer, money purchase to money purchase	1.20
Capped and uncapped drawdown	1.35
Enterprise Investment scheme, Venture Capital Trust	1.45
Pension transfer, final salary to final salary	1.50
Structured Product, capital at risk (SCARP)	1.50
Pension transfer, Final salary to money purchase	1.60

### Size Multipliers

Banding	Size Multiplier
Up to £75,000	1.00
£75,000 > £200,000	1.35
£200,000 > £500,000	1.50
£500,000 +	1.75

Please note that both multipliers apply only to the initial advice provided and not to any on-going or annual review service.

On-going review services will be charged on the basic rates without multipliers and time costed. Clearly a more frequent review will increase the cost of the review service.

We would normally recommend and conduct an annual review, however if you prefer a more frequent assessment as detailed above we would be happy to discuss this with you and agree an appropriate plan. We will guide you based on overall circumstances as to whether we consider a more frequent review is in your interests.

The multipliers only apply to initial advice and are not applied to ongoing work, reviews or other work not deemed to be initial.

## Annual reviews

It is important to reassess and review your financial arrangements to ensure they remain aligned with your circumstances and objectives.

The usual annual review will include a statement of assets, valuations and a brief overview of how the portfolio has stood up against markets, your risk profile and how it meets your own aims and expectations. This may not necessarily involve specific product advice.

In addition to the fees and where we manage your assets throughout the calendar year, we make the following charges:-

Up to £350,000	=	0.55% of funds invested on the anniversary date
£350,000 > £750,000	=	0.45% of funds invested on the anniversary date
£750,000 > £1,250,000	=	0.35% of funds invested on the anniversary date
£1,250,000 +	=	0.25% of funds invested on the anniversary date

Examples as follows:

£125,000 x 0.55%	=	£687.50
£450,000 x 0.45%	=	£1,687.50
£900,000 x 0.35%	=	£2,625.00
£1,500,000 x 0.25%	=	£2,500.00

The above charges are subject to a minimum annual charge of £550.00.

The additional portfolio management service above will involve the following services:

- Bespoke fund analysis
- Discussion of past objectives and future expectations
- Re assessment of risk profile
- Appropriate analysis of existing risk profile against current portfolio
- Any and all changes required to funds and objectives

The thresholds above will create an automatic reduction to the next percentage tier once crossed. For example an investment of £349,000 priced at anniversary date will be charged at 0.55% and an investment of £350,000 will attract a charge of 0.45%. This is an aggregate limit that applies to all investments you hold with us, for example you may hold a pension and separate investment, these would be added together when assessing the percentage bandings.

## Retainer Fees

We also offer a regular retainer fee facility, in many cases a preferred way of paying for ongoing advice through a monthly subscription. The degree of work expected during the calendar year and the basis of services will dictate the level of fee to be agreed, but will always be with reference to our hourly rates. If you would like a copy of our standard retainer fee agreement please ask.

## Legacy Assets

Any assets set up by agreement prior to the implementation of the Retail Distribution Review (RDR) of 31<sup>st</sup> December 2012 will remain at the previously agreed income levels, unless otherwise negotiated to a new fee scale. This will apply to legacy assets whether or not the original agreement was made with CoperHouse Financial Ltd or another intermediary.

### ***Annuities – advice and implementation***

To advise on, research and arrange an annuity for you we can either agree a fee related to time costed advice as above or agree a fixed fee of 1.5% of the fund value.

For example, if the fund you wish to annuitize is £50,000 in value, our fee will be £750 and is currently exempt from VAT.

We reserve the right to make additional charges based on our hourly rates noted above where a project is particularly unusual or complex. In any event we reserve the right to apply a minimum fee of £500 for any transaction undertaken on your behalf.

We will agree with you our charges before we proceed and will provide you with a fee agreement for signature detailing which services and charges will apply.

### **VAT**

We will confirm to you whether, or not VAT is payable.

### **Pension Fund Drawdown access charges**

Pension access may be via a regular withdrawal or an ad hoc payment. In regard to the latter, there will be no charges made for the first ad hoc withdrawal in any policy year, thereafter we will charge £175 for each subsequent withdrawal during the policy year. This charge is to cover our administrative time.

### **Fees paid out of investments or investment income**

Whilst this may be your preferred method of fee payment we must draw to your attention that in certain circumstances paying fees in this way could be prejudicial in terms of tax liabilities. We will draw this to your attention if we believe this to be the case but accept no liability for any tax incurred as a result of your choice of method of remuneration. We must also advise you that in some cases units within a fund may be encashed to meet charges and this may have a detrimental effect on the performance of your investment. We will make you aware of this where this is the case.



**FEE AGREEMENT (Client copy)**

This fee agreement should be read in conjunction with our Client Agreement with which you have been provided. This is our standard Client Fee Agreement upon which we intend to rely. For your own benefit and protection you should read all our terms carefully before signing. If you do not understand any point please ask for further information. Please insert a ✓ below to indicate the services that apply.

<b>Type of fee</b>	✓
<b>Initial Report Fee:</b> £..... to cover research and costs associated with compiling an overview of your situation, options and existing arrangements.	
<b>Implementation Fee:</b> £..... or .....%	
<b>Please take my fee out of the investments arranged where possible</b>	
<b>Annual Review Fee Taken from Invested Funds:</b> Time costed estimate £..... Fixed fee £..... 0.55% 0.45% 0.35%,0.25% per annum of the value of funds, (please circle the appropriate rate).	
<b>Annual Review Fee Payable on Review:</b>  Insert agreed amount £..... or .....% ongoing	
<b>Hourly Rates:</b> Technical work and advice   £150 Administration   £ 75  Amount up to which authorised to work: £.....	
<b>Annuit recommendation and arrangement:</b> Time costed estimate £..... 1.5% of fund value £.....	
<b>Please take my fee out of the fund to be annuitized.</b>	
<b>Other arrangement (describe below):</b>	

**Data Protection**

All the personal information that you provide to us will be treated in accordance with the Data Protection Act 1998. In entering into your agreement with us you consent to us, and any company or entity with which we do business or are regulated by, to process your data, including sensitive personal data.

We may occasionally make you aware of products or services that we offer. If you do not wish to receive any such information please tick this box.

**Declaration and Signature**

I confirm that in signing this agreement I understand the scope of services, the basis of payment and my obligations with regard to the accuracy and provision of information.

Client name	Client name
Signature	Signature
Date	Date

1<sup>st</sup> April 2018

**FEE AGREEMENT (Adviser copy)** This fee agreement should be read in conjunction with our Client Agreement with which you have been provided. This is our standard Client Fee Agreement upon which we intend to rely. For your own benefit and protection you should read all our terms carefully before signing. If you do not understand any point please ask for further information. Please insert a ✓ below to indicate the services that apply.

<b>Type of fee</b>	✓
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<b>Implementation Fee:</b> £..... or .....%	
<b>Please take my fee out of the investments arranged where possible</b>	
<b>Annual Review Fee Taken from Invested Funds:</b> Time costed estimate £..... Fixed fee £..... 0.55% 0.45% 0.35%,0.25% per annum of the value of funds, (please circle the appropriate rate).	
<b>Annual Review Fee Payable on Review:</b>  Insert agreed amount £..... or .....% ongoing	
<b>Hourly Rates:</b> Technical work and advice £150 Administration £ 75  Amount up to which authorised to work: £.....	
<b>Annuity recommendation and arrangement:</b> Time costed estimate £..... 1.5% of fund value £.....	
<b>Please take my fee out of the fund to be annuitized.</b>	
<b>Other arrangement (describe below):</b>	

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Client  
name

Signature

Signature

Date

Date