



Client Agreement

1. INTRODUCTION

Hampstead Wealth Management Limited (HWM) was established to provide high level, fee based financial advice. We provide creative yet pragmatic financial advice and work alongside other professionals to achieve your financial objectives. We are able to act on your behalf in advising you on pensions, investments, non-investment insurance contracts and tax planning strategies. We offer you an initial discussion (without charge) at which we will describe our services more fully and explain the payment options.

This document is designed to help you understand the way we work, the services we offer, our beliefs and commitment to you. By having a transparent culture we hope to create a platform for a long – tem relationship. Your input to the process is vital – the more you put in the more you will get out.

Following our initial discussion, should you decide to go ahead there is a cost for our advice and services.

Details of what is included in each of our services is provided in the service grid in the appendix.

2. OUR SERVICE

The services that you have selected and the charges for those services are confirmed in Section 9 - Your Consent at the end of this agreement. We agree to provide the services selected and you agree to pay us for those 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 6 – Cancellation below.

4. FINANCIAL PLANNING AND HOW WE CHARGE FOR IT

For any aspect of our financial planning all actual 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. Charges for the ongoing service will not be liable to VAT (unless the initial service was liable to VAT) where both the initial and ongoing services are part of the same package.

Investment Planning

We provide a **restricted advice** service. Restricted advice means that we will only consider investments from a limited range of products and providers. Different firms are restricted in different ways. We will recommend investments from the a carefully



selected suite of providers and **do not** advise on the following types of investment - securities in investment trusts, an interest in an investment trust saving scheme or exchange traded funds (ETFs). You may ask us for a list of the types of products we do advise on.

Initial charges

Our initial charges relating to new work such as client take-on, new investments and one-off reviews are as follows:

Initial Service	Initial Charges
<p>Financial Planning / Wealth Management An initial financial review with a view to you becoming an ongoing client.</p>	<p>Our charge is 1.5% of any funds invested / transferred subject to a minimum fee of £1,000.</p> <p>Examples of how our charges could apply</p> <ul style="list-style-type: none"> • If you invested £50,000, our fee would be our minimum fee = £1,000 • If you invested £100,000, our fee would be 3% of £50,000 = £1,500 • If you invested £150,000, our fee would be 3% of £100,000 = £2,250
<p>Transactional advice service Suitable if you just want help on a specific area but don't want a full financial planning review and are not looking for ongoing support afterwards.</p>	<p>Our charge is 3% of any funds invested / transferred subject to a minimum fee of £1,250.</p> <p>Examples of how our charges could apply</p> <ul style="list-style-type: none"> • If you invested £25,000, our fee would be our minimum fee = £1,250 • If you invested £50,000, our fee would be 3% of £50,000 = £1,500 • If you invested £100,000, our fee would be 3% of £100,000 = £3,000

Paying our initial charges

Our charges are payable on completion of our work and must be settled within 28 business days. Payment can be made either by:

1. Cheque (we do not accept payments by cash).
2. You may pay our charges via deductions from the financial product(s) that you might invest in, where the product/platform provider allows this. Please note that if you choose to pay by deduction from a financial product this will reduce the amount left for investment and may, depending on your circumstances, have other consequences. Although you may pay nothing to us up front that does not mean that our service is free. You still pay us indirectly through deductions from the amount you pay into your product.
3. If your investments are held on a platform (a platform is an online investment administration service) you may choose to pay our charges out of the funds held within the platform cash account (where the platform provider offers this facility).

If you select option 2 or 3 we will discuss how it works and the implications of using this payment method with you prior to putting it in place.

Where you invest in a **regular contribution contract** (where contributions are made on a monthly, quarterly or annual basis), you can choose to have our charge deducted from the product in instalments (where the product / platform provider is able to offer this facility). Our normal approach will be for the payment to be spread over a maximum of 12 months. **Exact details will be confirmed in writing with you.**



Paying for our services with a regular payment (e.g. in a pension or life policy)

We typically take our initial service charge from the first 12 monthly payments you make to your product. The example below shows how this works for a £300 per month savings product:

- Total cost of our initial service to set up the product is **£1,200**. The payment is taken over the initial 12 month period, so we divide the total advice cost by 12. The monthly charge for the first 12 months is therefore **£1,200 divided by 12 = £100**.
- Each month you pay your premium for the product of **£300**. Each month for the first 12 months your product provider pays us **£100** of that £300.
- So, each month for the first 12 months your payments are split as follows - **£200 is invested / £100 pays our initial service charge**.

Where you are paying our charge by instalments, if the regular contributions to your plan are cancelled before the charge has been paid in full we reserve the right to request full payment of any outstanding balance of the charges for our services.

Our ongoing charges

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. Any ongoing service will be agreed with you and confirmed in our service agreement. The charge for this service will commence alongside the initial charge.

We offer **two levels of ongoing service**. Full details of what is included in each of these services are available in our grid attached in the appendix.

Ongoing Service	Ongoing Charges
<p>Financial Review Service This is our 'light touch' service which includes a face to face meeting with your adviser once a year to review and update your financial plan.</p>	<p>Our annual ongoing charge for this service is 0.5% of funds under management subject to a minimum fee of £950 per annum.</p> <ul style="list-style-type: none"> • For a fund of £100,000, our fee would be our minimum fee = £950 per annum • For a fund of £250,000, our fee would be 0.5% of £100,000 = £1,250 per annum
<p>Wealth Management Service If you want more regular contact with your adviser, this service includes a six monthly meeting with your adviser to review and update your financial plan.</p>	<p>Our annual ongoing charge for this service is 0.75% of funds under management subject to a minimum fee of £1,500 per annum.</p> <ul style="list-style-type: none"> • For a fund of £100,000, our fee would be our minimum fee = £1,500 per annum • For a fund of £250,000, our fee would be 0.75% of £100,000 = £1,875 per annum
<p>Please Note:</p> <ul style="list-style-type: none"> • The amount of our annual ongoing charges may increase as the size of your fund grows. • In some circumstances we may currently receive ongoing payments (commission) from product providers relating to existing investments you hold. Any such payments may be taken into account when determining the charges for ongoing services. We will discuss and agree this with you where relevant. 	



Paying our ongoing charges

Payment of ongoing charges can be made either by:

1. A regular fee, paid by standing order
2. By deduction from your investment(s) on a monthly, quarterly, six-monthly or annual basis, where the product / platform provider is able to offer this facility.

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

Referrals to a Discretionary Fund Manager (DFM)

Where appropriate, we may refer you on to a DFM. If, having assessed your needs and objectives, we consider that a DFM service is an appropriate solution for you we will:

- Undertake appropriate due diligence and recommend a DFM service/provider that we believe best meets your needs and objectives
- Attend initial meetings with you and the DFM
- Ensure that your relationship with the DFM is established correctly
- Review the DFM's performance on a six monthly/annual basis
- Attend annual review meetings to ensure the DFM service continues to meet your agreed needs, objectives and mandate

Where we recommend you use a DFM, we will charge you separately for any work we do in helping manage the relationship between you and the DFM. You will need to pay these charges in addition to the charge for our advisory service and in addition to the DFM's own charges. You can pay for this service in one of two ways. Either you can pay us an hourly fee or we can charge you a fee based on the amount invested with the DFM.

Our typical charges for this service are set out below. **These charges are subject to VAT which is currently 20%.**

Initial Service	Initial Charges – payment options
<ul style="list-style-type: none"> • Undertaking appropriate due diligence on the DFM • Recommending a DFM • Attending initial meetings with you and the DFM • Ensuring the relationship with the DFM is established properly 	<p><u>Percentage of assets invested</u> Our charge is 0.75% plus VAT of any initial funds invested with the DFM subject to a minimum fee of £1,000 plus VAT Examples of how our charges could apply</p> <ul style="list-style-type: none"> • If you invested £100,000, our fee would be our minimum fee = £1,000 plus VAT = £1,200 • If you invested £250,000, our fee would be 0.75% of £250,000 = £1,875 plus VAT = £2,250

Paying our initial charges

Our charges are payable on completion of our work and must be settled within 28 business days. Payment can be made either by:

1. Cheque (we do not accept payments by cash).
2. You may pay our charges via deductions from the amount invested with the DFM, where the DFM allows this. Please note that if you choose to pay by deduction from the DFM, this will reduce the amount left for investment and may,



depending on your circumstances, have other consequences. Although you may pay nothing to us up front that does not mean that our service is free. You still pay us indirectly through deductions from the amount you pay to the DFM.

- If your investments are held on a platform (a platform is an online investment administration service) you may choose to pay our charges out of the funds held within the platform cash account (where the platform provider offers this facility).

If you select option 2 or 3 we will discuss how it works and the implications of using this payment method with you prior to putting it in place.

Ongoing Service	Ongoing Charges
<ul style="list-style-type: none"> Reviewing the performance of the portfolio on a six monthly/annual basis Attending annual review meetings with you and the Discretionary Fund Manager 	<p>Our charge is 0.5% plus VAT of any funds invested p.a.</p> <p>Examples of how our charges could apply</p> <ul style="list-style-type: none"> If you invested £100,000, our fee would be our minimum fee = £1,000 plus VAT = £1,200 If you invested £250,000, our fee would be 0.5% of £250,000 = £1,250 plus VAT = £1,500 If you invested £500,000, our fee would be 0.5% of £500,000 = £2,500 plus VAT = £3,000
<p>Please Note:</p> <ul style="list-style-type: none"> The amount of our ongoing charges may increase as the size of your fund grows. 	

Paying our ongoing charges

Our charges are payable [quarterly] within 28 business days of the end of the relevant quarter. These charges are also subject to VAT.

Payment of ongoing charges can be made either by:

- A regular fee, paid by standing order
- By deduction from your investment(s) on a monthly, quarterly, six-monthly or annual basis, where the DFM / platform provider is able to offer this facility.

Ongoing services can be cancelled at any time by simply informing us in writing but 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 e.g. term assurance, income protection and critical illness from a range of insurers.

You can pay for our advised protection services by:

- A fee
- Commission (where this is available)
- A combination of fee and commission

Paying by fee

Our fee will be based on an hourly rate basis **subject to a minimum fee of £300.**

Any commission we receive from the product provider can be used to offset this fee. Any surplus will be refunded to you. We will always present you with a personalised quote before undertaking any work that might be charged for. The following example shows what our typical costs would be:



Average charge to a new client requiring family protection against death and critical illness based on £100,000 of cover		
Administrator	1 hour at £60 per hour = £60	Average cost for a new protection client is £600*
Adviser	2 hours at £270 per hour = £540	
*If we received commission from your chosen product provider of £250 this would reduce the fee you pay directly to us to £350		

Paying by commission

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 that does not mean that our service is free. You still pay us indirectly through deductions from the amount you pay into your product.

5. 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'. A copy of our best execution policy is available on request.

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.

Some services are provided to our firm by third parties such as processing business or obtaining compliance or regulatory advice, which warrant the disclosure of more than just your basic contact details. Personal information held by ourselves may be disclosed on a confidential basis, and in accordance with the Data Protection Act 1998, to any such third parties. This information may be transferred electronically (e.g. e-mail) and we, or any such third party, may contact you in future by any means of communication which we consider appropriate at the time.

Product providers, lenders and investment managers may administer your policy, any existing policies you may have with them and provide other services, from centres in countries outside Europe (such as India and the USA) that do not always have the same standard of Data Protection laws as the UK. However, they are required to put a contract in place to ensure that your information is adequately protected, and they will remain bound by their obligations under the Data Protection Act even when your personal information is processed outside Europe.

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.

6. 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 transactions made prior to termination and any fees outstanding, if applicable.

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

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.

7. HOW YOU ARE PROTECTED

Hampstead Wealth Management Limited 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 **597277**. Our permitted business is advising on and arranging pensions, savings and investment products and non-investment insurance contracts. 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, **Hampstead Wealth Management Ltd, 843 Finchley Road, London NW11 8NA**

By phone: +44 (0)234567

By e-mail: firm name@xx.co.uk

Please be assured we treat complaints seriously. For your further protection if you cannot settle your complaint with us, you may be entitled to refer it to the Financial Ombudsman Service ('FOS').

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.

Investments - most types of investment business are covered for up to a maximum of £50,000.

Insurance - advising and arranging is covered for 90% of the claim, without any upper limit.

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 compensation scheme arrangements 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.

8. 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

Neither our firm nor our employees are qualified to render 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.

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.

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.



9. 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. This client agreement replaces any previous agreements and understandings we have with you, and will only be modified where confirmed in writing.

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 ABC Limited and any relevant third parties. I/We agree that ABC 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.

We may wish to contact you in the future so that we can provide information about other services that may be of interest to you. Please tick if you would like to receive information about our services by means of:

Email

Telephone

Post

Services & Charges agreed

Initial Service	Tick to confirm	Details of agreed fee (when and how this will be taken, including total amount and monthly amount if appropriate) £	
Advice relating to protection planning		Pay by commission	Y / N
		Agreed fee to be paid directly by you (if applicable)	£

Ongoing Services	Tick to confirm	Details of agreed fee (when and how this will be taken, including total amount and monthly amount if appropriate) £	
Financial Planning Service			
Wealth Management Service		Please Note: The amount of our annual ongoing charge may increase as your fund grows.	

Date of issue	
Client name(s):	
Client Signature(s):	
Date:	



Appendix: Service Proposition

	Financial Planning	Wealth Management
Review Services		
Full Review	Annual	Annual
Updating and reassessment of current circumstances		
Financial Circumstances	√	√
Objectives and Expectations	√	√
Attitude to Risk	√	√
Capacity for Loss Discussion	√	√
Valuation Report		
Portfolio Updates	Annual	Bi- Annual*
Critique Facility	x	√
Market Overview	√	√
Online Valuation	√	√
Access to Investment Manager*	x	√
Tax Planning		
Use of Allowances (ISA/CGT/Pension/IHT)	√	√
Tax Packs	√	√
Communication		
Email & telephone service	√	√
Out of hour's Service	x	√
Seminar invitations (included in subscription)	x	√

*£200,000+ investments qualify for bespoke discretionary investment services. Portfolio updates will be quarterly.

*Access to investment manager at £200,000+ - Bespoke service.