



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 our service proposition is provided in service grid in the appendix.

2. OUR SERVICE

Before providing advice we'll assess your needs, consider your financial objectives and assess your attitude to any risks that may be involved. If you don't want to discuss a particular area of financial planning and that area should not form part of the advice given, we can exclude it, if you instruct us to do so. This might of course have a bearing on the advice that might have been given.

Before making any recommendations we'll carry out a suitability assessment so that we are able to act in your best interests.

We'll confirm any recommendations we make in writing (our suitability report) along with details of any special risks that may be associated with the products or investment strategies we've recommended.

Where we agree to provide you with a service that includes an ongoing review of the suitability of the investments we have recommended, we'll carry out this review at least annually. To do this we will need to make contact with you to assess whether the information we hold about you remains accurate and up to date. We'll issue you with a report setting out the results of our assessment and, if relevant, any updated recommendations.

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 arrange are provided in the relevant product literature provided.

We may, where appropriate, recommend holding some, or all, of your investments with a discretionary fund manager (DFM), a professional investment manager appointed to monitor your portfolio and make investment decisions on your behalf. In such cases we'll explain the respective responsibilities of ourselves and the DFM in relation to your investments.

In some circumstances we may need to act as your 'agent' in relation to the part of your portfolio held with a DFM. This means that you won't have a direct contractual relationship with the DFM and the DFM will instead treat our firm as its client. Before setting up this type of arrangement we'll explain the implications to you.



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 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
Wealth Management An initial financial review with a view to you becoming an ongoing client.	Our charge is 1.5% of any funds invested / transferred subject to a minimum fee of £1,000. Examples of how our charges could apply <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 1.5% of £100,000 = £1,500 • If you invested £150,000, our fee would be 1.5% of £150,000 = £2,250
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.	Our charge is 3% of any funds invested / transferred subject to a minimum fee of £1,250. Examples of how our charges could apply <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 an **ongoing service**. Please see our client brochure for further details.

Ongoing Service	Ongoing Charges
Wealth Management Service Please see Appendix.	Our annual ongoing charge for this service is: <ul style="list-style-type: none"> • Up to £100,000 – 1% of funds under management subject to a minimum fee of £750 per annum. • >£100,000 - 0.750% of funds under management subject to a minimum fee of £750 per annum. • For a fund of £60,000, our fee would be our minimum fee = £750 per annum • For a fund of £250,000, our fee would be 0.750% = £1,875 per annum

**Please Note:**

- 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 1.5% plus VAT of any initial funds invested with the DFM subject to a minimum fee of £750 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 = £1,500 plus VAT = £1,800 • If you invested £250,000, our fee would be 1.5% of £250,000 = £3,750 plus VAT = £4,500



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.
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.

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 0.75% plus VAT of any funds invested p.a. subject to a minimum of £750.</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 = £750 plus VAT = £900 • If you invested £250,000, our fee would be 0.75% of £250,000 = £1,875 plus VAT = £2,250 • If you invested £500,000, our fee would be 0.75% of £500,000 = £3,750 plus VAT = £4,500
<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 annual charges are payable [quarterly] in arrears.. These charges are also subject to VAT.

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 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:

1. A fee
2. Commission (where this is available)
3. 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 £80 per hour = £80	Average cost for a new protection client is £620*
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 £370		

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

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.

Anti-money laundering

We are obliged to put in place controls to prevent our business from being used for money laundering and other forms of financial crime.

We'll verify your identity before undertaking any business with you. To do this 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. The check may leave a 'footprint' on your credit file but it will not affect your credit rating.

Conflict of interests

Although we'll always try to act in your best interests there may be situations where we or one of our other clients has some form of interest in the 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 own interests, we'll write to you and ask for your consent to proceed before we carry out any business for you. We'll also let you know the steps we'll take to make sure you are treated fairly.

We have a conflicts of interest policy. If you want to see a copy of it please ask us.

Other benefits we may receive

Under the rules of our regulator, the FCA, we can't accept payments or benefits from other firms (e.g. product providers) unless it's designed to enhance the quality of service we provide and it doesn't conflict with our duty to act in our clients' best interests.

From time to time we may attend training events funded and /or delivered by product providers, fund managers and investment platforms. These events are designed to enhance our knowledge and enhance the quality of service we provide to our clients. As such this doesn't affect our obligation to act in your best interests. Please ask us if you want further details.

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: (020) 8209 9299

By e-mail: info@hampsteadwealth.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') - www.financial-ombudsman.org.uk

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

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.

Amendments

From time to time it may be necessary to amend the terms set out in this agreement where it's not necessary to issue a new agreement. If this is the case we'll write to you with details of the changes at least 28 business days.



9. YOUR CONSENT

- I/We acknowledge that the client agreement will come into effect once it has been signed by all parties and will remain in force until terminated.
- This agreement is governed, and shall be interpreted in accordance with English law and both parties shall submit to the exclusive jurisdiction of the English Courts.

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) £	
Wealth Management Service			

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



Appendix A - Protecting your personal information

- To provide our services properly we'll need to collect information about your personal and financial circumstances. We take your privacy seriously and will only use your personal information to deliver our services.
- Processing of your personal data is necessary for the performance of our contract for services with you. Generally this is the lawful basis on which we intend to rely for the processing of your data. (Please see the reference to special categories of data below). Our policy is to gather and process only that personal data which is necessary for us to conduct our services appropriately with you.
- We adopt a transparent approach to the processing of your personal data. Sometimes, we may need to pass your personal information to other organisations. If you apply to take out a financial product or service we'll need to pass certain personal details to the product or service provider.
- We may engage the services of third party providers of professional services in order to enhance the service we provide to you. These parties may also need to process your personal data in the performance of their contract with us. Your personal information may be transferred electronically (e.g. by email or over the internet) and we, or any relevant third party, may contact you in future by what we believe to be the most appropriate means of communication at the time (e.g. telephone/ email /letter etc.).
- The organisations to whom we may pass your details also have their own obligations to deal with your personal information appropriately. Sometimes a product or service may be administered from a country outside Europe. If this is the case, the firm must put a contract in place to ensure that your information is adequately protected.
- We will issue you with our Privacy Notice. This is a separate document which provides more information about the nature of our personal data processing activities and includes details of our retention and deletion policies as well as your rights of access to the personal information that we hold on you.
- As part of this agreement we'll ask you to consent to the transfer of personal information in accordance with the protections outlined above.
- **Special categories of personal data:** there are certain categories of personal data that are sensitive by nature. The categories include: data revealing racial or ethnic origin, political opinions, religious or philosophical beliefs, trade union membership and data concerning health. Depending on the nature of the products and services that you engage us for we may need to obtain your sensitive personal data particularly in relation to health. Our policy is that should we require any special category of personal data we will only gather this with your explicit consent.
- If you are concerned about any aspect of our privacy arrangements please speak to us.



Consent

Sensitive personal data

The primary basis on which we intend to process your personal data is for the performance of our contract with you. In the case where we need to process special category (sensitive) data as described above we require your consent by indicating your agreement to the following statement:

I / we consent to the processing of sensitive personal data as far as it is necessary for the services I / we require from Hampstead Wealth Management Limited

Client name(s):	
Client signature(s):	
Date:	

Please note that you may withdraw this consent at any time by notifying us at our main business address.

We may also engage the services of third party providers of professional services in order to enhance the service we provide to you. These parties may also need to process your personal data in the performance of their contract with us. If you wish to know the names of these third parties please contact us for further information.

Marketing

From time to time we may wish to contact you to offer additional products or services which may be of interest to you. In order to do this we require your consent by agreeing to one or all of the options:

I / we consent to be contacted for marketing purposes by:

Email Telephone Text Message Post

Client name(s):	
Client signature(s):	
Date:	

Please note that you may withdraw this consent at any time by notifying us at our main business address.



Service Grid		Wealth Management
Review Services		
Full Review		Annual
Updating and re assessment of current circumstances		
Financial Circumstances		√
Objectives and Expectations		√
Attitude to Risk		√
Capacity for Loss / Risk tolerance analysis		√
Valuation Report		
Portfolio Updates		Bi- Annual
Critique Facility		√
*Portfolio construction analysis & suggested risk adjusted proposal		
Market Overview		√
*Market commentary and comment on fund changes within portfolio		
Online Valuation		√
Access to Investment Manager**		√
Tax Planning		
Use of Allowances (ISA/CGT/Pension/IHT)		√
auto ISA facility; pension planning & legislation update where applicable; IHT planning where appropriate and requested.		
Tax Packs		√
annual relevant tax information for client and professional		
Communication		
Email & telephone service		√
Out of hour's Service		√
Seminar invitations (included in subscription)		√

* Initial offering

**for Portfolios in excess of £250,000