

# SALISBURY

financial services

## Client Agreement

### Introduction

This document forms your Client Agreement with Salisbury Financial Services Limited and is designed to come into force upon receipt.

This is an important document, which aims to confirm the details about our services, the cost of those services and the way in which we will provide these. Therefore please ensure that you read it carefully and if you do not understand any point or have any questions in relation to the information contained herein, then please do not hesitate to contact us and seek further explanation.

Our contact details are:

Salisbury Financial Services Limited  
36a Packhorse Road  
Gerrards Cross  
Buckinghamshire  
SL9 8EB

e-mail: [financialadvice@salisbury.co.uk](mailto:financialadvice@salisbury.co.uk)

Telephone: 01753 889090

### Regulation

Salisbury Financial Services Limited is authorised and regulated by the Financial Conduct Authority, our FCA Register number is 116461.

The FCA contact details are 25 The North Colonnade, Canary Wharf, London, E14 5HS, United Kingdom.

### Our Services

We offer independent financial advice on and can arrange savings and investments products, pensions, mortgages and insurance protection policies. We operate independently for these products and therefore offer advice based on a comprehensive and fair analysis of the market. We will advise and make a recommendation for you after we have assessed the background to your personal/financial circumstances, including your needs. In some situations, we shall only be providing you with information rather than advice – and this will be made clear to you on those occasions.

We provide protection products from a range of insurers for critical illness cover, life assurance, permanent health insurance, private medical insurance and death in service cover.

We will obtain sufficient information from you in order to outline your objectives and recommendations will be confirmed in writing.

With regard to investments which we have arranged for you, these will not be kept under review, unless this has been agreed in writing with you.

Where we arrange a life policy, pension or investment for you, the provider will produce documentation as evidence of the transaction. All investments will be registered in your name, unless you first instruct us otherwise in writing. In the case of investments these will be arranged in line with our Order Execution Policy (see Appendix).

We will forward to you all documents showing ownership of your investments as soon as practicable after we receive them. Where a number of documents relating to a series of transactions are involved, we will normally hold each document until the series is complete and then forward them to you. We cannot retain such title documents for whatever reason including holding them as security.

## **Client Categorisation**

It is our intention to categorise you as a retail client from outset and provide our services on this basis, as it offers the highest level of regulatory protection to you. Should you wish, and following our discussion and agreement, you may request to be reclassified as an elective professional client. This means that you will lose certain protections under the Financial Services and Markets Act 2000 enforced by the Financial Conduct Authority. In addition, we will not have to adhere to all of the rules as set out by the Regulator in respect of financial promotions and we will not have to ensure that you understand all the risks associated with the transactions and services we provide.

## **Communications**

We will normally communicate with you and expect to receive communications from you in English. If you wish to communicate with us in another language, please contact us.

In most cases, communications that you receive from us will either be presented in or confirmed in writing. We may also meet with you face to face or communicate verbally with you by telephone. We request that our clients give us instructions in writing to avoid possible disputes. Therefore, any verbal instruction you make should be confirmed in writing thereafter.

## **Our Remuneration**

Whether you take out a product through us or not, you will pay us an adviser charge for our advice and services. This will become payable on completion of our work.

You can pay the adviser charge either directly or through a single or regular deduction from a product that we recommend. We will discuss your payment options with you and answer any questions you have. We will not charge you until we have agreed with you how we are to be paid.

### **Adviser Charge – new investments**

The fee table below provides guidance on the charge operating. These charges are tiered i.e. we will charge varying percentages on set amounts of your investment as follows:

<b>Amount invested</b>	<b>Percentage of Investment</b>
£0 to £100,000	3.0%
£100,001 to £250,000	2.5%
£250,001 to £500,000	2.0%
£500,000 to £750,000	1.5%
£750,001 to £1,000,000	1.0%
£1m+ by negotiation	

A minimum charge may apply.

### Examples of the amounts you might pay

The amount we will receive will be dependent on the value of the investment you make. For example, if you invest £200,000 with us we will receive £5,500. If the ongoing active service described below is selected, an adviser charge of 0.5% of your investment would also be taken and we would receive £1,000 each year if the value of your investment was £200,000.

We reserve the right to deviate from the published fee table if we deem the work required to be more or less complex than the average case assumed when compiling the above table. If this is the case we will confirm our fee to you and obtain your agreement before starting the work.

### **Adviser charge - project work**

For any project work we agree with you this will be subject to a minimum fee of £750 (plus VAT).

Project fees cover work which generally does not end in a new product being taken out, such as review of existing policies and retirement forecasts, and therefore will likely be subject to VAT. Fees will be based on an adviser hourly rate of £225ph (plus VAT).

### **Charges – ongoing services**

In order to ensure that you receive the service that is most appropriate for your circumstances and requirements, we offer three different types of service level. These are described below:

#### Active

- ✓ *Maintenance of your client record*
- ✓ *Annual consolidation valuation of your portfolio – produced by SFS*
- ✓ *Telephone/email access to a nominated adviser to discuss your portfolio throughout the year*
- ✓ *Additional advice when required on an agreed fee basis*

Cost – 0.50% of the value of the portfolio – minimum charge £750 pa

#### *Example*

<b>Portfolio value</b>	<b>Service cost pa</b>
£100,000	£750
£200,000	£1,000

#### Active Plus

- ✓ *Maintenance of your client record*
- ✓ *Annual consolidation valuation of your portfolio – produced by SFS*
- ✓ *Up to one annual review meeting each calendar year*
- ✓ *Telephone/email access to a nominated adviser to discuss your portfolio between review meetings*
- ✓ *Additional advice when required on an agreed fee basis*

Cost - 0.75% of the value of the portfolio – minimum charge £1,250pa

#### *Example*

<b>Portfolio value</b>	<b>Service cost pa</b>
£100,000	£1,250
£200,000	£1,500

#### Premium

- ✓ *Maintenance of your client record*
- ✓ *Annually, Quarterly, Half-Yearly\* valuations of your portfolio – produced by SFS*
- ✓ *Up to 1, 2, 3, 4\* annual review meetings each calendar year*
- ✓ *Telephone/email access to a nominated adviser to discuss your portfolio between review meetings*
- ✓ *Additional advice when required on an agreed fee basis*

\* *bespoke to individual needs*

The review meetings will normally include the following:

- A review of the performance of your investments
- Consideration of whether your portfolio needs changing
- A review of your circumstances, attitude to risk and objectives to determine if your investments are still consistent with these.

Cost - 1% of the value of the portfolio – minimum charge £2,500pa

#### *Examples*

<b>Portfolio value</b>	<b>Service cost pa</b>
£100,000	£2,500
£200,000	£2,500
£350,000	£3,500

#### **Cancellation**

You can cancel the ongoing service at any time without cancellation of the investments.

However, depending on the types of policies you hold with SFS, we may have to wait up to 12 months to be paid the agreed ongoing service charge by the provider. In this event, where SFS has carried out services to you during the unpaid period, we reserve the right to invoice you for the work carried out. This fee will not exceed any payment SFS would have been due by the provider.

#### **Examples of the amounts you might pay**

Where the adviser charge is linked to a percentage of your investment the amount we will receive will be dependent on the value of the investment you make. For example, if you invest £200,000 with us on our active service we will receive £1,000 each year. Please note that this means if the value of your investment increases the ongoing adviser charge will also increase.

#### **Paying by instalments through your recommended product**

If you buy a financial product, you can choose to have your adviser charge deducted from the product through instalments. Although you 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. These deductions will pay towards settling the adviser charge. These deductions could reduce the amount left for investment.

You should note that if you decide to cancel or transfer your product before the full adviser charge has been paid that the remainder will become payable to us directly by you.

#### **Commission**

While we no longer receive commission for advised investment business we may receive commission for non-investment insurance products such as term assurance, critical illness, private medical insurance and income protection. In some instances this will mean that although our service is not free you do not need to pay us a fee directly or can pay us a reduced fee. We will discuss this with you in these circumstances.

#### **Payment of our fees when you decide not to proceed or cancel your investment during the cooling off period**

Where you have opted to charge our fees at outset to the product, but you subsequently decide not to proceed with the recommendation or you exercise your cooling off rights, if the provider reclaims the remuneration paid to SFS, we reserve the right to invoice you directly for the amount recovered by the provider.

## **VAT and other costs**

We will tell you if you have to pay VAT in advance of any fees becoming payable. In general terms if you require advice which includes a specific product recommendation then you will not need to pay VAT whether or not you take up our advice.

If you require more general advice that does not include a specific product recommendation then VAT may be chargeable. This will also apply to fees in respect of on-going advice or services where these are not agreed as part of an initial product recommendation.

It is possible that other costs including taxes related to transactions in connection with the products we recommend and which are not imposed by us may arise.

## **Data Protection**

Information that we hold about you will be held on computer and/or in paper files under the Data Protection Act 1998. This information will be used to administer your application, to deal with queries and to bring to your attention additional services and products that may be of benefit to you. You may ask us not to contact you about additional services and products by writing to us at the address shown in this letter.

The information that you give us may be disclosed to third parties, such as product providers and credit reference agencies for the purpose of processing your application, successors, our regulator, and to our compliance advisers. It will also enable further services to be provided to you, so that your details can be best matched with the services available.

We keep records of all business transactions for at least five years. You have the right to inspect copies of any papers or computer records relating to your transactions. We do, however, reserve the right not to provide you with copies of records, if information relating to other parties would be disclosed.

To assist us in providing you with a comprehensive service and to keep our records as up-to-date as possible, please notify us of any changes to your personal circumstances, for example, name change or change of address, as soon as possible.

In addition to making calls at your express invitation, we may contact you at intervals to review your investment requirements. This may involve writing or telephoning you to outline possible changes in legislation or to advise you on services or investments that might be of particular interest.

## **Client Money**

We do not handle clients' money and we never own the investments that you take out through us. Therefore, we never accept a cheque made out to us, unless it is in settlement of charges or costs for which we have sent you an invoice, nor do we handle cash.

## **Conflicts of Interest**

In the course of our dealings with you, we consider it unlikely that we will have a conflict of interest, or material interest in the transaction, other than the receipt of fees or commission described above. Where however, we have a conflict of interest, or a material interest, or where we are aware that one of our other customers has such an interest, we will disclose full details to you in writing or orally before we advise you about the transaction and give you the opportunity to object to this interest.

If we make a recommendation that is likely to involve a transaction with or through another person with whom we have an agreement to receive non-monetary benefits, we will let you know at the time of the recommendation of any such agreement and our policy regarding such agreements. At present, we have no such agreements in place.

## **Complaints**

It is our intention to always provide the highest quality level of advice and service. However, if you become dissatisfied with our provision of, or the failure of us to provide a financial service and want to register a complaint, please write to us at the address given at the beginning of this document or telephone us on 01753 889090. Please also note that a summary of our procedures for handling complaints is available on request.

If we are unable to settle your complaint to your satisfaction, you may be entitled to refer it to the Financial Ombudsman Service.

## **Financial Services Compensation Scheme**

We are covered by the FSCS. You may be entitled to compensation from the scheme if we cannot meet our obligations. This depends on the type of business and the circumstances of the claim.

Most types of investment business are covered by 100% of the first £50,000, so the maximum compensation is £50,000. The advising and arranging of insurance is covered for 90% of the whole claim with no upper limit, this includes long-term insurance (for example pensions and life assurance).

### For mortgages

Mortgage advising and arranging is covered up to a maximum limit of £50,000.

### Compulsory insurance

For compulsory classes of insurance, insurance advising and arranging is covered for 100% of the claim, without any upper limit.

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

## **Amendments**

It may on occasion be necessary to amend our Client Agreement with you. Unless we obtain your consent, we will give you at least fourteen days notice of our intention to do so, before conducting investment business with or for you, unless it is impractical in the circumstances to do so.

This Client Agreement 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. A due proportion of any charges for services provided shall be settled to that date.

## **Legal**

It is your responsibility to provide complete and accurate information to us and insurers when you effect your policy, throughout the life of your policy, and when you renew your insurance. It is important that you ensure that all statements you make on proposal forms, claim forms and other documents are full and accurate. We cannot be held responsible for incorrect data held in the event of non-disclosure.

If you fail to disclose any material information to us or your insurers, this could invalidate your insurance cover and could mean that part or all of a claim may not be paid.

This Client Agreement excludes any rights which may be conferred upon third parties by the Contracts (Third Party Rights) Act 1999 and is governed by & shall be construed in accordance with English Law and the parties shall submit to the exclusive jurisdiction of the English Courts.

**Declaration**

This is our standard client agreement upon which we intend to rely. For your own benefit and protection you should read these terms carefully. If you do not understand any point please ask for further information.

Client 1

Dated

Client 2

Dated

## Order Execution Policy

### Introduction

FCA rules require us to give you these details on our Order Execution Policy and we shall consider that you have consented to this Policy unless you object.

We will notify you of any material changes to our order execution arrangements or execution policy.

**If you provide us with specific instructions regarding an order we will act in accordance with those instructions. Please note this may prevent us from taking the steps set out in this Policy to obtain the best possible result in respect of the elements covered by those instructions.**

### Our Policy

The general rule is that we must take all reasonable steps to obtain, when executing orders, the best possible result for clients.

In order of priority we consider price, costs, speed, likelihood of execution and settlement, size, nature or any other consideration relevant to the execution of an order when placing an order. We will only override the price and cost factors mentioned if this is likely to be in your interests.

In practice this means that we will place agreed orders with the agreed provider as soon as possible.

In addition, we will also take into consideration;

- Your client categorisation and how this affects you
- The nature and characteristics of your transaction
- Where your transaction can be directed and
- Any specific instructions you give us, whether received on an individual basis or as a general instruction to be applied to all your transactions

### Where we place your business

The specific providers will always be described in our letters to you. When you complete your application or we receive your instruction to invest this will be considered as express consent to undertake the order.

Orders will be placed with:

- Fund managers, Insurers, WRAP providers and other product providers including firms regulated by the Financial Conduct Authority
- Outside of a regulated market, such as specialist unregulated investments

Please note that this is not an exhaustive list but comprises those execution venues on which we place significant reliance.