

## CLIENT SERVICE AGREEMENT



### TERMS OF ENGAGEMENT

**Stiles & Company Financial Services (Petersfield) Limited** is an appointed representative of Stiles and Company Financial Services Limited which is authorised and regulated by the **Financial Conduct Authority (FCA)**. The FCA's address is: Financial Conduct Authority, 25 The North Colonnade, Canary Wharf, London, E14 5HS.

Stiles & Company Financial Services (Petersfield) Ltd are entered on the FCA's register and their FCA registration number is **465219**. You can check this on the Financial Services Register by visiting the FCA's website <https://register.fca.org.uk> or by contacting the FCA on 0800 111 6768.

Stiles & Company Financial Services (Petersfield) Ltd is a limited company registered in England and Wales, registered number **6124554**, registered office, **1 Spain Buildings, 28 The Spain, Petersfield, Hampshire, GU32 3LA**.

**Stiles & Company Financial Services (Petersfield) Ltd is able to offer advice on Investments, Pensions, Life Insurance, Protection and General Insurance.**

**The provisions of this client agreement will take effect immediately** you receive the document and will continue in force until they are cancelled by you or us, or they are replaced by an updated client agreement.

### INTRODUCTION

This document sets out our Terms and Conditions for business and includes a summary of the services that Stiles & Company Financial Services (Petersfield) Ltd offers as well as how we charge for our services.

These Terms and Conditions of Business must be read in conjunction with any financial planning report, Suitability Letter, product particulars and Key Features Document issued to you by Stiles & Company Financial Services (Petersfield) Ltd.

### ADVICE SERVICES

The firm is authorised to advise on and arrange Life Assurance, Pensions, Collective Investments, New Individual Savings Accounts and General Insurance. We are bound by the rules of the FCA.

You can be confident that you are dealing with a firm that is wholly committed to providing you with the best possible advice, service and support.

#### Investment

We offer advice on an **Independent basis**. We will advise and make recommendations for you after we have assessed your needs. This means that we provide unbiased advice based on a comprehensive and fair analysis of the relevant market, giving due consideration to the full range of retail investment/pension products available in the marketplace which may be suitable for you.

Unless confirmed in writing to the contrary, we will assume that you do not wish to place any restrictions on the products recommended.

#### Insurance

We offer advice on an **Independent basis** and provide recommendations from across the marketplace for non-investment protection products e.g. Term Assurance, Mortgage Protection Insurance, Critical Illness, Permanent Health Insurance, Private Medical Insurance.

### OUR SERVICES

It is important that you know what to expect in terms of the services we provide, and that you understand our commitment to you in the provision of those services. We intend to be professional, clear and fair in our dealings with you, always striving to ensure that any service or advice provided is in your best interests.



We are committed to providing **independent, personalised, quality advice** to our clients on a wide range of financial matters. We work in partnership with other local professionals to create a comprehensive solution to our clients' financial needs.

We offer advice services for all your needs, from savings and investment for the future, planning for your retirement needs, tax planning, protecting you and your family, as well as general insurance advice. Our aim is to build a relationship that will allow us to fully understand your life plans and ambitions, delivering long-term support to help you utilise your monies as wisely as possible and to protect you from any nasty surprises in the future.

**We pride ourselves as financial planners who focus on your aspirations and objectives and will deliver a range of solutions and advice on products that meet your needs where that is appropriate. We provide advice services as opposed to selling products and our fees reflect this and ensure we are not conflicted in the advice we give.**

### Initial Discussion

We offer you an initial discussion at our offices in order to understand your current circumstances and your aspirations, priorities and objectives in terms of your financial future. The initial discussion is at our cost. We will get to know you, give you information on our company, services and costs and agree whether our advice services are appropriate for you. There is no obligation to proceed at this stage, and no costs will have been incurred.

### Objective Setting & Getting to Know You

Once we have agreed the terms on which we are to operate we will proceed to capture important information in more detail about your current financial circumstances, your aspirations, priorities and objectives for the future. We will also discuss your attitude toward 'investment risk', analyse your 'capacity for loss' and your understanding of how such risks may affect you. The consultation will close with a summary of our findings, and our suggested next steps toward a tailored, yet realistic, solution to your needs.

### Research & Analysis

At this stage, we will begin to undertake the process of thoroughly analysing your current position based on our extensive knowledge of financial markets, and diligently researching potential solutions for your needs. Should we need to consult with any professional advisers or financial services providers with whom you have an agreement, we will ask for your express consent to do so. The process will identify and quantify any gaps in your short and longer term financial objectives.

### Initial Findings

When we have all the information we require we will arrange to meet with you to discuss our findings and the potential solutions available. This will allow you to understand what you need to do, give you a better understanding of the options available to you and a chance to provide additional information or tailor your objectives further and ultimately decide whether you want to proceed further.

### Product, Fund, Provider and Market Research

This is where our experience of the market takes place. Our ability to compare and analyse different products, funds and providers for charges, specific features, past performance, volatility and asset allocation will be used to find the best solution that matches your needs and objectives. We will use all the information we have collected about you, apply everything we know about you and the marketplace to determine the best solution for you.

### Report Preparation and Recommendation

When we have agreed our initial analysis and solution strategy and you want us to move forward towards implementation, we will prepare a Suitability Letter report outlining your objectives and the solutions we are recommending, along with the products, providers and funds that we believe will give you the best chance of achieving your objectives. To do this we consider your tax position, the current tax rules that you are affected by and the best solutions to minimise this. We also use a comprehensive range of research tools and due diligence to ensure we are providing you with the best solutions. We will also make it clear where you still may have shortfalls in your plans.



## Implementation

Once you feel that you are in a position to make a fully informed decision to proceed, and you have given us your consent to do so, we will begin the process of acting between yourself, your professional advisers and the product provider with a view to arrange the purchase of any investment products recommended and implement our recommendations. We will assist you in completing all the relevant forms and ensuring your applications are processed by the relevant investment houses and providers in a timely manner.

## Ongoing Service

Depending on the size and complexity of your portfolio once in place, you may or may not require ongoing management services. It is important to be aware that, in the absence of a specific agreement to provide you with ongoing services, your portfolio and goals **will not** be monitored unless you contact us to ask for a specific service. Should you wish us to monitor your ongoing position and ensure the advice given remains suitable; we will agree an appropriate service offering? The benefits of agreeing to an ongoing service arrangement will include access to your adviser throughout the term of your agreement.

### **Details of the service that can be tailored to the agreed service proportion (individually confirmed in the adviser report)**

- Annual review of your pensions and investments.
- We will ensure that following completion and analysis of the initial Risk Profile Questionnaire that the investment solution we recommend to you will continue to reflect your chosen **Attitude to Risk (ATR)**, benefiting you by reducing the volatility of your portfolio overtime whilst attempting to maximise the return produced by your portfolio within the parameters of your **ATR**.
- Providing factual information to assist you to make sound financial decisions.
- Investment management and rebalancing according to a set asset allocation.
- Determining an efficient asset allocation appropriate to your specified risk profile.
- Ongoing review of the allocation of cash, bonds, equities and alternative investments in line with your objectives.
- Continued monitoring of the investment managers used in the construction of your portfolio.
- Managing liquidity requirements for planned or unplanned withdrawals.
- Determining and rebasing your risk tolerance.
- Dealing with correspondence and administrative issues on your behalf.
- Regular contact with you throughout the year as required.
- Helping you in minimising the taxation of your investments/pensions – especially in regard to Income Tax, Capital Gains Tax and Inheritance Tax.
- Recommending that you have up-to-date wills in place and have considered Powers of Attorney.
- Advising on how your estate can be distributed in the most tax-efficient way possible.
- Simplifying all administration by operating on one platform, if appropriate.
- Keeping investment costs to a minimum by operating on one platform, if appropriate.
- Providing a summary valuation of your investment annually.
- Continual focus on what you most want to get out of your life, with a view to helping you reach your goals.

### **Our focus is on building long-term relationships with our clients and providing the best possible level of service and advice.**

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.

Stiles & Company Financial Services (Petersfield) Ltd nor its employees or advisers 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.



## How We Charge

**We will discuss your payment options with you and agree with you how we will be paid. Therefore, you will always know our fees before you make a decision to appoint us. We don't hide our costs and have a transparent charging structure, so you can be sure we are working efficiently for your benefit. Our fees are based wholly upon the provision of our qualified and professional expertise; the time taken to analyse your circumstances and devise an appropriate strategy going forward; the design of an appropriate summary report to communicate this strategy to you; and takes into account our firm's exposure to regulatory, commercial and financial risk.**

Our standard minimum fee is £1,000 for standard advice. For more complex advice such as Defined Benefit Pension Transfer Advice, Inheritance Tax Planning and Complex Investment Advice our minimum fee is £2,500. Should we undertake initial research towards your goals and discuss our initial findings, but you subsequently decide not to continue with our advice services and do not proceed with our report stage we will raise an invoice for the agreed minimum fee to recoup our costs to this stage. The full fee remains the same whether we recommend alternative products or utilise your existing schemes to achieve your objectives, our aim will be to fulfil your needs as effectively and efficiently as possible. Our fees may be deducted from funds we invest on your behalf or, if preferred, we will raise an invoice for you to pay either by cheque or bank transfer. You will always be given the choice as to how you would like to pay for the services we deliver to you and we will always advise you of the most tax-efficient way these fees can be paid.

Where the implementation of our recommendations includes protection products and general insurance products our costs are normally met by commission from the chosen product provider.

## Pension and Investments

Should you decide to continue with our advice services after our initial evaluation we will normally charge you an initial fee based on the complexity of the case and the financial risk involved and this will normally be between **1%** and **3%** of any capital invested but where this exceeds the recommendation fee only the higher of the fees will be charged.

## Insurance Only Charges

**A minimum fee of £500** is charged for the report in respect of any Life Assurance, Permanent Health Insurance, Critical Illness Cover & Private Medical Insurance. Depending on the amount of work carried out this fee may be typically offset against commission received from the product provider.

## Payment Terms

In many occasions, we can arrange for your total fees to be deducted from the investment amount at outset, alternatively, you may prefer to make your payment to us by an agreed payment method. Your choice will be recorded in the Client Declaration section of this document.

If you choose to have your adviser charge deducted from the product you will pay nothing to us up front, this does not mean that our service is free. You still pay us indirectly through the 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. For example, if you were to invest **£100,000** and our initial charge was **1% (£1,000)**, this would have the effect of reducing your investment capital to **£99,000**.

## Cost of Ongoing Advice and Review Service

At Stiles & Company Financial Services (Petersfield) Ltd we believe that professional financial advice can add significant value to individuals and businesses. Therefore, we offer a comprehensive ongoing review service designed to create real value for our clients.

**Our standard annual fee is 0.5% per annum** but this will be tailored to the client's specific needs and circumstances of the case, so it may need to be levied at up to 1% of the total value of the funds we administer. **For example, if we are advising on £100,000 worth of assets the ongoing fee would normally be £500 per annum (if the fee cannot be covered in this way we will agree the fee with you along with the method of remuneration prior to going ahead with any initial advice).** We will generally receive our fee on a monthly basis. If this is not possible we will receive the



fee annually. The ongoing fee can either be paid directly from your investment or, if preferred, we can raise an invoice for this to be paid to us via cheque, direct debit or interbank direct transfer. We will always discuss the most tax-efficient way for our fees to be paid.

Whether you have a number of financial goals you are working towards, a sizable and complex portfolio of products/investments, or one or two modest investments/savings plans, it is important to consider how these should be managed going forward. We can provide an ongoing service designed to expertly maintain and monitor your goals. The benefit of this is to ensure that your objectives and attitude to risk are correctly aligned with your products and investments over an extended period of time, changes in budgets and legislation are reviewed, tax implications continue to be managed, and any newer better products on the market can be evaluated on your behalf. Our advice and review service includes access to your adviser for support and questions throughout the term of the agreement.

In addition, ongoing advice services ensure that developing and future financial objectives are considered. Furthermore, aspects of your financial arrangements can change over time, including your goals and risk profile as well as the underlying asset's risk characteristics. Our ongoing service can help adapt and position your arrangements to manage such changes and influencing factors.

### Opting-Out

**You may decide to opt-out of any ongoing advice and review service at any time by simply informing us in writing. Please note that we reserve the right to charge you for services provided prior to cancellation.**

However, please take note of the following:

- **If your financial circumstances, objectives and attitude to risk change over time, the structure of your investment portfolio may no longer be in your best interests.**
- **As financial markets fluctuate, the way your assets are allocated in your portfolio may become unbalanced and ultimately expose you to more investment risk than you wish to accept.**
- **You will not be kept abreast of changes in taxation, new legislation or new products that could be suitable for you.**
- **In respect of Pension Drawdown Plans in particular, without advice on making withdrawals, you may incur unexpectedly high levels of income tax, emergency tax, Lifetime Allowance tax and inadvertently restrict your ability to make future pension contributions.**

### Conflicts of Interest

In rare circumstances a conflict of interest may arise. This would be in a situation where someone in our company has competing professional and/or personal interests, which make it difficult to fulfil their duties to you fairly. If this arises we will inform you in writing of the conflict of interest and ask for your written permission to proceed. In the event that we cannot manage the conflict of interest we may have to decline conducting business with you.

After we have made you aware of the conflict of interest, you may at any time inform us that you no longer wish to receive services or advice from our company.

Occasions can arise where we, or one of our other clients, will have some form of interest in business which we are transacting for you. Although this is unlikely, if we become aware that our interests or those of one of our other clients conflict with your interests, we will ensure that you receive fair treatment in accordance with the rules and guidance laid down by the Financial Conduct Authority.

### Client Classification

Stiles & Company Financial Services (Petersfield) Ltd classifies all private individual clients as Retail Clients and will endeavour to provide all clients with the level of service and advice that a Retail Client could reasonably expect. However, irrespective of Stiles & Company Financial Services (Petersfield) Ltd's classification, any client who would ordinarily be considered to be a Business, Charity, Trust, Professional Client or Eligible Counterparty may not necessarily have rights under the Financial Ombudsman Service or the Compensation Scheme. We may also, on occasion, advise on other financial products which are not regulated by the FCA under the Financial Services and Markets Act 2000. The Financial Services Compensation Scheme does not apply to any of these products.



## Client Instructions

We normally ask you to give instructions in writing. We may at our discretion accept oral, facsimile or electronic instructions on the condition that written confirmation of any such instruction is issued on the same or next working day as the oral, facsimile or electronic instruction. Stiles & Company Financial Services (Petersfield) Ltd will issue all documentation and communications in English and will only accept client communications and instructions in English.

## Verification of Client Identity

We are legally obliged to verify the identity and certain other information for all clients as well as recording the source of the funds being invested. We reserve the right, at our absolute discretion, not to proceed with a client's instructions when we are not reasonably satisfied with the lawfulness of the transaction. We accept no responsibility or liability for the consequences, whether direct or indirect, of any delay or failure to invest funds when our client verification requirements have not been satisfied in full. 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.

## Investment and Policy Reviews

When we have arranged an investment or policy for which you have given us instructions, we will not undertake any regular or periodic review of that investment. You can request that we provide you with a regular or periodic review service; any ongoing service will be agreed with you and confirmed at the end of this document.

## Termination

This Client Agreement may only be cancelled and our authority to act on your behalf may only be terminated in writing, at any time, without penalty, by either party and with immediate effect without prejudice to the completion of transactions initiated prior to receipt of such notice. Other than as stated in this paragraph, there are no cancellation rights that apply to this Client Agreement.

## Client Money

Stiles & Company Financial Services (Petersfield) Ltd does **not** handle client money. We never accept a cheque made out to us (unless it is a cheque in settlement of fees, charges or disbursements for which we have sent you an invoice) or handle cash. Any such cheques received by us will immediately be returned to you by ordinary post to your last known address.

## Product Cancellation

Cancellation or withdrawal rights may apply depending upon the type of contract and whether the contract was concluded following a face-to-face recommendation or exclusively by one or more means of distance communication. An appropriate notice will be issued to you by the product provider together with confirmation of the contract terms entered into.

**If you cancel a single premium contract, you may have a loss 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.**

## Policy Documents

Policies, certificates or other documents showing ownership of your investments will normally be sent directly to you by the product providers concerned but if sent to us they will be forwarded to you as soon as is practical. Where a number of documents relating to a series of transactions is involved we will normally hold each document until the series is complete and then forward them to you. We do not otherwise offer clients a safe custody service and accept no liability for the default of any third party to whom you instruct us to forward documents.

## Data Protection

We explain about your information in the attached "Privacy Notice".



## Financial Services Compensation Scheme

Stiles & Company Financial Services (Petersfield) Ltd 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 100% of £50,000.

Most types of insurance business are covered for 90% of the claim, without any upper limit. Further information about compensation arrangements is available from the Financial Services Compensation Scheme. [www.fscs.org.uk](http://www.fscs.org.uk)

## Complaints

If you wish to register a complaint, please contact our Compliance Officer in writing at Stiles & Company Financial Services Ltd, 2 Amber House, St Johns Road, Hove, East Sussex, BN3 2EZ or by telephone on: 01273 736713. We will acknowledge the issue and send you a copy of our internal complaints procedure. The matter will be investigated in line with our procedures and our findings reported to you.

If you remain unsatisfied following Stiles & Company Financial Services Ltd's investigation of your complaint you may complain directly to the Financial Ombudsman Service, who can be contacted on: 0800 023 4567 (Website: [www.financial-ombudsman.org.uk](http://www.financial-ombudsman.org.uk)).

## Value Added Tax

As we act on your behalf as an intermediary with a view to the arrangement of a transaction our fees are presently exempt from VAT which means we do not usually have to make an additional charge of 20%. If we do have to charge you for a service which is subject to VAT, we will inform you in advance.

## Refunds and Cancellation Policy

Fees are payable subsequent to our Professional Advice Services being provided and therefore refunds are not available in normal circumstances. Fees paid in respect of regular or annual services are not refundable. However, any ongoing service may be cancelled upon request.

## Protection Business

Where you have paid our fee by commission from the product provider and you cease to pay the premiums due on this product, it is our policy to claim a refund from you. You understand the maximum amount of this refund will be the amount of commission reclaimed by the Provider which shall never exceed the amount of commission which will have previously been disclosed to you in writing. The maximum time under which we may enforce this paragraph is 4 years from the commencement of the product.

## 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.

## Legal Jurisdiction

These terms of business exclude any rights which may be conferred upon third parties by the Contracts (Third Party Rights) Act 1999. These Terms of Business are governed by and shall be construed in accordance with English Law and the parties shall submit to the exclusive jurisdiction of the English Courts.



### Client specific fee agreement

**Initial Service Fee (this section may be completed at a later meeting but MUST be formally agreed with client(s) before any recommendation(s) in our report or suitability letter are implemented)**

of initial investment from **Platform/Company Facilitation**

OR

by **Cheque/ Direct Bank Transfer/Company Facilitation**

If required an invoice can be forwarded to you upon completion of our initial work

**Please Tick**

If you choose to pay the fee by direct bank transfer, we will confirm our bank account details when we send you our invoice.

### **Commission – (Life Cases/General Protection Only)**

Unless you decide to pay our fee at outset by either cheque or direct bank transfer, we will in all cases receive a commission from the insurance company providing the protection cover.

The amount we receive will be stated clearly in the key information documentation and/or the quotation information provided to you.

Commission is generally received by us in advance on indemnity terms but is refundable in the event of cancellation of the policy within a maximum period of 48 months. If you choose this method of fee payment and subsequently cancel the policy during the indemnity period we reserve the right to invoice you for the amount that is clawed back from us by the insurance company.

### **Annual Service Fee**

of ongoing fund value from **Platform/Company Facilitation/ Personal Settlement at Review**

OR

**Monthly Standing Order/Cheque (Please Delete)**

All Cheques to be made payable to **'Stiles & Co. Financial Services (Petersfield) Limited**.

If paying annually by **cheque** we will send you an invoice each year with your annual review letter.

If you choose to pay by **standing order**, please arrange this directly with your bank. The start date should be either the 1<sup>st</sup> or 15<sup>th</sup> of month following completion of our work for you. The choice of dates is offered in order to allow yourself and your bank enough time to set up the instruction.



## 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 before signing them. If you do not understand any point please ask for further information.**

- 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. **I/We** agree to Stiles & Co. Financial Services (Petersfield) Limited acting for **me/us** as **my/our** financial adviser
- I/We authorise the transfer of personal information, on a confidential basis and in accordance with the Stiles & Co. Financial Services (Petersfield) Limited client privacy policy and General Data Protection Regulations, between Stiles & Co. Financial Services (Petersfield) Limited and any relevant third parties. E.g. Product Providers.
- We would like to maintain a record of your express consent for **us** to contact you by telephone, SMS, email and instant messaging for marketing our products or services that we think may be of interest to you. Please indicate your consent to **us** contacting you by any of the means specified below:

Phone	<input type="checkbox"/>	Post	<input type="checkbox"/>
SMS	<input type="checkbox"/>	Email	<input type="checkbox"/>
Instant Messaging*	<input type="checkbox"/>	*WhatsApp or similar service.	

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

### Signed on behalf of Stiles & Co. Financial Services (Petersfield) Limited

Adviser name	
Adviser signature:	
Date:	

If required an invoice in respect of Professional Advice Fees will be raised upon completion of the initial service, or upon completion of any associated transaction/s or product/s, to meet the cost of our services to you.

Our typical charges are based on the fee levels outlined above. This Agreement is designed to confirm and formalise our discussion regarding the services we provide.

Where our charges are based upon a percentage of portfolio value, due to the ease of calculation, we will not confirm the fee in specific monetary terms. Where our charges are defined by an hourly rate (**standard £250 per hour**), we will always provide an estimate of the overall cost to you before proceeding.