

# Client Advice Agreement

## Pension Investment Protection Mortgages

This agreement is issued on behalf of Truly Independent Ltd®

Principal Office address:

Atlantic House, Parkhouse, Carlisle, Cumbria, CA3 0LJ

Registered Office address:

Forsyth House, 93 George Street, Edinburgh, EH2 3ES

Company Registration No: SC367442.

Telephone: 01228 587588 Email: info@trulyonline.co.uk

Website: www.trulyonline.co.uk



### Regulation

The FCA (Financial Conduct Authority) is the independent watchdog that regulates the financial services industry. This document explains the service you are being offered and how you will pay for it. You need to read this important document.

### Scope of Authorisation

Truly Independent Ltd is a Firm of Independent Financial Advisers authorised and regulated by the Financial Conduct Authority and is bound by its rules. You can check this on the Financial Services Register by visiting the FCA's website [www.fca.org.uk/register](http://www.fca.org.uk/register) or by contacting the FCA on 0800 111 6768. Our Financial Services Registration No is: 513655.

Our permitted business is to give advice and arrange on a range of financial products including but not limited to, pensions, collective investments (e.g. unit trusts, OEICs, ISAs and investment trusts), individual savings accounts, life and general insurance, mortgages, 2nd charge mortgages and lifetime mortgages.

### Scope of Advice

Truly Independent Ltd is able to act on your behalf in advising you on investments and non-investment insurance contracts. We offer products and services as follows:

- **Investments** - we offer an Independent advice service. We will recommend investments based on a comprehensive and fair analysis of the market. We place no restrictions on the Investment Markets we will consider before providing investment recommendations, unless you instruct us otherwise. We will, however, only make a recommendation when we know it is suitable for you.
- **Non-investment Protection Contracts** - we offer non-investment protection products e.g. term assurance, income protection, critical illness and ASU from a range of insurers.
- **General Insurance Contracts** - we offer General Insurance contracts e.g. Buildings and Contents from a range of insurers.
- **Mortgages and Home Finance Products** - we offer mortgages from the whole of the market and will make a recommendation after we have assessed your needs. For other home finance products such as Bridging Loans and 2nd Charge mortgages we may use a specialised Packager to source a lender.

### Our Recommendations

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 might wish to place on the type of products you would be willing to consider.

Any advice provided will be confirmed to you in writing along with details of any special risks associated with the products recommended.

### Communication

Unless you advise us otherwise, we will communicate with you via the following methods of communication: face to face, email, secure email via our personal client website, telephone, letter and fax.

### Client Classification

We treat all our clients as "Retail Clients" unless you request otherwise. This means you are provided with the highest level of protection under the regulatory system and should have the right to take any complaint to the Financial Ombudsman Service.

### Client money

Truly Independent Ltd is not permitted to handle client money or handle cash and we cannot accept a cheque made out to us (unless it is in respect of an item for which we have sent you an invoice).

### Conflicts of Interest

We will act honestly, fairly and in your best interests. Occasions may arise where we or one of our other clients have some form of interest in business transacted for you. If this happens or we become aware that our interests or those of one of our other clients conflict with your interest, 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.

### Advice and Support

We are committed to providing the highest standard of financial advice and support. Your interests are very important to us and for any advice or ongoing support we provide we will:

- be open, honest and transparent in the way we deal with you;
- not place our interests above yours;
- communicate clearly, promptly and without jargon.

## How we are paid - Investments and Pensions

- **Via Charges for Initial Advice:** We charge for our advice by way of an Initial Advice Fee. This fee is based on a percentage of the amount you invest. We offer you an initial consultation at no cost to you at which we will describe our services more fully and explain the payment options. You will pay for our services generally on the basis of fees (for investments and pensions). 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.

### Initial Advice Fee

- **Lump Sum Investment or Transfers (including Pensions):** You will pay us a fee for our recommendation and/or transaction of an investment product. The actual fee will be agreed with you and confirmed in writing. The amount will be based upon the amount invested, the amount of work to be undertaken and the overall assets under our advice. Our typical charge for advice is 3% of the sum invested. On occasions, and depending upon the complexity of the work involved, we may charge more or less than this. In any event we would not ordinarily charge more than £360 or 4% of the initial sum invested, whichever is the greatest. Where we intend to vary our typical charge, we will explain this to you and agree the actual fee chargeable with you, and before we carry out any work on your behalf. This payment can either be taken from your investment upon receipt by the provider or paid directly by you.

We charge a minimum advice fee of £360.00 for all but defined benefit pension transfers which have to be recommended and arranged by one of our Pension Transfer Specialists (PTS).

Example 1: If we arrange an investment on your behalf for £50,000 the fee based upon our typical charge of 3% would be £1,500. This amount is more than the minimum initial advice fee and is the maximum you would typically be charged.

Example 2: If we arrange an investment on your behalf for £10,000 the advice fee based upon our typical charge of 3% would be £300. As this is less than our minimum initial advice fee, you would be charged the additional £60, meaning the total initial advice fee would be £360.00.

Example 3: If we arrange an investment on your behalf for £50,000 the fee based on our maximum charge of 4% would be £2,000.

### Pension Transfer Specialist (PTS)

- For defined benefit pension transfers which are referred to one of our Pension Transfer Specialists (PTS) there are two charges:  
Charge 1: **A PTS Executive Summary Report** for which a fee of £500.00 for the first plan and £250 for additional plans will be charged.  
Charge 2: An Initial Advice fee. The fee will typically be 3% of the total transfer amount. We charge a minimum advice fee of £1,500.00

Example 1: Where the total transfer value is £30,000.00 the advice fee would typically be £30,000.00 x 3% = £900.00 as this is less than our minimum advice fee you would be charged an additional £600.00 meaning the total advice fee would be £1,500.00

Example 2: Where the total transfer value is £100,000 our

typical advice fee would be £100,000 x 3% = £3,000.00

- **Regular Savings or Investments (Including Pensions):** The minimum initial advice fee will be £360.00. The typical charge will be calculated at 3% of the expected number of monthly contributions to a maximum of 120 (10 years).

Example 1: If your monthly contribution is £100.00 and you intend to contribute for 10 years, the initial adviser fee would typically be £100 x 120 = £12,000 @ 3% = £360, which is equal to the minimum amount we charge. This can be paid by you either as a lump sum or can be deducted from your monthly contribution at £30 per month for the first 12 months.

Example 2: If your monthly contribution is £250 and you intend to contribute for 5 years, the typical initial adviser fee would be £250 x 60 = £15,000 @ 3% = £450. This can be paid by you either as a lump sum or can be deducted from your monthly contributions at £37.50 per month for the first 12 months.

**In order to pay by deduction from contributions the minimum regular contribution must be £60.00 per month gross. If your regular contribution is less than this you must pay the minimum advice fee of £360 to us directly either up front or by 12 monthly payments.**

- **Via Charges for Ongoing Client Support for Investments and Pensions:** This helps us to continue to support you in working towards achieving your financial objectives. Details of our different levels of support are contained in our Client Support Agreement document for Investment and Pension Plans. We will discuss with you the full range of our ongoing client support facilities and the costs incurred for each level.

## How we are paid - Insurance

- For non-investment contracts covering pure protection and general insurance such as term assurance, income protection, critical illness cover, accident, sickness and unemployment (ASU) cover, buildings and contents insurance we would normally receive commission from the product provider and you will receive a quotation telling you how much this will be before you apply for the product. If you prefer to pay a fee for this type of product, this can be arranged and, in this instance, the commission is usually rebated into the contract, which may or may not affect the premium.

## How we are paid -

### Mortgages and Home Finance Products

- For 1st Charge mortgages we charge a maximum of 1% of the loan amount with a minimum advice fee of £360. The fee is payable on completion of the mortgage. We may also receive a procurement fee from the lender.
- For other home finance products, such as Bridging Loans and 2nd Charge mortgages our minimum fee is £800. We may also receive a procurement fee from the lender.
- If a specialist Packager is used to source a lender, the Packager will also make a charge and may receive a procurement fee from the lender. We will inform you of these amounts before the application form is completed.
- We will not refund to you any fee we receive from the mortgage lender.

Example 1: If we arrange a 1st Charge mortgage for an advance of £30,000 the fee would be £30,000 x 1% = £300.00 as this is less than our minimum you would pay

an additional £60.00 meaning the total advice fee would be £360.

Example 2: If we arrange a 1st Charge mortgage for an advance of £100,000 the maximum fee would be £100,000 x 1% = £1,000.00 this would be the total advice fee.

Example 3: If we arrange a Bridging Loan or 2nd Charge mortgage for £60,000 the fee would be £60,000 x 1% = £600.00 as this is less than our minimum fee for this product you would pay an additional £200.00 meaning the total advice fee would be £800.00

Example 4: If we arrange a Bridging Loan or 2nd Charge mortgage for £300,000 the maximum fee would be £300,000 x 1% = £3,000.00 this would be the total advice fee.

## For placing your assets onto the True Potential Wealth Platform

For placing any business on the True Potential Wealth Platform we are able to use the operational back office system of their sister company True Potential LLP (a non-regulated firm) free of charge. This additional benefit has no influence or bearing on any advice we provide but use of the system does, we feel, enhance the quality of the service we provide to you.

### Other benefits we may receive

We advise on a range of products from a variety of firms; we may receive certain non-monetary benefits from these firms, which are used to enhance the quality of service we provide to you. Benefits we may receive include access to technical services, information technology support or the supply of product literature. Further information regarding any of these arrangements is available on request.

### Information about other costs and associated charges

There may be other costs, including taxes, that are payable through other parties (such as the product provider) that we may not be party to. Such charges are normally disclosed in relevant third party documentation, for example in an illustration or in the Key Features Document.

### VAT

Under current legislation our services are not subject to VAT but should this change in future, and where VAT becomes due, we will notify you before conducting any further work.

## Cancellation rights

In most cases you can exercise a right to cancel by withdrawing from the contract. Generally you will normally have a 30 day cancellation period for a life, pure protection, payment protection or pension contracts and a 14 day cancellation period for all other contracts. There is generally no cancellation period for mortgages. Instructions for exercising the right to cancel, if applicable, will be contained in the relevant product disclosure information which will be issued 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.

## 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.

## Instructions

We prefer our clients to give us instructions in writing, to aid clarification and avoid future misunderstandings. We will, however, accept oral instructions provided they are confirmed in writing.

## Complaints

If you wish to register a complaint, please write to: Truly Independent Ltd, Atlantic House, Parkhouse, Carlisle, CA3 0LJ or telephone 01228 587588.

A summary of our internal complaints handling procedures for the reasonable and prompt handling of complaints is available on request and if you cannot settle your complaint with us, you may be entitled to refer it to the Financial Ombudsman Service.

## Compensation Arrangements

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

- **Deposits: 100% of £85,000 per person per firm (for claims against firms declared in default from 30 January 2017).**
- **Investments: 100% of the first £50,000 per person per firm (for claims against firms declared in default from 1st January 2010).**
- **Mortgage and Home Finance Product Advice and Arranging: 100% of the first £50,000 per person per firm (for claims against firms in default from 1st January 2010).**
- **Insurance Business: There is no upper limit on the amount of protection (for claims against firms declared in default from 3rd July 2015).**
- Long term insurance benefits are protected 100%.
- Claims under compulsory insurance, professional insurance and certain claims for injury, sickness or infirmity of the policyholder are protected at 100%
- Protects 90% of other types of claim with no upper limit.
- **General Insurance Advice and Arranging: Protects 90% of the claim with no upper limit. Compulsory insurance is 100% (for business conducted on or after 14th January 2005).**

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

## Data Protection

The information you have provided is subject to the Data Protection Act 1998 (the "Act"). By signing this document you consent to us or any company associated with us for processing, both manually and by electronic means, your personal data for the purposes of providing advice, administration and management.

"Processing" includes obtaining, recording or holding information or data, transferring it to other companies associated with us, product providers, the FCA or any other statutory, governmental or regulatory body for legitimate purposes including, where relevant, to solicitors and/or other debt collection agencies for debt collection purposes and carrying out operations on the information or data.

In order to provide services to you we may be required to pass your personal information to parties located outside of the European Economic Area (EEA) in countries that do not have Data Protection Laws equivalent to those in the UK. Where this is the case we will take reasonable steps to ensure the

privacy of your information.

The information provided may also contain sensitive personal data for the purposes of the Act, being information as to your physical or mental health or condition; the committing or alleged committing of any offence by you; any proceedings for an offence committed or alleged to have been committed by you, including the outcome or sentence in such proceedings; your political opinions; religious or similar beliefs; sexual life; or your membership of a Trade Union.

If at any time you wish us or any company associated with us to cease processing your personal data or sensitive personal data, please contact us on 01228 587588 or in writing at Truly Independent Ltd, Atlantic House, Parkhouse, Carlisle, CA3 0LJ.

You may be assured that we and any company associated with us will treat all personal data and sensitive personal data as confidential and will not process it other than for a legitimate purpose. Steps will be taken to ensure that the information is accurate, kept up to date and not kept for longer than is necessary. Measures will also be taken to safeguard against unauthorised or unlawful processing and accidental loss or destruction or damage to the data.

Subject to certain exceptions, you are entitled to have access to your personal and sensitive personal data held by us. You

may be charged a fee (subject to the statutory maximum) for supplying you with such data.

### **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.

### **Law**

This client agreement is governed and shall be construed in accordance with English Law and the parties shall submit to the exclusive jurisdiction of the English Courts.

### **Termination of Authority**

The authority to act on your behalf 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. Any transactions effected before termination and a due proportion of any period charges for services shall be settled to that date.

# Client Consent and Initial Advice Fee Declaration

## Client 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. If you do not understand any point please ask for further information.

I understand that by signing below I am engaging the services of my Truly Independent Ltd<sup>®</sup> adviser under the terms of this Client Advice Agreement.

Please confirm to us in writing if you do not consent to us or any company associated with us processing any sensitive data as described earlier.

### For Investments/Pensions

Fee to be paid by deduction from the contract?	Yes / No	£	(.....% of sum invested)*
Fee to be paid by direct payment from ourselves?	Yes / No	£	(.....% of sum invested)*

*\*If the charge above is higher or lower than our typical charge of 3% of the sum invested the reason for this is (please tick appropriate box/boxes below):*

- |                                                         |                                                            |
|---------------------------------------------------------|------------------------------------------------------------|
| <input type="checkbox"/> Minimum advice charge          | <input type="checkbox"/> High net worth business           |
| <input type="checkbox"/> Complexity/Additional research | <input type="checkbox"/> Asset level under advice          |
| <input type="checkbox"/> Increased business risk        | <input type="checkbox"/> Multiple/simultaneous investments |

Other (please explain.....)  
 .....

### For Protection/General Insurance

Commission to be paid by the provider?	Yes / No	£
Fee to be paid by direct payment from ourselves (commission rebated)?	Yes / No	£

### For Mortgages and Home Finance Products Only<sup>1</sup>

Fee to be added to the loan amount*	Yes / No	£
Fee to be paid by direct payment from ourselves	Yes / No	£

<sup>1</sup>Your home may be at risk if you do not keep up repayments on your mortgage or secured loan.

\*Only applies to Home Finance products. This will increase the amount you borrow and the amount of interest you will pay.

I confirm that I am aware of the Initial Advice Charge and agree to the adviser being remunerated on the basis selected above (if applicable).

The content of the Client Advice Agreement has been fully explained to me and I confirm my acceptance of the terms.

Signed ..... Signed .....

Client Name ..... Client Name .....

Date ..... Date .....

Signed ..... on behalf of Truly Independent Ltd<sup>®</sup>

Adviser Name ..... Date .....