



## LWM CONSULTANTS LTD

The Garden Suite, 23 Westfield Park, Redland, Bristol, BS6 6LT

# Client Agreement

## 1. INTRODUCTION

**This agreement sets out the terms under which our services are to be provided, including details of the specific services and a summary of our charges for those services.**

**LWM Consultants Ltd** is a financial planning business, focussed on helping you understand and plan for your financial future. We are also able to act on your behalf in advising you on investments, and non-investment protection contracts.

### **Our Mission Statement**

We believe that Treating Customers Fairly is about delivering a fair outcome to our clients whilst offering a first class business service. It is embedded in our culture, and our clients can be assured of this as:

- We are open about the way we carry out our business and how we are remunerated
- We welcome client feedback on a regular basis
- We encourage all our staff to continue with their professional development
- Our business is about our clients, and we are always conscious of this

We look at all areas of our business on a regular basis to ensure that:

- Clients can be confident that they are dealing with a firm where the fair treatment of clients is central to our firm's culture
- We consider our clients when promoting new services and products and ensure that they are relevant to them
- Our clients are provided with clear information and we keep them informed before, during, and after the point of sale
- Where advice is provided, we take time to understand our clients' situation and ensure that our advice is suitable and appropriate
- We meet our clients' expectations, providing them with a level of service and products that are of an acceptable standard
- We will ensure that our clients can switch providers, change products, surrender policies and make any complaints without any undue barriers

## Financial Review Process

As a financial planning business, we are focused on helping you understand and plan for your financial future. By working with you we aim to have a full understanding of your current financial position, your objectives and identified needs.

This enables us to provide suitable solutions for your needs, providing you with clear financial direction aimed at maximising the opportunities for achieving your objectives.

There are four stages to the review process:

- Stage 1: First meeting – to discuss your needs and agree our service and fees with you
- Stage 2: Analysis of requirements – preparation of a personalised solution and report
- Stage 3: Second meeting – to review our report and answer any questions
- Stage 4: Implementation – if you agree with the proposed solution, we will implement it for you

## 2. OUR SERVICE

The services that you have selected and the charges for those services are confirmed in **Section 10 - Your Consent** at the end of this agreement. We agree to provide the services selected and you agree to pay us for those services.

We offer both **initial** and **ongoing** services. Any products we have arranged for you will only be kept under review as part of an agreed ongoing service for which you agree to pay. Our ongoing services are optional, however where you agree to purchase an ongoing service, unless otherwise agreed, the ongoing service will be provided as a follow up to the initial service.

Any advice or recommendation that we offer to you, will only be given after we have assessed your needs and considered your financial objectives and attitude to any risks that may be involved. We will also take into account any restrictions that you wish to place on the type of products you would be willing to consider. In some circumstances we may provide you with a non-advised service where you will **not** receive advice or a recommendation from us. Where this is the case we will provide details of our non-advised services and charges separately.

## 3. COMMENCEMENT

This agreement shall commence once it has been signed by all parties and shall remain in force until terminated in accordance with **Section 7 – Cancellation** of this agreement.

## 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.

## Service

New clients are taken through a four stage process:

1. Assess – the first stage is to understand your financial position, and what you are looking to achieve
2. Design – working with you to set realistic targets and plan the financial actions required to achieve those goals
3. Build – only once you have agreed those goals do we build the solutions
4. Implement – once you have agreed with the proposed solutions we will implement them

On-going service is split into four main areas:

1. Delivering on goals – management of money is not outsourced. We offer seven investment Portfolios, and bespoke investments where required. The management of money is an important part of delivering on goals. This requires research of investments to ensure we identify long term investment options. Each year we offer to review your attitude to risk and rebalance your portfolio. This is important as it protects against investment drift and provides a consistent risk structure
2. Sharing information – information is available via our website, social media, regular investment email updates, quarterly updates and half yearly investment updates
3. Delivering life time goals – you are offered a minimum of one annual visit but can be seen more regularly. This enables us to identify any changes to circumstances, and review whether we are delivering on expectations. We continually review the suitability of portfolios, if necessary adjusting investments to reflect changes in your circumstances or requirements
4. Access to LWM – you can meet, call or email us at any time. There can a delay in responding out of normal office hours

For pension investments ongoing service includes retirement planning, monitoring of lifetime allowance, retirement income and death benefits.

## Investment Planning

LWM offers a **restricted advice** service, our restriction is for platform related business where we use the Standard Life Wrap. For investments that are not available on the wrap, and protection business we will look at the whole of the market.

Restricted advice enables us to adopt a position of consistency but we have not adopted a “one-size-fits-all” approach. This enables us to consider your existing investments and where appropriate consider products from the whole of the market if these are more suitable for you, and allowed within our FCA permissions. We will not provide a solution if this does not fit with your requirements.

**Initial charges**

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

Initial Investment                      1% of the funds invested (subject to a minimum fee of £1,500)

Examples:

£100,000 investment would be subject to a fee of £1,500

£250,000 investment would be subject to a fee of £2,500

£500,000 investment would be subject to a fee of £5,000

*Paying for our services on an hourly rate*

We usually charge based on a percentage of assets for initial work. We may charge hourly rates where we are requested to produce one off pieces of work or for additional review meetings. Where we use or refer to hourly rate fees the current rates used are as follows:

Advice	£150	Per hour
Specialist Advice	£200	Per hour
Administration	£75	Per hour
Research	£75	Per hour
Travel	£100	Per hour

You may ask us for an estimate of how much in total we might charge. You may also ask us not to exceed a given amount without checking with you first.

Average charge to a new client requiring a one-off piece of advice on an investment		
<b>Adviser</b>	10 hours at £150 per hour = £1,500	Average cost for a new investment client <b>£2,225</b>
<b>Administration</b>	5 hours at £75 per hour = £375	
<b>Research</b>	2 hours at £75 per hour = £150	
<b>Travel</b>	2 hours at £100 per hour = £200	

### 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 or electronic transfer (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.**

### 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.

Our charges relating to on-going services are as follows:

	Ongoing Charges	
Annual Charges	%	£
	1.0% of the funds under management for pension investments*	For a pension fund of £100,000 you would be charged a fee of £1,000 per year
	0.75% of the funds under management for investments	For an investment fund of £200,000 you would be charged a fee of £1,500 per year
<b>Minimum annual charge</b>	<b>£1,000</b>	
<b>Please Note:</b>		
<ul style="list-style-type: none"> <li>• The amount of our annual ongoing charges may <b>increase</b> as the size of your fund grows.</li> </ul>		

\*The annual charge for pensions is higher than investments, this reflects the greater complexity and regulation associated with pension investments. The additional service we provide includes retirement planning, monitoring of lifetime allowance, retirement income and death benefits.

### 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.

Please note where fees are deducted from your investments we will ensure there is sufficient money in your cash account to cover fees. These fees include the LWM adviser charge and the contract charge plus any other regular or ad-hoc payments that may be due (i.e. income payments to you).

We ensure when we re-balance the account on an annual basis there is sufficient cash available. The account may also receive income from income shares, as well as proceeds from selling assets.

Should there be a shortfall in the cash account to cover charges and fees we will normally sell proportionally across the assets held. We will contact you prior to selling any assets to outline the options and obtain your agreement.

Where your account does not hold a cash account charges will normally be taken by unit cancellation proportionally across all the assets held, however this will be agreed with you in advance.

### How the charges work

First Meeting to discuss your needs and agree our services / fees	No charge (at our cost)
Fact finding to understand your full financial situation and risk profile	No charge (at our cost)
Second meeting – recommendation report and follow up discussion	No charge (at our cost)
Implementation – setting up your new investment	Payment due on set up of solution – 1% of the investment amount
On-going monitoring of your investments in line with service level agreed	0.75% to 1% of the investment value per annum (minimum £1,000)

## VAT

No VAT will generally be payable where you pass the “gateway test”. This is effectively the point where intermediation takes place to set up the solutions to deliver your goals. There are six stages to intermediation. If only the first four stages are completed, then it is deemed that you have not completed the gateway test and VAT will be payable.

The stages are:

1. Gather information about you (factfind)
2. Carry out research to find suitable investment options
3. Provide you with reports, financial health checks, forecasts
4. Recommend specific investment products to you, including the process at which these can be arranged

### GATEWAY TEST

5. Act between the product provider(s) and you with a view to arranging the sale of the Retail Investment Products agreed with you
6. And, where applicable (i.e. where you agree to an on-going review service) monitor your on-going position to ensure that the products continue to meet your requirements

## 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.

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 £1,000**. Where we use or refer to hourly rate fees the current rates used are as follows:

Advice	£150	Per hour
Specialist Advice	£200	Per hour
Administration	£75	Per hour
Research	£75	Per hour
Travel	£100	Per hour

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 £1,000,000 of cover		
<b>Administrator</b>	1 hour at £75 per hour = £75	Average cost for a new protection client is <b>£1,000*</b>
<b>Research planner</b>	1 hour at £75 per hour = £75	
<b>Adviser</b>	2 hours at £150 per hour = £300	
*If we received commission from your chosen product provider of £250 this would reduce the fee you pay directly to us to <b>£750</b>		

### 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.

In respect of any regular premium policy which we have arranged for you, should you subsequently cease to pay premiums on the policy and in consequence we are obliged to refund the commission that has been paid to us, we reserve the right to charge you a fee representing the amount we have to repay, for a period of up to four years after commencement of the policy. We will confirm the exact amount that will need to be repaid by you and the timescale over which it will need to be repaid in the suitability report we will send you when a recommendation is made. We will not charge any such fee if you exercise your right to cancel in accordance with any cancellation notice.

## 5. OUR OBLIGATIONS

### Recommendations

We will confirm to you in writing the basis of our recommendations along with details of any special risks associated with the products recommended.

### Best execution

In transmitting investment applications on your behalf to third parties, we will take all reasonable steps to ensure that we obtain the best possible result for you. This is referred to as 'best execution'. A copy of our best execution policy is available on request.

### Protecting your personal information

Your personal information is important to us. We will endeavour to take all due care to protect this information. We highlight below matters relating to your information that you should be aware of.

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

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

### Anti-money laundering

We are required by the anti-money laundering regulations to verify the identity of our clients, to obtain information as to the purpose and nature of the business which we conduct on their behalf, and to ensure that the information we hold is up-to-date. For this purpose we may use electronic identity verification systems and we may conduct these checks from time to time throughout our relationship, not just at the beginning.

### Conflict of interests

We will endeavour always to act in the best interests of you our client. However, circumstances can arise where we or one of our other clients may have some form of interest in business being transacted for you. If this happens or we become aware that our interests or those of one of our other clients conflict with your interests, we will write to you and obtain your consent before we carry out your instructions, and detail the steps we will take to ensure fair treatment.

### Other benefits we may receive

From time to time we may attend training events funded and /or delivered by product providers, fund managers and platforms. These events are designed to enhance our knowledge and ultimately therefore enhance the quality of service we provide to our clients. Further details are available on request.

### Communicating with you

We may communicate with you by telephone, post, e-mail or in person. In certain circumstances, we may ask you to confirm any instructions in writing prior to implementation. All our communications with you will be in English.

## 6. YOUR OBLIGATIONS

It is important that you provide us with the information that we request in order for us to provide the advice and services you want. We therefore ask that clients do not unreasonably withhold relevant information. Please note that any advice we provide you will be based on the information you provide to us.

Under the FCA rules, we are required to consider whether it is in your best interests for us to act for you if you refuse to provide us with what we believe to be the necessary information. We therefore reserve the right to decline to act for you if we believe you have not provided us with the requisite information.

As we are required by anti-money laundering legislation to know who we are dealing with, it would be helpful if you could bring to the meeting evidence of your identity and address. This would normally include either your passport or driving licence and a utility bill in your name. If these documents are not available please speak to the Adviser who will confirm what alternatives would be acceptable.

## 7. 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.

## 8. HOW YOU ARE PROTECTED

LWM Consultants 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 **728107**. 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](http://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, **LWM Consultants Ltd, 23 Westfield Park, Redland, Bristol, BS6 6LT**

**By phone:** 0117 370 2494

**By e-mail:** [George.ladds@lwm-c.com](mailto:George.ladds@lwm-c.com)

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'). **Full details of the FOS can be found on its website at [www.financial-ombudsman.org.uk](http://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/consumer](http://www.fscs.org.uk/consumer).

### Client money

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

## 9. 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.

### Unregulated financial products

We do not provide advice on unregulated financial products including non-mainstream pooled investments (NMPI) such as unregulated collective investment schemes (UCIS).

## Insurance related

### Providing information to your insurer

Your 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. 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.

## 10. YOUR CONSENT

**This is our standard client agreement upon which we intend to rely. For your own benefit and protection, you should read these terms carefully before signing them. If you do not understand any point please ask for further information. This client agreement replaces any previous agreements and understandings we have with you, and will only be modified where confirmed in writing.**

This agreement is between LWM Consultants Limited of The Garden Suite, 23 Westfield Park, Redland, Bristol, BS6 6LT

And

### **Obligations**

We will require you to provide up to date and accurate information about your personal circumstances and financial planning objectives.

We will then report to you in writing clearly documenting our recommended course of action. Our recommendations will be made on the basis of the written information provided by you and will take into account the objectives stated by you.

All the information given to us, and the recommendations and advice provided by us to you will be kept confidential and will not be disclosed to anyone, except as we agree in writing, or to whom we have a regulatory obligation. You may, however, request that a copy of your details may be available to your Accountant or Solicitor.

When you receive your written report, it will be your decision alone to implement the recommendation. In order that there may be no future misunderstanding, it is for our financial planning services that you will pay a fee under this agreement.

**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)	
LWM Financial Planning Service (Investments)		Percentage of investment	Y
		Fee	1% of £
		Monetary amount	£
		Hourly Rate	Y / N
		Fee	£xxxx
		Fee to be taken from account	Y
		Fee to be paid personally	N
LWM Financial Planning Service (Pension)		Percentage of investment	Y / N
		Fee	x% of £xxxx
		Monetary amount	£xxxxx
		Hourly Rate	Y / N
		Fee	£xxxx
		Fee to be taken from account	Y / N
		Fee to be paid personally	Y / N
Advice relating to protection planning (where fee taken by commission this is automatically taken from the plan, fees via an hourly rate must be paid personally)		Pay by commission	Y / N
		Fee	£
		Hourly Rate	Y / N
		Fee	£

Ongoing Services	Tick to confirm	Details of agreed fee (when and how this will be taken, including total amount and monthly amount if appropriate)	
LWM Financial Planning Service (Investments)		Percentage of investment  Fee  Monetary amount	Y  0.75% of £  £ (payable monthly)
		Fee to be taken from account  Fee to be paid personally	Y  N
LWM Financial Planning Service (Pension)		Percentage of investment  Fee  Monetary amount	Y  1% of £  £
		Fee to be taken from account  Fee to be paid personally	Y  N
		<b>Please Note:</b> The amount of our annual ongoing charge may increase as your fund grows.	

**Declaration**

I/We acknowledge that the client agreement will come into effect once it has been signed by all parties.

I/We authorise the transfer of personal information, on a confidential basis and in accordance with the Data Protection Act 1998, between LWM Consultants Ltd and any relevant third parties. I/We agree that LWM Consultants Ltd, or any such third party may contact me in the future by any means of communication (including by electronic communication e.g. email) considered appropriate at the time.

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

Email

Telephone

Post

<b>Date of issue</b>	
<b>Client name(s):</b>	
<b>Client Signature(s):</b>	
<b>Date:</b>	

<b>Signed (for and on behalf of LWM Consultants Ltd)</b>	
<b>Date:</b>	