

SMITH & PINCHING FINANCIAL SERVICES LTD

295 Aylsham Road, Norwich, NR3 2RY

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Email: info@smith-pinching.co.uk

CLIENT AGREEMENT

WHAT SERVICES DO WE OFFER?

Smith & Pinching Financial Services Ltd is permitted to advise on and arrange (bring about) deals in investments in authorised collective investment schemes, unit trusts, PEPs, ISAs, non-investment insurance, pensions, mortgages, equity release, lifetime mortgages and home reversions. For the purposes of the Client Agreement, these will be referred to as 'products'.

We will not keep products we have arranged for you under review, but we will advise you upon your request. However, we may contact you in the future by means of an unsolicited promotion (i.e. where you had not expressly requested it) should we wish to discuss the relative merits of a product or a service which we feel may be of interest to you.

SMITH & PINCHING FINANCIAL SERVICES LTD DOES NOT HANDLE CLIENTS' MONEY. We never accept a cheque made payable to us or handle cash (unless it is payment in settlement of charges or disbursements for which we have sent you an invoice).

We offer products from the whole market for investments, pensions, mortgages, equity release, lifetime mortgages and home reversions.

We offer products from a range of insurers for term assurance, critical illness cover, income protection, long term care and private medical care.

We offer products from a limited number of insurers for accident, sickness and unemployment cover and buildings and contents cover.

Please ask us for details of the insurers we use.

We will advise you and make a recommendation to you after we have assessed your needs.

Unless in exceptional circumstances, we will confirm to you in writing the basis or our reason for recommending the transaction executed on your behalf.

We will make arrangements for all your products to be registered in your name unless you first instruct us otherwise in writing. We will forward to you all documents showing ownership of your products as soon as practicable after we receive them; 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.

In providing our services to you, we will categorise you as a retail client. The client category determines the level of protections afforded to you under the regulatory system. As a retail client, the regulatory protections available to you will be the highest possible.

Where we have categorised you other than as a retail client, you may request re-categorisation under a client category which benefits from a higher degree of protection. However, we reserve the right to agree to such a re-categorisation on a case-by-case basis and where we agree to do so it does not necessarily mean that you will have a right of access to the Financial Ombudsman Service.

OBJECTIVES & RESTRICTIONS

Following the issue of this document, any subsequent advice or recommendation offered to you will be based on your stated objectives, acceptable level of risk and any restrictions you wish to place on the types of products you are willing to consider. Details of your stated objectives will be identified during our discussions with you and confirmed in the suitability report that we will issue to you to confirm our recommendation. We will assume that you do not wish to place any restrictions on the advice we give you, unless you confirm to the contrary in writing.

CLIENT RISK

You are advised that stock market fluctuations cause the value of investments to fall as well as rise and you therefore might not get back the full amount invested.

Past performance is not a guide to future performance.

Any advice we give you is based on current government legislation, which could change in the future.

BEST EXECUTION

When we feel that the client is best served by placing particular business with a third party, it is in our clients' interest and our own that we obtain the best possible result when placing orders with other firms for the execution of client orders or when transmitting orders on behalf of clients. We are required by the Financial Services Authority to take all reasonable steps to provide 'best execution' when carrying out such transactions.

When placing orders or transmitting orders on behalf of our clients, we usually utilise the services of a third party broker and base our decision to place or transmit an order on the overall cost of execution of the order and the quality and capability of the third party broker we recommend. An example of such an arrangement would be utilising the services of a stockbroker or portfolio management company to sell part or all of a portfolio of shares.

Full details of our best execution arrangements are provided in our best execution policy, a copy of which is available upon request.

MODE OF COMMUNICATION

Our communications with clients will ordinarily be in English, both in respect of oral and written communications. We will enter into communication with you through whatever means are convenient to you and us, including face-to-face, telephone, email and other acceptable electronic communication methods.

TERMINATION OF AUTHORITY

You or we may terminate 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 the Client Agreement unless agreed otherwise in writing. You will be liable to pay for any transactions made or carried out prior to termination and any fees that may be outstanding.

RIGHT TO WITHDRAW

In the case of a non-packaged product ISA or PEP we have recommended (e.g. a direct equity ISA), we will inform you in writing of any right to withdraw or cancel you may have or, if it is the case, we will inform you in writing that no such rights will apply.

REGULATORY STATUS

Smith & Pinching Financial Services Ltd is authorised and regulated by the Financial Services Authority (FSA). Our FSA register number is 186616.

The FSA can be contacted as follows:

- Write to: 25 The North Colonnade, Canary Wharf, London E14 5HS
- Telephone: 0845 606 1234
- Website: www.fsa.gov.uk

LOANS & OWNERSHIP

Smith & Pinching Financial Services Ltd is a wholly-owned subsidiary of The Smith & Pinching Group Ltd.

CONFLICT OF INTERESTS

Occasions may arise where we or one of our other clients has 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. We will detail the steps we will take to ensure fair treatment.

As a consequence of such potential conflicts of interests arising, we have put arrangements in place to ensure our clients are treated fairly.

We have in place a conflict of interests policy to help us manage such risks, a copy of which is available upon request.

HOW WE CHARGE YOU FOR OUR SERVICES- YOUR PAYMENT OPTIONS

Not all firms charge in the same way. Our income is usually derived from either commission from the product provider, fees paid to us by our clients or a combination of the two. Commission is either included within product charges made by the product provider, or is an additional charge that reduces the initial value of your investment. If you choose to pay us by a combination of these methods, the fee is reduced or offset by the commission that we receive. Investment and insurance business is subject to a different charging structure to mortgage, equity release, lifetime mortgage and home reversion business; the charging structures are given below.

INVESTMENT & INSURANCE BUSINESS

We offer an initial discussion without charge, at which we will describe our services fully and explain the payment options. If you decide to go ahead, we will gather and analyse personal and financial information, together with information regarding your needs, preferences and objectives. We will also recommend and discuss any action we think you should take and, with your agreement, arrange relevant products for you.

If you choose to pay us by fee, we will agree its basis, frequency and method with you in writing before we carry out any work for which we will charge you.

You may ask us for an estimate of how much we might charge in total, but we will not be bound by this. You may also ask us not to exceed a certain amount without checking with you first.

We reserve the right to alter our fees at any point in the future. If this happens, we will inform you in writing at the earliest opportunity. You will be free to withdraw from this agreement without penalty if you do not agree that the revised fee basis is fair or is prohibitively expensive.

If you choose the commission option, we will inform you of the amount in writing before we carry out any transaction on your behalf. The commission we receive will vary according to the following factors:

- Product type
- Amount invested
- Period of investment
- Age when product commences

We may also receive some form of benefit if we introduce business to a product provider or another firm. We will tell you before the transaction if we are likely to receive such a benefit from recommending any product to you, or from working with any product provider or firm.

If you choose the combination of commission and fee option, the actual amounts will depend on the service provided.

We reserve the right to charge you £250 if you decide that you do not want to proceed with a recommendation that we have made. This is in order to cover our initial research and administration costs.

MORTGAGE, EQUITY RELEASE, LIFETIME MORTGAGE & HOME REVERSION BUSINESS

We offer an initial discussion without charge, at which we will describe our services fully and explain the payment structure. If you decide to go ahead, we will charge an obligatory non-refundable fee in order to cover our initial research and administration costs (the 'initial fee').

In regard to mortgage business, the initial fee is £250.

In regard to equity release, lifetime mortgage and home reversion business, the initial fee is £500.

In addition to the initial fee, we will also be entitled to receive further remuneration when a mortgage, equity release, lifetime mortgage or home reversion application completes. This can either be by way of us receiving a procuration fee from the lender/company or a fee paid by you (the 'final fee') – the choice is yours. If you choose to pay us by final fee, the amount will be as follows:

- Mortgage business – 1% of the advance payable when your mortgage completes. For example, if the advance is £100,000, you will pay the initial fee of £250, plus the final fee of £1,000 on completion
- Equity release, lifetime mortgage and home reversion business – 1% of the amount payable when your product completes. For example, if the amount of equity released/advance taken/stake sold is £100,000, you will pay the initial fee of £500, plus the final fee of £1,000 on completion

If you choose to pay us by final fee, we will offset the amount against any procuration fee received from the lender/company.

The obligatory initial fee cannot be offset by the procuration fee and is non-refundable if you pull out or your application is declined.

If your application is declined and we research a new lender/company, we will not charge you another initial fee.

VAT

We are registered for VAT (our VAT registration number is 899856816).

If we charge you a fee, it may attract VAT. Commissions paid to us by insurers and investment houses in relation to products arranged are exempt from VAT.

Your adviser will tell you whether or not you will have to pay VAT on any fee we charge you.

WHAT TO DO IF YOU HAVE A COMPLAINT

If you wish to register a complaint, please contact us as follows:

- Write to: Mr Scott Pinching (the Compliance Officer) at Smith & Pinching Financial Services Ltd, 295 Aylsham Road, Norwich, NR3 2RY
- Telephone: 01603 789966
- Email: info@smith-pinching.co.uk

If you cannot settle your complaint with us, you may be entitled to refer it to the Financial Ombudsman Service.

ARE WE COVERED BY THE FINANCIAL SERVICES COMPENSATION SCHEME (FSCS)?

We are covered by the FSCS. You may be entitled to compensation from the FSCS if we cannot meet our obligations. Compensation depends on the type of business and the circumstances of the claim. Most types of investment business are covered for 100% of the first £30,000 and 90% of the next £20,000, so the maximum compensation is £48,000. The same amounts of compensation are available for most types of mortgages, equity release, lifetime mortgages and home reversions. Regarding non-investment insurance, most types of business are covered for 100% of the first £2,000 and 90% of the remainder of the claim, without any upper limit. Most types of compulsory insurance are covered for 100% of the claim, without any upper limit. Further information is available from the FSCS, whom you can contact as follows:

- Write to: 7th Floor, Lloyds Chambers, Portsoken Street, London, E1 8BN
- Telephone: 020 7892 7300
- Email: enquiries@fscs.org.uk
- Website: www.fscs.org.uk

DATA PROTECTION STATEMENT

The information you have provided is subject to the Data Protection Act 1998 ('the Act').

BY SIGNING THIS CLIENT AGREEMENT YOU CONSENT TO US OR ANY COMPANY ASSOCIATED WITH US (THAT IS, ANY COMPANY WITHIN THE SMITH & PINCHING GROUP LTD, BANKHALL INVESTMENT ASSOCIATES LTD AND ANY SUBSIDIARY COMPANY THEREOF AND PERSONS OR ENTITIES OF ANY NATURE WHATSOEVER WITH WHICH THESE COMPANIES ARE ASSOCIATED OR ALLIED FROM TIME TO TIME) PROCESSING, BOTH MANUALLY AND BY ELECTRONIC MEANS, YOUR PERSONAL DATA FOR THE PURPOSES OF PROVIDING ADVICE, ADMINISTRATION AND MANAGEMENT. IF YOU DO NOT AGREE TO THIS AND DO NOT SIGN THIS CLIENT AGREEMENT, WE CANNOT TRANSACT ANY BUSINESS ON YOUR BEHALF.

'Processing' includes obtaining, recording or holding information or data, transferring it to other companies associated with us, product providers, the FSA 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.

The information provided may also contain sensitive personal data. Whilst the Act has an extensive list of what constitutes sensitive personal data, any information we might require and might be obliged to pass on to other companies is likely to be confined to your physical or mental health or condition, any offence committed or alleged to have been committed 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 sexual life.

We may also contact you or pass your details to other companies associated with us to contact you (including by telephone) with details of any other similar products, promotions, or for related marketing purposes in which we think you may be interested. **BY TICKING THE BOX BELOW, YOU WILL INDICATE YOUR AGREEMENT THAT WE, OR ANY COMPANY ASSOCIATED WITH US, MAY CONTACT YOU FOR MARKETING PURPOSES.**

PLEASE TICK THIS BOX IF YOU DO WANT US, OR ANY COMPANY ASSOCIATED WITH US, TO CONTACT YOU FOR MARKETING PURPOSES BY EMAIL, TELEPHONE, POST OR TEXT MESSAGE.

If at any time you want us or any company associated with us to cease processing your personal data or sensitive personal data, or contacting you for marketing purposes, please contact The Data Protection Officer, Mr Scott Pinching, on the telephone number or address given above.

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 legitimate purposes. 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, 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.

For our joint protection, telephone calls may be monitored and/or recorded.

TREATING CUSTOMERS FAIRLY STATEMENT

Treating Customers Fairly (TCF) is a key FSA objective and is central to their regulatory agenda of ensuring an efficient and effective market. Our business would not exist without our customers and so ensuring their fair treatment is foremost in our considerations. To this end, we adhere to the FSA's six 'consumer outcomes', which are listed below:

- **CONSUMERS CAN BE CONFIDENT THAT THEY ARE DEALING WITH FIRMS WHERE THE FAIR TREATMENT OF THEIR CUSTOMERS IS CENTRAL TO THE CORPORATE CULTURE.** This means that every aspect of our business has been analysed from a TCF standpoint and we have ensured that all members of staff are aware of the concept and their responsibilities. We put your interests first and provide you with a fair deal; we ensure you receive a professional service of the standard you would expect from competent staff
- **PRODUCTS AND SERVICES MARKETED AND SOLD IN THE RETAIL MARKET HAVE BEEN DESIGNED TO MEET THE NEEDS OF IDENTIFIED CONSUMER GROUPS AND ARE TARGETED ACCORDINGLY.** This means that you can be confident that the products we advise on and arrange for you are appropriate to your specific needs
- **CONSUMERS ARE PROVIDED WITH CLEAR INFORMATION AND ARE KEPT APPROPRIATELY INFORMED BEFORE, DURING AND AFTER THE POINT OF SALE.** This means that we will communicate with you at all points of the advice process in a way that is clear, fair and not misleading. If, at the end of the process, you are not happy with our advice and recommendation, you are under no obligation to accept the advice we offer
- **WHERE CONSUMERS RECEIVE ADVICE, THE ADVICE IS SUITABLE AND TAKES ACCOUNT OF THEIR CIRCUMSTANCES.** This means that we will not advise on and arrange a product that is not suitable for you as an individual. We will not recommend any product that is in our interest to arrange, as opposed to being in your interest to enter into
- **CONSUMERS ARE PROVIDED WITH PRODUCTS THAT PERFORM AS FIRMS HAVE LED THEM TO EXPECT, AND THE ASSOCIATED SERVICE IS BOTH OF AN ACCEPTABLE STANDARD AND ALSO AS THEY HAVE BEEN LED TO EXPECT.** This means that our communications with you will explain clearly the product features, why the product is suitable and the risks of the product
- **CONSUMERS DO NOT FACE UNREASONABLE POST-SALE BARRIERS IMPOSED BY FIRMS TO CHANGE PRODUCT, SWITCH PROVIDER, SUBMIT A CLAIM OR MAKE A COMPLAINT.** This means that our responsibilities do not end with the completion of the advice process. If you decide that the product, provider or fund is unsuitable for you, we will take your views into consideration and will facilitate a change. In addition, you are within your rights to complain about any aspect of the advice process and anything we have done or failed to do. Your complaint can be verbal or written and does not have to be justified

CLIENT CONSENT

I understand and agree to the terms of this Client Agreement and I hereby authorise the transfer of information, as described above on a confidential basis when warranted between such third parties. I agree that the Client Agreement will come into effect from the date of issue below.

Client Name	
Client Signature	

Client Name	
Client Signature	

Adviser Name	
Adviser Signature	

Date Issued	
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