

Client Proposition

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.

Meridian Financial Management 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, pensions and non-investment insurance contracts. We offer you an initial discussion (without charge) at which we will describe our services more fully and explain the payment options. Following our initial discussion, should you decide to go ahead there is a cost for our advice and services.

Full details of what is included in each of our services are provided in our **Client Services Brochure**.

2. Our Service

The services that you have selected and the charges for those services are confirmed in our Client Fee Agreement which will be agreed by you before we commence our advice. We will 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.

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 6 – Cancellation below.

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.

Investment Planning

We provide an **independent advice** service. This means that we will make a recommendation for you after we have assessed your needs. Our recommendation will be based on a comprehensive and fair analysis of the market.

Report Fees

When we provide formal advice to you it will be detailed in a recommendation report. Before we proceed with the research and construction of the advice we will require an agreement signed for you to agree to pay the relevant report fee. The report fee will only be charged if you do not proceed with our advice, or the relevant implementation fee for the advice comes in lower than the report fee itself. If you proceed with advice and the relevant implementation fee is higher than the report fee then the report fee will be waived.

Report Type	Report Fee
<p>Overview/Holistic Financial Planning Report</p> <p>This would include a full review of financial situation/ fixed protection advice/ tax planning/ pension headroom planning</p>	£999
<p>Review of Current Investments / Pensions Report</p> <p>This would provide full analysis and recommendations on your current investment products and/or pensions</p>	£499
<p>Research Lump-Sum / Regular Investment Report</p> <p>This would provide advice on a new lump-sum and/or regular investment</p>	£299
<p>Report not covered by Ongoing Service</p> <p>This would provide a recommendation on your financial planning which is not part of our ongoing service</p>	£299 minimum

There is **no** Report Fee for Pure Protection Advice (non-investment insurance) as the cost of this advice is met from the commission payable by the product provider which will be disclosed fully to you in the Key Features Document provided prior to any sale.

Implementation Fees

Our implementation fees charged for investment/pension advice is based on a percentage of the total sum invested/transferred. The tiered charging structure is shown below:

Investment/Transfer Sum	£0 - £50,000	£50,000 - £150,000	£150,000 +
Implementation Fee	4%	3%	2%

The implementation of the below financial services carry a different charging structure:

Pension Drawdown Commencement	2% (after tax-free lump sum is taken)
Establish New Annuity	2% (after tax-free lump sum is taken)
Establish Regular Pension/Savings Plan	15% of first year's premiums (subject to £299 minimum fee)
Placing an investment/protection policy in trust	£99 per product/plan
Arrange New Personal Protection Policy	Provider will pay commission as per Key Features Illustration

Any procuration fee that we may be entitled to receive (where applicable) will be stated in the Provider's own quotation which will be issued to you prior to completion.

Examples

All figures quoted below are purely for example purposes.

Client A – wishes to transfer a pension valued at £45,000 and invest a lump-sum of £10,000

Agreed Report Fee = £499 (Review of Current Investments Report)

Implementation Fee = £1,650 (3% of £55,000 as per the tiered charging structure shown above)

Fee payable = £1,650 – Note that the Report fee would be waived completely as the implementation fee is higher than the report fee

Client B – wishes to invest a lump-sum of £5,000

Agreed Report Fee = £299 (Research Lump-Sum Investment Report)

Implementation Fee = £200 (4% of £5,000 as per the tiered charging structure shown above)

Fee payable = £299 – because the implementation fee is less than the report fee only the report fee is payable.

Client C – wishes to transfer their pension valued at £220,000 and commence Drawdown immediately. They also would like to re-invest the tax-free lump-sum received

Agreed Report Fee = £499 (Review of Current Investments Report)

Implementation Fee = £3,600*

£180,000 pension is transferred and 25% (£45,000) is paid out immediately as the drawdown pension commencement lump-sum. This leaves £135,000 pension funds being invested. The £45,000 lump-sum received is re-invested giving a total invested amount of £180,000, meaning 2% is payable, as per the tiered charging structure shown above

Fee payable = £3,600 – Note that the Report fee would be waived completely as the implementation fee is higher than the report fee

Client D – wishes to set-up a regular investment of £200 per month

Agreed Report Fee = £299 (Review of Current Investments Report)

Implementation Fee = £360 (15% of the first year's premiums totalling £2,400)

Fee payable = £360 – Note that the Report fee would be waived completely as the implementation fee is higher than the report fee.

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 Bank 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.

Where you invest in a **regular contribution contract** (where contributions are made on a monthly, quarterly or annual basis), you can choose to have our charge deducted from the product in instalments (where the product / platform provider is able to offer this facility). Our normal approach will be for the payment to be spread over a maximum of 12 months. **Exact details will be confirmed in writing with you.**

Paying for our services with a regular contribution

Example:

We typically take our initial service charge from the first 12 monthly payments you make to your product. The example below shows how this works for a £300 per month savings product:

- Total cost of our initial service to set up the product is **£540**. The payment is taken over the initial 12 month period, so we divide the total advice cost by 12. The monthly charge for the first 12 months is therefore **£540 divided by 12 = £45**.
- Each month you pay your premium for the product of **£300**. Each month for the first 12 months your product provider pays us **£45** of that £300 and **£255** is invested.

Where you are paying our charge by instalments, if the regular contributions to your plan are cancelled before the charge has been paid in full, we reserve the right to request full payment of any outstanding balance of the charges for our services.

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. The charge for this service will commence once the investments have been set-up under our management and the fee will be payable monthly/quarterly - taken as a % of funds under management.

We offer **three levels of ongoing service**. Full details of what is included in each of these services are available in our **Client Services Brochure**. The three levels of service are detailed below:

Client Classification	Standard Client	Gold Service	Platinum Service
Fee Applicable	No Fee Applicable	1.0% per annum Minimum Annual Fee = £500	0.5% per annum Minimum Annual Fee = £1,000
Description of Ongoing Service	No ongoing service applied. Review of investments and alterations to policies would be subject to our fee agreement	This service gives you a face-to-face review with your adviser once a year and a review of your investments.	This holistic service gives you the option of 2 face-to-face reviews per year and unlimited access to information and fund switches.

Please see our Client Services Brochure for details of our ongoing service proposition if full.

Please Note:

- The amount of our annual ongoing charges may increase as the size of your fund grows.
- In some circumstances we may receive ongoing payments (commission) from product providers relating to existing investments you hold. Such payments may be taken into account when determining the charges for ongoing services. We will discuss and agree this with you where relevant.

Paying our Ongoing Charges

Payment of ongoing charges can be made 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. If your provider will not offer this facility then we will invoice you on an annual basis, in advance, for the ongoing service fee.

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.

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. We advise on non-investment protection products e.g. term assurance, income protection and critical illness from a range of insurers.

Our advised protection services are charged through commission payable by the protection provider.

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 sent to you by the life insurance company.

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. 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 services provided 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.

7. How you are protected

Meridian Financial Management Ltd 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 **738523**. 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 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:

Adam Brookbanks

Meridian Financial Management

67 Poole Road, Westbourne, Bournemouth, BH4 9BA

By phone: +44 (0) 1202 007967

By e-mail: info@meridian-financial.co.uk

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.**

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.

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.

8. 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

Our services may also include advice on investments relating to, or executing transactions in unregulated financial products including non-mainstream pooled investments such as unregulated collective investment schemes (UCIS). Accordingly, you should carefully consider whether such investments are suitable for you in light of your personal circumstances and the financial resources available to you.

Insurance Related

Providing Information to your Insurer

Your insurance / 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. For general insurance policies such as car insurance or liability insurance, once cover has been arranged, you must immediately notify the insurers or us of any changes to the information that you have already provided. Failure to provide accurate and up to date information may invalidate your insurance cover and mean that a claim may not be paid.

Where you are buying insurance on a business/commercial basis you must ensure that you provide a 'fair presentation of risk' to the insurer. This means disclosing all matters that you know, or ought to know, would influence the insurers decision on offering cover or terms. You should, at least provide sufficient information to alert the insurer to make further enquiries about circumstances that may be material to the risk. Failure to disclose relevant information may invalidate the insurance and result in a claim not being paid.

MERIDIAN

Financial Management Ltd

This Client Agreement should be read in conjunction with the Client Services Agreement which details our Ongoing Service Proposition.

If you have any questions or are unsure of anything please contact our office or your adviser.

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