

## Client Agreement for Investment and Insurances

### Authorisation Statement

J.M. Glendinning Financial Services Limited is authorised and regulated by the Financial Conduct Authority (802997). The Financial Conduct Authority (FCA) regulates financial services in the UK and you can check J.M. Glendinning Financial Services Limited's authorisation and permitted activities 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.

### Our services

J.M. Glendinning Financial Services Limited 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 will 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 and critical illness from a range of insurers.
- For **Non-investment protection contracts** we provide advice and will make our recommendation after considering a range of insurers for term assurance, income protection, critical illness.
- For **general insurance contracts** we provide advice and will make our recommendation after considering a range of insurers for private medical insurance.

We offer you an initial discussion (at our expense) at which we will describe our services more fully and explain the payment options. If you decide to go ahead, we will:

- Gather and analyse personal financial information about you and your aims and objectives;
- Recommend and discuss any action we think you should take and, with your agreement, arrange relevant solutions for you.

**You should be aware that investments carry varying degrees of risk and as their underlying value can fall as well as rise you may not get back the full amount invested.**

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J M Glendinning Financial Services Limited is authorised and regulated by the  
Financial Conduct Authority. Financial Services Register No. 802997

## **Your aims and objectives**

Unless we notify you in writing to the contrary, we will be treating you as a “retail client” for investment business. This means that you are afforded the highest level of protection under the regulatory system and in most cases should have the right to take any complaint to the Financial Ombudsman 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.

With very few exceptions, we will confirm to you in writing the basis of our recommendations along with details of any special risks associated with the products recommended.

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 conclusion of any contract.

We will issue any documentation/recommendations and any other communication to you in English (unless agreed otherwise).

We may also, on occasion, advise on other financial products which are not regulated by the FCA under the Financial Services and Markets Act 2000. The Financial Services Compensation Scheme does not apply to any of these products.

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.

## **Our Ethical Policy**

We are committed to providing the highest standard of financial advice and service possible. The interest of our clients is paramount to us and to achieve this we have designed our systems and procedures to place you at the heart of our business. In doing so, 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;

## **Our Investment Services and Costs**

We provide you with an initial consultation at our expense. This helps us to understand your financial objectives and will confirm how we can support you in working towards these. We will also discuss the cost, and levels, of our services both initially and throughout our relationship with you.

We charge our services by way of a fee, which may also be expressed as an adviser charge. With the exception of our services for advising on and implementing regular premium plans, which are hourly based costs, these fees/adviser charges are based on a percentage of the amount you invest but will be subject to a minimum monetary amount.

## 1. Financial Review and Recommendation (including structured deposits)

This can be a continuation from the initial discussion where agreed, or a further appointment. This process covers the:

- Gathering of information about your existing financial arrangements and full personal circumstances;
- Understanding of your investment knowledge and attitude and tolerance towards investment risk and your capacity for loss;
- Recommendation of an asset allocation model that matches your risk profile and the subsequent assessment and suitability of any existing holdings;
- Preparation of our recommendations to you;
- Arranging of a second appointment to explain and discuss our recommendations in detail.

Our charge for this service is a **fixed fee as noted below**. It is payable on provision of the report containing our recommendations to you.

- **Investment Advice- £1,500.**
- **Retirement Planning - £1,500 to incorporate one plan (£500 per additional plan).**
- **Final Salary (Defined Benefit) scheme transfer advice – a fixed fee of £2,000 per Defined Benefit Scheme reviewed.**

## 2. Policy Arrangement & Implementation – Lump Sum Investments & Pension Transfers

Should you instruct us to proceed with any of our recommendations we will act for you in the following ways:

- Handle all fund and policy administration on your behalf;
- Provide regular updates to keep you informed of progress;
- Ensure all your documents are issued in line with your expectations;
- Provide confirmation of all actions taken on your behalf in writing.

Our charge for this service is 'tiered' as follows:

- **For the first £500,000 - 1% of the amount you invest and/or transfer**
- **For the next £500,000 - 0.5% of the amount you invest and/or transfer**
- **For any excess over £1m – 0.25% of the amount you invest and/or transfer**

Where the exact amount being invested is unknown (for example the transfer of personal pension plans where the value may change between application and transfer date) these fees will be based on an estimate and will be the fixed amount quoted in the suitability report.

This payment can either be taken from your investment upon receipt by the policy provider or paid directly by you, or a combination of the two.

Example 1; if we arrange an investment on your behalf for £150,000 our Policy Arrangement & Implementation fee would be £1,500. The Financial Review & Recommendation fee will be £1,500 (£2,000 if defined benefits transfer). The total fee payable would be £3,000 (£3,500 if defined benefits transfer).

Example 2; if we arrange and implement investments on your behalf for £750,000 our Policy Arrangement & Implementation fee would be £6,250. The Financial Review & Recommendation fee will be £1,500 (£2,000 if defined benefits transfer). The total fee payable would be £7,750 (£8,250 if defined benefits transfer).

**3. General Financial Planning Advice not covered by Sections 1. and 2. Examples of this would be advice and implementation on regular premium savings and investments, advice on Trusts, Estate Planning and one off Investment Reviews.**

Our charges are **£175 per hour for advisory time and £75 per hour for administrators time** based on the amount of time it takes, we will provide you with an estimate of how many hours we expect this to take and we will not exceed this without checking with you first.

For example, if we anticipate that the advice would take 3 hours of the adviser's time and 1.5 hours of the administrator's time; this would give a total fee of £637.50.

We will issue an invoice within 7 days of your investment plan going live.

Should you instruct us to proceed with any of our recommendations we will act for you in the following ways:

- Provide written recommendations, where appropriate;
- Handle all fund and policy administration on your behalf;
- Provide regular updates to keep you informed of progress;
- Ensure all your documents are issued in line with your expectations;
- Provide confirmation of all actions taken on your behalf in writing.

The fee will be payable by you on receipt of the invoice. Payment must be made in full within 14 days of issue.

**4. On-going Reviews and Changes to Existing Investments**

We will discuss the full range of our on-going services during our initial consultation. These services include, but are not limited to, providing you with:

- Structured reviews to give you peace of mind;
- An assessment of your circumstances and any changes to your plans that are needed;
- Regular updates and information regarding your holdings;
- A choice of differing levels of support depending on your needs;
- On-going support with correspondence and administration issues.

Details of these different levels of services are contained in our Terms of Engagement. We will agree separately the level of on-going services at the time of, or prior to, making our recommendation(s) to you. Typically our costs range from 0.5% to 1% per annum and are based on the value of your investment(s) under our influence at the relevant date which will typically be paid either monthly, quarterly, half yearly or yearly, pro-rata in arrears.

The charges listed above can be deducted from your investments or paid directly by you.

It should be noted that if you choose any of our on-going management services they are subject to a minimum fee per month. Examples are provided in our Terms of Engagement document.

- **Partner service (based on value of assets under our influence)**  
If the **total** value is under £500,000 - 1% per annum (**subject to a minimum monthly equivalent of £250**)  
If the **total** value exceeds £500,000 – 0.75% per annum (**subject to a minimum monthly equivalent of £416.66**)
- **Proactive service (based on value of assets under our influence)**  
If the **total** value is under £250,000 – 0.75% per annum (**subject to a minimum monthly equivalent of £60.00**)  
If the **total** value exceeds £250,000 – 0.50% per annum (**subject to a minimum monthly equivalent of £156.25**)
- **Portfolio Performance Review service (based on value of assets under our influence)**  
If the **total** value is under £250,000 – 0.50% per annum (**subject to a minimum monthly equivalent of £20**).  
If the **total** value exceeds £250,000 - we will offer the Proactive service at 0.5% per annum at the next review (**subject to a minimum monthly equivalent of £156.25**). Alternatively you may choose to remain in the Portfolio Review Service

Where there are co-habiting partners and it is agreed that the review meeting will be held at the same time, the assets under our influence can be combined to calculate the appropriate fee.

If you wish to pay us the fee directly instead of the provider facilitating the fee, you can pay the fee annually or spread the payment over a 12 month period, and we can arrange for a standing order to be set up on a monthly basis at 1/12 of the fee agreed. We can also facilitate part of the payment. In this instance the agreed monthly fee will be based on the cost of the service selected above and payable monthly until the plan is reviewed. At the plan review (as covered in our client service agreement) we will recalculate the fees based on the plan value, and these could go up or down for the following year depending on the value of the investable assets under our influence.

Where we agree to provide on-going services you can cancel this at any time by providing us with written confirmation of your decision. Payments would then cease within 7 business days or after collection of any due proportion of any period charged if later. The charges listed above can be deducted from your investments or paid directly by you.

### **Our Protection Services and Costs**

Similar to our investment services above, we will provide you with a personal and financial review prior to making our recommendation(s) to you. Should you accept our recommendation(s) we will arrange the implementation of this/these for you. The reasons for our recommendations will also be provided to you in a written report.

We do not charge a fee for our insurance and protection services as we will normally receive commission from the policy provider. You will not be subject to VAT for this service.

### **VAT**

Under current legislation most of our services are unlikely to be 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. In general terms you will normally have a 30 day cancellation period for a life, pure protection, payment protection or pension policy and a 14 day cancellation period for all other policies.

For pure protection policies the start of the cancellation period will normally begin when you are informed that the contract has been concluded or, if later, when you have received the contractual terms and conditions. In other cases, the cancellation period will begin on the day the contract is concluded or, if later, the day on which you receive the contractual terms and conditions. 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.

## **Client money**

J.M. Glendinning Financial Services Limited is not permitted to handle client money 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) or handle cash.

## **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 or by email, to aid clarification and avoid future misunderstandings. We will, however, accept oral instructions provided they are confirmed in writing.

## **Material Interest**

We will act honestly, fairly and professionally known as conducting business in 'Client's best interest' regulations. Occasionally situations 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.

## **Complaints**

If you wish to register a complaint, please write to J.M. Glendinning Financial Services Limited, Elmwood House, Ghyll Royd, Guiseley, LS20 9LT or telephone 01943876631.

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 at [financial-ombudsman.org.uk](http://financial-ombudsman.org.uk) or by contacting them on 08000234567.

## **Compensation Scheme**

If you make a complaint and we are unable to meet our liabilities, you may be entitled to compensation from the Financial Services Compensation Scheme. For investment business you will be covered up to a maximum of £50,000.

Further information about these amounts and limits for all other product types are available from the FSCS at <http://www.fscs.org.uk/what-we-cover/products>.

## **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.

## **Force Majeure**

J.M. Glendinning Financial Services Limited shall not be in breach of this Agreement and shall not incur any liability to you if there is any failure to perform its duties due to any circumstances reasonably beyond its control.

## **Termination**

The authority to act on your behalf may be terminated at any time without penalty by either party giving thirty 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.

**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 them. If you do not understand any point, please ask for further information.

**I/We are aware of the costs of the Financial Review and Recommendation(s), and where appropriate, the Policy Arrangement and Implementation services and agree to the method and timing of these.**

**My/ our preferred method of paying these costs is (please tick as appropriate);**

By deduction from the plan(s). <b>Please note, this is not an option in the following circumstances</b> <ul style="list-style-type: none"><li>• Stand-alone regular premium policies</li><li>• Where there is no existing or new plan available to facilitate payment of our fees</li></ul>	
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You should note that when paid through the plan(s) it may reduce your personal tax threshold(s) and/or exemption levels. Where this happens we will discuss it with you and confirm it in your personal recommendation report.

By direct payment from ourselves	
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By a combination of a direct payment from ourselves and from the policy <b>Please note, this is not an option in the following circumstances</b> <ul style="list-style-type: none"><li>• Stand-alone regular premium policies</li><li>• Where there is no existing or new plan available to facilitate payment of our fees</li></ul>	
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Client 1 Name	<input type="text"/>	Client 2 Name	<input type="text"/>
Client Signature	<input type="text"/>	Client 2 Signature	<input type="text"/>
Date	<input type="text"/>	Date	<input type="text"/>

Signed on behalf of J.M. Glendinning F.S. Limited

Name	<input type="text"/>
Date of Issue	<input type="text"/>

**NB: In relation to your chosen level of on-going service this will be agreed separately within our Terms of Engagement document.**