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Client Agreement

Our Status:

Acorn Financial Planners Ltd is authorised and regulated by the Financial Services Authority. FSA number 223158.

You can check this on the FSA's Register by visiting the FSA's website: www.fsa.gov.uk/register or by contacting the FSA on 0845 606 1234

Our Commitment to You:

Prior to providing you with any advice we will take time to understand your current needs, circumstances and attitude to risk. We are independent and provide impartial advice, when we make recommendations we have your best interests in mind. Any advice provided will be confirmed to you in writing.

Client Classification:

Acorn Financial Planners Ltd classifies all clients as 'retail clients' for investment business and 'consumers' for non-investment insurance business, which means you are afforded all protections under the rules of the Financial Services Authority (FSA). Should you wish to be classified differently for investment business, please discuss this with your adviser. Your adviser will inform you should your circumstances dictate that we would need to classify you differently for non-investment insurance business.

Please note that should you wish to be considered as a different category of customer for investment business, such as a professional client or eligible counterparty you must inform us in writing. We will provide you with a new client agreement and you may lose a number of protections which will be outlined in that new agreement.

Methods of Communication:

Unless you advise us otherwise, we will communicate with you via the following methods of communication, Face to Face, E-mail, Telephone, Text Message, Letter & Fax. Please note that all our communications and documents will be provided to you in English.

Investment and Non-Investment Insurance Services:

Acorn Financial Planners Ltd is permitted to advise on and arrange (bring about) deals in investments and non-investment insurance contracts.

With regard to the investment contracts that we have arranged for you, an on-going service will be provided. The level of on-going service you will be entitled to, will be determined each year by the value of the investment income we have received.

With regard to the non-investment insurance contracts which we have arranged for you, these will not be kept under review, but we will advise you upon your request.

Acorn Financial Planners Ltd does not handle clients' money. We never accept a cheque made out to us (unless it is a cheque in settlement of charges or disbursements for which we have sent you an invoice) or handle cash.

Scope of Advice:

Investment:

We offer products from the whole of market.

Non-Investment Insurance:

We offer products from a range of insurers on the basis of a fair analysis of the market, for example; for Term Assurance, Critical Illness, Permanent Health Insurance, Building & Contents Insurance.

Conflicts of Interest:

Acorn Financial Planners Ltd offers advice in accordance with that disclosed to you in this agreement and your initial disclosure document. Occasions may arise where we or one of our other clients 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.

Best Execution

It is our policy to transact your business in order to achieve the best possible results in terms of the nature and price of the products selected, transaction charges, administration and service excellence. Further details of our policy regarding this will be provided to you separately.

Data Protection:

For details of our Data Protection statement and policy, please see our separate Data Protection Statement and consent form that will be provided separately to you.

Payment For Services:

Acorn Financial Planners Ltd offers you an initial meeting to understand in broad terms; your needs and objectives and to agree with you that our services are right for you going forward. This meeting usually lasts for around an hour, the cost of which is met by our firm.

Thereafter, as a professional firm we charge fees for our investment advice and services, these are described below and will be agreed with you before we proceed. Non-investment insurance will be paid for through commission from the product provider.

All fees will be agreed via a separate fee agreement, prior to the commencement of any chargeable work. Our firm does not charge VAT.

Investment:

Paying by Fee:

If you buy a financial product you will pay us a fee for our advice and services, but if you do not buy a financial product, you will not have to pay us anything. If we also receive commission from the product provider when you buy a product, we will pass on the full value of that commission to you in one or more ways. For example, we could reduce our fee; or reduce your product charges; or increase your investment amount; or refund the commission to you.

Paying Fees by Commission Off-set (through product charges)

If you buy an investment product, and you elect for our fee to be paid in full or part through the receipt of commission/adviser charging applied to the investment by the product provider. Please be aware that although, you are not writing a cheque for the full amount of our fee, you still pay us indirectly through product charges. Product charges pay for the product provider's own costs and any commission/adviser charge. These charges will serve to reduce the amount left for investment.

The amount of commission available for offsetting against our fee will vary and will depend on the amount you invest and (sometimes) how long you invest or your age. We will tell you how much the commission will be before you complete an investment, but you may ask for this information earlier.

Transactional Advice:

The transactional services, which we provide incorporate a financial review in order to understand and agree with you, your needs and objectives based on a comprehensive review of your current financial position. Risk analysis and research of the market place to ensure that the most appropriate product and provider is recommended. We will arrange the investment and will forward any policy document(s) to you. All our advice will be confirmed in writing.

Lump Sum Investments:

In respect of any lump sum investment our typical charge will be 3% the amount invested subject to a minimum £250 per transactional review, plus an on-going charge of 1% p.a.

For example:

If you invested the following amounts into an Investment or Pension Product including an Annuity, our typical fee will be:-

- £15,000 invested = £450 fee plus £150* in year 1

* The actual amounts of the on-going charge will vary in line with your fund value.

Please note that for investments in excess of £100,000 our fees would be agreed on an individual basis.

Regular Premium Investments:

In respect of any regular premium investment, our typical fee will be 10% of the first year's annualized premium, subject to a minimum £250 per transactional review, plus an on-going charge of 1% p.a.

For example:

If you invested the following amounts into an Investment, Pension Product or Whole of Life product our typical fee will be:-

- £150 p.m. invested = £250 fee plus £18* in year 1 and £36* in year 2
- £300 p.m. invested = £360 fee plus £36* in year 1 and £72* in year 2

* The actual amounts of the on-going charge will vary in line with your fund value.

Please note that for regular premiums in excess of £1,500 p.m. our fees would be agreed on an individual basis.

Please note that the above fees are for guidance only. You may be asked to pay more or less depending on our assessment of the work involved.

Review Advice:

Any trail commission payment that we receive from your retail investment arrangements will be retained and used to provide an on-going service.

The level of on-going service you will be entitled to, will be determined each year by the value of the investment income we have received in the preceding 12 months.

The matrix shown on the following page describes the on-going service, which will be provided for each investment income level:

On-going Service Matrix	
Annual Trail Commission Receipts from your Retail Investments:	Service Standard:
Below £10 p.a.	<p>We will provide a retail investment portfolio valuation and breakdown upon request.</p> <p>We will write to you annually, to remind you that a retail investment review is due.</p>
£10 p.a. and £299 p.a.	<p>Portfolio Risk Analysis – Telephone Based</p> <p>We will provide you with an annual total valuation of your retail investment portfolio.</p> <p>We will write to you annually to remind you that a retail investment review is due, and will request that you complete our short questionnaire to up-date your risk profile.</p> <p>Following the receipt of your completed risk questionnaire, we will assess the risk rating of your existing investments and make fund switching recommendations as appropriate. The review findings will be confirmed by telephone with a follow-up letter.</p>
£300 p.a. and £749 p.a.	<p>Full Financial Review – Personal Meeting</p> <p>You will have unlimited telephone and e-mail access to a designated financial adviser.</p> <p>We will provide you with an annual total valuation of your retail investment portfolio.</p> <p>We will write to you annually, to remind you that an investment review is due, and will request that you complete our short questionnaire to up-date your risk profile.</p> <p>On receipt of your completed risk questionnaire, we will arrange to conduct a full financial review of your current arrangements, requirements, objectives and goals.</p> <p>Your designated financial adviser will discuss his review findings with you in person, at a time and location of your convenience. We will then confirm our advice in writing and provide either a letter of confirmation or a report of our recommendations, as appropriate.</p>
Over £750 p.a.	<p>Bespoke Service:</p>

	<p>A full financial review on a face-to-face meeting will be provided on an at least an annual basis, although, we can arrange for more frequent reviews to be undertaken should these be required.</p> <p>We will provide you with a valuation and full breakdown of your retail investment portfolio on an annual basis and at any time upon your request.</p> <p>We will give you the opportunity of up-dating your risk profile prior to each review, and although, we would prefer to be in receipt of an up-dated risk questionnaire, should you decline this offer, we will still conduct the review of your retail investment portfolio based on your last confirmed details and confirm our review finding to you in writing.</p> <p>You will have unlimited access to a designated financial adviser.</p>
	<p>Subject to a minimum income of £1,000 p.a. we will agree our terms of service including our review costs on an individual basis tailored to your bespoke requirements.</p>

The review invite letters that we issue will confirm the level of service, which you are eligible to receive, based on the trail income received from your investments during the preceding 12 months.

You will also be offered the opportunity to up-grade the service level i.e. from a telephone based review to a full financial review and personal meeting, however, this will be subject to an additional fee, in order to meet the qualifying income requirements for the increased service band. At your request, we will be pleased to confirm the amount which will be invoiced should an increased level of service be required.

Other than for Bespoke Service clients, if you do not contact us within one calendar month of receiving the annual review invite letter, we will assume that you do not wish to take up our offer a review and as such, we will not offer to review your financial arrangements for a further 12 months from the date of our letter.

Ad-hoc Work:

For work that falls outside the above on-going service terms, ad-hoc advice and assistance is always available and will be charged at an hourly rate. Additional work will only be completed upon your specific request and we will ask that you set the scope of the review work to be undertaken.

Our typical charges are based on a universal rate of £150 per hour for all planning, research, reports and administration work.

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. We can agree a fixed fee for the work we do by individual negotiation.

Non-Investment Insurance:

Payment for our advice and services can be made through Commission. You will receive a Client Specific Illustration, which will detail any other fees relating to your particular insurance policy.

Other Benefits We May Receive:

We advise on a range of products from a variety of firms, some of these firms provide us with training and study support, which allows us to offer you a better service. This year we expect to receive in total 20 hours worth of training from Aviva, Scottish Life and Zurich, predominantly from Zurich. Some of the cost of training may be passed to you, as part of the overall charges you pay should you chose a product provided by Aviva, Scottish Life or Zurich. Further information regarding these arrangements is available on request.

Parmenion Capital Partners LLP provides us with specialised software including the provision of a risk profiling questionnaire and asset allocation process, along with accompanying 10 hours' worth of training per annum. We use this software in processing your details when you apply for an investment product. Some of the cost of this software may be passed on to you as part of the total charges you pay Parmenion Capital Partners LLP firm. Further information regarding this arrangement is available on request.

General:

Please note that there is the possibility that other costs, including taxes, could be incurred related to transactions in connection with investment business that are not paid via the firm or imposed by it.

For certain transactions that we recommend to you, Acorn Financial Planners Ltd will accrue a notional entitlement under a Discretionary settlement. The value of this entitlement does not impact on the overall charges applied to your investment, and the actual cost to you will be disclosed as required by the Financial Services Authority.

In addition to the above, for certain transactions that we recommend to you, we will also receive a royalty payment from the provider as part of the annual management charge. This payment will be made on an annual basis and again will not affect the charges applied to your contract as disclosed to you at the point of application. We will be happy to provide you with details of the payments as they relate to your investment should you request these.

Complaints:

If you wish to register a complaint, please contact us in writing at the above address or telephone us on 01352 759 979.

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

Compensation Arrangements:

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

Investment:

Most types of investment business are covered for 100% of the first £50,000, so the maximum compensation is £50,000.

Insurance:

Insurance advising and arranging is covered for 90% of the claim with no upper limit.

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

Accounting to You:

We will forward to you all documents showing ownership of your investments 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.

Anti-Money Laundering Verification Checks:

Under the Anti-Money Laundering Regulations, we are required to obtain sufficient evidence to verify the identity and address for all parties to each transaction, before a business relationship can be entered into; this includes the giving of advice, acting on your behalf and processing an application.

Electronic data sources can provide a wide range of confirmatory material, although a search for identity verification for anti-money laundering purposes does not require your permission, you should be aware that such a check may take place. We may also ask you to provide further documents to confirm your identity and address.

We reserve the right to delay an application until sufficient verification evidence has been provided. Records of the checks undertaken will be retained on file whether or not an application proceeds.

Termination of our Services:

You or we may terminate our authority to act on your behalf at any time. You will be liable to pay for any advice or services that you have received prior to the date of termination. This means that where we have agreed the advice and services that we will provide for you and we have agreed to receive payment for these, either by means of a fee or by receiving commission from a provider, you will have to pay us for any work we have completed up to the date of termination.

Your Consent:

This is our standard client agreement on which we intend to rely. For your own benefit and protection, please read these terms carefully and feel free to ask any questions, before signing this document. I/We agree that the Client Agreement will come into effect from the date of issue.

Date of issue/Receipt: _____
Customer Name(s) _____
Customer Signature(s) _____