



**First  
Service  
Financial**

## **Client Agreement**

First Service Financial Limited

204 Ashby Road, Loughborough,  
Leicestershire, LE11 3AG

01509 438321

[advice@firstservicefinancial.co.uk](mailto:advice@firstservicefinancial.co.uk)

[www.firstservicefinancial.co.uk](http://www.firstservicefinancial.co.uk)

*First Service Financial Ltd is authorised & regulated by the Financial Conduct Authority*

## Your Understanding

It is important that you read this document carefully. If there is anything you do not understand, please contact us immediately for an explanation. You indicate that you have read and understand all aspects of this document by signing the Declaration at the end.

## Our Charges

The way we are paid for our services may depend on the type of advice given. Typically, this will be:

- **Investment Business:** fees agreed and paid by you; *and*
- **Insurance Business:** fees agreed and paid by you or commission payable by the insurance provider, which is a percentage of the total annual premium.

Our charges fall into the following categories:

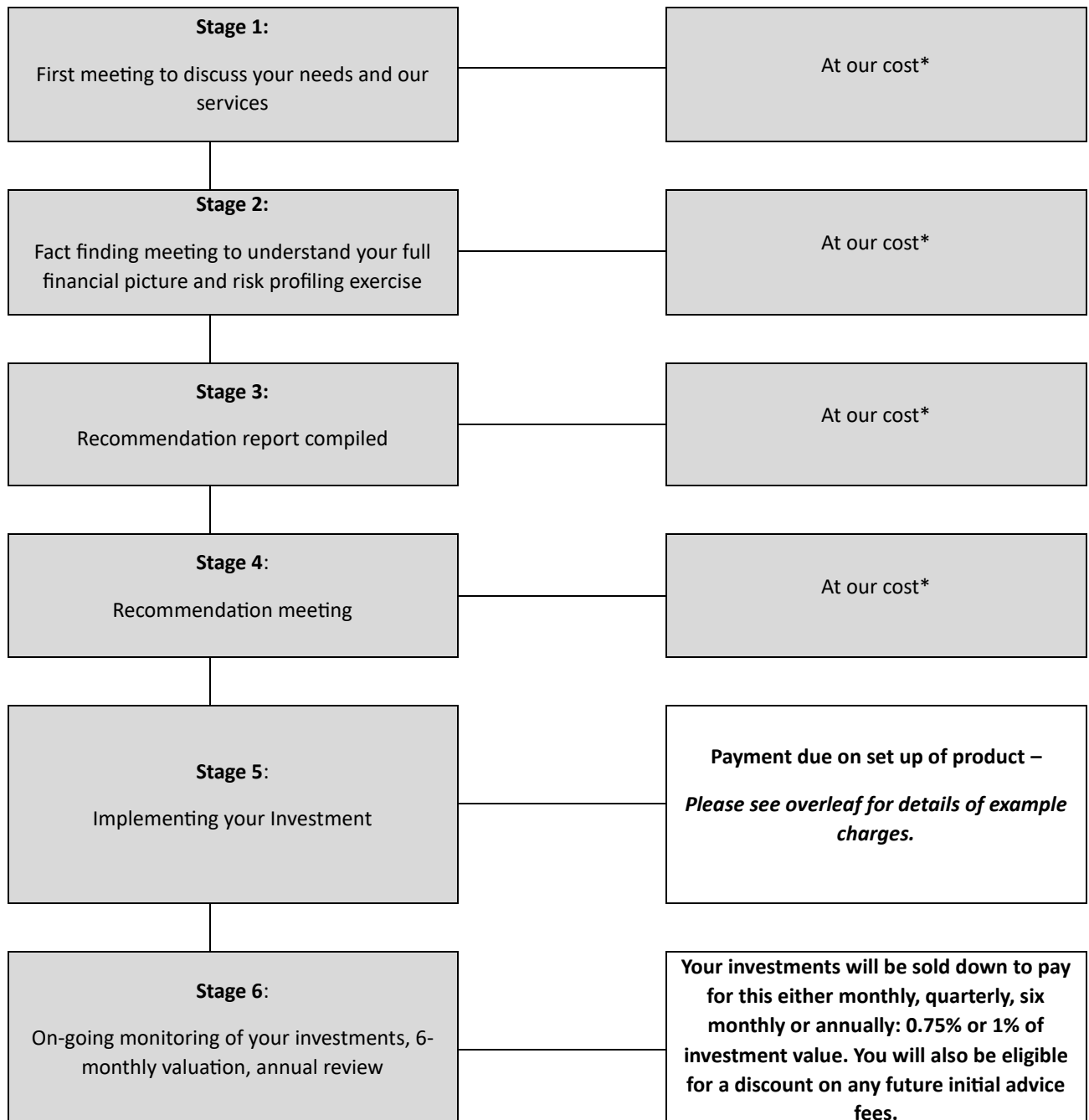
- a) **Initial Advice Charges:** these are the upfront costs of our services. We offer several types of initial service depending on your needs.
- b) **Ongoing Charges:** once your financial plan is in place it is important to keep it under review, so it can be adapted, where necessary, as your circumstances change. Our ongoing services are designed to do this.

## Initial Advice Charges

Our initial advice Fee covers the following:

- All of our initial meetings
- Fact finding process
- Risk profiling
- Strategic advice
- Arranging and implementing your financial solution

## The Process



\*The cost is incorporated within the initial fee, which is payable only if you proceed with our recommendations.

**Our actual charges and fees (in pounds and pence) will be agreed with you before we carry out any work and we'll explain your payment options too. First Service Financial Limited is not registered for VAT.**

**PLEASE NOTE: The charge presented at the time of recommendation is based upon the value of the amount being invested and calculated using the aggregate value of all funds under management with First Service Financial Ltd at the point of research. However, the actual charge will be dependent on the value of the funds being invested and calculated using the aggregate fund value of all funds under management at the point of transaction.**

<p><b>Investments and Pensions</b></p> <p>Lump sums (new monies(gross)); Annuity Purchases</p>	<p>3% for investments up to £100,000</p> <p>2% for amounts between £100,000 to £200,000</p> <p>1% for any amount above £200,000</p> <p>(subject to a minimum fee of £750 and maximum fee of £20,000)</p> <p><i>Here is an example of how our charges could apply:</i></p> <p>If you invested £100,000, you would incur a fee of £3,000 i.e.: £100,000 x 3% = £3,000 - <b>Total Fee £3,000</b></p>
<p><b>Regular Contributions</b> (new plans and top-ups) – pensions and investments (Year 1 only)</p>	<p>20% of the annual gross investment with a minimum charge of £750 for new clients.</p> <p><i>Here is an example to show how this could work based on a £350 (gross) per month policy:</i></p> <ul style="list-style-type: none"> <li>• Each month you pay your product premium £350 but for the first 12 months, your product provider pays us <b>£70</b> of that <b>£350</b>.</li> <li>• Therefore, the total initial charge for our service is <b>£840</b></li> <li>• For the first 12 months - <b>£280</b> per month is invested / <b>£70</b> pays our charge.</li> </ul> <p>For existing clients, the gross annual amount will be charged based on the cumulative basis as detailed under the ‘Investment and Pensions’ section above.</p>
<p><b>Drawdown and Transfers from Defined Contribution Pension Schemes</b></p>	<p>4.5% for investments up to £50,000</p> <p>A further 3% for an amount between £50,000 and £100,000</p> <p>A further 2% for an amount between £100,000 and £200,000</p> <p>A further 1% for any amount above £200,000</p> <p>(subject to a minimum fee of £750 and maximum fee of £20,000)</p> <p><i>Here is an example of how our charges could apply:</i></p> <p>If you invested £100,000 from a defined contribution scheme, you would incur a fee of £3,750 i.e.: £50,000 x 4.5% = £2,250 + £50,000 x 3% = £1,500 = <b>Total Fee £3,750</b></p> <p>For an existing client with investment funds only under management, the first £50,000.00 of a pension switch will be charged at 4.5% and the cumulative basis, based on total funds, thereafter.</p>

<p><b>Transactional</b></p> <p>Suitable if you just want help on a specific area but don't want a full financial planning review and are not looking for ongoing support afterwards</p>	<p>Our charges are calculated on the same basis as the services described above since the advice process followed is the same albeit limited to a specific area of your finances.</p>
<p><b>Stand-alone Cash Flow Forecasting</b></p> <p>Suitable if you want to model your assumed future lifetime cash flow without a review</p>	<p>Fixed fee £1,250</p>
<p><b>Protection</b></p> <p>We will advise and make a recommendation for you after we have assessed your needs for a protection product (Life Assurance, Critical Illness, Income Protection, Accident Sickness &amp; Unemployment, Family Income Benefit, Home Insurance)</p>	<p><b>No fee</b> – we will be paid by commission from the provider. Details will be provided to you in the suitability report.</p>
<p><b>Payment Options</b></p> <p>Initial charges can be paid in a number of ways:</p> <ul style="list-style-type: none"> <li>• Cheque (unfortunately, we cannot accept payments by cash).</li> <li>• Payment via deductions from the financial product(s) you invest in, or (if relevant) deductions from the amount invested with a discretionary fund manager (DFM). Most product providers / DFMs offer this facility but using it will reduce the amount you have left to invest and may, depending on your circumstances, have other consequences (we'll discuss this with you beforehand).</li> <li>• For investments held on a platform (an online investment administration service) you can choose to pay our charges out of the funds held in the platform cash account or directly when appropriate/required. It is important to maintain sufficient funds in the account to cover our charges as they become payable.</li> <li>• If, as a result of our recommendations, you take out a <b>regular contribution product</b> where investments are made on a monthly, quarterly or annual basis, it may be possible to have our initial charges deducted from the product in instalments (where the provider is able to offer this facility). In such cases, our normal approach will be for the payment to be spread over a maximum of 12 months.</li> <li>• In some limited circumstances (for protection planning only) we may receive commission from a product provider in relation to a financial product we have arranged for you. If we are paid by commission, we'll tell you the amount before we carry out business for you.</li> </ul>	

**Please note that where tiered charging applies, the charge is based on the value as at point of research.**

## Ongoing Advice Charges

### Option 1 - Premier Service

Ongoing service	Ongoing charges
<p><b>Client Review</b></p> <p>This service provides a review by your adviser once a year and covers:</p> <p>A review of the existing information you have provided us in relation to your investment objectives, financial situation, attitude to risk and ability to bear loss in relation to your investment objectives and, where required.</p> <p>We will then provide you with a written suitability report with any updates required to your financial plan.</p>	<p>Our annual ongoing charge for this service is based on the valuation of your investment initially at the point of presentation of our recommendation to you but moves in line with the valuation of your investment at review (pre-agreed servicing arrangement).</p> <p>0.75% of the value of all monies invested. (subject to a minimum fee of £360). This will be reviewed annually, and discounted subject to portfolio size.</p> <p>Example: If client had £100,000 invested, client would incur ongoing fee of £750 [<math>£100,000 \times 0.75\%</math>]  <b>= Total Fee £750</b></p>

### Option 2 – Premier Plus Service

Ongoing service	Ongoing charges
<p><b>Client Review</b></p> <p>This service provides a review by your adviser twice a year and covers:</p> <p>A review of the existing information you have provided us in relation to your investment objectives, financial situation, attitude to risk and ability to bear loss in relation to your investment objectives and, where required.</p> <p>We will then provide you with a written suitability report with any updates required to your financial plan.</p>	<p>Our annual ongoing charge for this service is based on the valuation of your investment initially at the point of presentation of our recommendation to you but moves in line with the valuation of your investment at review (pre-agreed servicing arrangement).</p> <p>1% of the value of all monies invested (subject to a minimum fee of £720)</p> <p>Example: If client had £100,000 invested, client would incur ongoing fee of £1,000 [<math>£100,000 \times 1\%</math>]  <b>= Total Fee £1,000</b></p>

### Payment Options

Ongoing charges can be paid in a number of ways:

- A regular fee paid by standing order
- By deduction from your investment(s) on a monthly basis, where the product / platform provider or DFM is able to offer this facility
- For investments held on a platform (an online investment administration service) you can choose to pay our charges out of the funds held in the platform cash account or directly when appropriate/required. It is important to maintain sufficient funds in the account to cover our charges as they become payable.

## Risks Associated with The Percentage Charging Structure

It is important to point out that where a percentage charge is used, there is a risk that poor customer outcomes could occur as money is being taken from your investment to pay for the advice you are taking.

There is also a risk associated with this charging model that clients with larger investments can end up paying more for the advice service they have taken from us, which is in fact the same advice we have given to another client, but they pay less because they have a smaller investment amount. To combat this risk, First Service Financial offer tiered charging to seek to level the playing field in this respect.

## Cancellation of Ongoing Service

Where you elect to receive an on-going service, you have the right to cancel this at any time, with your instructions being effective immediately providing this is reasonable in the circumstances, without penalty and without you having to give any reason. In this regard you should contact us at either via e-mail: [advice@firstservicefinancial.co.uk](mailto:advice@firstservicefinancial.co.uk) or telephone: 01509 438321. Alternatively, you may elect to refer to your chosen product provider direct.

We will complete any transactions or work that is in progress at that time of the cancellation, unless you do not wish us to do so. We may cancel any ongoing service agreement with you by giving you a minimum of 14 days' notice. No penalty shall be payable on any cancellation, but we shall be entitled to remuneration for work undertaken prior to such cancellation.

## Other Charges

Depending on the services we provide, there may be additional costs and charges (including taxes), not charged by us, but related to the financial products we arrange for you. These charges may be one-off charges (payable up front) or charges payable on an ongoing basis. For example:

- Service costs: If your investments are held on a platform (an online investment administration service) or held with a Discretionary Fund Manager (DFM) or Discretionary Investment Manager (DIM), the platform provider / DFM or DIM will make a charge for administering / managing your investments.
- Investment costs: These are the costs relating to the manufacturing and managing of your investments – for example, fees charged by the investment fund manager, costs relating to investment transactions.
- We'll always disclose any third-party costs as part of making our recommendations.

## Aggregated Costs and Charges

Before we provide you with our advice, we will add together all the costs and charges payable so that you are able to understand the overall costs of our services and recommendations. This is referred to as aggregated costs and charges information.

### Services Agreed

Service	Tick to confirm	Details of agreed fee*	
Initial Service			
Transactional Service			
Other – specify details of work			
If Variant to standard fee, please provide details			
<b>Note to adviser:</b> In all circumstances, if varied from the standard agreement please detail.			
Advice relating to protection planning		Pay by commission	Y / N
		Total agreed fee to be paid directly by you (if applicable)	£

Ongoing services	Tick to confirm	Details of agreed fee *	
Premier			
Premier Plus			
* Please note that as the actual valuation of your investment is not known at this time, the monetary fee cannot be stated within this agreement. Your Adviser will disclose this figure at the point of recommendation.			



## Declaration

- I/We acknowledge that the client agreement will come into effect once it has been signed by all parties and will remain in force until terminated.
- I/We understand the services that First Service Financial Ltd offer.
- This agreement is governed by and shall be interpreted in accordance with English law and both parties shall submit to the exclusive jurisdiction of the English Courts.

	Client 1	Client 2
Client name(s):		
Client signature(s):		
Date:		

### Signed on behalf of First Service Financial Limited

Adviser name	
Adviser signature:	
Date:	

## Useful Information About Our Services

### Who authorises us to advise you?

- We are authorised and regulated by the Financial Conduct Authority (FCA), 12 Endeavour Square, London, E20 1JN. [www.fca.org.uk](http://www.fca.org.uk). Our firm reference number is 479175. Our permitted business is advising on and arranging pensions, savings and investment products, non-investment insurance contracts and mortgages.
- You can check our details on the Financial Services Register by visiting the FCA's website [www.fca.org.uk/firms/financial-services-register](http://www.fca.org.uk/firms/financial-services-register) or by contacting the FCA on 0800 111 6768.
- Unless we tell you otherwise, we'll treat you as a **retail client** for investment business. This means that you are given the highest level of protection available under the UK's regulatory system.
- What if things go wrong? If you are unhappy with our advice or any aspect of our services, we encourage you to contact us as soon as possible. We'll do our best to resolve your concerns.
  - **Telephone:** 01509 438321
  - **Email:** [advice@firstservicefinancial.co.uk](mailto:advice@firstservicefinancial.co.uk)
  - **Website:** [www.firstservicefinancial.co.uk](http://www.firstservicefinancial.co.uk)
  - **In writing:** Frankie Hayes, Director, First Service Financial Limited, 204 Ashby Road, Loughborough, Leicestershire, LE11 3AG
- We have a complaints procedure and we can provide further details on request. If you do have a complaint, and you are not happy with our response, the Financial Ombudsman Service (FOS) may be able to help. The FOS settles disputes between financial services business and their clients. Full details are available at [www.financial-ombudsman.org.uk](http://www.financial-ombudsman.org.uk).

- If your complaint relates to advice provided by another UK based regulated financial services firm, our compliance department will assist you in identifying who you should contact. First Service Financial Limited does not automatically take responsibility for the advice provided by other UK based regulated financial services firms.

#### **Additional peace of mind**

- The Financial Services Compensation Scheme (FSCS) is the UK's statutory compensation fund for customers of authorised financial services firms who are unable to pay claims against them, usually because they have gone out of business.
- You may be able to claim compensation from the FSCS if we can't meet our obligations. The amount of compensation available will depend on the type of business and the circumstances of the claim. We can provide more specific information on request, but as a guide:

**Investments** - eligible claims for most types of investment business are covered for up to a maximum of £85,000.

**Insurance** - in the majority of cases, eligible claims about the advising and arranging of protection products are covered for 90% of the claim, without any upper limit.

- Further information is available from the FSCS at [www.fscs.org.uk](http://www.fscs.org.uk).

#### **Benefits we may receive**

- Under the rules of our regulator, the FCA, as a firm providing independent advice, we are unable to accept or retain payments or benefits from other firms (e.g. product providers) as this would conflict with our independent status.
- From time to time we may attend training events funded and /or delivered by product providers, fund managers and investment platforms. These events are designed to enhance our knowledge and enhance the quality of service we provide to our clients. As such this doesn't affect our obligation to act in your best interests. Please ask us if you want further details.

#### **Financial crime**

- We are obliged to put in place controls to prevent our business from being used for money laundering and other forms of financial crime.
- We'll verify your identity before undertaking any business with you. To do this 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. The check may leave a 'footprint' on your credit file but it will not affect your credit rating.

#### **Best execution**

Where we send investment applications on your behalf to third parties (e.g. to put an investment into force), we'll take all reasonable steps to ensure that we obtain the best possible result for you. This is referred to as 'best execution'. We have a best execution policy. If you want to see a copy of it please ask us.

#### **Conflict of interests**

Although we'll always try to act in your best interests there may be situations where we or one of our other clients has some form of interest in the business being transacted for you. If this happens or we become aware that our interests or those of one of our other client's conflict with your own interests, we'll write to you and ask for your consent before we carry out business for you. We'll also let you know the steps we'll take to make sure you are treated fairly. We have a conflicts of interest policy. If you want to see a copy of it, please ask us.

**Entry into force.**

These Terms come into force immediately on issue and remain in force until further notice. You or we may terminate our authority to act on your behalf at any time, without prejudice to the completion of any transactions already initiated and without penalty, subject to payment of any fees outstanding. Notice of this termination must be given in writing.

**Accuracy of information.**

You confirm that the information which you provide to us is correct at the time of completion of the Fact Find. If there is any change in your circumstances which may affect your financial position or objectives, you must inform us immediately. You should not rely upon any advice which we give you if your circumstances change or if there is any delay between the giving of that advice and your acting upon it.

We will not be held responsible for the information held on your file becoming inaccurate due to your change of circumstances if you fail to inform us of those changes. To avoid possible disputes, we require that you give us instructions in writing. This may be by way of a proposal or application form but in certain circumstances we will accept oral instructions provided that they are subsequently confirmed in writing.

Should you take out an ongoing service with us, we will revisit the fact find information with you to ensure that it remain accurate. The updated information may result in us advising you to buy new investments or sell or hold existing investments. In any of these circumstances we will provide you with a written suitability report to confirm our advice.

**Client's money.**

For your protection we do not handle client money. We never accept a cheque made out to us (unless it's a cheque in settlement of charges or disbursements for which we have sent you an invoice) or handle cash.

**Registration of investments.**

We will make arrangements for all your investments to be registered in your name unless you have instructed us otherwise in writing.

**Discretionary Investment Management.**

We may, where appropriate, recommend you place some, or all, of your investments with a DIM. In this scenario, the DIM will manage a portfolio of investments (a model portfolio) on your behalf. Decisions on whether to buy and sell are made at the absolute discretion of the DIM.

Where we make such a recommendation, we will confirm the respective responsibilities of us as your adviser and the DIM, in writing to you. We will arrange for you to enter into a discretionary investment management agreement direct with the DIM.

We will undertake appropriate due diligence on the DIM that we use and ensure that the services provided by the DIM meet your investment objectives and risk profile.

We will be responsible for the suitability of the model portfolio selected for you. The DIM will be responsible for managing the model portfolio in accordance with the investment management agreement.

**Right to amend.**

We reserve the right to amend the terms under which we provide financial services at any time. We will notify you of any changes prior to conducting any business under the amended terms. Any variations to the standard terms and conditions of business will only be accepted if in writing and signed by a Director of the Company.

**Electronic communication.**

E-mail may be used to enable us to communicate with you. As with any other means of delivery this carries with it the risk of inadvertent misdirection or non-delivery. It is the responsibility of the recipient to carry out a virus check on any attachments received. As internet communications are capable of data corruption, we do not accept any responsibility for changes made to such communications after their despatch. For this reason, it may be inappropriate to rely on advice contained in an e-mail without obtaining written confirmation of it. All risks connected with sending information relating to yourself are borne by you and are not our responsibility. If you do not accept this risk, you should notify us in writing that e-mail is not an acceptable means of communication.

**Contact.**

Unless you request otherwise, we may telephone or visit you during normal social hours to offer you further advice or inform you of products or services in which you may be interested.