

# Client Service Proposition



	Premier Wealth Management	Wealth Management	Premier Financial Planning	Financial Planning	Basic Service
Review Meeting	By Agreement	Six Monthly	Annual	Annual	£500
Portfolio Report	Quarterly	Six Monthly	Six Monthly	Annual	£250
Portfolio Type	Bespoke	Bespoke	Model	Model	Model
Annual Service Fee	0.75%	1%	1%	1%	0%
Minimum Ongoing Fee	£7,500pa	£5,000pa	£2,500pa	£500pa	N/A
Fund Switching	Included in normal service	Included with meeting only			
Risk Profiling	Yes	Yes	Yes	Yes	Yes
Newsletters	Yes	Yes	Yes	Yes	No
Probate Service	Yes	Yes	Yes	Yes	No

Our initial services are based on a % of the amount invested as follows

<b>For the first £100,000</b>	3%
<b>For between £100,001 - £250,000</b>	2%
<b>For between £250,001 - £1,000,000</b>	1%
<b>For above £1,000,001</b>	By negotiation

For example – If you invest a lump sum of £150,000 into an investment, we would charge an 'adviser charge' of £4,000

$$(\pounds 100,000 \times 3\%) + (\pounds 50,000 \times 2\%) = \pounds 4,000$$

**For a brand new client our minimum initial fee is £1,500**, initial and ongoing maximum fees are £25,000 per transaction/annum respectively. Re-registers are not included in the tiered charging structure and carry a 1% fee.

Please note that where we use the term 'fee' this can be paid from the product provider and maybe taken from your investments/pension.

You may at any time cancel an Ongoing Advice Service by serving your notification of cancellation to us in writing. Upon receipt of your cancellation notice for an Ongoing Advice Service we will arrange for any future payment of any associated charges to cease.





**Applewood Independent Limited**

3<sup>rd</sup> Floor Pepper House

Market Street

Nantwich

Cheshire

CW5 5DQ

# Client Agreement

## INVESTMENT SERVICES

Applewood Independent Limited is permitted to advise on and arrange (bring about) deals in investments.

With regard to investments which we have arranged for you, these will be kept under review until you terminate your agreement with us.

Applewood Independent Limited **does not handle clients' money**. We never accept a cheque made payable to us or handle cash (unless it is payment in settlement of adviser charges or disbursements for which we have sent you an invoice). If you do send us money, this may delay your transaction as we may have to return this money to you.

## REGULATORY STATUS

Applewood Independent Limited is authorised and regulated by the Financial Conduct Authority. Our FCA Register number is 602237.

You can check this on the FCA's Register by visiting the FCA's website – <http://www.fca.org.uk/register> or by contacting the FCA on 0845 606 1234.

## CLIENT CATEGORISATION

In providing investment services to you, we will categorise you as a 'retail client'. The type of client category will determine the level of protections afforded to you under the regulatory system. As a 'retail client' the regulatory protections available to you are determined by this category and will be "the highest available".

Where we have categorised you other than as a 'retail client' (see above), 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.

## WHICH SERVICE(S) WILL WE PROVIDE YOU WITH?

### ***Independent advice***

*We will advise, make a recommendation and arrange any suitable products for you after we have assessed your needs. Our recommendation will be based on a comprehensive and fair analysis of the market.*

## **CONFLICTS OF INTEREST**

Applewood Independent Limited offers advice in accordance with that described in this 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 conflicts 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.

## **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 services already provided / transactions already initiated, which will be completed according to the Client Agreement unless otherwise agreed in writing. You will be liable to pay for any transactions made or carried out prior to termination and any adviser charges or other fees which may be outstanding.

## **RIGHT TO WITHDRAW**

In the case of many retail investment products – such as life assurance contracts, personal pension schemes, investment bonds, and collective investment arrangements (e.g. unit trusts), a right to withdraw or cancel the contract within a specified period is normally provided. Details of such rights are ordinarily contained in the product literature (e.g. Key Features document) and/or we may provide details of such rights in a separate communication.

In the case of any non-retail investment products e.g. an ISA wrapper, 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.

## **CLIENTS RISK**

You are advised that because investments can fall as well as rise, you may not get back the full amount invested. Past performance is not a guide to future performance.

## **WHAT WILL YOU HAVE TO PAY US FOR OUR SERVICES?**

You will pay for our services on the basis of an adviser charge or a fee.

We will discuss your payment options with you and answer any questions you have. We will not charge you until we have agreed with you how we are to be paid.

All fee amounts quoted below are exclusive of VAT, expenses and disbursements; these may be added to the invoice if applicable.

For our advised services, you will pay us via an adviser charge.

### **Initial advice service**

Our initial advice will be appropriate for you, based on your requirements and circumstances at that time. We will not ensure that any initial advice remains suitable for you at a later date, unless you select to receive ongoing services from us.

### Ongoing services

In addition to our initial advice services, you could ask us to undertake further services on an ongoing basis. Details of any ongoing services that we offer are detailed later within this document.

Our typical adviser charges are noted below. The exact amount may be more or less than this, but will be specifically agreed with you based on the work you ask us to do for you. We will confirm the actual adviser charges in writing within our separate 'Services & Payment Agreement', before providing our services to you.

If we do not agree a fixed adviser charge with you at outset, you may ask us for an estimate of how much in total we might charge for any service(s) provided. You may also ask us not to exceed a given amount without checking with you first.

You may at any time cancel an Ongoing Service by serving your notification of cancellation to us in writing. Upon receipt of your cancellation notice for an Ongoing Advice Service we will arrange for any future payment of any associated charges to cease.

### **THE COST OF OUR SERVICES**

#### Payment for initial advice services

Before we provide services to you, we will gather information about your circumstances and needs. We will not make a charge for this.

After this we will charge you:

A one-off 'adviser charge' as a percentage of the initial investment amount as follows:

Our initial charge for any new investment will be based on the following tiered fee structure:

For the first £100,000	3%
For between £100,001 - £250,000	2%
For between £250,001 - £1,000,000	1%
For above £1,000,001	By Negotiation

Funds which are re-registered are charged at 1% of the value at the time of the transaction and the values are not included in our tiered charging detailed above.

The maximum initial fee will be capped at £25,000 and the minimum initial fee for brand new clients is £1,500.

Bed and ISA's have a maximum fee of 2% of the investment amount.

For example: for an investment of £150,000 the first £100,000 would have a fee of 3%, then the next £50,000 would have a fee of 2% meaning that the overall initial fee would be £4,000 approximately 2.7% of the investment.

Or

A fee based on the amount of time spent, at the following hourly rates:

Director	£225
Adviser	£200
Paraplanning	£125
Administration	£ 95

*Example:*

If the amount of time taken to advise and arrange a suitable product for you is 6 hours, then at an average rate of £140 per hour there would be a total fee of £840 payable.

Adviser	x 2 hours @ £200 per hour =	£400
Paraplanning	x 2 hours @ £125 per hour =	£250
Administration	x 2 hours @ £95 per hour =	£190
Total		£840

The above rates are indicative and we will confirm the approximate time required and fee amount due prior to the completion of any work.

We will tell you how much the fee will be before you complete an investment, but you may ask for this information earlier.

**Payment for ongoing services**

Our typical charges are:

**For clients within our Basic Service Band**

This band has no ongoing fee and is purely transactional, if you do require any of the following services the fees are:

Review Meeting as detailed below including fund switches where required - £500

Portfolio Report of your current investments - £250

**For clients within our Financial Planning Band**

This level of service provides the following with a review of your investments offered every 12 months:

We will offer our Financial Planning Clients, a yearly review meeting and a quarterly newsletter. Probate Services are also included within this band as and when they are required.

Our ongoing fee will be 1% of the total investment amount within your portfolio. The minimum ongoing fee for this band is £500 per annum.

*Example:*

If your portfolio totalled £100,000, we would charge an 'ongoing adviser charge' of 1% per annum, payable monthly from the provider, this would mean an ongoing 'adviser charge' of £1,000 per annum.

We will provide you with telephone/email support if you need it; our offices are open every weekday between 9:00 am and 5:00 pm except bank holidays.

### **For clients within our Premier Financial Planning Band**

This level of service provides the following with a review of your investments offered every 12 months:

We will offer our Premier Financial Planning Clients a yearly review meeting, plus an interim portfolio report which will be posted six monthly and a quarterly newsletter. Probate Services are also included within this band as and when they are required.

Our ongoing fee will be 1% of the total investment amount within your portfolio. The minimum ongoing fee for this band is £2,500 per annum.

*Example:*

If your portfolio totalled £255,000, we would charge an 'ongoing adviser charge' of 1% per annum, payable monthly from the provider, this would mean an ongoing 'adviser charge' of £2,550 per annum.

We will provide you with telephone/email support if you need it; our offices are open every weekday between 9:00 am and 5:00 pm except bank holidays.

### **For clients within our Wealth Management Band**

This level of service provides the following with a review meeting offered every 6 months:

We will offer our Wealth Management Clients a six monthly review meeting and a quarterly newsletter. Probate Services are also included within this band as and when they are required.

Our ongoing fee will be 1% of the total investment amount within your portfolio. The minimum ongoing fee for this band is £5,000 per annum.

*Example:*

If your portfolio totalled £550,000, we would charge an 'ongoing adviser charge' of 1% per annum, payable monthly from the provider, this would mean an ongoing 'adviser charge' of £5,500 per annum.

We will provide you with telephone/email support if you need it; our offices are open every weekday between 9:00 am and 5:00 pm except bank holidays.

### **For New clients within our Premier Wealth Management Band**

This level of service provides the following with a review meeting offered every 3 months:

We will offer our Premier Wealth Management a quarterly review meeting and a quarterly newsletter. Probate Services are also included within this band as and when they are required.

Our ongoing fee will be 0.75% of the total investment amount within your portfolio. The minimum ongoing fee for this band is £7,500 per annum and a maximum of £25,000 per annum.

*Example:*

If your portfolio totalled £1,200,000 we would charge an 'ongoing adviser charge' of 0.75% per annum, payable monthly from the provider, this would mean an ongoing 'adviser charge' of £9,000 per annum.

We will provide you with telephone/email support if you need it; our offices are open every weekday between 9:00 am and 5:00 pm except bank holidays.

### **What is included in a Review Meeting?**

A review meeting is with your adviser, you will receive an up to date portfolio report of your current investments compared to the values at your previous meeting. During the meeting topics that are normally discussed include any changes in your circumstances, changes to your needs, risk and objectives, an update on any relevant changes in the industry and any fund switching that may be required.

Fund switching is carried out at no additional cost to you but please note there are a small number of providers who charge a fee for these, if this is the case we will confirm this to you at the time of the recommendation.

### **Your payment options**

#### Independent advice service - Initial Fee

- **Settling your adviser initial charge by a single payment payable through your product provider or via a direct fee.**

#### Independent advice service - Ongoing Fee

- **Settling your adviser ongoing charge by a regular fee per annum paid monthly through your product provider.**

### **Settling your adviser charge in a single payment**

Whether you buy a product or not, you will pay us an adviser charge for our advice and services which will become payable on completion of our work. Our adviser charge can be paid directly to us or can be paid through your product provider where possible.

You will be required to settle the payment of your adviser charge on completion of our work within 30 days. We accept cheques. We do not accept payment by cash. We can provide you with a receipt upon payment if required.

### **The cost of our services**

We will tell you how we get paid and the amount before we carry out any business for you.

### **Information about other costs and associated charges**

There may be other costs, including taxes, that are payable through other parties (such as the product provider) that we may not be party to. Such charges are normally disclosed in relevant third party documentation, for example a Key Features Document.

## **ACCOUNTING TO YOU**

We will confirm to you in writing the basis or our reason for recommending the transaction executed on your behalf.

We will also make arrangements for all your investments 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 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.

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### **Nominee & Safe Custody Services**

Applewood Independent Limited does not safeguard or administer client assets but we may arrange business through platforms, which will provide custody services for your assets. Where this is the case, the legal title of investments will be registered in the name of the third party's nominee.

Transactions will be transmitted to the fund supermarket, investment wrap platform, or similar third party investment institution for them to execute. Money or transferred assets will be placed immediately with that third party for investment – we will never hold the assets for you. We will provide you with the relevant account opening details for the identified third party such as their Terms & Conditions, Nominee and Safe Custody Service, Best Execution Policy, Execution Venues and Conflicts of Interest Policy (or equivalent documents). The legal title of investments will be in the name of the third party's nominee.

For non-platform business we will make arrangements for your investments to be registered in your name unless you first instruct us otherwise in writing.

### **INVESTMENT OBJECTIVES & RESTRICTIONS**

Following the issue of this document, any subsequent advice or recommendation offered to you will be based on your stated investment objectives, agreed level of risk you are prepared / able to take and any restrictions you wish to place on the type of investments or policies you are willing to consider. Details of your stated investment objectives will be identified during our discussions with you and confirmed within the suitability report that we will issue to you to confirm our recommendation(s). Unless confirmed in writing, to the contrary, we will assume that you do not wish to place any restrictions on the advice we give you.

### **BEST EXECUTION POLICY**

It is in the interests of our clients and Applewood Independent Limited that we obtain the best possible result when placing orders with other firms (e.g. third party brokers) for the execution of client orders or when transmitting orders on behalf of clients for particular investments – e.g. shares. We are required under the Rules of the Financial Services Authority to take all reasonable steps to provide 'best execution' when carrying out such transactions.

Where we place or transmit orders for such investments on behalf of our clients, we may utilise the services of a third party broker and base our decision to place or transmit an order on the price and cost of execution of the order. For orders in collective investment schemes (e.g. unit trust), however, the price of units or shares in the scheme is normally set by the scheme operator or manager and as such we have little influence over the price available.

Full details of our best execution arrangements are provided in our Best Execution Policy, a copy of which can be provided on request.

### **MODE OF COMMUNICATION**

We will enter into communication with you through whatever means are convenient to you and us, including face-to-face, telephone, e-mail and other acceptable electronic communication methods.

## WHAT TO DO IF YOU WISH TO CANCEL YOUR INVESTMENT EARLY

If you have paid the initial adviser charge directly, then no further action is required.

If we do take our charges via your investment product(s) and you subsequently cease to pay the premiums or cancel the investment, we may not have been able to take our total adviser charges from your investment(s). In such cases, we may exercise our right to charge you the amount we have been unable to recover. If we exercise this right, you agree to pay us the amount due on demand. The maximum amount you have to repay will not exceed the total adviser charge agreed.

## WHAT TO DO IF YOU HAVE A COMPLAINT

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

- In writing: Write to Mr D Pritchard Applewood Independent Limited, 3<sup>rd</sup> Floor Pepper House, Market Street, Nantwich, Cheshire CW5 5DQ.
- By phone: Telephone 01270 626555.

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 scheme if we cannot meet our obligations. This depends on the type of business and the circumstances of the claim. Most types of investment business are covered up to a maximum of £50,000. Further information about compensation scheme arrangements is available from the FSCS

## DATA PROTECTION

Please refer to the separate Data Protection Statement that we have issued to you that sets out how we collect and use data about you.

## CLIENTS CONSENT

This is our standard client agreement upon which we intend to rely. For your own benefit and protection you should read the terms carefully before signing, as by signing you consent to the terms contained within. If there are any terms within this agreement that you do not understand, please ask for further information. The Client Agreement will come into effect from the date of acceptance of this agreement, which will be confirmed by the date provided in the 'date of signature' box below, unless otherwise stated.

Client Signature: ..... Client Signature: .....

Client Name: ..... Client Name: .....

Date: ..... Date: .....

## **DATA PROTECTION NOTICE - APPLEWOOD INDEPENDENT LIMITED**



### **DATA PROTECTION ACT 1998 – HOW WE USE YOUR PERSONAL INFORMATION**

We collect data about you and your family during our initial and other meetings with you. We will also collect data about you and your family from other people. We collect the data through note-taking and filling in of questionnaires about you and your family's circumstances.

We may make checks with credit rating agencies to authenticate and verify your identity and credit status. We also make checks with organisations with whom you have policies of insurance and investments and with your mortgage provider. These checks are to help us with our legal obligations and to ensure that we provide you with advice that suits your circumstances. The scope and extent of the gathering of information from third parties depends on what type of service you are taking from us.

#### **How is your information used?**

Primarily, we use your data and data about your family's circumstances to provide advice to you and complete transactions on your behalf. We analyse and assess your data to maintain and develop our relationship with you.

Depending on the instructions we receive from you, we may pass your data to other professional advisers to enable us to provide advice most suited to your circumstances. Usually, this would be referrals to local accountants, solicitors, tax advisers and sometimes to specialist advisers in the financial and insurance industry where you may benefit from the expertise of such third parties. We, and any third party specialist advisers to whom we introduce you, will, of course, pass your data to organisations when you agree to purchase or amend policies and products.

We will retain your data according to the statutory requirements for regulated products. For instance, if you are given specialist pension advice, the data will be retained indefinitely. If you want details of the statutory retention periods for various product types please contact us and we will obtain the latest legal position on your behalf.

We may be required to share your data with our regulator and other third parties including our auditors or insurers.

#### **Your right to a copy of your personal data**

Under the Data Protection Act you have a right, on payment of a fee, currently £10, to obtain a copy of the personal information that we hold about you. If you believe that any information held is incorrect or incomplete, you should contact the Data Protection Officer at our usual address. Any information that is found to be incorrect or incomplete will be amended promptly.

Thank you for your time and I confirm that we are at all times committed to making sure that, as you are a customer of a company authorised directly by the FCA, you receive the best service and products available in the marketplace.

#### **Our products and services**

We have a wide portfolio of financial products available to us. We believe these are some of the best and most appropriate in the marketplace. We would like to be able to contact you so that we can advise you of new products that might be suited to you. We also may advise you of any developments that might make it appropriate for us, or for third parties, to give you pro-active advice about the investments, insurance and other financial products of which we are aware. We stress that your information would only be used in this way to help us to provide a pro-active service to you.

There may be times when we feel that a service or product may be of interest to you. In order to make you aware of these services or products, we, insurers or third parties may wish to contact you so that you can make informed choices about your finances. Please indicate your preferences using the boxes below.

**We would like to give you details about other products or services that we think you will be interested in. If you are happy for us to do this, please tick the relevant boxes below:**

via telephone     via post     via email     via SMS

**We would like to give your details to carefully selected third parties so they can contact you about their products and services via telephone, post, email and SMS. If you are happy for us to do this, please tick this box:**

**You may inform us at any time if you no longer wish to receive this information from us.**

First Customer Name:..... Date.....

First Customer Signature.....

Second Customer Name:..... Date.....

Second Customer Signature.....