



Client & Service Agreement

Authorisation Statement

Gower House Financial Limited is Authorised and Regulated by the Financial Conduct Authority (FCA). The FCA regulates financial services in the UK and you can check our authorisation and permitted activities 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**. Our Financial Services Register number is **607692**.

Our Services

We provide independent investment advice. We will consider a range of regulated products from the available market that can meet the investment objectives of a retail client but we will only provide a recommendation to you when we know the product is suitable for your personal circumstances.

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.

For **Non-investment protection contracts** we provide advice and will make our recommendation after considering a range of insurers for term assurance, income protection and critical illness.

For **General insurance contracts** we provide advice and will make our recommendation after considering a range of insurers for building and contents, private medical insurance, accident sickness and unemployment.

Full details of the products we recommend will be confirmed in the product literature you will receive before it is arranged. We will inform you if any investment we recommend restricts future access to your capital.

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 should have the right to take any complaint to the Financial Ombudsman Service.

Any advice or recommendation(s) we offer to you will only be given after we have assessed your needs and considered your financial objectives, attitude to risk and capacity to bear any losses. We will also take into account any restrictions that you wish to place on the types of products or investment strategy you would be willing to consider.

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;

Instructions

We only accept instructions in writing (paper or electronic means) to aid clarification and avoid future misunderstandings. Please note we will not act on oral instructions to avoid any possible misunderstandings.

Investment Services and Costs

We provide you with an initial consultation FREE of charge. This helps us to understand your financial objectives and we will confirm how we can support you in working towards these goals. 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. These fees are based on a percentage of the amount you invest, subject to a minimum fee. The 2 steps of this process are explained here:

Financial Review and Recommendation

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;
- 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 a second appointment to explain and discuss our recommendations in detail.

Our charge for this service is a **Fixed Fee of £1,050** payable on provision of the report containing our recommendation(s) to you. This fee is separate and in addition to the arrangement and implementation fee.

Policy Arrangement & Implementation – Lump Sum Investments or Transfers

Should you instruct us to proceed with (any of) our recommendation(s) 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.

A fee based on a **Percentage Rate** of the amount you invest and or transfer. These charges are applied as follows:

- Up to £50,000 – **4%**, followed by
- £50,001 to £250,000 – **3%**, followed by
- £250,001 to £500,000 – **2%** followed by
- £500,001 and above – **1%**

This payment can either be facilitated by the product provider when they receive your funds and/or paid directly by you.

Example 1; if we arrange an investment on your behalf for **£10,000** our Policy Arrangement & Implementation fee would be **£400**. In addition the 'financial review and recommendation' fee of **£1,050** would be chargeable. The total fee payable would be **£1,450**.

Example 2; if we arrange investments on your behalf totalling **£100,000** our Policy Arrangement & Implementation fee would be **£3,500** (*4% of the first £50,000 (£2,000) plus 3% of the next £50,000 (£1,500) = £3,500*). In addition the 'financial review and recommendation' fee of **£1,050** would be chargeable. The total fee payable would be **£4,550**.

Example 3; if we arrange investments on your behalf totalling **£300,000** our Policy Arrangement & Implementation fee would be **£9,000** (*4% of the first £50,000 (£2,000) plus 3% of the next £200,000 (£6,000) plus 2% of the next £50,000 (£1,000) = £9,000*). In addition the 'financial review and recommendation' fee of **£1,050** would be chargeable. The total fee payable would be **£10,050**.

Policy Arrangement & Implementation – Regular Savings / Investments

Our charge for implementing a regular contribution savings or investment plan is **50%** of the **first year's contributions**. You can pay this under either of the two options listed below:

Option 1

You can pay this directly on commencement of the policy.

Example 1; if your monthly contribution is **£50** our Policy Arrangement & Implementation fee would be **£300**. In addition the 'financial review and recommendation' fee of **£1,050** would be chargeable. The total fee payable would be **£1,350**.

Example 2; if your monthly contribution is **£200** our Policy Arrangement & Implementation fee would be **£1,200**. In addition the 'financial review and recommendation' fee of **£1,050** would be chargeable. The total fee payable would be **£2,250**.

Option 2

You can facilitate the implementation fee through your policy.

For monthly contributions under £83.33, we will charge a minimum fee of **£1,050**. 11 payments of 50% of each monthly contribution will be deducted from month 2 to month 12, and the balance will be paid directly by you at the start of your policy, to bring the total fee payable to **£1,050** (please see example below).

Example; if your monthly contribution is **£50** our implementation fee would be £300 ($£50 \times 12 \times 50\%$). This will be collected by deducting £25 ($£50 \times 50\%$) from each monthly contribution for months 2 to 12 ($11 \times £25 = £275$). As this is below our minimum fee of **£1,050**, we would charge you the balance of **£775 by direct payment**, at the start of your policy. The total fee payable would be **£1,050**.

For monthly contributions of £83.34 and over, the payment will be deducted proportionally from each monthly contribution during the first year.

Example; if your monthly contribution is **£300** our implementation fee would be £1,800. This will be collected by deducting £150 from each monthly contribution for the first 12 months. As this exceeds the minimum fee no other charges would be applied. The total fee payable would be **£1,800**.

Should you decide to pay this charge through your policy and payments to the policy subsequently cease, we will calculate the total payments received to date and charge you the balance of any outstanding fees agreed at the start of your policy.

For example, if your monthly contribution is **£100** our implementation fee would be £600 ($£100 \times 12 \times 50\%$). This will be collected by deducting £50 ($£100 \times 50\%$) from each monthly contribution for months 2 to 12 ($11 \times £50 = £550$). As this is below our minimum fee of **£1,050**, we would charge you the balance of **£500 by direct payment**, at the start of your policy. The total fee payable would be **£1,050**. Should payments cease after month 6 (and £250 has been collected) the difference will be charged to you i.e. **£300**.

Non-Investment Protection and General Insurance contracts

When we arrange the sale of a protection or insurance contract, we will not charge you a fee, as we will receive a commission from the provider. The amount of this will be disclosed to you in the product literature.

However, if we arrange a contract for you from which we receive initial commission and subsequently you cease to pay the premiums which results in a refund of the commission paid to us; we reserve the right to recover from you an amount equal to the amount we have paid by way of a refund, without the need for a separate fee agreement. The amount recoverable and the timeframe over which it is recoverable are dependent on the product chosen. Further details of the amount and timeframe applicable will be provided and confirmed in your Personal Illustration.

Ongoing Services

It is important to review every investment you hold and at regular intervals. At the time of, or prior to, our recommendation to you we will discuss our on-going service proposition. This is confirmed in our '**service proposition and engagement**' document which will be sent to you separately from this agreement.

VAT

Under current legislation our services are not subject to VAT but should this change in future and VAT becomes payable, 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 investments this will typically start when funds are invested and for pure protection policies this 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. Instructions for exercising the right to cancel, if applicable, will be contained in the relevant product information issued to you.

If you cancel a single premium contract, you may incur a loss due to 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

We are 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 immediately after we have received 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. We will issue all communications in English, unless agreed otherwise.

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. Where this cannot be achieved, we will not conduct the business.

Complaints

If you wish to register a complaint, please write to: **Gower House Financial Limited. 3 Myrtle Grove, Sketty, Swansea. SA2 0SH**, telephone **01792 416080** or email **contactus@gowerhouse.co.uk**.

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 www.financial-ombudsman.org.uk or by contacting them on 0800 023 4567.

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>

Data Protection

The information you have provided is subject to the Data Protection Act 1998 (the "Act"). By signing this document you consent to us or any company associated with us for processing, both manually and by electronic means, your personal data for the purposes of providing advice, administration and management.

"Processing" includes obtaining, recording or holding information or data, transferring it to other companies associated with us, product providers, the FCA or any other statutory, governmental or regulatory body for legitimate purposes including, where relevant, to solicitors and/or other debt collection agencies for debt collection purposes and carrying out operations on the information or data.

In order to provide services to you we may be required to pass your personal information to parties located outside of the European Economic Area (EEA) in countries that do not have Data Protection Laws equivalent to those in the UK. Where this is the case we will take reasonable steps to ensure the privacy of your information.

We may also contact you or pass your details to other companies associated with us to contact you (including by telephone) with details of any other similar products, promotions, or for related marketing purposes in which we think you may be interested.

The information provided may also contain sensitive personal data for the purposes of the Act, being information as to your physical or mental health or condition; the committing or alleged committing of any offence by you; any proceedings for an offence committed or alleged to have been committed by you, including the outcome or sentence in such proceedings; your political opinions; religious or similar beliefs; sexual life; or your membership of a Trade Union.

If at any time you wish us or any company associated with us to cease processing your personal data or sensitive personal data, or contacting you for marketing purposes, please contact The Data Protection Officer **01792 416080** or in writing at **Gower House Financial Limited, 3 Myrtle Grove, Sketty, Swansea, SA2 0SH** or email **contactus@gowerhouse.co.uk**

You may be assured that we and any company associated with us will treat all personal data and sensitive personal data as confidential and will not process it other than for a legitimate purpose. Steps will be taken to ensure that the information is accurate, kept up to date and not kept for longer than is necessary. Measures will also be taken to safeguard against unauthorised or unlawful processing and accidental loss or destruction or damage to the data.

Subject to certain exceptions, you are entitled to have access to your personal and sensitive personal data held by us. You may be charged a fee (subject to the statutory maximum) for supplying you with such data.

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

Gower House Financial 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 seven 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 a due proportion of any period charges for services shall be settled to that date.

DECLARATION

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.

Please tick this box if you do not consent to us or any company associated with us processing any such sensitive data.

Please tick this box if you do not wish for us or any company associated with us to contact you for marketing purposes by e-mail, telephone, post or SMS.

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 policy where possible	
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You should note that when paid through the investments it may reduce your personal tax thresholds and/or exemption levels. Where this happens we will discuss it with you and confirm it in your personal recommendation report.

By direct payment	
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Client Name:		Client Name:	
Signature:		Signature:	
Dated:		Dated:	

Date of Issue:	
Signed on behalf of firm:	<i>Salvatore Amura</i> DipPFS

Service Proposition & Engagement

This engagement is made between: **Gower House Financial Limited** ("Firm")

And ("Client")

This engagement sets out the basis on which we charge for our services.

You are free to choose the level of service that best suits your needs.

In order to clarify the expectations of all parties and to provide transparency we set out below our services and associated costs. Please feel free to contact us if you wish to discuss any aspect of these terms.

Reviews – Ongoing service and advice through our ongoing Management Service.

Your financial objectives may change over time due to changes in your lifestyle or circumstances. We believe it is important to ensure your portfolio continues to meet your aims and objectives. This service offers:

- Structured reviews to give you Peace of Mind
- Assessment of any changes to your Personal circumstances
- Your Needs and Objectives
- Your Attitude to Risk and Capacity for Loss
- A review of the Suitability of your Investments
- Provision of a Personal Recommendation
- A choice of differing levels of support depending on your needs

Our charges are guaranteed not to increase within the first 12 months of your contract with us. Should we need to increase our charges after this period, you will be given notice of this fact and the opportunity to decide whether to continue with the revised level of charges.

It is not compulsory for you to sign up to one of our services.

We offer a transactional only service which is free of charge but does provide limited characteristics.

Our fees for our on-going management service as well as the services we provide are set out in the table overleaf:

We list here 3 examples to the above charges to help you understand how these would be applied;

Example 1:

Level 2 x 0.75%: If your investments are valued at **£50,000** x 0.75% = **£375** would be the on-going management fee we would receive. As this is less than the minimum ongoing service fee for this service level we would charge you directly **£375** as the balance. The total fee payable would be **£750** per annum.

Example 2:

Level 2 x 0.75%: If your investments are valued at **£120,000** x 0.75% = **£900** would be the on-going management fee we would receive. As this exceeds the minimum on-going service fee for this service level no other charges would be applied. The total fee payable would be **£900** per annum.

Example 3:

Level 1 x 1%: If your investments are valued at **£250,000** x 1% = **£2,500** would be the on-going management fee we would receive. As this exceeds the minimum on-going service fee for this service level no other charges would be applied. The total fee payable would be **£2,500** per annum.

Where the value of your investments increase then the fees for this service will increase; conversely if the value of your investment falls, the cost of this service will decrease.

SERVICE LEVEL	Level 1	Level 2	Transactional
Cost based on the total value of the investments	1%	0.75%	0%
Annual statement of holdings	✓	✓	✓
Professional expertise and governance embedded into Our Investment Process	✓	✓	
Quarterly Portfolio Rebalancing	✓		
Six Monthly Portfolio Rebalancing	✓	✓	
Annual Valuations	✓	✓	
Quarterly Investment Bulletins upon request	✓		
On-going access to your adviser	✓		
Access to Our Six Monthly Review Service	✓		
Access to Our Annual Review Service	✓	✓	
Review of Client Objectives	✓	✓	
Review of Client Investment Risk Profile	✓	✓	
Access to Our Review of Client Asset Allocation	✓	✓	
Review of Tax Changes	✓	✓	
Access to Our Comprehensive Financial Health Check	✓	✓	
Access to Our Tax Planning Service	✓		
Access to Our Estate Planning Service	✓		
Liaison with accountant / solicitor upon request	✓		
Minimum Annual Cost	£1000	£750	£0

Any change to the level of service throughout this agreement will result in a pro-rata charge being applied.

You can choose to pay these fees directly or by deduction from the plan or plans you hold.

You can choose to pay directly by spreading the payment over 4 quarterly payments over a 12 month period by standing order.

At each anniversary of this agreement we may revalue your plan or plans and notify you of any revised annual charges due to any fluctuation of your investment(s) at that time.

When the level of ongoing services has been agreed; these are deemed to commence immediately and are payable (*monthly, quarterly, yearly*) in arrears.

You can choose to cancel this at any time by providing us with written confirmation of your decision.

Payments would cease within 7 business days or after collection of any due proportion of any period charges if later.

DECLARATION

I/We would like to subscribe to the following on-going service option:

Transactional only Service Option

I/We understand that the fee for this service is 0% of the value of the relevant investments each year, subject to a minimum of £0.

Level 2 Service Option

I/We understand that the fee for this service is 0.75% of the value of the relevant investments each year, subject to a minimum of £750.

Level 1 Service Option

I/We understand that the fee for this service is 1% of the value of the relevant investments each year, subject to a minimum of £1,000.

Facilitation of Payments

I/We wish for the cost of the on-going service to be paid by deduction from the plan(s) I/ we hold

I/We wish for the cost of the on-going service to be charged directly to me/us on a yearly basis

Client Name:		Client Name:	
Signature:		Signature:	
Dated:		Dated:	

Date of Issue:	
Signed on behalf of firm:	<i>Salvatore Amura</i> DipPFS