

4wealth Ltd Client Agreement for Investments

This document should be read in conjunction with our Service Proposition & Engagement Authorisation Statement

The Financial Conduct Authority

4wealth Ltd 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. Our Financial Services Register number is 526121.

Our Services

4wealth Ltd is able to act on your behalf in advising you on investments. We offer products and services as follows;

- **Investments** - we provide an Independent advice service. 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.

We offer you the first initial discussion at 4wealth Ltd.'s expense, during 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 and 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.

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.

Our Investment Services and Costs including Structured Deposits

We provide you with an initial consultation at 4wealth Ltd.'s 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. These fees can be based on either a percentage of the amount you invest, an hourly rate or a combination of the two; and will be affected by the service proposition you choose (please refer to our Service Proposition & Engagement Authorisation Statement).

Initial 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 **£900** payable on provision of a report containing our generic recommendations to you. This fee will be waived should the policy arrangement & implementation fee, detailed below, exceed this fee.

Policy Arrangement & Implementation – Lump Sum Investments or 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 based on a percentage of the amount you invest and/or transfer. These charges are subject to a minimum fee of £900 and are applied as follows;

Policy Arrangement & Implementation Charge = 2.0% of the investment/transfer amount. This payment can either be taken from your investment upon receipt by the policy provider or paid directly by you to 4wealth Ltd.

Example;

- a) if we arrange an investment on your behalf for £10,000 our implementation fee would be £200. As this is below our minimum fee of £900, we would then charge you an additional £700.
- b) if we arrange an investment on your behalf for £100,000 our implementation fee would be £2,000.
- c) if we arrange an investment on your behalf for £250,000 our implementation fee would be £5,000.

Policy Arrangement & Implementation – Regular Premium Savings or Investments

Our charge for this service will be based on a percentage of your first 12 months regular contributions. These charges are applied as follows and subject to a minimum fee of £900;

Policy Arrangement & Implementation Charge = 20% of the first 12 months regular contributions. This payment can either be taken through your policy; the payment will be deducted from your monthly contributions, or paid by you, directly to 4wealth Ltd. This charge can be paid upfront or spread over a 12-month period. At 4wealth Ltd.'s discretion, the charge could spread over a longer period, of up to 120 months. 4wealth Ltd are looking to offer this payment option, only to client's whom we feel may struggle to pay this charge immediately or over a 12-month period. i.e. young people, low income earners or people experiencing financial difficulties etc. 4wealth Ltd.'s decision as to whether to offer this extended payment period, will be final and not open to appeal.

Example;

- a) if we arrange a regular premium savings or investment on your behalf for £100 per month, our implementation fee would be £240 ($£100 \times 12 = £1200 \times 20\%$). As this is below our minimum fee of £900, we would then charge you an additional £660.

Where you are required to make an additional payment to meet the £900 minimum fee, as in the example above, we can if you wish, increase the amount of payments we take out of the premium. i.e. If we arranged a regular premium savings or investment on your behalf for £100 per month, our implementation fee would be £20 per month for 12 months, totalling £240. As this is less than our minimum fee, we would charge you an additional fee of £660, making the total fee due £900. If you wished to pay this fee out of the premiums, we could take £75 per month for 12 months, totalling £900.

- b) if we arrange a regular premium savings or investment on your behalf for £500 per month, our implementation fee would be £1,200 ($£500 \times 12 = £6,000 \times 20\%$). If you wished to pay this fee out of the premiums, we could take £100 per month for 12 months, totalling £1,200.
- c) if we arrange a regular premium savings or investment on your behalf for £1,000 per month, our implementation fee would be £2,400 ($£1,000 \times 12 = £12,000 \times 20\%$). If you wished to pay this fee out of the premiums, we could take £200 per month for 12 months, totalling £2,400.

Should you stop your regular contributions, before our Policy Arrangement & Implementation Charge is paid in full, the outstanding balance will be due immediately.

Example;

A £100 per month regular premium policy is arranged and implemented, therefore the fee due to 4wealth Ltd is £900. You have chosen to pay this over 12 months at £75 per month. Your circumstances change and you have to stop the £100 regular payments after 6 months. The fee 4wealth Ltd have received at this time is £450 ($6 \times £75$), therefore the remaining £450 fee becomes due immediately.

This can either be paid;

1. via an ad-hoc fee payment from your policy to 4wealth Ltd, or

2. paid by you, directly to 4wealth Ltd

On-Going Reviews and Changes to Existing Investments

We will discuss the full range of our on-going services during our initial consultation. Below is a table citing some examples of what our <u>typical</u> overall fee might be for particular areas of advice, for transactional clients. Clients signed up to our on-going service proposition, have these services included within the service proposition they have chosen; Advice Area	Charge	Typical Time taken	Total Cost
Annual Review	Flat Charge		£900
Additional Valuation - Single policy including KIID's *	£225/hour	0.5	£112.50
Additional Valuation - Multiple policies including KIID's *	£225/hour	1	£225
Portfolio Report - Multiple policies including KIID's *	£225/hour	2	£450
Withdrawal - Single policy	£225/hour	0.5	£112.50
Withdrawal - Multiple policies	£225/hour	1	£225
Fund Switch – Investment value - £10,000	2%	Minimum Fee (MF)	£900
Fund Switch – Investment value - £100,000	2%		£2,000
Fund Switch – Investment value - £250,000	2%		£5,000
Investment of an Additional Lump Sum - £10,000	2%	Minimum Fee (MF)	£900
Investment of an Additional Lump Sum - £100,000	2%		£2,000
Investment of an Additional Lump Sum - £250,000	2%		£5,000
Investment of an Additional Regular Premium - £100	20%	20% of the First Years	£900
Investment of an Additional Regular Premium - £500	20%	Additional Premiums	£1,200
Investment of an Additional Regular Premium - £1,000	20%	Subject to MF	£2,400

* (KIID – Key Investor Information Document)

We will agree the actual fee prior to the commencement of any work. If the work is more complex and we need to increase the fee we will agree this with you prior to the commencement of any work. If you proceed to implementation, the advice and recommendation fee will be charged as per the Client Agreement for Investments. If you do not proceed to implementation the advice and recommendation fee will still be payable.

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 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.

VAT

Under current legislation our services are not subject to VAT but should this change in future, and where VAT becomes due, we will notify you before conducting any further work.

Client Money

4wealth Ltd 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.

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 client's 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.

In accordance with the rules of our regulator, The Financial Conduct Authority, we are prohibited from accepting any payment (commission or other non-monetary benefits) which is likely to conflict with the duty of the firm to its clients.

Complaints

If you wish to register a complaint, please write to 4wealth Ltd, 361, Rayleigh Road, Leigh-on-Sea, Essex, SS9 5PS or phone 0737 954 2788 or email admin@4wealthifa.com

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. Investment business will normally be covered up to a maximum of £85,000.

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

4wealth Ltd 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 10 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.

SAMPLE

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.

I/We confirm that we agree to the adviser being remunerated on the basis selected below;

Type of Client	Payment Method
1: On-Going Service <input type="checkbox"/>	A: By deduction from the policy <input type="checkbox"/>
2: Transactional <input type="checkbox"/>	B: By direct payment <input type="checkbox"/>
	C: By a combination of A & B above <input type="checkbox"/>

Please tick one of the boxes above to confirm your preferred method of remuneration

Customer Name(s)	
Customer Signature(s)	
Date	
Issued by	On behalf of 4wealth Ltd

NB: In relation to your chosen on-going service, our separate Service Proposition & Engagement Authorisation Statement will be issued at the same time as this agreement.