

# MONEY HONEY FINANCIAL PLANNING CLIENT AGREEMENT



## PART 1- TERMS OF ENGAGEMENT

Money Honey Financial Planning is a trading name of 4 The Record Compliance LTD and is authorised and regulated by the Financial Conduct Authority for financial services in the UK. The Financial Conduct Authority number is 772350. The provisions of this client agreement will take effect immediately, and they are provided to you and will continue in force until either of us cancels them or an updated Client Agreement replaces them.

## INTRODUCTION

This document aims to provide you with a brief overview of our firm and introduce our services to you in more detail, from which you may then select the service and remuneration package that best suits your needs. We will discuss this with you to fully understand what is offered and how it will benefit you. Should you have any questions on any element of this, please do not hesitate to ask us. You must take the time to review this document in full. It is divided into two main sections and should be read in conjunction with Parts 2 and 3, provided separately:

- [SECTION 1: Our Services and Fees](#)
- [SECTION 2: General Information](#)
- [PART 2/3: Privacy Notice](#)
- [PART 3/3: Client Declaration](#)

## SECTION 1: OUR SERVICES AND FEES

The Financial Conduct Authority (FCA) authorises the firm to advise on and arrange Pensions, Collective Investments, Mortgages, Home Reversion Schemes, Securities and Protection Products.

**\*Guidance Only Services and Advice on most Buy to Let Mortgages, Estate Planning, Wills, Power of Attorneys, Taxation and Trusts are not regulated by the FCA. It is, therefore, not covered by the protections outlined in the General Information section of this document.**

The firm is a Chartered Financial Planning Firm. This is the gold standard for our industry and is an internationally recognisable benchmark of quality and ethical practice. Chartered titleholders abide by a Code of Ethics, and the CII has the sanction of a disciplinary process against members should this be necessary. The CII will work with these practitioners to ensure the standards and practices associated with a professional body are established and maintained.

Money Honey Financial Planning advisors 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. We will only recommend to you when we know the product(s) and solution(s) is/are suitable for your personal circumstances.



For non-investment protection contracts, we are an intermediary and will act on your behalf when providing advice and making our recommendation(s) to you. We will do this based on a fair and personal analysis of insurers for term assurance, income protection and critical illness.

We are independent Mortgage and Equity Release advisers and will recommend a mortgage product that is suitable for you following an assessment of your personal needs and circumstances. This will include a detailed assessment of affordability. We will consider all products and lenders to which we have access. This means we will not consider those lenders that are only available by you going direct to them. Where you are increasing your borrowing, we will consider the merits of both a new first-charge mortgage and securing this with an additional mortgage on a second-charge basis. You may have the option of a further advance from your existing lender. However, we will only consider this when we can deal directly with the lender on your behalf.

We do not advise on general insurance products but can introduce you to a general insurance broker if this is required.

We work with our chosen Will and Trust suppliers, which are selected after a thorough due diligence process. They are outside of FCA regulation and are determined by the merit of being accredited members of the Society of Will Writers and are responsible for implementing your legal documents directly.

We currently provide Defined Benefit or Opt-Out Advice via external Pension Transfer Specialist (PTS) Bureaus, which we liaise with on your behalf. At the same time, we can provide Abridged Advice and will act as the investment advisor; decide on the potential new pension and investment strategy, and implement any solutions where required. The PTS is fully responsible for advice on the transfer itself and the suitability of the pension that it is transferred to.

## Our Services

### Overview

You must know what to expect in terms of our services and understand our commitment to providing those services. We intend to be professional, clear, and fair in our dealings with you and will always ensure that any service or advice provided is in your best interests.

Money Honey Financial Planning is an advisory firm committed to delivering quality advice services to our individual clients. You can choose whether you would like to deal with us on a guidance basis only, a restricted self-service basis or complete financial planning advice via a videoconference meeting. We offer advisory services related explicitly to accumulating wealth, using that wealth to support your income needs now or in the future, and then if you want to, passing that wealth down to your children or family, but we can assist with most of your financial planning needs.

All meetings will usually be recorded as a helpful reminder of what has been discussed. It will make up part of your client records held with us, and a copy can be made available for your records if requested.

### Initial Discussion

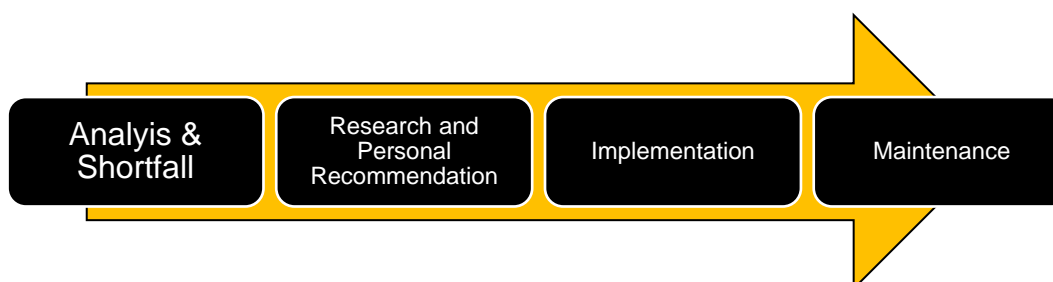
We will meet with you via a web meeting (MS Teams) to understand your current circumstances and your aspirations, priorities and objectives in terms of your financial future. The initial discussion is at our cost. We will get to know each other, give you information on our company, services and costs and agree on whether our advice services are appropriate for you and how they can be provided within your budget.

There is no obligation to proceed at this stage, and no costs will have been incurred. Should you decide to move further to the next stage, we will ask you to formalise your Agreement to us becoming your Financial Advisor and permission for us to commence chargeable work for you by signing this Agreement.

*Alternatively, you can utilise our \*Guidance Only Service- this service will only provide you with general information about your situation and factual, unbiased information about potential solutions. Still, you must make your own mind up on how you wish to proceed. No advice will be offered, and no personal recommendation will be made.*

If you believe your needs are limited to basic savings and investment and do not wish to proceed with a guidance or advice process at this stage. In that case, you can access our 'Self-Service', automated advice solution, which is available from our website at [www.thehoneypot.online](http://www.thehoneypot.online). Full details of the service will be made available on the site. It is restricted to Stocks & Shares Individual Investment Accounts (S&S ISAs), and General Investment Accounts (GIAs)

If you decide to proceed with a fully regulated personal advice or financial planning process, with the assistance of one of our advisors. In that case, we will help you through the following stages, and you will be able to decide whether accept the whole process or end earlier. We will start by collecting information about your existing plans and policies.



## Stage 1- Analysis & Shortfall

### *Objective Setting and Getting to Know You*

Once we have agreed on the terms, we will start to do any chargeable work you have asked us to deliver. We will proceed to capture important information in more detail about your current circumstances, your current and future expenditures, your financial history, and your aspirations, priorities and objectives regarding your financial future. We will also discuss your attitude toward "investment risk" and assess your 'capacity for loss' and your understanding of how such risks may affect you.

You will be provided with a login for your own Financial Portal, and we can message you securely for all future communications and share important documents securely. This will also give you access to real-time valuations of your investments once we have obtained details and taken over any servicing of your existing plans.

### *Shortfall and Cashflow Analysis/Understanding Objectives*

At this stage, we will begin to thoroughly analyse your current position based on our experience and knowledge of financial shortfalls calculations along with the information collected from your existing plans and providers, assessing and categorising your risk appetite, ready to consider potential generic solutions. Should we need to consult with any professional advisers or financial services providers with whom you have an agreement, we will ask for your express consent to do so. The process will identify and quantify any financial gaps in your short and longer-term financial objectives and provide a Cashflow Model and Draft Financial Life Plan.

### *Initial Findings/Draft Financial Plan Current situation*

When we have all the information we require, we will arrange to share or meet with you to discuss our findings and initial discussion around the potential generic gaps in your planning. This will allow you to understand what you need to do, better understand of the options available, a chance to provide additional information or tailor your objectives further and finally, decide whether you want to proceed further and to identify your priorities. At this stage, you will only have incurred our Stage 1 '**Analysis & Shortfall**' fee, and we will be proceeding to give you specific recommendations, and the Stage 2 '**Research & Recommendation**' stage begins. No personal recommendation will have been offered to you at this stage.

## Stage 2 - Research & Personal Recommendation

### *Financial Plan and Solution Design*

We will use your aims and objectives, the Cashflow Model and draft Financial Life Plan to identify any gaps in your planning and work with you to develop an ongoing plan to tackle these problems or areas that need developing or improving. This is usually conducted in phases, focusing on each main financial area and working on the agreed priorities until your plan is complete.

### *Product, Fund, Provider and Market Research*

This is where our market experience and ability to compare and analyse different products, funds and providers for charges, specific features, past performance, volatility, asset allocation will be used to find the best solution that matches your needs and objectives takes place. We will use all the information we have collected about you and the marketplace to determine the best solution for you. This is a very individual solution, so it is always bespoke in its design. Where your investments are of a size to require greater diversification (ie.>£85,000), we will utilise an external investment committee/portfolio manager to build portfolios designed to meet some standard client characteristics so we can also keep management costs lower. We also use a comprehensive range of research tools and due diligence to

ensure we are providing you with the best solutions.

### *Report Preparation and Recommendation*

We will prepare a Suitability Report which outlines your objectives and the solutions we are recommending, along with any products, providers and funds that we believe will give you the best chance of achieving your objectives. To do this, we consider your tax position, the current tax rules you are affected by and the best solutions to minimise this. We will also clarify where you still may have shortfalls in your plans that need to be considered in future review meetings. We can arrange to meet with you at a videoconference to discuss our product recommendations in full and take you through our Report step-by-step if required, or we can answer any queries on the portal if you prefer. You are free to take the Report away and consider it before agreeing to move forward to the next '**Implementation**' stage.

## Stage 3 - Implementation

Once you feel that you can make a fully informed decision to proceed and you have given us your consent, we will act as an intermediary between you, any other professional advisors and any product provider. We will arrange the purchase of any funds or products recommended. We will assist you in completing all the relevant forms and promptly processing your applications by the relevant investment houses and providers.

We target completion as soon as possible, but our service level agreement for implementation is ten working days, subject to your completed and signed instructions. We will accept instructions on your client portal, but where they are sent in any other way, we will seek to verify the instruction via a secondary medium.

For estate planning solutions, this may also include meeting with trustees and executors to ensure they understand their role in your financial plans.

## Stage 4 - Maintenance Services

The financial landscape and your personal circumstances constantly change, with new products coming onto the market, investments fluctuating in value, and changes in the budget or legislative changes. Planning towards your objectives and goals is an ongoing process, and you will want to track your progress and address any changes needed, and we offer ongoing maintenance support for the plans we put into place.

Depending on the size and complexity of your solutions once in place, you may or may not require these ongoing maintenance services. It is important to be aware that, in the absence of a specific agreement to provide you with ongoing services, your portfolio and goals will not be monitored unless you contact us to ask for a specific service. Should you wish us to monitor your ongoing position and ensure the advice given

remains suitable, we will agree on an appropriate service offering outlined in this Agreement's Services Offering and Costs section.

In some scenarios, we would be unable to offer you recommendations if you didn't take the maintenance service, as keeping the plans on track would take regular reviews that would be vital to maintaining the value of the investment. This will be made clear where this is the case.

## How We Charge

Our full services and charges are outlined in the table below based on the type of advice you require and the level of service you wish to receive. At each stage, you will be asked if you wish to proceed to the next; if you don't, you will just be invoiced for the stage completed. **Therefore, our fees are not contingent on you implementing our recommendations, and you can be certain that we are giving advice that is unconflicted and unbiased.**

Where the implementation of our recommendations includes protection products or any other commission-paying products, the costs are paid by commission from the chosen product provider. They may be used to offset any fee charges where they are in excess of our standard fees. This will be fully disclosed to you during the process.

Charges for our mortgage and related mortgage protection advice are paid by procurement fees and may be used to offset any fee charges. This will be fully disclosed to you during the process.

Where the implementation of our recommendations includes wills, lasting powers of attorney and trusts, there will be additional supplier charges for legal documentation, which will be provided before you commit to their services. You can take our recommendations to your own solicitors if you prefer.

Where Defined Benefit advice is required, you may be required to pay fees upfront to the Pension Transfer Specialist, and all of this will be outlined before any work is undertaken.

## Payment Terms

Where possible, we can arrange for your total fees to be deducted from the investment amount at the outset or by instalments from the premium you pay each month via the product provider. Initial fees can be paid this way over a maximum of 12 months. Alternatively, you may prefer to make your payment to us by an agreed payment method such as direct debit, standing order or bank transfer. Your choice can be made in the Client Declaration section of this Agreement.

If you choose to have your adviser fee deducted from the product, you will pay nothing to us upfront. This does not mean that our service is free. You still pay us indirectly through the deductions from the amount you pay into your product, and they will pay towards settling the adviser charge. These deductions could reduce the amount left for investment.

*For example, if you were to invest £100,000, and the initial charge was £1500, it would have the effect of reducing your investment to £98,500.*

Any invoices are issued within ten days of either the advice being provided, the stage completed, and before the transaction is completed; or, where your payment is coming from an investment or product, on implementation.

## Service Offerings and Charges

We offer our clients a phased service. The first stage is to analyse your existing position and involves us collecting the information, seeking details about your existing plans, assessing your shortfalls and documenting a draft Financial Life Plan, establishing some of your shortfalls and possible high-level options available to you. If you wish to proceed to the next stage, you will also move to the next level of fees based on a menu of services. If you then wish to accept the recommendation(s) and want us to implement them on your behalf, this is an additional stage, and the additional fee(s) become chargeable.

If you want to ensure the advice stays relevant and fulfils your aspirations, we will work with you on an ongoing basis to help you achieve this. Given the speed of change in financial services, we would recommend this stage in most instances.

You can stop at any stage in the process and will only be charged for completed work.

### Initial Review Fees

These fees are based initially on a single full holistic review (unless requested otherwise) and will cover advice on any single financial need as indicated in the table below. Fees are not related to any products recommended or implemented, only the size of the assets being reviewed. Complex Advice includes Estate Planning, Long-term Care Planning; Equity Release; Specialist Investments and Defined Benefits (Final Salary) Pension Advice and other complex or multiple needs or ceding schemes, but you will be advised of actual fees before we undertake any work incurring these costs.

| Charging Stage  | Fee Structure   |
|---|---|
| Initial Meeting   | Complimentary   |
| <b>THEN CHOOSE BETWEEN:</b>   |   |
| Information Only Support (no solution advice provided)  | £40 per 20 min consultation   |
| <b>OR</b>   |   |
| Advice Fee Stage 1- Analysis and Shortfalls<br>(Includes one cashflow model of the current situation) | £800 fixed  |
| <b>PLUS</b>   |   |
| Advice Fee Stage 2- Research and Recommendation per advice area required***                           | Extended Financial Planning £600<br>Extended Cashflow Modelling £600<br>Regular Savings £500<br>Investment/Retirement Planning £800<br>Protection Planning min £500**<br>Mortgage Planning min £500**<br>Long-Term Care Planning min £1000*<br>Basic Wills/Lasting Powers of Attorney £250 + drafting fees.<br>Estate Planning Advice £2000* + drafting fees.<br>Investment Advice and Support of Defined benefit Transfer £500 + external PTS fees*<br>Defined Benefit Abridged Advice £750 #<br>Specialist Investments £1000*<br>Equity Release min £1000 + procuration fees* |
| <b>PLUS</b>   |   |
| Investment Advice Fee- Managed Portfolio Solution   | 0.5% of advised funds   |

| PLUS- subject to the advice area marked above. |   |
|--|---|
| Admin Fee Stage 3- Implementation              | <p>£400 or £600* or £750** see above for implementation costs linked to advice areas.</p> <p>Multiple ceding plans or new plans (&gt;2) will incur an additional £100 implementation fee per plan and £250 for DB Transfer support for each additional ceding scheme.</p> <p>***Mortgage/Protection/Equity Release Planning are minimum fees, and we may receive commission/procurement fees at higher rates.</p> <p>#No implementation outcome</p> |

Advice given together may only incur a single charge. This will be agreed in advance.

*So, for example, investing £100,000 of assets in one of the recommended Managed Portfolios would cost £800 analysis fee + £800 in research and recommendations fee + £500 investment advice fee + £400 if you want us to implement the advice, giving a total of £2,500 or 2.5% as a percentage for standard advice.*

*The full table of standard charges for funds under our advice is shown below for reference, along with the relevant % for comparison.*

\*\*\* advice for protection and mortgages can be paid for by the provider/lender in the form of commission or procurement fees and are dependent on the solutions required.

| Funds Under Advice | Initial       | %     |
|--------------------|---------------|-------|
| £50,000            | £2,000 Capped | 4%    |
| £100,000           | £2,500        | 2.5%  |
| £200,000           | £3,000        | 1.5%  |
| £300,000           | £3,500        | 1.25% |
| £500,000           | £4,500        | 0.9%  |
| £1,000,000         | £7,000        | 0.7%  |
| £2,000,000         | £12,000 Cap   | 0.6%  |

Focused advice may be agreed upon at a fixed price depending on the expected time and resources required. For example, focused advice for assets under advice less than £50,000 will only be subject to the fixed fees so it will cost £1,200 for the advice process (No Stage 1). Initial fees have a decency cap of £12,000 as maximum initial charge for one advice area.

If you require a bespoke investment solution, there would be an additional initial (0.5%) and an additional ongoing fee (0.25%) to reflect the additional time and complexity. (Total investment fee 1% and 0.5% ongoing). This will also be charged for non-UK residents where cross-border issues must be considered.

It should also be noted that any advice on Defined Benefits/Safeguarded Schemes will include 0.5% (or 1% if bespoke) investment fees even where you intend to self-manage your own investments, as we are obliged to either design or assess the new scheme and investment strategy as part of the advice process.

For advice on regular savings, the fees can be paid over 12 equal instalments.

It is possible to pay for services through an hourly rate of £200 per hour for more bespoke services, which we will estimate for you at the start of the process, or we may agree on a set fixed fee only for more focused advice based on the time we anticipate needing to spend.

### Initial Holistic Financial Planning Service Summary (Stage 1)

Includes access to an experienced Financial Planner/Advisor who has been trained and tested to ensure they are competent to provide advice in specific areas. All Advisors undertake a minimum of 35 hours of study annually to maintain our required high standards. Each Advisor is required to work within an ethical protocol and understand all the regulations determined by the Financial Conduct Authority (FCA). The service will provide:

- A review of either a focused or a holistic view of your financial plans.
- Access to your own portal so you can see your communications and valuations in one place and with a secure login.
- A high-level assessment of your shortfalls and objectives and identifying any gaps. This may also include investigating your eligible state benefits.
- A full assessment of your attitude to risk and capacity for loss, using comprehensive questionnaires designed to elicit your position on risk versus reward, along with a review of your income and outgoings to evidence and support your objectives.
- Assessment of your current and future income needs with your own personalised Cashflow Report.
- Assessment of your holistic position in the form of a draft Financial Life Plan Report.

If you proceed to the **Research and Recommendation** stage:

- A full analysis of the tax wrappers (products) that could be utilised to deliver solutions to meet your objectives in line with the latest products available and the latest tax rules and legislation.
- Research on current products held to see if they are meeting your current objectives and a review of alternative solutions. This work uses complex research tools and evaluations of the market, which require significant experience and analytical ability to deliver the best solutions to you.
- Evaluation of portfolio performance using industry-leading comparison and modelling tools, if required, so you can track and understand the impact of your risk outlook versus market performance.
- A Suitability Report outlining our recommendations, our reasons for those recommendations and details of any disadvantages or implications.
- We then may conduct a quality review of the advice given, based on a risk-based selection criterion on a sample of cases, to ensure the advice is of the standard required.
- If you proceed to the **Implementation** and **Maintenance** stage, we will 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 and provide confirmation of all actions taken on your behalf in writing on your portal.

### Ongoing Support Fees

Ongoing advice is assessed as a set retainer based on the level of service needed or required and/or, if applicable, an additional fee to cover the oversight and maintenance reviews of the funds invested and will increase as additional funds are included. The fees will commence 30 days after the advice is implemented and are payable monthly.

| Charging Stage                               | Level 1= Investment Only Review Service | Level 2- Standard/ Financial Review | Level 3- Bespoke/Complex Review Service |
|--|---|-------------------------------------|---|
| Anticipated Hours Allocated (per annum)<br>* | <8 hours                                | 8-12 hours                          | 12-18 hours                             |



|   |                                   |                                    |                                    |
|---|-----------------------------------|------------------------------------|------------------------------------|
| Advice/Financial Planning Fee Stage 4- Ongoing Retainer | N/A                               | £60pm                              | Example £100pm                     |
| <b>PLUS</b>   |                                   |                                    |                                    |
| Investment Oversight Fee**                              | 0.3%-(bespoke 0.5%) of investment | 0.3%- (bespoke 0.5%) of investment | 0.3%- (bespoke 0.5%) of investment |

**\*Support will vary per individual, and there will be flexibility offered subject to a fair usage policy. Additional hours can be purchased at the hourly rate, or you can request a bespoke level of service with an agreed retainer.**

**\*\*The rate of 0.3% is applicable when we utilise model portfolios or multi-asset funds. Model portfolios have an additional cost usually 0.15-0.25% per annum, but this is dependent on the solution agreed upon as specialist models can charge more or less.**

**The minimum annual L1 retainer is £600 per annum, and the % will be amended to reflect this if required.**

**Any non-UK residents will be charged at the bespoke investment rate (currently 0.5% pa) to cover any cross-border considerations required.**

*For example, for ongoing support for a £100,000 investment into our recommended Managed Portfolio Solution, you would pay for a basic service £600 for Level 1 (minimum applied) (0.60% pa), £1,020 for Level 2 (1.02%) and £1,740 for Level 3 (1.74%) during your first year (after initial fees). This assumes the investment stays at £100,000 in value for the benefit of these examples and may be higher or lower depending on fund value.*

We can also offer a Financial Planning Only service, which excludes investment advice.

*The full table of ongoing charges for funds under our Advice for Level 2 is shown below for reference, along with the relevant % for comparison. This includes the £60pm retainer for financial planning and drawdown services.*

| Funds Under Advice | Level 2- £ (pa) | Level 2- % (pa) |
|--------------------|-----------------|-----------------|
| £50,000            | £870            | 1.74%           |
| £100,000           | £1,020          | 1.02%           |
| £500,000           | £2,220          | 0.44%           |
| £1,000,000         | £3,720          | 0.37%           |
| £2,000,000         | £6,000 Capped   | 0.30%           |

If you have a bespoke investment solution, the ongoing investment fees are increased by 0.23% to cover the increased complexity, time and resource involved. Level 2 service is capped at £500pm (for 2024).

The investment oversight fees will increase or decrease in line with the value of the investments. The fixed fee can increase annually on 1<sup>st</sup> January by RPI. Where investment oversight fees are paid directly, they will be based on the valuation on 1<sup>st</sup> January each year and remain fixed for 12 months. Where they are paid from the investment, they will fluctuate according to the value of the funds each month.

## Ongoing Support Services Summary

Ongoing or maintenance services include:

**Level One-** this is the investment-only support package, which will consider changes in performance, budgetary changes or legal changes that would affect your recommended solutions. We will not assess changes in your own circumstances or include advice on more effective solutions without a full review. We will act as your retained professional Advisor and be available to support any questions you have.

- Access to an Advisor via our market-leading virtual services and secure messaging for general guidance and assistance.
- Access to your own Personal Financial Portal (PFP), which provides you with secure communications, access to change your personal details and plans and access to regular online valuations so you can see your portfolio easily and securely (subject to provider availability).
- Discretionary rebalancing of portfolios (via the portfolio manager or ourselves), assessment of funds held, and fund manager performance to ensure the portfolio continues to meet your initial appetite for risk.
- Annual centralised oversight of investments to ensure platform, provider and fund strategy are still compatible with the firm's minimum quality and suitability standards.
- Review of your risk profile at least every three years or at significant changes of circumstance (on request).
- Adhoc responses on your portal to any investment related queries.

**Level Two-** this package includes everything provided in Level One plus:

- A full annual review with an assessment of your situation and any changes in the last year;
- Update of your Financial Plan and Cashflow Forecast.
- A review of your specific attitude to risk and shortfalls to ensure the existing plans are still suitable and no changes are required (every 3 years or significant changes in circumstances).
- Central review of the market to ensure your plans and providers are still the most suitable for your circumstances.
- Recommendations for any changes to the advised solutions since the last review.
- Identification of any gaps in your Financial Plan and options for resolution.
- Review of economic and tax changes post Budget and advice on any changes required.
- Management of simple regular drawdown income options.
- Adhoc responses on portal to all financial matters (unless new initial advice is required).
- Switching from accumulation to decumulation strategies.

**Level Three Drawdown/Complex-** this package includes everything provided in Level Two plus:

- Review of sustainable drawdown options and annual changes required.
- Implementation of regular and adhoc income and lump sum withdrawals.

This package will be tailored to your needs and highly dependent on the solutions chosen and the needs being addressed. For example, you may need bi-annual reviews; you may have an evolving solution that takes several years to be implemented; you may require close management if you are drawing high levels of pension income or highly bespoke solutions employed. This plan will be agreed specifically with you if it is necessary.

**Financial Planning Only-** this will include an annual review of your Financial Life Plan and updated Cashflow model with up to 3 different scenarios (no investment charges) Additional scenarios can be provided at our hourly rate.

Where drawdown strategy changes to annuity option we will charge 1% of remaining funds- minimum £1000 to advise and implement but ongoing fees will then cease.

Please note that any additional funds will incur the initial investment fee relating to the additional value (0.5% model or 1% bespoke solutions). When we decide to move the investments, there will be no further initial charge, but where you request a change, or there is a significant change in your circumstances that leads to a full evaluation, we reserve the right to charge initial fees.

### **Value Added Tax**

As we act on your behalf as an intermediary with a view to arranging a financial transaction, our fees are presently exempt from VAT, which means we do not usually have to make an additional charge of 20%. If we do have to charge you for a service which is subject to VAT, we will inform you in advance.

### **Refunds and Cancellation Policy**

Fees are agreed upon prior to our professional advice services being provided, and therefore refunds are not available in normal circumstances. Fees paid in respect of regular or annual services are not refundable. However, any ongoing service may be cancelled upon request.

### **Protection Commission**

When we are paid by commission from the product provider or have received a commission rebate on a product, and you cease to pay the premiums due on this product, it is our policy to claim a refund from you. You understand the maximum amount of this refund will be the amount of commission reclaimed by the provider, which shall never exceed the amount of commission previously disclosed to you in writing. The maximum time under which we may enforce this paragraph is four years from the commencement of the product.

### **Opting Out**

You may decide to "opt-out" of any ongoing advice and review service and are free to do so.

However, please take note of the following:

- If your financial circumstances, objectives and attitude to risk change over time, the structure of your investment portfolio may no longer be in your best interests.
- As financial markets fluctuate, the way your assets are allocated in your portfolio may become unbalanced and ultimately expose you to more investment risk than you wish to accept.
- You will not be kept abreast of changes in taxation, new legislation, or new products that could be suitable for you.
- You may need to move to an alternative provider who can take instructions from you directly, or you may incur increased provider/platform costs as they may be required to pick up additional administration that we would otherwise be undertaking.

You may opt back into ongoing services at any time, but this will be subject to an additional initial review being carried out and will be subject to the fee structure that is current at that time.

## **SECTION 2- GENERAL INFORMATION**

English law will be the basis of this contract and the language in which this contract will be interpreted. All communications will be conducted in English. The Contracts (Rights of Third Parties) Act 1999 shall not apply to this client agreement.

We act as your agent in arranging investment transactions. We never own the investments you buy or transact through us. All investments will be registered in the name(s) of the client(s) unless otherwise agreed in writing. We may not lend to a third party the documents of Title held by us or borrow any money on your behalf against the security of those documents.

## Client Classification – Retail Client

In providing investment services to you, we will categorise you as a 'retail client' unless you have instructed us to treat you otherwise, and we have agreed with such instructions. The type of client category will determine the level of protection 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', you may request re-categorisation under a client category which benefits from more protection. However, we reserve the right to agree to such a re-categorisation on a case-by-case basis. Where we agree to do so, it does not necessarily mean that you will have a right of access to the Financial Ombudsman Service.

## Communicating with You

We will communicate with you via secure messaging and other acceptable electronic communication methods as long it can be secured and can be recorded for our compliance records and is secure.

We would like to inform clients of products and services we offer, which may interest them. It is important that we can contact you where there may be more suitable products or identify gaps in your planning. If you would prefer to be excluded from these services, please contact us, but by agreeing to our client agreement terms, we will assume this is acceptable for these purposes.

## Our Ethical Policy

We are committed to providing the highest standard of advice and service possible. The interest of our customers 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;
- Seek your views and perception of our dealings with you to ensure they meet your expectations or identify any required improvements.
- To remove unnecessary post and paper in our dealings, utilising technology to reduce our impact.

## Discretionary Portfolio Management

We may suggest to you that responsibility for the management of your investments should be delegated to an external portfolio manager operating on a discretionary basis, pursuing an agreed objective based on an agreed time span and an agreed level of risk with you, but not seeking your instructions before making changes to the portfolio. In this situation, we will liaise between you and the Discretionary Manager (DPM) and ensure that regular reports are produced. It is important to make you aware we will not be responsible for the consequences of any acts or omissions on the part of the discretionary manager. In some cases, we will be acting as your agent and be treated as a professional investor by the DPM, and we will ensure they act within their mandate on your behalf. There are additional costs for using model portfolios, but our ongoing fees are based on their use, so this is already factored in.

## Conflicts of Interest

We will always act in your best interests and aim to provide quality service and professional financial advice to you. We do not receive any additional benefits from any providers that might lead us to be conflicted in the advice we give you.

In rare circumstances, a conflict of interest may arise. This would be in a situation where someone in our company has competing professional and/or personal interests, making it difficult to fulfil their duties to you fairly. If this arises, we will inform you in writing of the conflict of interest and ask for your written permission to proceed. If we cannot manage the conflict of interest, we may decline to conduct business with you.

After we have made you aware of the conflict of interest, you may at any time inform us that you no longer wish to receive services or advice from our company. Please get in touch with your financial adviser or Jane Hodges in our firm for more information and details.

## Material Changes

In accepting this client service agreement, you agree that we may change the future content without receiving your prior consent to do so, but we will not conduct any investment business for you following any change unless we have given you at least ten business days' notice unless it is impractical to do so.

The benefit of this Agreement and any rights and obligations arising hereunder may be assigned, transferred, disposed of or charged by Money Honey Financial Planning.

## Client's Best Interests

We require our clients to give us instructions in writing via secure message. We will accept oral instructions at our discretion, but this must be confirmed in writing for security reasons. We can refuse your instructions at our discretion. We maintain professional indemnity insurance to meet any liability arising regarding our obligations to you for services performed on your behalf.

## Treating Customers Fairly (TCF)

We recognise the importance of always treating clients, staff, advisers and professional partners fairly and with respect. Strategies and approaches adopted help to ensure that TCF principles are implemented and fully incorporated into its business and are committed to ensuring that all developments and initiatives are taken forward in an environment that supports the mission statement, vision and core values.

## Client Money

**WE DO NOT HANDLE CLIENT MONIES.** Cheques for premiums or investments can only be payable to the concerned product provider. We never accept a cheque made out to us unless it is for our fees specifically.

## Cancellation Rights

You will have certain rights to cancel any arrangements you have made, and these will be provided to you in the Key Features Documents, which will be provided at the point of sale.

If we provide advice on a non-packaged product, such as an Enterprise Investment Scheme (EIS) or Venture Capital Trust (VCT), you will not have post-sale cancellation rights.

## Identity & Address Verification

We may be required to verify our clients' identity, obtain information as to the purpose and nature of the business we conduct on their behalf, and ensure that the information we hold is up-to-date. For this purpose, we may use electronic identity verification systems and conduct these checks from time to time throughout our relationship, not just at the beginning.

By signing the Declaration in this Agreement (Part 3/3), you consent to us carrying out the appropriate verification checks. Depending on the level of verification generated, we may need to contact you for additional information or documentation. Therefore, we cannot accept responsibility in instances where investments are delayed due to these regulations.

Claims payments will ordinarily be made to you unless we make payment to a third party with an interest in your policy. If you require a payment to be made to a third party, we may ask for evidence of the third party's identity and ask you to provide a brief explanation for your request.

## Complaints

If you should have any complaints about the advice you receive or products you have bought, please email us immediately at [Jane.hodges@moneyhoneyfp.co.uk](mailto:Jane.hodges@moneyhoneyfp.co.uk). We will acknowledge your complaint and send you a copy of the internal complaints procedure. The matter will be investigated in line with procedures and findings reported to you. If you are still unhappy with the outcome, you have the right to forward any eligible complaint to the Financial Ombudsman Service at [www.financial-ombudsman.org.uk](http://www.financial-ombudsman.org.uk) or by contacting them on 0800 0234567. Our internal complaints procedure is available on request.

## 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. Further information about the limits applicable to the different product types is available from the FSCS at <http://www.fscs.org.uk/what-we-cover/products>

## Law

This agreement is governed and shall be construed in accordance with the Law of **England**, and the parties shall submit to the exclusive jurisdiction of the **English** Courts.

## Force Majeure

Money Honey Financial Planning 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 of this Agreement

This Client Agreement may only be cancelled, and our authority to act on your behalf may only be terminated in writing (email), at any time, without penalty, by either party and with immediate effect subject to the payment for any stages that have already been agreed and fulfilled before this notice has been provided. Other than as stated in this paragraph, there are no cancellation rights that apply to this Client Agreement. If we are managing funds on your behalf we will continue to charge our fees until you have novated funds away or arranged with the provider to act directly as a self-investor.

PLEASE READ PART 2 and 3 OF THIS AGREEMENT...