

Client Agreement

WHO REGULATES US

THE FINANCIAL CONDUCT AUTHORITY (FCA)

The FCA is the independent watchdog that regulates financial services. This document is designed by the FCA to be given to consumers considering buying certain financial products. You need to read this important document. It explains the service you are being offered and how you will pay for it.

MK Financial Planning Ltd is an appointed representative of pi financial ltd, which is authorised and regulated by the Financial Conduct Authority. **MK Financial Planning Ltd** is registered in England. Registered address – Financial House, Suite A, 267 Southmead Road, Westbury On Trym, Bristol, BS10 5EL. Registration number 05487160. pi financial ltd is registered in England. Registered address - Morfe House, Belle Vue Road, Shrewsbury, SY3 7LU. Registration number 3556277.

MK Financial Planning Ltd FCA registered number is 435374.

pi financial ltd's FCA registered number is 186419.

pi financial ltd's permitted business is advising on and arranging (bringing about) Unit Trusts, ISAs, Pensions, Life Assurance, Mortgages, Lifetime Mortgages and Home Reversion Schemes.

You can check this on the FCA Register by visiting the FCA website www.FCA.gov.uk/register or by contacting the FCA on 0845 606 1234.

Our communications with clients will ordinarily be in English, both in respect of oral and written communications. 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.

ABOUT OUR SERVICES

MK Financial Planning Ltd is able to act on your behalf in advising you on investments, non-investment assurance contracts and mortgages. We offer products and services as follows:

- **Investments** - we provide an independent advice service. We will make a recommendation for you after we have assessed your needs. Our recommendation will be based on a comprehensive and fair analysis of the market.

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Tel: 0117 9501234 Fax: 08706 220263 Mobile: 07813 659063
Email: info@mkfp.co.uk Web: www.mkfp.co.uk

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- **Non-investment protection contracts** - we advise on non-investment protection products e.g. term assurance, income protection and critical illness from a range of insurers.
- **Mortgages** – we advise on mortgage products from the whole of market. Certain lenders may offer products directly to the public. Accordingly our recommendation to you will be based on the most suitable mortgage product within the range available to our firm.

We offer you an initial discussion (without charge) at 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 financial information about you and your needs and objectives;
- Recommend and discuss any action we think you should take and, with your agreement, arrange relevant solutions for you.

RESTRICTIONS AND CLIENT OBJECTIVES

Unless confirmed in writing, to the contrary, we will assume that you do not wish to place any restrictions on the advice that we give you.

We will treat you as a retail client, unless you inform us in writing to the contrary. 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 that we offer to you, will only be given after we have assessed your needs and considered your financial objectives and attitude to any risks that may be involved. We will also take into account any restrictions that you wish to place on the type of products you would be willing to consider.

We will confirm to you in writing the basis of our recommendations along with details of any special risks associated with the products recommended.

We advise on mortgage products from the whole of the market. This means that we source the recommended mortgage from the range of mortgages available to “intermediary” firms. Certain lenders may offer products directly to the public, rather than via an intermediary firm, with more favourable terms. Accordingly our recommendation to you will be based on the most suitable mortgage product incorporated within the range available to intermediary firms.

If there is a particular mortgage product that you are aware of which is available directly from a lender that you wish us to review and comment on, we are happy to do so. We may charge you a fee for providing advice in relation to this but would agree this with you at the time.

Full details of the products we recommend to you including, for example, the minimum duration of the product, information on your right to cancel or whether no right to cancel exists, and any other early termination rights and penalties, will be covered in the relevant product disclosure information you will receive before conclusion of any contract.

We will issue any documentation/recommendations and any other communication to you in English (unless agreed otherwise).

In transmitting applications on your behalf to third parties, we will take all reasonable steps to ensure that we obtain the best possible result for you. This is referred to as 'best execution'. Under the terms of this agreement, we may, if appropriate, advise you on investments which are not readily realisable. We would draw your attention to the risks associated with these investments as there is a restricted market for them. In some circumstances it may therefore not be possible to deal in the investment or obtain reliable information about its value.

Our services may also include advice on investments relating to Unregulated Collective Investment Schemes (UCIS). Accordingly, you should carefully consider whether such investments are suitable for you in light of your personal circumstances and the financial resources available to you. We will not arrange transactions to purchase UCIS.

We may also, on occasion, advise on other financial products which are not regulated by the FCA under the Financial Services and Markets Act 2000. The Financial Services Compensation Scheme does not apply to any of these products.

Please note that any products we have arranged for you will only be kept under review as part of an agreed ongoing service for which you agree to pay. Any ongoing service will be agreed with you and confirmed in our service agreement. We may contact you in the future by means of an unsolicited promotion (by telephone, email or post) should we wish to discuss the relative merits of a particular product or service which we feel may be of interest to you.

Client's Risk

Please be aware that investments can fall as well as rise, and that you may not get back the full amount invested. The price of investments we may recommend may depend on fluctuations in the financial markets, or other economic factors, which are outside our control. Past performance is not necessarily a guide to future performance. Specific warnings relevant to the investments, investment strategies or other products we recommend will be confirmed to you in your suitability report.

Neither **MK Financial Planning Ltd** nor its employees are qualified to render legal or accounting advice or to prepare any legal or accounting documents. It is hereby understood and agreed that the onus is on you the client to refer to a solicitor or accountant any point of law or accountancy that may arise during the course of discussions with us.

Client Money

MK Financial Planning Ltd is not permitted to handle client money and we cannot accept a cheque made out to us or handle cash. Invoices will be payable to our parent organisation pi financial ltd.

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.

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 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 you 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.

CONFLICTS OF INTEREST

MK Financial Planning Ltd offer independent advice and will endeavour always to act in the best interests of you our client. But occasions can arise where we or one of our other clients may 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 conflict 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.

As a consequence of such potential conflicts of interests arising, we have put arrangements in place to ensure our clients are treated fairly. We have also implemented a Conflicts of Interest Policy to help us manage such risks, which you may access upon request.

Other benefits we may receive

From time to time we may attend training events funded and /or delivered by product providers, fund managers and platforms. These events are designed to enhance our knowledge and ultimately therefore enhance the quality of service we provide to our clients. Further details are available on request.

DISCLOSURE OF CLIENT'S PERSONAL DATA

Your personal information is very important to us. We will endeavour to take all due care to protect this information. We would like to highlight below a few matters relating to your information that you should be aware of.

Some services are provided to **MK Financial Planning Ltd** by third parties such as processing business or obtaining compliance or regulatory advice, which warrant the disclosure of more than just your basic contact details. You agree that personal information held by ourselves may be disclosed on a confidential basis, and in accordance with the Data Protection Act 1998, to any such third parties. You also agree that this information may be transferred electronically, e.g. e-mail and you agree that we, or any such third party, may contact you in future by any means of communication which we consider appropriate at the time.

Product providers, lenders and investment managers may administer your policy, any existing policies you may have with them and provide other services, from centres in countries outside Europe (such as India and the USA) that do not always have the same standard of data protection laws as the UK. However, they are required to put a contract in place to ensure that your information is adequately protected, and they will remain bound by their oblig-

ations under the Data Protection Act even when your personal information is processed outside Europe.

ANTI –MONEY LAUNDERING

In common with Solicitors, Accountants, Banks, Building Societies and other financial firms, we are subject to certain laws and regulations to prevent money laundering and terrorist financing.

To comply with our legal obligations we must check the identity of clients (and their beneficial owners). You agree to provide all information as we may reasonably require in order to do so. We may cease to act for you if you fail to comply with the above, or we are unable to obtain this information from another independent reliable source. For this purpose we use electronic identity verification systems and we may conduct these checks from time to time throughout our relationship, not just at the beginning.

Disclosure of charges/fees

All charges/fees will be fully disclosed to you. These will be disclosed in summary form before we undertake any work for you. The precise charges relating to any work or recommendations we make will be confirmed in your suitability report or relevant product disclosure information that is provided to you.

There is no additional cost to you for using a means of distance communication.

PAYMENT FOR SERVICES

Following our initial discussion (for which there is no charge) should you decide to go ahead there is a cost for our services. We offer a variety of methods by which we can be remunerated so that you can select the method that best suits your needs. 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. We will also tell you if you have to pay VAT and if there are other costs that might arise in connection with the services we provide to you.

Investment business

Initial charges

Our charges relating to new work e.g. client take-on, new investments and one-off reviews are as follows;

Initial Service	Initial Charges
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Initial service – Bronze £1-£34999	Our fee as a one-off percentage of the initial investment amount is: 5% subject to a maximum of £1750 and a minimum of £250 For example, if you were to invest £10,000 our charge would be £500.
Initial service – Silver £35000-£69999	Our fee as a one-off percentage of the initial investment amount is: 3% subject to a maximum of £2100 and a minimum of £1050 For example, if you were to invest £50,000 our charge would be £1500.
Initial service – Gold £70000+	Our fee as a one-off percentage of the initial investment amount is: 3% subject to a maximum of £5000 and a minimum of £2100 For example, if you were to invest £100,000 our charge would be £3000.

Paying for our services

We will discuss your payment options with you and agree with you how we will be paid.

You can pay our adviser charges by cheque, standing order or direct debit instruction; **such payments are to be made to our parent organisation ‘pi financial ltd’**. We do not accept payments by cash. Our charges will become payable on completion of our work and should be settled within 28 business days. You will be provided with a receipt upon payment.

You may also pay our adviser charges via deductions from the financial product(s) that you might invest in, where the product/platform provider allows this. Please note that if you choose to pay by deduction from a financial product this will reduce the amount left for investment and may, depending on your circumstances, have other consequences. If you select this option we will discuss the implications of using this payment method with you prior to putting it in place.

If your investments are held on a platform you may choose to pay our adviser charges out of the funds held with the platform cash account (where the platform provider offers this facility). If this method is selected it is important that sufficient funds are maintained in the account to cover our adviser charges as and when they become payable. We will discuss the implications of using this payment option with you prior to putting it in place.

Please note (as referred to in the table above) a minimum charge may be applied even if you choose not to invest in a product. We reserve the right to charge you for services provided prior to cancellation.

Paying by instalments (regular premium contracts only)

Where you invest in a regular premium contract e.g. where contributions are made on a monthly, quarterly or annual basis, you can choose to pay your adviser charge in instalments

(note that the option to pay in a single payment is still available). Our normal approach will be for the payment to be spread over a maximum of 12 months. Exact details will be confirmed in writing with you. Where you are investing in a product you can choose to have your adviser charge deducted from the product through instalments (where the product / platform provider is able to offer this facility). Although you may pay nothing to us up front that does not mean that our service is free. You still pay us indirectly through deductions from the amount you pay into your product. These deductions could reduce the amount left for investment and may, depending on your circumstances, have other consequences. If you select this option we will discuss the implications of using this payment method with you prior to putting it in place.

Where you have opted to pay our adviser charge by instalments these payments are linked to the on-going payment of agreed regular contributions into your plan (until the agreed adviser charge has been paid in full). In the event that the regular contributions to your plan are not maintained (until the agreed adviser charge has been paid in full) we reserve the right to request full payment of any outstanding balance of the charges for our services.

Ongoing services

We can offer you three levels of ongoing service designed to provide periodic reviews to ensure that recommended products remain relevant to your circumstances. Details of what is included in each of these services are provided in our Client Services Brochure. Our charges relating to ongoing services are as follows;

Ongoing Service	Ongoing Charges
Ongoing Service – Bronze £1-£34999	For providing this service there is only the initial fee to pay. There are no ongoing fees.
Ongoing Service – Silver £35000-£69999	For providing this service we will charge an ongoing fee of 0.5% per annum of the investment fund value. For example, if your fund was valued at £50,000 our ongoing fee would be £250.
Ongoing Service – Gold £70000+	For providing this service we will charge an ongoing fee of 0.5% per annum of the investment fund value. For example, if your fund was valued at £100,000 our ongoing fee would be £500.

Payments for the above services can be made either by regular fee (paid by standing order) or by deduction from your investment(s) on a monthly, quarterly, six-monthly or annual basis, where the product / platform provider is able to offer this facility. These deductions could reduce the amount left for investment and may, depending on your circumstances, have other consequences. If you select this option we will discuss the implications of using this payment method with you prior to putting it in place.

Ongoing services can be cancelled at any time by simply informing us in writing. Please note that we reserve the right to charge you for services provided prior to cancellation.

Protection business

You can pay for our advised protection services by fee, commission or a combination of these. In relation to non-investment protection contracts, if you wish us to work on a fee basis the fee will be based on an hourly rate basis subject to a minimum fee of £250. Any commission can be used to offset this fee. Any surplus will be refunded to you.

Where we use or refer to hourly rate fees the current rates used are as follows;

Principal	£200 per hour
Financial Adviser	£150 per hour
Administrator	£75 per hour

Where we are paid by commission we will tell you the amount before we carry out any business for you.

In respect of any regular premium policy which we have arranged for you, should you subsequently cease to pay premiums on the policy and in consequence we are obliged to refund the commission that has been paid to us, we reserve the right to charge you a fee representing the amount we have to repay, for a period of up to four years after commencement of the policy. We will confirm the exact amount that will need to be repaid by you and the timescale over which it will need to be repaid in the suitability report we will send you when a recommendation is made. We will not charge any such fee if you exercise your right to cancel in accordance with any cancellation notice sent to you by the life insurance company.

Mortgage business

Details of how we are remunerated for our mortgage services can be found in a separate mortgage initial disclosure document which will be given to you prior to undertaking work in this area.

WHAT TO DO IF YOU HAVE A COMPLAINT

In the event that you are dissatisfied with a recommendation we have made you may be entitled to make a complaint. We have a complaints procedure that is available on request. If you wish to register a complaint, please contact us:

In writing: Write to The Compliance Director, pi financial ltd, Morfe House, Belle Vue Road, Shrewsbury, Shropshire, SY3 7LU
By phone: Telephone +44 (0) 1743 282222
By Email: emma.goldsmith@pifinancial.co.uk

For your further protection if you cannot settle your complaint with us, you may be entitled to refer it to the Financial Ombudsman Service ('FOS').

Please be assured we treat complaints very seriously.

ADDITIONAL PROTECTION – THE FINANCIAL SERVICES COMPENSATION SCHEME

We are covered by the Financial Services Compensation Scheme ('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.

Investments - most types of investment business are covered for up to a maximum of £50,000.

Insurance - advising and arranging is covered for 90% of the claim, without any upper limit.

Mortgages – advising and arranging is covered up to a maximum limit of £50,000.

Further information about compensation scheme arrangements is available from the FSCS at www.fscs.org.uk/consumer.

TERMINATION OF AUTHORITY TO ACT

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 work already initiated which will be completed according to the Client Agreement unless otherwise agreed in writing. You will be liable to pay for any work completed prior to termination and any fees outstanding, if applicable.

CLIENT'S 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 authorise the transfer of information, on a confidential basis when warranted between any such third parties. I acknowledge that the client agreement will come into effect from the date of issue.

I also confirm that I AM / I AM NOT happy to give **MK Financial Planning Ltd** my express consent to contact me by telephone to discuss advising on or arranging financial, mortgage or insurance products in future.

Initial Service	Tick to confirm	Details of agreed fee	
Initial service – Bronze			
Initial service – Silver			
Initial service – Gold			
Other – specify details of work:			
Advice relating to non-investment protection contracts		Pay by commission	Y / N
		Agreed fee (if applicable)	£

Date of issue	
Client name(s):	
Client Signature(s):	
Date:	