

CLIENT AGREEMENT FOR INVESTMENTS & INSURANCES

1. Authorisation Statement

Slone Capital is a trading name of Lee Smythe & Associates Ltd, which is authorised and regulated by the Financial Conduct Authority (FCA). The FCA regulates the financial services industry in the UK and you can view our authorisation and permitted activities on the Financial Services Register by visiting the FCA's website: www.fca.org.uk/firms/financial-services-register, or by contacting the FCA on 0800 111 6768.

2. Our Services

Slone Capital is able to act on your behalf in advising you on investments and non-investment protection contracts. We offer products and services as follows:

- **Investments** – we offer an independent advice service. We will recommend investments based on a comprehensive and fair analysis of the market. We will place no restrictions on the investment markets we will consider before providing investment recommendations unless you instruct us otherwise. We will, however, only make a recommendation when we believe it is suitable for you.
- **Non-investment protection contracts** – we offer non-investment protection products, such as term assurance, income protection and critical illness, from a range of insurers.
- **General insurance contracts** – we offer general insurance contracts, such as private medical insurance, from a range of insurers.

We offer an initial discussion – at no cost to you – where we will describe our services more fully and explain the charging and payment options. If you decide to go ahead, we will:

- Gather and analyse personal 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.

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 you invested.

3. Your Aims and Objectives

Unless we notify you in writing to the contrary, we will treat you as a 'retail client' for investment business and a 'consumer' for general insurance business. This means that you are afforded the highest level of protection under the regulatory system and have the right to take any complaint to the Financial Ombudsman Service (FOS).

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.

With very few exceptions, we will confirm to you in writing the basis of our recommendations along with details of any special risks associated with the products recommended.

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 we have agreed otherwise).

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 (FSCS) does not apply to any of these products.

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 these circumstances, it may not be possible to deal in the investment or obtain reliable information about its value.

4. 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.
- Never place our interests above yours.
- Communicate clearly, promptly and without jargon.
- Seek your views and perception of our dealings with you to ensure it meets your expectations or to identify any improvements required.

5. Our Investment Services and Costs

We will provide you with an initial consultation at our 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 will agree a fee for our services with you in writing before we commence working on your behalf. These fees are split in to three parts as indicated below.

5a. Financial Review and Recommendation

This can be a continuation from the initial discussion where agreed, or a further separate appointment. A Financial Review and Recommendation covers:

- gathering information about your existing financial arrangements and full personal circumstances,
- understanding your investment knowledge, and attitude and tolerance towards investment risk,
- recommending an asset allocation model that matches your risk profile and subsequently assessing the suitability of any existing holdings,
- preparing and reporting on our recommendations to you, and
- arranging a second appointment to explain and discuss our recommendations in detail.

Our fee for this service is agreed on case-by-case basis, subject to a minimum fee of £500 payable on provision of a report containing our recommendations to you. This fee will be waived wholly or in part should you decide to implement any of our recommendations.

Please note: while our service is of an advisory nature, we retain the right not to process any transactions for clients that we consider to be unsuitable for them.

5b. Policy Arrangement and Implementation

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, and
- provide confirmation of all actions taken on your behalf in writing.

Fees for lump sum investments or transfers

Our fee for this service is usually based on a percentage of the amount you invest and/or transfer, subject to the complexity of your individual circumstances. These fees are applied as follows, but are subject to a minimum of £500:

Up to £500,000	–	3% (i.e. up to £15,000)
£500,001 to £1,000,000	–	2% (i.e. up to £25,000)
Over £1,000,000	–	1% (i.e. over £25,000)

You can choose how the fee is paid:

- Direct fee payment – you can opt to pay the fee directly, for example by cheque. In this case, no implementation fees are collected via the recommended investment.

- Facilitated by the investment – on receipt of the investment or transfer, the recommended provider can make a deduction from the amount invested to pay the fee.

Where we receive such a payment, in most cases we will waive our Financial Review and Recommendation fee (see section 5a) by the same amount, unless otherwise agreed.

Example 1: If we arrange an investment on your behalf for £10,000, our implementation fee would be £300. As this is less than the minimum Financial Review and Recommendation fee of £500, we would charge an additional £200 as the balance. The total fee payable would be £500.

Example 2: If we arrange investments on your behalf totalling £200,000 our implementation fee would be £6,000. As this exceeds the Financial Review and Recommendation fee, no other charges would be applied.

Fees for regular premium savings or investments

Our fee for implementing a regular premium savings or investment plan is 25% of the first year's premium and this fee will become payable by you directly on commencement of the policy.

Where the payment due exceeds our Financial Review and Recommendation fee (see section 5a) this will be waived. If it does not, then an additional balance payment will be due.

Example 3: If your monthly contribution is £100, then our implementation fee would be £300. As this is less than the Financial Review and Recommendation fee of £500, we would charge an additional £200 as the balance. The total fee payable would be £500.

Example 4: If your monthly contribution is £500, then our implementation fee would be £1,500. As this exceeds the Financial Review and Recommendation fee, no other charges would be applied. The total fee payable would be £1,500.

Hourly charging

In some circumstances, we charge an hourly fee for our services. We may do this if you do not take our ongoing management service (see section 5c), or if the work we undertake falls outside the scope of your ongoing service agreement. Our hourly work is charged at the following rates:

- Adviser: £200 per hour
- Paraplanner: £150 per hour

We will always agree the services you would like us to deliver, their cost and how you will pay for them in advance of undertaking any work.

Example 5: If you do not take our ongoing management service but would like us to a transfer analysis for your pension, this would take four hours and be carried out by an adviser. The cost would therefore be £800.

Example 6: If you do not take our ongoing management service but would like us to carry out a carry forward calculation for pension contributions, this would take two hours and be carried out by a paraplanner. The cost would therefore be £300.

5c. Ongoing reviews and changes to existing investments

We like to work with clients on a long-term basis and we will discuss our range of ongoing services during our initial consultation. These services include but are not limited to:

- structured reviews to give you peace of mind;
- an assessment of your circumstances and any changes to your plans that are needed;
- regular updates and information regarding your holdings;
- a choice of differing levels of support depending on your needs; and
- ongoing support with correspondence and administration issues.

We will agree separately the level of ongoing services and the fee payable, at the time of, or prior to, making our recommendation(s) to you.

The cost of our ongoing management service is 0.75% per annum based on the ongoing value of your investments. The amount you pay will fluctuate with the value of your investment; if your investment increases in value, the amount you pay us will also increase. If your investment falls in value, the amount you pay us will reduce.

The fee can be deducted from your investments or paid directly by you. 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 this with you and confirm it in your personal recommendation report.

Our ongoing management service is subject to a minimum fee of £500 per annum.

Example 7: If your investments are valued at £500,000, then the ongoing management fee you would pay is £3,750.

Example 8: If your investments are valued at £30,000, then the ongoing management fee we would receive is £225. As this is less than the minimum ongoing management fee of £500, we would charge an additional £275 as the balance. The total fee payable would be £500.

Should you decide to cancel our agreement to provide ongoing services you must provide written confirmation of your decision. We will cease payments for these services within 7 business days and after collection of any due proportion of any period fees.

6. Our General Insurance and Protection Services and Costs

Similar to our investment services above, we will provide you with a personal and financial review prior to making our recommendation(s) to you. Should you accept our recommendation(s) we will arrange the implementation of this/these for you. The reasons for our recommendations will also be provided to you in a written report.

We do not normally charge a fee for our insurance and protection services as we will normally receive commission from the policy provider. You will not be subject to value-added tax (VAT) for this service.

7. Value-Added Tax

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.

8. 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 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.

9. Client Money

Slope Capital 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 previously sent you an invoice) or handle cash.

10. Documentation

We 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.

11. Instructions

We prefer our clients to give us instructions in writing, to aid clarification and avoid future misunderstandings. We will, however, accept oral instructions provided they are later confirmed in writing.

12. Material Interest

We will act honestly, fairly and professionally. This is known as conducting business in 'the 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' conflicts 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 FCA, we are prohibited from accepting any payment (commission or other non-monetary benefit) which is likely to conflict with the duty of the firm to our clients.

13. Complaints

If you wish to register a complaint, please write to: The Compliance Officer, Slone Capital, Office 9, Brogdale Farm, Brogdale Road, Faversham, Kent, ME13 8XZ, or telephone 01795 532 090.

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 FOS at: www.financial-ombudsman.org.uk or by calling 0800 023 4567.

14. Financial Services Compensation Scheme

If you make a complaint and we are unable to meet our liabilities, you may be entitled to compensation from the FSCS. Investment business will normally 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: www.fscs.org.uk/what-we-cover/products.

15. 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 on 01795 532090 or in writing at: Slone Capital, Office 9, Brogdale Farm, Brogdale Road, Faversham, Kent, ME13 8XZ.

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.

16. 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.

17. 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.

18. Force Majeure

Slone Capital 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.

19. Termination

The authority to act on your behalf may be terminated at any time without penalty by either party giving 7 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 fees for services shall be settled to that date.

20. 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 us for further information.

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 confirm that I/we agree to the adviser being remunerated on the basis we have chosen below:

1. Cost of financial review and recommendation(s) – to be completed by adviser (only where implementation costs do not exceed this amount):
2. By deduction from the policy (where possible)**:
3. By direct payment**:

** Please tick one of the boxes to confirm your preferred method of payment.

Fee notes:

I/We are aware of the costs of the Financial Review and Recommendation(s) and, where appropriate, the Policy Arrangement and Implementation fees and agree to the method and timing of these.

Client 1 Name: _____

 Signature: _____

 Date: _____

Client 2 Name: _____

 Signature: _____

 Date: _____

Date of issue: _____

Issued on behalf of Slone Capital by: _____