

## **Thomas & Co Financial Services Client Agreement**

This agreement is issued on behalf of Thomas & Co Financial Services, Suite C, The Courtyard, Lombard Street, Abingdon, Oxon, OX14 5FG, who can be contacted on 01235 522003.

### **Authorisation Statement**

Thomas & Co Financial Services is authorised and regulated by the Financial Services Authority. Our FSA number is 137287. The Financial Services Authority regulates the financial services industry in the UK and their address is 25, The North Colonnade, Canary Wharf, London, E14 5HS. You can check this on the FSA's Register by visiting the FSA website [www.fsa.gov.uk/register](http://www.fsa.gov.uk/register) or by contacting the FSA on 0845 6061234.

### **Permitted Business**

Our permitted business is advising on and arranging investments, pension transfers and opt-outs and non-investment insurance contracts.

### **Client Categorisation**

Each client with whom Thomas & Co Financial Services does business is categorised as a "Retail Client" for investment purposes.

### **Communication**

We will communicate with you in English both verbal and written for the sending and reception of orders.

### **Scope of Services**

We offer independent advice for investments, non investment insurance contracts (term assurance, critical illness and income protection), and mortgages. We are therefore able to offer products from the whole of the market place. We also provide advice for home reversion plans and home purchase plans and will issue a separate client agreement for these transactions.

### **Services to be provided**

We normally ask our clients to give written instructions before we act for them but, at our discretion, oral instructions will also be acceptable.

Once we have acted upon your instructions, we will not provide further advice or services unless requested to do so. It is important that you review your savings and investments regularly. You should revisit your goals to ensure your investments remain suitable and on track.

### **Investment objectives**

When making a detailed investment or mortgage recommendation, we will confirm your objectives and any restrictions on the type of product that is being recommended and explain why, having assessed your needs, our recommendations are suitable for your individual circumstances in our suitability letter/report.

When arranging a non investment insurance contract, will confirm your demands and needs and any restrictions on the type of product that is being recommended and explain why, having assessed your needs, our recommendation are suitable for your individual circumstances in our "statement of demands and needs".

### **Investment Risk**

All investments carry a degree of financial risk, which will tend to increase in proportion to the potential rate of return on the investments. Any product which is directly or indirectly invested in assets which may fall in value (for example equities) may itself fall in value along with any decrease in the value of those assets. Before entering into any investment agreement, you should ensure that you understand the risk associated with the product and are content to accept the level of risk.

### **Client money**

We are not authorised by the Financial Services Authority to handle client's money. We never accept a cheque made out to us (unless it is in settlement of charges for which we have sent you a bill) nor handle cash.

All commission to be rebated to the client, in respect of any transaction arranged, is and will remain the property of this firm, until such time as, if previously agreed, all or part of that commission is refunded to the client. Interest on any such sums will not be payable unless agreed otherwise.

### **Investment documents**

We will register all investments in your name unless otherwise agreed in writing. All documents of title in respect of investments will be forwarded to you by post as soon as possible after we receive them. Where a number of documents relating to a series of transactions are involved, the documents will normally be retained until the series is completed.

### **Conflicts of Interest**

We offer independent advice, but occasions can arise where we, or one of our other customers, will have some form of interest in business which we are transacting for you. If this happens, or we become aware that our interests or those of one of our other customers conflict with your interests, we will inform you in writing and obtain your consent before we carry out your instructions. In accordance with the rules of our regulator, The Financial Services 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.

## 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.

## PI Insurance

Thomas & Co Financial Services maintains professional indemnity insurance that satisfies the level of cover stipulated by the Financial Services Authority.

## Paying for our services

### Investment advice

You will pay for our services on the basis of paying by fee, paying by commission or paying by a combination of fee and commission. Not all firms charge for advice the same way. We will discuss your payment options with you and answer any questions you may have. We will not charge you anything until you have agreed how we are paid.

### Paying by Fee

Whether you buy a product or not, you will pay us a fee for our advice and services. If we also receive commission from the product provider when you buy a product, we will pass on the full value of that commission to you in one or more ways. For example, we could reduce our fee; or reduce your product charges; or increase your investment amount; or refund the commission to you.

We will agree the rate we will charge before beginning work. You may ask us for an estimate of how much in total we might charge. All fees are payable upon completion of our work. You may also ask us not to exceed a given amount without checking with you first. We will tell you if you have to pay VAT. Our typical charges are:

Partner/Financial Adviser	£150 per hour
Regular Premium Business	Up to 50% of the first years premium (e.g. £50 per month, fee of £300)
Lump Sum Business	up to 5% of the amount invested (e.g. £50,000 investment, fee of £2,500)

### Paying by commission (through product charges)

If you buy a financial product, we will normally receive commission on the sale from the product provider. Although you pay nothing to us up front, that does not mean the service is free. You still pay us indirectly through product charges. Product charges pay for the product provider's own costs and any commission. These charges reduce the amount left for investment. If you buy direct, the product charges could be the same as when buying through an adviser, or they could be higher or lower. We will tell you how much the commission will be before you complete an investment, but you may ask for this information earlier.

The amount of commission we receive will vary depending on the amount you invest and (sometimes) how long you invest or your age. The following table demonstrates our usual rates of commission however, if it is proposed that the amount to be charged is greater than this amount written confirmation will be provided.

<b>Regular Contributions</b>	<b>Based on payment by you of £100 pm</b>
Collective Investment	4% of all payments plus 0.5% of your fund value each year from year 2 For example £48 initially plus £12.00 in year 2 and so on (the actual amount in later years will vary in line with your fund value)
Whole of Life	135% of each of the first 12 months payments plus 2.5% of all payments from month 49. For example £1,620 initially plus £30.00 each year from month 49.
Personal and Stakeholder pensions (10 year term)	23.6% of the first 12 months payments For example £283.20 initially
Personal and Stakeholder pensions (25 year term)	49.8% of the first 12 months payments For example £597.60 initially

<b>Lump Sum</b>	<b>Based on payment by you of £10,000</b>
Collective Investment	4% of the amount you invest plus 0.5% of your fund value each year from year 2 For example £400.00 plus £50.00 each year from year 2 (the actual amount in later years will vary in line with your fund value)
Investment Bonds	4% of the amount you invest plus 0.5% of your fund value each year from year 2 For example £400.00 plus £50.00 each year from year 2 (the actual amount in later years will vary in line with your fund value)
Personal and Stakeholder pensions	4.2% of the amount you invest plus 0.5% of your fund value each year from year 2 For example £420.00 plus £50.00 each year from year 2 (the actual amount in later years will vary in line with your fund value)
Annuities	2 ½ % of the amount you invest For example £250.00
Income drawdown	3% of the amount you invest plus 0.5% of your fund value each year from year 2 For example £300.00 plus £50.00 each year from year 2 (the actual amount in later years will vary in line with your fund value)

- These are examples the actual amount payable will be fully disclosed at the time of the advice.
- These commission examples do not include payment for ongoing reviews of your investments.

#### **Paying by a combination of fee and commission (through product charges)**

We will charge you a combination of fee and commission. The actual amounts will depend on the service provided to you, but will be in line with the arrangements set out in the sections headed “**Paying by Fee**” and “**Paying by commission (through product charges)**”

#### **Insurance**

We do not charge a fee for term assurance, critical illness and income protection.. We will issue with a quotation, which will tell you about any other fees relating to a particular insurance policy.

#### **Mortgages**

For mortgage advice you will pay for our services on the basis of paying by commission or paying by fee. We will discuss your payment options with you and answer any questions you may have. We will not charge you anything until you have agreed how we are paid. Our mortgage charges are:

#### **Commission**

No fee however, we will receive commission from the lender

#### **Fee & Commission**

Prime -	For loans under £50,000 the fee payable will be 2% (e.g for a loan of £30,000 the fee payable will be £600) For loans between £50,000 and £100,000 the fee payable will be 1 ½ % (e.g for a loan of £80,000 the fee payable will be £1,200) For loans of £101,000 and above the fee payable will be 1% (e.g for a loan of £150,000 the fee payable will be £1,500)
Sub Prime –	For loans under £50,000 the fee payable will be 4% (e.g for a loan of £30,000 the fee payable will be £1,200) For loans between £50,000 and £100,000 the fee payable will be 3% (e.g for a loan of £80,000 the fee payable will be £2,400) For loans of £101,000 and above the fee payable will be 2% (e.g for a loan of £150,000 the fee payable will be £3,000)

The fee will be payable on completion of the mortgage and we will also be paid commission from the mortgage lender.

#### **Fee**

A fee of £        payable upon completion of your mortgage. Any commission received from the lender would be refunded to you

You will receive a key facts illustration when considering a particular mortgage, which will tell you about any fees relating to it.

#### **Rights to Cancel**

We will inform you of your statutory right to cancel. The Distance Marketing Directive normally grants you 30 days in which you may cancel a life or pension contract. However there will be occasions where no statutory rights are granted, however this will be explained before any contract is concluded.

#### **Complaints**

If you wish to register a complaint, please contact one of the partners by writing to Thomas & Co Financial Services, Suite C, The Courtyard, Lombard Street, Abingdon, Oxon, OX14 5FG or telephoning 01235 522003.

If you cannot settle your complaint with us, you may be entitled to refer it to the Financial Ombudsman Service.

#### **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.

- **Investment** - Most types of investment are covered for 100% of £50,000.
- **Insurance** - Insurance advising and arranging is covered for 90% of the claim with no upper limit.
- **Mortgages** - Mortgage advising and arranging is covered for 100% of £50,000.

Further information about compensation scheme arrangements is available from the FSCS.

#### **Data Protection**

Thomas & Co Financial Services is registered under the Data Protection Act 1998. By accepting 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 FSA 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.

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 commission or alleged commission 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 at our address.

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 other than for a legitimate purpose. Steps will be taken to ensure that the information is accurate, kept up to date and not kept 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.

We will supply on request, copies of entries in our records relating to your transactions, although we reserve the right to make a charge for any expenses incurred. We undertake to maintain such records for at least six years (many documents we retain for a significantly longer period) from the date of each transaction.

### **Termination**

This Client Agreement will take effect from the date upon which they are issued to you and will remain in force until such a time that you are issued with revised terms. You or we may terminate our authority to act on your behalf at any time without notice period or penalty. Notice of termination must be given in writing, and will be without prejudice to the completion of any transactions already initiated. If you specifically require us to cease to deal with transactions which are already in progress, this should be confirmed in writing.