

A – Introduction

This document is aimed at providing you with an overview of the working practices of Lloyds Independent Financial Planning Ltd who are located at 3 Langford Court, Langford Bridge Farm, Ongar Road, Brentwood, Essex, CM15 0LB.

It is designed to introduce our services to you in more detail, from which you may then agree the service and remuneration package that best suits your needs. We will discuss this with you so that you 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. We can be contacted at enquiries@lloydsifp.com or 01277 365874.

B - Firm Background

Lloyds Independent Financial Planning Ltd was established in December 2004.

We are able to act on your behalf in advising you on investments and non investment insurance contracts.

We offer products and services as follows:

- investment products from the whole of the market.
- non investment products from a range of insurers.

We are authorised and regulated by the Financial Services Authority ('FSA'), 25 The North Colonnade, Canary Wharf, London, E14 5HS. Our FSA Register number is 446499. Our permitted business is advising on and arranging pensions, savings and investment products and non investment insurance contracts. You can check this on the FSA's Register by visiting the FSA's website [ww.fsa.gov.uk/register](http://www.fsa.gov.uk/register) or by contacting the FSA on 0845 606 1234.

C - What services do we offer?

We offer fully independent financial advice for individuals, businesses and trusts on investments, savings, retirement planning and non investment insurance (for example Life Assurance, Income Protection Insurance, Critical Illness cover)

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.

Services to be provided – Insurance

Following the issue of this document, any subsequent advice or recommendation offered to you will be based on your stated objectives, acceptable level of risk and any instructions you wish to make regarding the type of insurance policies you are willing to consider. Details of your stated objectives will be included in the Demands and Needs Statement we issue to you confirming the reasons for our recommendations.

Advice and Instructions

Any advice given to you by us shall be in writing. 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 confirmed in writing. We may, at our discretion, refuse to accept instructions although such discretion shall not be exercised unreasonably. We will record all transactions on our files which, along with copies of relevant documentation, will be retained by us for a period of not less than six years. You have a right to inspect copies of contract notes, vouchers and entries in our books or computerised records relating to your transactions. We reserve the right to withhold copies of these records if information to other parties would be disclosed.

The basis on which we will offer advice and/or services can be broadly described as:

1. Transactional Based
 - a) No Advice
 - b) Limited or Restricted Advice
2. Financial Planning

1. Transactional

Please note that with transactional based services, any products we arrange for you, will not be kept under review in the future. We will however provide further services to you upon your request and these may be subject to a new service agreed with you at that time. However, 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.

a) No Advice – execution only

With the transactional service, we merely arrange a transaction at your specific request. No advice is given on the suitability of the product in relation to your specific circumstances. You will have made this decision yourself before you ask us to arrange it on your behalf.

If we act for you on an “execution only” basis, you will be provided with the relevant illustrations, product brochures and application form, but we will not provide any comment on the product or its suitability for you.

You will be asked to sign an ‘execution only’ form to confirm your decision. This will ask you to provide full details of the product you wish to purchase.

No review of your individual circumstances will take place to assess the suitability of the product for you. As such you will not have the right to refer any future complaint to the Financial Ombudsman Service regarding the sale of the product. This is because no recommendation will have been made.

You should therefore ensure that you have sufficient knowledge and experience to make this decision for yourself. If you have any doubts about your selection, you may be better suited to receiving advice on this occasion. Please refer to the other services that are available.

In certain circumstances, we may need to assess whether the transaction is “appropriate” for you. Typically, this will happen if your request relates to a product linked to derivatives or warrants. We therefore reserve the right to decline to act for you on an execution only basis if we think it is in your best interests for us to do so.

b) Limited or Restricted Advice

If you instruct us that you wish to limit the advice we give you in any way – for example:

You wish to limit the investment areas on which we provide advice to you, we will consider this to be ‘limited or restricted advice’. In this case, we will follow the standard advice process stages set out below but only in relation to the areas on which you have requested advice. You should be aware that if you limit the information you provide to us in any way, it may detract from the completeness of the advice we are able to give you. This is because, the information not disclosed could affect how appropriate the advice we give you is to your circumstances. If you place any limitation on our advice, we will confirm this fact to you during our discussions and in our subsequent suitability letter.

2. Financial Planning

Where a Financial Plan is to be undertaken, please refer to the advice process in section E which summarises the steps that will be taken.

D – Material Interest

Conflict of interest

We will act honestly, fairly and professionally, known as conducting business under ‘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 conflict with your interest, we will write to you and obtain your consent before we carry out your instructions, and detail the steps we will take to ensure fair treatment.

In accordance with the rules of our regulator, The Financial 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.

The principals of Lloyds Independent Financial Planning Ltd have a minority shareholding in Capital Reward Ltd. Capital Reward Ltd is a subsidiary of our compliance support company and generates its income from the placement of business with certain product providers. The business placed is intended to add value to the shares in that company and the long term aim is for the shares to be sold, thereby providing a deferred cash benefit to the shareholders. The

existence of the shareholding and any potential benefit will in no way influence our recommendation in relation to the most suitable product or provider.

On request we will be pleased to provide you with a list of the providers from whom such benefits may be earned. We can also confirm that the provision of the shares and their potential benefits do not affect your product terms.

Client classification

Unless we notify you in writing to the contrary, we will be treating you as a “retail client”. This means that you are afforded the highest level of protection under the regulatory system and should have the right to take a complaint to the Financial Ombudsman Service. Details of our complaints procedure are available on request.

Communication

We will communicate with you in English both verbally and written format for the sending and reception of orders. To avoid any doubt, instructions to and from Lloyds Independent Financial Planning Ltd should be issued in writing.

Documentation

We will endeavour to make arrangements for all of your investments to be registered in your name unless you first instruct us otherwise in writing. All Policy Documents or Lenders' Offer 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.

Client Money

Lloyds Independent Financial Planning IS NOT permitted to handle client money AND we cannot accept a cheque made out to us (unless it is in respect of an item for which we have sent you an invoice) or handle cash.

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. It would be helpful if you could provide evidence of your identity and address. This would normally include your passport or photo driving licence and a utility bill in your name/s that is not older than Three Months. If these documents are not available please speak to the Adviser who will confirm what alternatives would be acceptable. We may also use electronic identity verification systems (EiDV) and we may conduct these checks from time to time throughout our relationship, not just at the beginning, with your consent. For more details with regards to proving your identity our

regulatory body has prepared a leaflet on the subject which we have enclosed in the pre-meeting pack. If you would like to view this document online please go to the following address; http://www.moneymadeclear.fsa.gov.uk/pdfs/proving_your_identity.pdf

E - Advice Process

We aim to provide all clients with clear financial direction. This is achieved by having a full understanding of your current financial position, your objectives and identified needs. This enables us to provide suitable solutions for you in order to treat you fairly. Our aim is to reduce future barriers to these objectives and to maximise the opportunities for achieving your goals.

Client Responsibility

It is important that you provide us with the information that we request in order for us to provide the advice and services you want. We therefore ask that clients do not unreasonably withhold relevant information. Please note that any advice we provide to you will be based on the information you provide to us.

Under the FSA rules, we are required to consider whether it is in your best interest for us to act for you if you refuse to provide us with what we believe to be the necessary information. We therefore reserve the right to decline to act for you if we believe you have not provided us with the requisite information.

Initial Profiling Meeting

We offer you an initial discussion (at our expense) when we will describe our services more fully and explain the payment options. At this meeting your adviser will introduce themselves and the firm to you and confirm at what stage in the process charges may apply. We will not undertake any chargeable work for you before agreeing it with you.

The main purpose of the Initial Profiling Meeting will be to explain our offering and obtain as much information as possible relating to your financial circumstances and objectives. It is therefore extremely helpful if you have available at the meeting details of any policies, schemes, investments, mortgages, outgoings, wills, interests in trusts that you have and anything else you feel may be relevant.

This information will normally be collated by the adviser on the Financial Planning Questionnaire. This includes your basic personal details and an indication of your personal financial objectives.

A key area that the adviser will wish to fully understand is your 'Attitude to Risk' as this will have a significant effect on the advice we may give you. The impact that risk will have on your objectives will be discussed and recorded.

Please note that your attitude to risk may vary depending on the time frame you are considering and your objectives.

Questions and Next Steps

Should you have any questions during the advice process please do not hesitate to ask your adviser who will be happy to discuss any queries you may have.

Your adviser will then explain the next steps in the advice process to you.

If any fees are due at outset these will be explained clearly to you. We may also ask you at this stage to sign some letters of authority to enable us to act on your behalf, for example to obtain current valuations on your existing investments.

Initial Profiling Meeting Time Line

The meeting will typically last approximately one hour, depending on the complexity of your situation. You may wish to include other parties such as your spouse, partner or children.

Research and Report Preparation

Where necessary, we will forward your letters of authority to the relevant product providers. We will analyse any additional details issued by the Provider in conjunction with the information gathered at the Initial Profiling Meeting. We may need to revert back to you for further information and ask your permission to liaise with your other professional advisers (accountant, solicitor, investment managers etc).

Using internal and external technical research, we will prepare a report to suit your individual objectives. This will include an assessment of your attitude to risk, your time horizon, associated costs, past performance, asset allocation and expected returns.

Research and Report Time Line

The research and report preparation may typically take approximately 2-4 weeks to complete. We will liaise with you during the preparation process to inform you of any delays.

Financial Plan Presentation

Depending on what is agreed with you, you will either be sent the Financial Plan for you to review or we will arrange to meet again and discuss its contents.

Any advice or recommendation that we offer to you, will be based on your stated objectives, circumstances and take into account any restrictions that you wish to place on the type of products you would be willing to consider.

The report will outline your current position and will detail our professional observations in each area.

With very few exceptions, we will confirm to you in writing the basis of our reason for recommending the products.

Our recommendations may cover various time horizons (immediate implementations and considerations for the future) dependent on any known or foreseeable events. The report will also contain any supporting information behind the recommendations, including, where applicable, illustrations and product brochures (including key features documents). The Financial Plan, along with the supporting information, will provide full details of the products we may recommend to you including, for example, the minimum duration of the product, information on the right to cancel or whether no right to cancel arises, any other early repayment rights and charges, and any special risks associated with the product. These details will also be covered in the relevant product disclosure information that you will receive before conclusion of any contract.

Please note if we have misunderstood any of your objectives, or should you have any questions on any of the elements of the Financial Plan, please do contact us. It is important that we are working towards the same goals and that you understand the reasons for the recommendations and how the recommended product(s), if applicable, work.

Financial Plan Presentation Time Line

The meeting will typically last approximately between one and two hours, depending on the complexity of your situation. You may wish to include other parties such as spouse, partner or children.

Implementation

If subsequent meetings are required these will be discussed and agreed separately with you.

Where subsequent meetings are not necessary, when we have received your instructions, which typically comprises of a completed application form and payment, these will be forwarded to the relevant provider.

Details of any transactions undertaken through us will be recorded against your personal record.

Where applicable we will enclose our invoice with the report.

Ongoing Review

The ongoing review process is based on three levels of service; the propositions are set out as Private Client, Premier Client or Wealth Client. The service proposition best suited to your situation will be identified during the Initial Profiling Meeting.

The service levels are explained within the Service Proposition document, which is available from us upon request. Again, it should be noted that once the associated transaction(s) have been completed under the Transactional Proposition no further action will be taken by the firm unless otherwise agreed. Therefore, unless agreed otherwise, any products we have arranged for you, will not be kept under review in the future. We will however provide further services to you upon your request and these will be subject to a new service level agreed with you at that time.

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.

F – Remuneration

Whether you are to receive Transactional or Financial Planning advice 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.

All charges/fees will be fully disclosed to you prior to advice being given. The precise charges relating to any recommendations we make will be confirmed in your report or relevant product disclosure information that is provided to you.

Remuneration for initial advice

Following our Initial Profiling Meeting (which is at our expense) should you decide to go ahead there is a cost for our services and whether you buy a product or not, you will pay us a fee for our advice and services.

Please contact us for full details regarding remuneration

Our invoice where applicable will be issued following the completion of the agreed work and is payable within 14 days.

G - Before proceeding please consider the following:

Treating Customers Fairly

We are committed to providing the highest possible levels of service to our clients. As part of this we wish to ensure you understand the services we provide and their associated costs. This should allow you to make an informed decision about the services you wish to purchase. This empowerment forms part of our ethos and culture.

This ethos carries over into our recommendations where we will provide you with the necessary information to enable you to make informed decisions as to the approach to take to achieve your objectives.

We have embraced the Financial Services Authorities 'Treating Customers Fairly' principle and would welcome any feedback you have on any element of our service that justifies comment, whether positive or negative. This will help us to ensure we are providing the services clients require and improve upon any areas about which you may have a concern. Although we have a complaints procedure, as detailed below, we would rather that clients are satisfied and raise any concerns prior to there being a problem.

Risk warnings

With the best will and intention unfortunately not everything is within our control. The financial markets and world events are notable matters that can impact on the recommended approach to your achieving your objectives. It should be noted that products are very rarely guaranteed and therefore there is an inherent risk in all products. By “risk”, we mean the possibility that a product will not achieve the stated objective.

Although we will explain the risk of the product as part of our advice process (with the exception of execution only transactions) you should always ensure you have understood the risk associated with the product/service. If you are unsure about the way the product or recommendations works, or require any further clarification please ensure that you raise this with your adviser.

Non Regulated Products

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

Non Readily Realisable Products

Under the terms of this agreement, we may if appropriate advise you on investments which are not readily realisable (illiquid). These are investments where the market is limited or could become so. They can be difficult to deal in and sometimes it is difficult to assess what would be proper market price for them. Examples would be property investment in a SIPP or SSAS. 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.

It should be noted that some investments such as property funds may be Readily Realisable at outset but during the period of the investment become Non Readily Realisable where this happens you will be informed in writing by the provider.

Cancellation rights – Changing your mind

You should only proceed with a transaction once you are happy with all elements involved with it. As highlighted above, please ensure you are aware of the details of the product and that it matches your objective and attitude to investment risk.

In most cases you can exercise a right to cancel, by withdrawing from the contract recommended to you.

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.

The start of the cancellation period will normally begin, for pure protection policies, 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.

Complaints

We have a complaints procedure that is available on request. If you wish to register a complaint, please contact us:

In writing: The Compliance Officer
 Lloyds Independent Financial Planning Ltd
 3 Langford Court, Langford Bridge Farm
 Ongar Road, Brentwood
 Essex CM15 0LB

By phone: 01277 365874

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').

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. Most types of investment business are covered for 100% of the first £30,000 and 90% of the next £20,000 so the maximum compensation is £48,000. Insurance advising and arranging is covered for 100% of the first £2,000 and 90% of the remainder of the claim, without any upper limit.

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

Please be assured we treat complaints very seriously.

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 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.

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 with your permission, 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 01277 365874 or in writing at, 3 Langford Court, Langford Bridge Farm, Ongar Road, Brentwood, Essex CM15 0LB.

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 legitimate purposes. 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.

Law

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

Force Majeure

Lloyds Independent Financial Planning Ltd shall not be in breach of this Agreement and shall not incur any liability to you if there is any failure to perform its duties due to any circumstances reasonably beyond its control.

Termination of agreement

The authority to act on your behalf may be terminated at any time without penalty by either party giving seven days notice in writing to that effect to the other, but without prejudice to the completion of transactions already initiated. You will be liable to pay for any transactions made prior to termination and any fees outstanding, if applicable. Fees due will be based on the companies hourly rates.