

Client Agreement for Investments & Insurance and Service propositions & Engagement

This agreement is issued on behalf of Futurity Financial Services Ltd of 5 Dean Park Street, Edinburgh, EH4 1JN who can be contacted at 0131 516 9264.

Authorisation Statement

Futurity Financial Services Ltd is Authorised and Regulated by the Financial Conduct Authority. The Financial Conduct Authority (FCA) 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 FCA's Register by visiting the FCA's website www.fca.org.uk/firms/systems-reporting/register FCA No. 577323 or by contacting the FCA on 0800 111 6768.

Our services

Futurity Financial Services Ltd is able to act on your behalf in advising you on investments and non-investment insurance 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 know it is suitable for you.
- **Non-investment protection contracts** - we offer non investment protection products e.g. term assurance, income protection and critical illness from a range of insurers.

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 and 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.

Your aims and objectives

Unless we notify you in writing to the contrary, we will be treating you as a "retail client" for investment business and a "consumer" for non-investment business. 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.

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 agreed otherwise).

In executing or 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 in terms of best execution.

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.

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;
- not 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.

Our Investment Services and Costs

We provide you with an initial consultation free of charge. 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 charge our services by way of a fee. These fees are based on a percentage of the amount you invest. Our Financial Review and Recommendation process is chargeable by a fixed fee amount. Any implementation of our recommendations would be chargeable as a fee based on a percentage of the amount you invest as highlighted on the following page.

We will issue an invoice within 7 days of your investment plan going live, which can be either paid directly by you or deducted from your investment. We must receive full payment of the invoice amount within 14 days of issue unless you have elected for our fee to be deducted from your investment.

Financial Review and Recommendation

This can be a continuation from the initial discussion, where agreed, or a further appointment. This process covers the:

- gathering of information about your existing financial arrangements and full personal circumstances;
- understanding of your investment knowledge and attitude and tolerance towards investment risk and your capacity for loss;
- recommendation of an asset allocation model that matches your risk profile and the subsequent assessment and suitability of any existing holdings;
- preparation of our recommendations to you;
- arranging a second appointment to explain and discuss our recommendations in detail.

Our charge for this service is a fixed fee of **£600** payable on provision of the report containing our recommendations to you. This fee will be waived wholly or in part should you decide to implement any of our recommendations.

Policy Arrangement & 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;
- provide confirmation of all actions taken on your behalf in writing.

Policy Arrangement & Implementation – Lump Sum Investments or Transfers

Our charge for this service is based on a percentage of the amount you invest and/or transfer. These charges are applied as follows but are subject to a minimum of **£600**.

- Up to £150,000 – 5%. For example, for an initial investment of £50,000 you would be charged £2,500.
- Amounts above £150,000 – 3%. For example, for an initial investment of £250,000 you would be charged £10,500 (£150,000 x 5% + £100,000 x 3%).

This payment can either be taken from your investment upon receipt by the policy provider or paid directly by you. Where we receive such a payment we will waive our 'financial review and recommendation' fee by the same amount.

Example 1; if we arrange an investment on your behalf for £10,000 our implementation fee would be £500. As this is less than the 'financial review and recommendation' fee of £600 we would charge you the balance of £100, as detailed under Our Investment Services and Costs. Total fee **£600**.

Example 2; if we arrange investments on your behalf totalling £200,000 our implementation fee would be £9,000. As this exceeds the 'financial review and recommendation' fee no other charges would be applied.

Policy Arrangement & Implementation – Regular Premium Savings or Investments

Our charge for implementing a regular premium savings or investment plan is one third of the first year's premium. You can pay this under either of the two options listed below:

Option 1

You can pay this fee directly on commencement of the policy. On receipt of this payment we will waive our 'financial review and recommendation' fee by the same amount with any balance falling due at the same time.

Example 1; Assuming a financial review and recommendation fee of £600, if your monthly contribution is £20 our implementation fee would be £80. As this less than the 'financial review and recommendation' fee of £600 we would charge you the balance of £520, as detailed under Our Investment Services and Costs. Total fee **£600**.

Example 2; Assuming a financial review and recommendation fee of £600, if your monthly contribution is £200 our implementation fee would be £800. As this exceeds the 'financial review and recommendation' fee no other charges would be applied. Total fee **£800**

Option 2

You can pay the implementation fee through your policy. The payment will be deducted by taking 100% of your first four months premiums. Where we receive such payments we will waive our 'financial review and recommendation' fee by the same amount and any balance will be payable by you.

Example 1; Assuming a financial review and recommendation fee of £600, if your monthly contribution is £20 our implementation fee would be £80. This will be collected by deducting £20 from your first four monthly contributions. As this is less than the 'financial review and recommendation' fee of £600, we would charge you the balance of £520, which will be due immediately. Total fee **£600**.

Example 2; Assuming a financial review and recommendation fee of £600, if your monthly contribution is £200 our implementation fee would be £800. This will be collected by deducting £200 from your first four monthly contributions. As this exceeds the 'financial review and recommendation' fee no other charges would be applied. Total fee **£800**.

Should you decide to pay this charge through your policy and payments to the policy subsequently cease, we will calculate the total payments received to date and charge you the balance against the 'financial review and recommendation' fee.

For example, if you invest £200pm, we will deduct £200 from each of your first four monthly contributions until paid in full. Should payments cease after month 2 (and £400 has been collected) the difference between this and 'financial review and recommendation' fee of £600 would be charged to you i.e. £200 as detailed under Our Investment Services and Costs. Total fee **£600**.

Ongoing Reviews and Changes to Existing Investments

We will discuss the full range of our on-going services during our initial consultation. These services include, but are not limited to, providing you with:

- structured reviews to give you peace of mind;
- 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;
- ongoing support with correspondence and administration issues.

We will agree separately the level of on-going services at the time of, or prior to, making our recommendation(s) to you. Typically our costs range from 0.5% to 1% per annum and are based on the value of your investment(s) at each 12 month anniversary, and are paid pro-rata in arrears. Therefore, if the value of your investment(s) totalled £100,000 our yearly fees would range from £500 to £1,000. 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 and if your investment falls in value the amount you pay us will reduce. Any change to the level of services throughout this agreement will result in pro-rata charge being applied.

The charges listed above 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 it with you and confirm it in your personal recommendation report.

It should be noted that if you choose any of our ongoing management services they are subject to a minimum fee per annum.

Transactional only and Workplace Pension Advice only £Nil

Level 1 £2500

Level 2 £800

Level 3 £400

Example 1; if your investments are valued at £50,001 and you have selected Level 2 (0.75%) the ongoing management fee we would receive is £375. As this less than the minimum ongoing service fee we would charge you the balance of £425, as detailed under Our Investment Services and Costs. Total fee £800.

Example 2; if your investments are valued at £50,000 and you have selected Level 3 (0.5%) the ongoing management fee we would receive is £250. As this is less than the minimum ongoing service fee we would charge you £150 as the balance. Total fee £400.

Example 3; if your investments are valued at £150,000 and you have selected Level 1 (1%) the ongoing management fee we would receive is £1500. As this is less than the minimum ongoing service fee we would charge you £1000 as the balance. Total fee £2500.

Example 4: if your workplace pension is valued at £20,000 and you have selected Workplace Pension Advice only (1%) the ongoing management fee we would receive is £200.

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

It should be noted that it is not compulsory for you to sign up to one of our services and we do offer a transactional only service but that service does provide limited characteristics.

Table of Services

Service Level	Level 1	Level 2	Level 3	Transactional Only	Workplace Pension Advice Only
Annual Statement from company	√	√	√	√	√
Access to our support team	√	√	√	√	√
Professional expertise and governance embedded into our investments processes	√	√	√		√
Regular Updates & Valuations	Quarterly	6 monthly	Annually		Annually
On-going advice from your advisor	√	√	√		√
Face to Face Review Meetings incl:	Quarterly	6 monthly	Annually		Annually
Review of Objectives	√	√	√		√
Review of Risk Profile	√	√	√		√
Review of Asset Allocation	√	√	√		√
Review of Tax Changes/Planning	√	√	√		√
Estate Planning	√				
Income & Expenditure Review	√				
Liaison with accountant/solicitor (if required)	√				
Minimum Cost	£2500	£800	£400	£nil	None
Cost based on the total value of your investments*	1%	0.75%	0.5%	£nil	1%

***Where the value of your investment rises, then the fees for this service will increase, conversely, if the value of your investment falls, the cost of this service will decrease.**

Our Non-Investment 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 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 VAT for this service.

I/We would like to subscribe to the following ongoing service option:
(please tick the appropriate box)

Transactional only Client Service Option

I/We understand that the fee for this service is Nil% of the value of the relevant investments each year, subject to a minimum of £Nil.

Level 3 Client Service Option

I/We understand that the fee for this service is 0.5% of the value of the relevant investments each year, subject to a minimum of £400.

Level 2 Client Service Option

I/We understand that the fee for this service is 0.75% of the value of the relevant investments each year, subject to a minimum of £800.

Level 1 Client Service Option

I/We understand that the fee for this service is 1% of the value of the relevant investments each year, subject to a minimum of £2,500.

Workplace Pension Advice Only Service Option

I/We understand that the fee for this service is 1% of the value of the relevant investments each year.

I/We wish for the cost of the ongoing service to be paid by deduction from the investments/plans we hold

or

I/We wish for the cost of the ongoing service to be charged directly to me on a monthly basis/yearly basis

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.

VAT

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.

Client money

Futurity Financial Services Ltd 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.

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.

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 confirmed in writing.

Material Interest

We will act honestly, fairly and professionally known as conducting business in '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 Conduct 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 and its clients.

Complaints

If you wish to register a complaint, please write to us at 5 Dean Park Street, Edinburgh, EH4 1JN or you can contact us on 0131 516 9264.

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 Financial Ombudsman Service at www.financial-ombudsman.org.uk or by contacting them on 0800 023 4567.

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.

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 <http://www.fscs.org.uk/what-we-cover/products>

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 0131 516 9264 or in writing at 5 Dean Park Street, Edinburgh, EH4 1JN.

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.

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.

Law

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

Force Majeure

Futurity Financial Services 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

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. Any transactions effected before termination and a due proportion of any period charges for services shall be settled to that date.

Clawback of Commission

It is usual to receive commission payments on life, critical illness and income protection based on the first four years premium.

If for any reason a plan is cancelled, Futurity Financial Services Ltd has to repay a pro-rata amount of commission (known as a 'clawback'). As such, Futurity Financial Services Ltd reserves the right to invoice you for the amount of clawback levied due to cancellation of your plan(s). This would not apply where a plan is cancelled during the cooling off period.

If the fee is not received on the due date, we reserve the right to charge interest of any unpaid sum at a rate of 2% per annum above the Bank of England base rate.

Declaration

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 for further information.

Please tick this box if you do not consent to us or any company associated with us processing any such sensitive data.

Please tick this box if you do not wish for us or any company associated with us to contact you for marketing purposes by email, telephone, post or SMS.

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

I am/We confirm that we agree to the adviser being remunerated on the basis selected below;

By deduction from the policy (Where possible)	
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By direct payment from ourselves	
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Please initial one of the boxes above to confirm your preferred method of remuneration and sign below to say you have read and fully understood the Client Agreement.

Client 1 Name

Client Signature

Date of Issue

Client 2 Name

Client Signature

Date of Issue

Signed on behalf of
firm