

# OUR CLIENT AGREEMENT

I am an Independent Financial Adviser (IFA) Partner of Positive Solutions. The aim of all of Positive Solutions' IFA Partners is to help clients understand, protect and increase their assets. I can give you local, knowledgeable advice which is backed by one of the largest IFA firms in the UK. This document outlines the services I can offer you.

## Regulation

Positive Solutions is authorised and regulated by the Financial Services Authority and bound by its rules. Our regulated identification number is 184591 and you can visit the FSA website to confirm our details at [www.fsa.gov.uk](http://www.fsa.gov.uk)

## Our Service to You

We offer independent financial advice. This means we act on behalf of our clients, advising them on products from the whole of the market place. We will always establish exactly what your needs and objectives are prior to providing you with any advice. This is normally achieved using a "fact find" questionnaire. It is therefore important that the information you give us is both accurate and a true reflection of your circumstances. If we arrange any contract(s) under your instructions, we will not give you any more advice or provide regular reviews unless this is agreed in writing with you. We will always confirm to you in writing the rationale behind any advice recommendation or transaction carried out on your behalf.

## Products

Positive Solutions is authorised to advise on and arrange life assurance, pensions and investments in (authorised) collective investment schemes, unit trusts, ISAs, mortgages and associated insurance products.

We can also advise you on some non-regulated products (although not all). We will always make it clear when this is the case and advise you of your rights.

## Investment Risk

Investment products we may recommend may fluctuate in value and depend on the financial markets, which are outside our control. You are advised that because investments can fall as well as rise, you may not get back the full amount invested. Past performance is not necessarily a guide to the future and so you should ensure that you read all documentation provided to you, and only proceed when you are satisfied you understand the risks involved.

Specific warnings relevant to the investments we recommend will be highlighted to you in the product literature you receive before you make an application and will typically be followed by a Right to Cancel after your application is accepted. All recommendations made to you will be confirmed to you in a "Suitability Report" which we will send you.

## We Do Not Handle Clients' Money

We do not accept cash or cheques made payable to us (unless it is a cheque made payable to Positive Solutions in settlement of fees, charges or disbursements for which we have sent you a bill). Cheques for premiums, investments, contributions and so forth should always be made payable to the relevant insurer, investment manager or pension provider.

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## Payment for Services

We will always agree with you in advance how we will get paid. As an Independent Financial Adviser, we can be remunerated by fees, commission or a combination of both. Commission is defined as remuneration paid to us by lenders, insurers, product providers and operators of collective investment schemes. Commission paid will typically be derived from the charges of the product being recommended. If you or we propose that we should operate on a fee basis, we will agree its structure, frequency and method with you in writing before we carry out any chargeable work. Operating on a fee basis could allow us to offset commission received against any fees due or obtain enhanced terms from a product provider when a product is recommended.

## Termination of Authority

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 not affect the completion of any transaction on your behalf.

## Client Categorisation

Under FSA Rules, there are 3 types of clients who we can provide advice to:

1. Retail client
2. Professional client
3. Eligible counterparty

Positive Solutions will consider you to be a "retail client" unless we confirm in writing otherwise. This means you will receive the maximum level of protection with regards to the Financial Services Compensation Scheme and ensures you will be provided with a level of service appropriate to your needs. Clients who may not be individuals (such as listed companies, local authorities,

partnerships and trusts and other qualifying corporate bodies) can elect to have their status changed but in doing so, may lose certain rights under the Financial Ombudsman Service or the Financial Services Compensation Scheme.

## Data Protection

We will keep all of your personal information private and confidential, even when you are no longer a client, except where disclosure is made at your request or with your consent or where we are legally obliged to do so. In order to process an investment on your behalf it may be necessary to disclose some or all of your information to third parties. Under the terms of the Data Protection Act, you have the right to view personal data we may keep on you.

You agree that personal information held by us may be disclosed on a confidential basis and in accordance with the Data Protection Act 1998, to any such third parties. Some of these parties may hold this information indefinitely. You also agree that this information may be transferred electronically (e.g. by e-mail) and you agree that we may contact you in the future by any means of communication which we consider appropriate at that time.

## Conflicts Policy

Positive Solutions will always manage potential conflicts of interest appropriately and communicate to you when they arise. When we make a recommendation to you, it will be free of influence from third parties.

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# POSITIVE SOLUTIONS PARTNERSHIP CODE FOR CLIENTS

Partnership Code: Positive Solutions is an organisation whose purpose is “To help our clients, Understand, Protect and Increase their Assets”. We refer to all members of Positive Solutions as Partners, this includes staff, IFAs, IMBs, shareholders and directors. All Partners subscribe to our Partnership Code which sets out explicit principles as to how they deal with private clients and other members.

## As a positivesolutions Partner I will:

1. give impartial, independent advice
2. act for you at all times, not for any product or service provider. He or she is your adviser and must always put you first
3. be honest and open with you
4. give you written Terms of Business before giving you any advice
5. give you a written report or letter explaining their reasons for any recommendations
6. be a qualified, experienced financial planner, which means they've passed (as a minimum) the Chartered Insurance Institute's full Financial Planning Certificate examinations
7. be considered financially fit to conduct investment business
8. be subject to ongoing examination to determine whether they are still financially fit to conduct investment business
9. keep increasing their own knowledge and professionalism through 'continuous professional development'
10. be part of a larger network of similar professionals and product specialists, which helps to ensure that you always have access to up-to-date information
11. have access to leading technology to help them do the research and administration needed for private clients
12. give you access to the Positive Solutions organisation and any data that we hold on your behalf

The IFA Partner presenting this Partnership Code is an IFA Partner of Positive Solutions.

Positive Solutions, Riverside House, The Waterfront, Newcastle upon Tyne. NE15 8NY



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## ABOUT OUR COSTS AND SERVICES

Positive Solutions (Financial Services) Ltd.  
Riverside House, The Waterfront  
Newcastle upon Tyne NE15 8NY

### 1. Financial Services Authority (FSA)

The FSA is the independent watchdog that regulates financial services. This document is designed by the FSA 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.

### 2. Whose products do we offer?

- We offer **Investments, Pensions and Mortgages** from the whole market.
- We offer **Life, Critical Illness, Private Medical Insurance, Income Protection, Buildings and Contents Insurance** products from a range of insurers
- We can only offer products from a limited number of companies.
- We only offer products from a single group of companies.

### 3. Which service will we provide you?

- We will advise and make a recommendation for you after we have assessed your needs for **Investments, Pensions, Mortgages, Life, Critical Illness, Private Medical Insurance, Income Protection, Buildings and Contents Insurance**.
- You will not receive advice or a recommendation from us. We may ask some questions to narrow down the selection of products that we will provide details on. You will then need to make your own choice about how to proceed.
- We will provide basic advice on a limited range of stakeholder products.

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#### 4a. What will you have to pay us for our Investment, Pensions & Insurance services?

We offer our clients the options to pay for our Investment, Pensions & Insurance advice and services by way of fees, or commission, or through a combination of fees and commission. You will not be charged for anything until we have agreed how we will be paid.

##### **Paying by fee**

Whether you buy a product or not, you will pay us a fee for our advice and services on the completion of our work. 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, reduce your product charges, increase your investment amount, or refund the commission to you. If you choose the fee option we will confirm the rate we will charge in writing before beginning any work. Our typical charges are £100 – £300 per hour. We will tell you if you have to pay VAT.

You may ask us for an estimate of how much in total we might charge. You may also ask us not to exceed a given amount without checking with you first.

##### **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 up front, that does not mean our service is free. You still pay us indirectly through product charges.* Product charges pay for the commission and the product provider's own costs. These charges reduce the amount left for investment, or to pay for cover. 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 commit to any transaction, but you may ask for this information earlier.

The amount of commission we receive will vary depending on the type of contract, the premium involved, and, in some cases, the contract term.

##### **Using a combination of fees and commission (through product charges)**

Whether you buy a product or not, you will pay us a fee for our advice and services, which will become payable on completion of our work. If we also receive commission from the product provider when you buy a product, we will retain some or all of that commission. This will be agreed on a case by case basis in writing, before we complete work for you. We will tell you if you have to pay VAT.

You may ask us for an estimate of how much in total we might charge. You may also ask us not to exceed a given amount without checking with you first.

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#### 4b(i) What will you have to pay us for our Mortgage Services?

For our **Mortgage** services we offer our clients the option of paying by fees, commission, or a combination of fees and commission.

- 1. No fee. We will be paid commission from the lender.
- 2. A fee of £\_\_\_\_\_ payable at the outset\* and £\_\_\_\_\_ payable on application\* and £\_\_\_\_\_ payable on completion\*. Inclusive of VAT where applicable.
- 3. A fee of \_\_\_\_\_% of the loan advance, payable on completion. Inclusive of VAT where applicable.
- 4. We discussed the option whereby you could pay for the full cost for the advice and recommendation process. Under these circumstances, we would rebate the commission received from the lender to you. You elected not to take this option.

(\*delete as applicable)

You will receive a key facts illustration when considering a particular mortgage that will tell you about any fees and commission relating to it. Rates of commission will vary depending on the product and the size of the advance.

#### 4b(ii) Refund of fees

If we charge you a fee, and your mortgage does not go ahead, you will receive:

- 1. A full refund if we cannot obtain a mortgage for you.
- 2. A refund of £\_\_\_\_\_ if we arrange a mortgage offer for you which you subsequently decline.
- 3. No refund in any other circumstances.
- 4. No refund of fees.

#### 5. Who regulates us?

Positive Solutions (Financial Services) Ltd., Riverside House The Waterfront Newcastle upon Tyne. NE15 8NY is authorised and regulated by the Financial Services Authority. Our FSA register Number is 184591 .

Our permitted business is arranging and advising on Investments, Pensions, Insurance, Regulated Mortgage Contracts and Equity Release.

**You can check this on the FSA's Register by visiting the FSA's website [www.fsa.gov.uk/register](http://www.fsa.gov.uk/register) or by contacting the FSA on 0845 606 1234**

#### 6. Loans and Ownership

AEGON UK plc own 100% of our share capital. AEGON UK plc is part of the same group of companies as AEGON Scottish Equitable plc. AEGON Scottish Equitable International (Dublin) plc. Guardian Assurance plc. and Aegon Asset Management UK Ltd.

#### 7. What to do if you have a complaint

If you wish to register a complaint, please contact us:

...in writing:

Write to **Customer Relations Officer, Positive Solutions (Financial Services) Ltd, Riverside House The Waterfront Newcastle upon Tyne. NE15 8NY.**

...by phone:

Telephone **0871 700 1111 Ext 2220**

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

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**8. Are we covered by the Financial Services Compensation Scheme (FSCS)?**

We are covered by the 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.

**Deposits**

Cash deposits in Banks and Building Societies are covered up to 100% of the first £50,000.

**Investment (e.g. Unit Trusts; OEICS etc.)**

Most types of investment business are covered up to 100% of the first £50,000.

**Insurance (e.g. General Insurance, Life Assurance, Investment Bonds, Endowments and Pensions)**

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

For compulsory classes of insurance, insurance advising and arranging is covered for 100% of the claim, without any upper limit.

**Mortgages**

Mortgage advising and arranging is covered up to 100% of the first £50,000.

Further information about compensation scheme arrangements is available from the FSCS at [www.fscs.org.uk](http://www.fscs.org.uk)

**Declaration**

(Mortgage advice only)

I authorise Positive Solutions to undertake the work on my behalf and wish to enter into this agreement on the remuneration basis outlined in sections 4b (i) and 4b (ii).

Name

\_\_\_\_\_

Signed

\_\_\_\_\_

Date

\_\_\_\_\_

Name

\_\_\_\_\_

Signed

\_\_\_\_\_

Date

\_\_\_\_\_

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