



Client Agreement – Our Services and Costs

Commencement

The following terms will come into force with immediate effect.

Our Services

We will act on your behalf for the purposes of arranging and advising on life assurance, investments, pensions and insurance. Under the terms of Financial Services Authority regulation, we will classify you as a Retail Client for investment business and will act in your best interests at all times.

Assessing Your Needs

We will only advise you after we have assessed your needs. We offer an initial discussion (without charge) when we will describe our services more fully, explain the payment options and explore your values and financial objectives. If you decide to go ahead, we will

- Gather and analyse information about your financial position
- Prepare a detailed summary of your financial position.
- Recommend and discuss any action we think you should take and, with your agreement, take the necessary steps towards helping you meet your objectives.

Range of Product Advice

If we need to arrange or advise on life assurance, critical illness insurance, income protection insurance, investment or pensions, we offer products from the whole market.

If we need to arrange or advise on private medical insurance, we offer products from a range of insurers.

We may also advise on products and services which are not regulated by the Financial Services Authority. We will tell you where this is the case.

Day to Day Transactions

If at any time you wish to give us instructions regarding your arrangements you may do so by telephone, in writing or by email. For our mutual security, we reserve the right to refuse to accept instructions unless confirmed in writing although we will not exercise this discretion unreasonably.

Records are kept of all transactions made on your behalf and these will be maintained for at least 6 years from the date of the transaction.

Except in respect to settlement of our invoices for agreed fees, cheques should be made payable to the product providers only as we do not handle client money. We do not accept cash payment.

We will normally register all products and/or investments in your name unless otherwise instructed in writing. In certain circumstances, products and/or investments may be registered in the name of a nominee company, for your ease of administration, although you will remain the beneficial owner of those products and/or investments.

If we become aware that our interests or those of one of our clients conflicts with your interests, we will inform you in writing and obtain your consent prior to proceeding with your instructions.

We will communicate appropriate risk warnings prior to providing products or services. These are for your benefit and you should understand the risks before making any investment.

Financial Services Authority

L G Keeley (Life and Pensions) Limited, trading as Keeley & Co., is authorised and regulated by the Financial Services Authority (FSA). The FSA is the independent regulator of financial services in the United Kingdom. Keeley & Co is shown on the FSA register (www.fsa.gov.uk/register) under reference 126791. Our permitted business is the giving of advice regarding pensions including transfers, investments and protection insurance contracts. You can check this on the FSA's Register by visiting the FSA's website www.fsa.gov.uk/register or by contacting the FSA on 0845 606 1234.

Our address is as shown above: 6 St Pauls Terrace, Northwood St, Birmingham, B3 1TH.

What will you have to pay us for our services?

Different firms charge for advice in different ways. We charge for financial planning advice on the basis of a fee only or a combination of fee and commission. We will not charge you anything until you have agreed how we are to be paid. Normally you will not need to pay VAT on any of the fees we charge.

- **Paying by Fee**

Whether you need us to arrange products for you or not, we charge a fee for our advice.

1 Initial Financial Planning Fee

We hold an initial meeting at our office to explore your values and objectives and to identify your financial planning needs.

No Charge

We review the elements of your current situation and carry out a technical analysis to enable us to design and agree the your financial plan for the next 5 years. This process is very detailed and will take approximately 3 months provided we are able to liaise with you when required. This will be based upon the number of estimated hours of work at our hourly rate, currently £90 per hour.

£700-£3000

We will ask you to approve the work schedule confirming the cost before we proceed.

2 Monthly Review Fee

We charge a fee which provides generic ongoing telephone or email advice a summary of your policies and investments and an annual meeting to review and fine tune your financial plan.

Currently
£45pm

3 Product Recommendation and Implementation Fees

If the financial plan confirms that we need to research, recommend and implement a specific investment contract or protection policy for you, we will charge separately for this work as follows.

You may ask us to take the fee directly from the investment or in the case of protection plans, to accept commission in lieu of a fee – see the following section.

Investment-based contracts
Investment review fee

1.5% - 3.0% investment value
0.85% pa ongoing fund value
(with effect from 1st April 2010)

Protection Insurance contracts

Time-cost
Est £500-£900 per plan

Commissions received will be used to reduce the fees due now or in the future unless these are of a trivial nature and this would be impractical.

- **Paying by Combination of Fee and Commission (through product charges)**

You will always need to pay us financial planning fees, but you can choose to pay us for researching, recommending and implementing a financial product by opting for us to receive commission direct from the product provider.

Although you pay nothing upfront, that does not mean that our service is free. You still pay us indirectly through product charges. These product charges pay for the provider's own costs and any commission and the charges will reduce the amount left for investment.

If you buy a financial product direct, the product charges could be the same as when buying through an adviser, or they could be more or less. We will tell you how much the commission will be before you complete an investment.

For investment contracts the commission received initially and for annual review would be identical to the rates shown under the fee section as we specify this to the provider. Any surplus commission would be used to reduce your product charges accordingly.

For protection insurance contracts, the commission will depend upon the premium and term of the plan and this figure could be more or less than the fee we would charge as an alternative. For example, a 10 year life assurance plan which costs £30 pm would generate commission of £639 initially (although this is repayable to the provider if you cancelled the plan in the first 4 years) and £0.75 pm from year 5.

Any commissions received are retained by us and remain our property to pay for the running of our business which include the costs of regulation, administration, training and education of staff and general office expenses.

Other important fee information:

The commission received for arranging life insurance, pension or investment plans **does not** include payment for any ongoing service such as a periodic or ongoing review and should the plan stop and commission be clawed back from us, we reserve the right to recharge the equivalent amount you as a fee.

If we receive any other form of benefit in connection with our services to you we will disclose this to you.

Fees are billed on completion of the chargeable work and are payable within 15 days of the date of invoice. Keeley & Co reserve the right to charge interest on outstanding amounts at a rate of 3% above National Westminster base rate after 15 days from the date of invoice, and to charge costs incurred in recovering debts outstanding after the due date.

If, in assuming responsibility for administering existing policies, renewal commission becomes payable to Keeley & Co, this will be retained by us. Details of such commission will be provided to you upon request.

In the event of you ceasing to be a client of Keeley & Co, the balance of your fee account will become payable immediately. If the account is in credit, then this balance remains the property of Keeley & Co. Any work associated with our ceasing to provide all or some of the services listed will be charged for on the basis of the time expended.

The above charges are subject to periodic review. If the fee scales are altered, we will notify you before any chargeable work is undertaken.

Regular Reviews

For Individual Clients: Clients paying the basic monthly review fee will be offered an annual meeting to review and fine tune their financial plan and review any policies and investments which we have arranged. Additional meetings are chargeable.

Clients participating in our *Portfolio Optimiser* investment portfolios will receive regular reviews of their portfolio of funds.

For Business Clients: Business arrangements will be reviewed from time to time at our discretion.

In other cases, unless we agree with you otherwise in writing, no review of policies or investments will be undertaken.

What to do if you have a complaint

In the event that you are not satisfied and wish to register a complaint, please contact us either:

In writing to: Keeley & Co, 6 St Paul's Terrace, Northwood St, Birmingham B3 1TH

By telephone on: 0121 236 1288.

Our written complaints procedure is available upon request. If you cannot settle your complaint with us, you may be entitled to refer it to the Financial Ombudsman Service (FOS). Further information about the FOS is available from their website www.financial-ombudsman.org.uk.

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.

Investment business is covered for 100% of the first £50000 with maximum compensation of £50000; deposit business is covered up to £85000 from January 2011.

Insurance business may be covered for 90% of the claim value without any upper limit. For compulsory classes of insurance (e.g. motor or employers liability insurance), advising and arranging is covered for 100% of the claim, without any upper limit.

Mortgage services may be covered for 100% of the first £50000.

Further information about the FSCS is available from their website www.fscs.org.uk.

You should also be aware that....

We treat all clients in the same impartial way and make no distinction between ethnic nor religious groups. If you feel that your ethnic or religious background could lead us to review your circumstances or advise you in a different manner from usual you must draw this to our attention.

Whereas every attempt will be made to draw your attention to all Insurances and Investments appropriate to your circumstances we cannot guarantee to cover every aspect of risk as it is usual for a full financial strategy to develop and change over a period of time. We cannot take responsibility for the omission of any cover, unless we have specifically advised against its inclusion.

If either of us wishes to terminate our business relationship this must be advised in writing to the other party to ensure no confusion arises. Any outstanding fees owed to ourselves at the point of termination must be paid within 7 days, in particular, to avoid prejudicing the completion of transactions already initiated on your behalf.

These terms of business exclude any rights which may be conferred upon third parties by the Contracts (Rights of Third Parties) Act 1999.

This agreement is governed by English Law and the parties of this agreement hereby submit to the exclusive jurisdiction of the English Courts.

By signing this Client Agreement

You agree that the information we hold about you can be held on computer and/or paper files.

You agree that any information which you give us may be disclosed to directly relevant third parties (e.g. credit reference agencies, product providers, our Regulator, our professional advisers or to our sister company Keeley & Co which advises on general insurance matters or to another firm upon the sale of all or part of our business) where this is relevant to your financial affairs.

You agree that we may use the information that we hold about you to contact you from time to time by post, fax, e-mail or telephone to bring to your attention additional products or services which may be of benefit to you. However, we agree that any consent given by you may be withdrawn by you at any time by contacting us in writing at the address on this leaflet.

Any business conducted after the issue of this Terms of Business letter will be on the basis that the terms are accepted absolutely, whether signed or not, subject to any overriding provision of the Financial Services Authority rules.

and finally.....

we hope you find this letter to be helpful and would be grateful if you would sign the box below and return it to us if you wish to take advice from us.

Declaration

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.**

This Client Agreement will come into effect from the date of my/our signature below.

I/we acknowledge receipt of this client agreement.

Name	Name
Signed	Signed
Dated	
For Corporate Clients please also Complete On behalf of	