



hutchinson
financial management

Member Address:- Deansgate, 62 – 70 Tettenhall Road, Wolverhampton, WV1 4TH,
TEL: 01902 544575

Registered in England and Wales, Company No: 08392997

Registered Address: Whiteacres, Cambridge Road, Whetstone, Leicestershire, LE8 6ZG

CLIENT AGREEMENT

1. This document sets out the basis on which we will conduct business with you and on your behalf. **It is an important document and we would ask you to read it carefully and if you are unsure of any of its terms please ask.**
2. The terms of this Agreement come into force immediately on acceptance (implied or actual) of its terms by you and will remain in force until cancelled by us or you, or replaced by a later version.
3. **Hutchinson Financial Management Limited is an authorized and regulated by the Financial Conduct Authority. Hutchinson Financial Management Limited ('the Firm') is entered on the FCA register (www.register.fca.org.uk) under reference 962316.**

THE RANGE OF OUR ADVICE AND FINANCIAL PLANNING OBJECTIVES

4. Hutchinson Financial Management Limited and your adviser are **restricted** and act on your behalf as your agent. Your adviser is therefore able to advise you on Investment Stocks & Shares (ISA's), Unit Trusts/Open Ended Investment Companies (OEIC's), Personal Pensions, Annuity and Pure Protection Products (Life Insurance and Critical Illness Policies). We may also recommend some of your funds / investments are managed by a Discretionary Investment Management Service.

We are permitted to give advice on investments and pure protection and arrange transactions in these products. In respect of pure protection we select products on a fair and personal analysis of the market.

5. We do not advise on Mortgage products but will introduce your enquiry to Index Mortgages Ltd who are an Independent Mortgage Adviser, we will assist them in collecting and providing information to the lender on your behalf where requested. In addition we do not advise on General Insurance products but if you require Career Ending Injury Cover we will introduce your enquiry to Bluefin via FNC Sports and will assist them in collecting and providing information to their underwriters where requested. We do not advise on Motor or Household Insurance Products but will introduce your enquiry to Academy Insurance Services Ltd who will process your application. Where we refer you to another firm we may receive a referral fee from them if you complete a transaction with them.

6. In order to provide you with personal financial advice and recommendations suitable for your particular circumstances and in order to act in your best interests, we will undertake a 'fact find' to gather the appropriate information to assess your needs. We will then be able to set out clearly your financial planning objectives based on your stated objectives, acceptable level of risk and any restrictions you wish to place on the type of policies you are willing to consider. Details of your stated objectives will be set out in a Suitability Report we will issue to you to confirm our recommendation. Unless confirmed in writing, to the contrary, we will assume that you do not wish to place any restrictions on the advice we give you.
7. You hereby acknowledge that in the event of the firm assisting you in the completion of any investment or protection application or policy proposal forms that you will in any event continue to bear full responsibility for the accuracy and completeness of the information entered on such forms. Therefore you understand that inclusion of incorrect information or omission of any material facts may result in the insurance, investment or policy to which the application or proposal relates to being adversely adjusted, made void and/or any claim(s) made against it being refused. The advice we give you will be based on the information you have given us and your stated investment objectives including the degree of risk you will accept. It is your responsibility to advise us on any changes.
8. We will forward to you all documents showing ownership of your investments/contracts as soon as practicable after we receive them. All such documents may be sent by post and this would be at your risk.
9. We will outline from the outset whether our advice will cover your entire financial planning needs or focus on specific areas giving consideration to any restriction you place on our advice.
10. We require our clients to give us instructions in writing, or we may confirm our understanding in writing (by post or by email) in order to avoid possible disputes. This will usually be in the form of a proposal or application form. We will, however, accept oral instructions in certain instances provided they are subsequently confirmed in writing.

CUSTOMER CLASSIFICATION

11. The Financial Conduct Authority (FCA) have three levels of client: Retail, Professional and Eligible Counterparties. Different levels of protection apply to each.

We have classified you as a Retail Client and, as such, you will be afforded the highest level of protection.

In the event of an unresolved dispute you will have a right of referral to the Financial Ombudsman Service (FOS) and may be entitled to benefit from the maximum protection available under the Financial Services Compensation Scheme (FSCS). It should be noted that not all Retail Clients are eligible claimants under the FSCS but, as a private individual, you are classified as an eligible complainant.

This agreement is personal to you and not assignable. We may accept instructions from and give information to third parties or your other advisers on your behalf where you have confirmed in writing we may do so. We cannot accept any responsibility for errors in information supplied by such persons. Where you are a trustee, director or officer of any trust, corporation or LLP requiring advice you warrant to us that you have full authority to act on behalf of the same and there are no restrictions on the limits of our advice of which we have not been made aware. We

will not be responsible for advising on compliance with your trust, trustee, director or officer obligations.

THE COST OF OUR SERVICES

12. You will pay for our services by either a fee or a combination of fee and/or fee by payment facilitation through product charging. We will discuss your payment options with you and answer any questions you have. We will not charge you until we have agreed with you how we are to be paid. For payment options relating to investment advice, please read paragraph 14, for payments regarding pure protection products please see paragraph 15. Value added tax may be payable on some or all of the work we do. We will inform you if VAT is applicable.

Investment advice

13. When **paying by fee**, you will pay us for our advice and services (whether you buy a product or not) at an amount or a rate agreed before we commence any work. Our fees may include VAT. Where this is the case you will be informed and invoiced accordingly.

How much will our services cost you?

You will pay for our services on the basis of an adviser charge, a fee or a combination of both.

All of the payment options will be discussed with you and we will answer any questions that you have. There will be no charge made to you until we have agreed how we are going to be paid.

Initial Advice

Investments and Pensions

Before we provide any services to you, we will gather information about your circumstances and needs at no expense.

This initial advice will always be appropriate for you and we will base it on your circumstances at that time.

A one-off adviser charge is made of 1% of the lump sum investment amount, subject to a minimum charge of £1000.

Example

A lump sum investment of £300,000 would mean an adviser charge of £3,000 ($£300,000 \times 1\% = £3,000$.)

A lump sum investment of £75,000 would mean an adviser charge of £1000 ($£75,000 \times 1\% = £750$, £1000 is higher therefore the charge would be £1000)

OR

An adviser charge based on the amount of time spent preparing, researching then meeting with you then providing our recommendations as per the following rates;

Adviser charge £250 per hour
Administration charge £75 per hour

For example: Placing an investment with a Discretionary Investment Manager

Five hours adviser time = £1250
Two hours admin costs = £150

Total cost = £1400

Your adviser charge will be paid from the chosen product through a one off payment.

Your adviser charge cannot be paid in instalments.

The fee will not exceed the rates shown in this document. We will agree the rate we will charge before beginning work and we will tell you if you have to pay VAT. The fee will become payable on completion of our work. 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.

Pure Protection Products

14. If you buy a protection product you may elect that we are remunerated **by commission**. The commission is paid directly by the provider. Although you pay nothing up front that does not mean our service is free. The commission paid to us forms part of a 'product charge' which you pay when you purchase the product. Product charges pay for the product provider's own costs and any commission payable to third parties.

You may elect that we arrange for the protection premium to be discounted by the commission that otherwise might have been payable under the policy recommended. In this instance you will need to pay a fee appropriate to cover our advice and work, in accordance with paragraph 14 above.

The amount of commission we receive will vary depending on the type of policy and (sometimes) the term of the policy or your age, as in the following example:

If you were to pay £22.56 per month towards a Critical Illness policy we may receive commission of £417.92 and after 24 months thereafter for the duration of the plan a monthly renewal commission of £0.57.

Where we take over the agency of any existing policies we will receive existing on-going commission

Payment for Ongoing Services

15. We offer an ongoing service where we review your account either every 6 months at a charge of 1% or every 12 months at a charge of 0.5% of current assets under management per month and can be either deducted from your investment or paid by direct debit. We will inform you of new recommendations or changes that may be relevant to your circumstances. This service can be cancelled at any time. Our ongoing fees will be based on fund values, which may

fluctuate, which means if fund values increase so will the ongoing fees paid to us. For example, if your fund value is £100,000 our 1% fee would be £1000.

16. We may also receive commission or other form of benefit from working with the issuer of a security, a product provider or from another intermediary. We will inform you before the transaction if we are likely to receive such commission or form of benefit from recommending any product to you.
17. In respect of any regular premium policy which we may recommend, should you subsequently cease to pay premiums on the policy and as a result of your cancellation we are obliged to refund product charges or other commission that has been paid to us we reserve the right to charge you a fee representing the amount we have to repay, for a period of up to four years after commencement of the policy. We will not charge such fee if you exercise your right to cancel in accordance with the cancellation notice sent to you by the product provider.

CLIENT MONEY

18. For your additional security **we do not handle client's money**. We never accept a cheque made out to us (unless it is a cheque in settlement of our fees or other charges or disbursements for which we have sent you an invoice). We do not handle cash. Cheques for payment will be required to be paid direct to the insurance provider.

ACCOUNTING TO YOU

19. We will make arrangements for all your investments/contracts to be registered in your name unless you first instruct us otherwise in writing. You have a right to inspect copies of contract notes and entries in our records in relation to transactions on your behalf. In that request we reserve the right to give you copies of such documents rather than access to the original records.

We will forward to you all documents showing ownership of your policies as soon as practicable after we receive them. Where a number of documents relating to a series of transactions is involved, we will normally hold each document until the series is complete and then forward them to you.

FINANCIAL SERVICES COMPENSATION SCHEME (FSCS)

20. We subscribe to 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. You will find up-to-date details of the FSCS's compensation limits, eligibility and details of how to make a claim on its website www.fscs.org.uk As at May 2021, the limits are:-

Investment

Most types of investment business are covered for 100% of the first £85,000.

Insurance

- Insurance Business: there is no upper limit on the amount of protection. (for claims against firms declared in default from 3 July 2015).
- Long-term insurance benefits are protected 100%. Claims under compulsory insurance, professional insurance and certain claims for injury, sickness or infirmity of the policyholder are protected at 100%
- Protects 90% of other types of claim with no upper limit.

Further information about compensation scheme arrangements is available from the FSCS from their website: www.fscs.org.uk

COMPLAINTS

21. If you should have any complaint about the advice you receive or a product you have bought please write or call the Director Mark Hutchinson, Hutchinson Financial Management, Deansgate, 62-70 Tettenhall Road, Wolverhampton, WV1 4TH , telephone 01902 544575. If following our subsequent investigation and response you are still not satisfied you may refer the issue to the Financial Ombudsman Service (www.financial-ombudsman.org.uk; Exchange Tower, Harbour Exchange, London, E14 9SR) Telephone 0800 0234 567. Full details are contained within our internal complaints procedure, which is available to you on request at any time.

CANCELLATION RIGHTS

22. The cancellation rights for each individual policy you have been advised on will be explained to you in your suitability report which we will give you before or at the time you confirm or carry out the transaction. Where the provider is already in receipt of the investment proceeds and cancellation is requested within the cancellation period we will instruct the provider to refund the proceeds net/gross of the adviser charging agreed. If you exercise your right to cancel we may charge you a proportion of our reasonable costs that we have incurred in relation to the Services that have been performed prior to the cancellation.

MATERIAL INTERESTS/CONFLICT OF INTERESTS

23. 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.

As a consequence of such potential conflicts arising, we have put arrangements in place to ensure all our clients are treated fairly.

We have also implemented a conflicts of interest policy to help us to all appropriate steps to manage such risks.

While we take all appropriate steps to mitigate such risks, if we are unable to mitigate the risks from a potential conflict, before we undertake any actions on your behalf we will inform you in writing with;

- A specific description of the conflicts that has arisen.
- A clear documented statement of the steps the firm has taken to prevent the conflict.
- An explanation of the remaining risks that are posed to your interest.

24. We may give or receive minor non-monetary benefits to/from some of the firms with whom we work in order to offer you a better service. Such benefits may include information relating to financial instruments or investment services; participation in conferences, seminars and training events; and minor hospitality (such as food and drink during a business meeting, conference, seminar or training event). Any costs we incur in provision of such benefits will not affect the charges you pay for our service. Further information regarding these arrangements is available on request.

RISK WARNINGS

25. Relevant risk warnings will be advised to you throughout the financial planning process and in your suitability report.

The value of investments may go down as well as up, and you may not get back the amount invested. Levels of income from investments may fluctuate. We cannot be held liable for any depreciation in the value of investments arranged for you. Non-readily realisable investments will generally have a restricted market, and therefore it may be difficult to deal in that investment or to obtain reliable information about its value.

For insurance products, your insurance policy may lapse if you do not keep up to date with regular premium payments and you may not be covered if a claim is made.

TERMINATION OF AUTHORITY

26. You or we may terminate our authority and/or this agreement to act on your behalf at any time without penalty. Notice of this termination must be given in writing and will take effect from the date of receipt. Termination is without prejudice to any transactions already initiated which will be completed according to this client agreement unless otherwise agreed in writing. You will be liable to pay for any transactions made prior to termination and any fees which may be outstanding.

DATA PROTECTION

27. Hutchinson Financial Management is authorised and regulated by the Financial Conduct Authority. We are committed to protecting and respecting your privacy.

- a. *We will collect and store your personal and financial information which will be handled in accordance with the Data Protection Act 1998 as amended, extended, re-enacted or consolidated from time to time (including without limitation the implementation of the General Data Protection Regulation 2016/679/EC) (data protection legislation). For the purposes of data protection legislation, we are the data controller and we will process your Data in accordance with articles 6 (1)(b), 6 (1)(c) and 9 (2)(a) of the General Data Protection Regulation 2016. We will use your information to ensure proper performance of our agreement with you and to comply with our legal obligations when providing the services as further described below.*
- b. *We will use your name, address, email address, contact number, date of birth, national insurance number and financial information ('personal information') to provide our services to you and verify your identity and this may require us to pass your personal information to our group companies, electronic verification providers, product providers or other financial firms such as lenders, banks, insurers, fund managers and platform providers. Should you decide not to proceed with our services, we will delete your personal information.*
- c. *We will pass your personal information to Tenet* as they provide compliance services to us. Further detail regarding how Tenet will use your data can be found on it's website at www.tenetgroup.co.uk or by contacting Tenet on 01132390011.*

- d. We may be required to pass on *your* personal information to the Financial Conduct Authority (FCA), Financial Ombudsman Service (FOS) or the Financial Services Compensation Scheme (FSCS) to help with an investigation or complaint or other authorities as required by law.
- e. We may need to collect sensitive personal data including information about *your* health, ethnic origin, or criminal prosecutions from third parties such as employers and credit reference agencies, fraud prevention agencies and other similar organisations in order to provide *you* with the services, for example where *you* require advice on protection or annuity products.

If *you* consent to *us* obtaining *your* sensitive personal data from the third parties referred to above for the purpose of providing *you* with the services and sharing it with third party providers to obtain quotes on *your* behalf for example where we are providing *you* with annuity or protection advice as part of *our* services and Tenet please insert an 'x' in this box* []

- f. You may exercise your right to withdraw your consent to the processing of your sensitive personal data at any time by contacting Mark Hutchinson, email mark@hutchinsonfm.co.uk.
- g. For further information [on how *your* personal information is used, including *your* rights to access the personal information, and who to contact if *you* have any queries please see *our* Privacy Policy which is available at www.hutchinsonfm.co.uk or by contacting Mark Hutchinson, mark@hutchinsonfm.co.uk

*Tenet Group Limited, Tenet Limited, TenetConnect Limited, TenetConnect Services Limited, TenetLime Limited, and its associated companies..

ANTI-MONEY LAUNDERING

- 28. We are required to verify your identity in accordance with the Proceeds of Crime Act 2002 and the Money Laundering Regulations 2007. We reserve the right to approach third parties and to delay any applications until adequate verification of identity has been obtained.

GOVERNING LAW & JURISDICTION LIABILITY

- 29. You agree to indemnify us in relation to any acts, proceedings or claims which we incur directly or indirectly as a result of our acting under this agreement save that this indemnity shall not apply to the extent it arises out of our negligence, fraud, breach of this agreement or our regulatory responsibilities.
- 30. We reserve the right to amend this agreement at our discretion where changes in regulation or law necessitate by giving you notice in writing. You will also be given the option to accept our new agreements or terminate our authority. This agreement shall be governed by and construed according to English law. Any disputes shall be determined in the jurisdiction of the English Courts.
- 31. Where a formal written notice is required by this agreement then it shall be in writing (not email unless agreed in advance by the parties) and sent by first class post and deemed effective two business days after posting.

CLIENT'S AGREEMENT

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.

I/We understand and consent to the terms of this client agreement and I/We hereby authorise the transfer of information, as described above, on a confidential basis when warranted between such third parties. We won't pass these details on to third parties for marketing purposes, and all data is looked after in accordance with our Privacy Policy which you can read on our website.

I/We authorise you to liaise with My/Our other professional advisers in exchanging relevant personal information pertinent to my/our financial planning requirements and to rely on any such information provided.

I/We agree that this Client Agreement will come into effect from the date below.

Client Name(s)

Client signature(s)

Date

Signed for and on behalf of the firm:

Adviser

Signature

Date of issue