

Oakbank Financial Services Ltd, 5 Charlotte Street, Perth, PH1 5LW

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# Client Agreement

Investment and Protection

Oakbank Financial Services is authorised and regulated by the Financial Conduct Authority  
FCA Register (Number 504207) at [www.fca.org.uk](http://www.fca.org.uk)  
Registered Office: 5 Charlotte Street, Perth, PH1 5LW  
Company Registration Number: SC340417

## Introduction

This agreement sets out the scope of our services, details of the specific services we provide and the charges for those services.

**Oakbank Financial Services Ltd** is able to act on your behalf in advising you on investments and non-investment insurance contracts. We offer you an initial discussion (without charge) at which we will describe our services more fully and explain the payment options.

Following our initial discussion, should you decide to go ahead we will commence our normal advice process at which stage there will be a cost for our advice and services.

**Oakbank Financial Services Ltd** is authorised and regulated by the Financial Conduct Authority (FCA), 25 The North Colonnade, Canary Wharf, London, E14 5HS.

Our Financial Services Register number is **504207**. Our permitted business is advising on and arranging pensions, savings and investment products and non-investment insurance contracts. You can check this on the Financial Services Register by visiting the FCA's website [www.fca.org.uk/firms/systems-reporting/register](http://www.fca.org.uk/firms/systems-reporting/register) or by contacting the FCA on 0800 111 6768.

## Our service

After our discussions with you the services that you have selected and the charges for those services will be confirmed by detailing the services we have agreed to provide and the costs for those services. We will obtain your consent and ask you to sign the consent section of this agreement as your confirmation of the scope and costs of the services we have agreed to provide.

We offer both initial and ongoing services. Any products we have arranged for you **will only be kept under review as part of an agreed ongoing service**. Where you agreed to us providing an ongoing service, unless otherwise agreed, the ongoing service will be provided as a follow up to the initial service.

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.
- **Non-investment protection contracts** - we offer non-investment protection products e.g. term assurance, income protection and critical illness from a range of insurers.

In some circumstances we may provide you with a non-advised service where you will not receive advice or a recommendation from us. Where this is the case we will provide details of our non-advised services and charges separately.

## Commencement

This agreement shall commence on the date of signature and shall remain in force until terminated by either you or us as detailed in the termination section of this document.

## Your aims and objectives

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 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).

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.

### **Investment services – our charges**

In relation to our investment services all actual charges and fees will be fully disclosed to you. We will not charge you until we have discussed your payment options and agreed with you how we are to be paid. We will also let you know if there are any other costs that might arise in connection with the services we provide to you.

Our charges/fees will be VAT exempt unless the work we provide for you only involves advice and/or preparing a report, in which case VAT may be applicable. We will always tell you if you have to pay VAT before we undertake any work for you.

Charges for the ongoing service will not be liable to VAT (unless the initial service was liable to VAT) where both the initial and ongoing services are part of the same package.

### Initial report charges

We will always present you with a personalised quote before undertaking any work that might be charged for. Our initial charges relating to new work such as an investment review or a new investment are as follows:

Initial services	Initial charges
<b>Financial planning review service</b> An initial financial review and report covering a specific area of advice e.g. pension advice.	We typically charge a fixed fee of £425 for this service. In the event that the situation is more complex than the standard case we reserve the right to charge a higher fee and would advise you of this in writing in advance of commencing any work on your behalf.
<b>Comprehensive financial planning report</b> An initial financial review and report addressing multiple advice areas.	We typically charge a fixed fee of £799 for this service. In the event that the situation is more complex than the standard case we reserve the right to charge a higher fee and would advise you of this in writing in advance of commencing any work on your behalf.
<b>Regular premium contracts</b>	We charge a fixed fee of £500 for recommendations in relation to regular premium contracts.

We will request payment of the agreed fee when we issue our report.

### Implementation charges

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.

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 £500:

- Up to £100,000            2%        (£2,000)
- £100,001 to £750,000   1%        (£1,000 to £7,500)
- £750,001 +                0.5%    (£3,750)

This payment can either be taken from your investment upon receipt by the policy provider or paid directly by you.

*Example 1;* if we arrange an investment on your behalf for £5,000 the level of the adviser charge would be £100. As this is less than the minimum fee of £500 we would charge you an additional £400 as the balance.

*Example 2;* if we arrange investments on your behalf totalling £200,000 the level of the adviser charge would be £2,000. As this exceeds the minimum fee no other charges would be applied.

Our charges are payable on completion of our work and must be settled within 28 business days. Payment can be made either by:

1. Cheque (we do not accept payments by cash).
2. Deductions from the financial product or, if your investments are held on a platform, out of the funds held within the platform cash account, where the product/platform provider allows this. Please note that if you choose to pay by deduction from a financial product or platform this will reduce the amount left for investment and may, depending on your circumstances, have other consequences. Although you may pay nothing to us up front that does not mean that our service is free. You still pay us indirectly through deductions from the amount you pay into your product. If you select this option we will discuss how it works and the implications of using this payment method with you prior to taking any charges.

### Ongoing charges

Any ongoing service will be agreed with you and confirmed during our initial discussions. This service will be commensurate with your needs and the services to be provided will be detailed in our service agreement.

We offer two levels of ongoing service. Full details of what is included in each of these services are available in our Service Proposition document. The charge for this service will commence alongside the initial charge and is as follows;

Ongoing service	Ongoing charges
<b>Client Service</b> This includes an annual investment valuation and the option for a face to face meeting subject to an additional fee.	Our annual ongoing charge for this service is 0.75% of funds under management with no minimum fee. For a fund of £10,000, our fee would be £75 per annum For a fund of £50,000 our fee would be £375 per annum

Ongoing service	Ongoing charges
<b>Premier Service</b> This service level includes an annual valuation and an annual face-to-face meeting with your adviser.	Our annual ongoing charge for this service is 0.75% of funds under management subject to a minimum fee of £500 per annum. For a fund of £50,000, our fee would be £375 per annum. As this is below our minimum fee we would require an additional fee of £125 from you. For a fund of £75,000 our fee would be £562 per annum. For a fund of £120,000 our fee would be £900 per annum

**Please note:** The amount of our annual ongoing charges will increase as the size of your fund grows.

In some circumstances we may receive ongoing payments (commission) from product providers relating to existing investments you hold. Such payments may be taken into account when determining the charges for ongoing services. We will discuss and agree this with you where relevant.

Payment of ongoing charges can be made either by:

1. A regular fee, paid by standing order.
2. By deduction from your investment(s) on a monthly, quarterly, six-monthly or annual basis, where the product/platform provider is able to offer this facility.

Ongoing services can be cancelled at any time by simply informing us in writing but please note that we reserve the right to charge you for services provided prior to cancellation.

### **Pure Protection – our charges**

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.

You are remunerated for the implementation of any protection recommendation by way of commission from the policy provider. Any commission we receive from the product provider can be used to offset this fee. Any surplus will be refunded to you. We will always present you with a personalised quote before undertaking any work that might be charged.

Where we are paid by commission we will tell you the amount before we carry out any business for you. Although you may pay nothing to us up front that does not mean that our service is free. You still pay us indirectly through deductions from the amount you pay into your product.

In respect of any regular premium policy which we have arranged for you, should you subsequently cease to pay premiums on the policy and in consequence we are obliged to refund the 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 confirm the exact amount that will need to be repaid by you and the timescale over which it will need to be repaid in the suitability report we will send you when a recommendation is made. We will not charge any such fee if you exercise your right to cancel in accordance with any cancellation notice sent to you by the life insurance company.

Your insurance / protection cover is based upon the information you provide to the insurance company. Where you are buying insurance as an individual, this means that you must take 'reasonable care' to answer all questions asked by the insurer fully and accurately. For general insurance policies such as car insurance or liability insurance, once cover has been arranged, you must immediately notify the insurers or us of any changes to the information that you have already provided. Failure to provide accurate and up to date information may invalidate your insurance cover and mean that a claim may not be paid.

All other clients (e.g. commercial clients) must still disclose all 'material facts' (any information that may influence the insurer's decision over cover or terms) prior to inception and throughout the period of the policy. Again, failure to disclose material information may invalidate your insurance cover and could mean that a claim may not be paid.

### **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.

### **Other benefits we may receive**

From time to time we may attend training events funded and /or delivered by product providers, fund managers and platforms. These events are designed to enhance our knowledge and ultimately therefore enhance the quality of service we provide to our clients. Further details are available on request.

### **Our obligations**

#### **Recommendations**

We will confirm to you in writing the basis of our recommendations along with details of any special risks associated with the products recommended.

#### **Best execution**

In transmitting investment applications on your behalf to third parties, we will take all reasonable steps to ensure that we obtain the best possible result for you. This is referred to as 'best execution'.

#### **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.

#### **Conflict of interests**

We will endeavour always to act in the best interests of you our client. However, circumstances can arise where we or one of our other clients may have some form of interest in business being transacted for you. If this happens or we become aware that our interests or those of one of our other client's conflict with your interests, 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.

#### **Communicating with you**

We may communicate with you by telephone, post, e-mail or in person. In certain circumstances, we may ask you to confirm any instructions in writing prior to implementation. All our communications with you will be in English.

#### **Termination of this agreement**

You or we may terminate this agreement and our authority 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 agreement unless otherwise agreed in writing. You will be liable to pay for any services provided prior to termination and any fees outstanding, if applicable.

Ongoing services can be cancelled at any time by simply informing us in writing but please note that we reserve the right to charge you for services provided prior to cancellation.

## **Product cancellation rights**

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 the conclusion of any contract.

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, protection, payment protection or pension policy and a 14 day cancellation period for all other policies.

Instructions for exercising the right to cancel, if applicable, will be contained in the relevant product disclosure information which will be provided 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.

## **Complaints**

If you wish to register a complaint, please write to Oakbank Financial Services Ltd, 5 Charlotte Street, Perth PH1 5LW or telephone 01738 440690.

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](http://www.financial-ombudsman.org.uk) or by contacting them on 0800 023 4 567.

## **Financial Services Compensation Scheme**

We are also 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.

- Investments - most types of investment business are covered for up to a maximum of £85,000.
- Insurance - advising and arranging is covered for 100% of the claim, without any upper limit.

We may also, on occasion, advise on other financial products which are not regulated by the Financial Conduct Authority (FCA). The Financial Services Compensation Scheme does not apply to any of these products.

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

## **Client money**

We are not permitted to handle client money and we cannot accept a cheque made out to us (unless it is in respect of a service for which we have sent you an invoice) or handle cash.

## **Jurisdiction**

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**

Oakbank 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.

### **Legal and accounting advice**

Neither our firm nor our employees are qualified to render legal or accounting advice or to prepare any legal or accounting documents. It is hereby understood and agreed that the onus is on you, the client, to refer to a solicitor or accountant any point of law or accountancy that may arise during the course of discussions with us.

### **Investment related**

#### 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.

#### Investment performance and risks

**Please be aware that investments can fall, as well as rise,** and that you may not get back the full amount invested. The price of investments we may recommend may depend on fluctuations in the financial markets, or other economic factors, which are outside our control. Past performance is not necessarily a guide to future performance.

Specific warnings relevant to the investments, investment strategies or other products we recommend will be confirmed to you in your suitability report. Under the terms of this agreement, we may, if appropriate, advise you on investments which are not readily realisable. 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.

## Client Agreement – your 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. This client agreement replaces any previous agreements and understandings we have with you and will only be modified where confirmed in writing.

I/We acknowledge that the client agreement will come into effect from the date of issue.

### Services and charges agreed

Investment Services			
Initial Service	Tick to confirm	Details of agreed fee and method of payment	
Financial planning review service.			
Comprehensive financial planning report.			
Regular contribution recommendation.			
Ongoing Service			
Client Service		Deduction from policy or direct payment.	
Premier Service		Deduction from policy or direct payment.	
Pure Protection			
Advice relating to protection planning.		Pay by commission	Y / N

<b>Date of issue</b>	
<b>Client name(s)</b>	
<b>Client signature(s)</b>	
<b>Date</b>	