

## Client Agreement Letter

This agreement is issued on behalf of IQ Financial Advice Ltd of Sparkhouse, Rope Walk, Lincoln, LN6 7DQ who can be contacted on 01522 837211 or at [info@iq-fa.co.uk](mailto:info@iq-fa.co.uk).

### **AUTHORISATION STATEMENT**

IQ Financial Advice Ltd is Authorised and Regulated by the Financial Conduct Authority. The Financial Conduct Authority 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](http://www.fca.org.uk)) Financial Services Register Number 586078 or by contacting the FCA on 0800 111 6768.

### **PERMITTED BUSINESS**

Our permitted business is that of advising on and arranging savings and investment products, pensions and non-investment insurance contracts.

### **CLIENT CLASSIFICATION**

We treat all our clients as "retail Clients" unless you request otherwise. This means you are provided with the highest level of protection under the regulatory system and should have the right to take any complaint to the Financial Ombudsman Service.

### **COMMUNICATIONS**

We will communicate with you in English both verbally and in writing for the sending and receipt of orders.

### **SCOPE OF SERVICE**

We operate independent advice and therefore provide investment and pension services from the whole market.

### **SERVICES TO BE PROVIDED**

IQ Financial Advice 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 & Pensions** - 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.

With regards to investments which we have arranged for you, these will not be kept under review unless we have agreed in writing that we will do so, but we will advise you upon your request. However, we may contact you in the future by means of an unsolicited promotion should we wish to contact you to discuss the relative merits of an investment or service which we feel may be of interest to you.

On issue of this letter any subsequent advice or recommendation offered to you will be based upon your stated investment objectives, acceptable level of risk and any restrictions you wish to place on the type of investments or

policies you are willing to consider. We will issue you a suitability report to confirm our recommendation. Unless confirmed we will not place any restrictions on our recommendations.

IQ Financial Advice Ltd does not handle clients' money. We never accept a cheque made out to us unless the cheque is in settlement of charges or disbursements for which we have sent you an invoice. We do not handle cash.

We will also make arrangements for all your investments to be registered in your name unless you first instruct us otherwise in writing. We will forward you all documents showing ownership of your investments as soon as practicable after we receive them. Where a number of documents are due involving a series of transactions, we normally hold each document until the series is complete, and then forward them to you.

### **DIRECT OFFER INVESTMENTS**

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. This type of investment is classed as 'transactional only'.

### **PAYING FOR SERVICES**

Not all firms charge for advice in the same way. We will discuss your payment options with you and answer any questions you may have. We will not charge you anything until you have agreed how we are paid by signing a copy of the engagement letter we will issue before providing any advisory services.

We charge fees for our professional services which includes advice, implementation and review. We do not currently charge VAT on our fees. Our fees are based on the time required to provide advice and service to you, and the level of expertise and responsibility involved.

### **OUR FEES**

Our specific fees will be stated in the engagement letter we will send to you. Our typical charges are:

- Advice** – Our project fees for advice on a specific area range from £250 to £1,995 depending on the work involved and level of complexity. This fee will be confirmed in writing and will be invoiced to you once we have delivered our advice to your satisfaction. Alternatively, in some instances we may be able to take this fee from any product we arrange on your behalf.
- Implementation of new investments and/or arrangements** – If you would like us to set up an investment and/or other arrangement following our advice, our fees are as follows:

Initial fee
Between 0.5% and 2% (subject to a maximum of £5,000)

As an example, we would charge an implementation fee of £1,000 on an investment of £50,000 and £1,500 on an investment of £150,000.

If our advice does not result in a recommendation to arrange any financial product you will only pay our agreed advice fee. In addition, if you wish to arrange any subsequent arrangement yourself we are more than happy for you to do so. We do not charge for the arrangement of direct offer investments.

- Review and ongoing service** – In order to provide you with ongoing advice and support we charge a fee of 0.6% of the value of the assets under our advice, paid monthly either by standing order or by deduction from your investment and/or pension where permitted. The precise fees are dependent on the level of funds held with us and will be confirmed in writing in your engagement letter.

We offer three different levels of ongoing service, depending on your needs. Please see table below for details of our minimum fees for these services:

Service Proposition	Minimum equivalent monthly fee
Transactional	n/a
Financial Planning	£50 per month
Bespoke	By agreement

N.B. As these fees are based on the value of your portfolio, please note that they will rise and fall in line with your investments.

**OTHER BENEFITS WE MAY RECEIVE**

We advise on a range of products from a variety of firms; we may receive certain non-monetary benefits from these firms, which are used to enhance the quality of service we provide to you. Benefits we may receive include access to technical services, information technology support or the supply of product literature.

**OUR 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 General Insurance and Protection services as we will normally receive commission from the product provider. You will not be subject to VAT for this service.

You will receive a quotation which will tell you about any other fees relating to any particular insurance policy.

**MATERIAL INTEREST**

We will act honestly, fairly and professionally known as conducting business in ‘Clients 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 to its clients.

**RIGHTS TO CANCEL**

We will inform you of your statutory right to cancel. The Distance Marketing Directive normally grants you 30 days in which you may cancel a life or pension contract. However there will be occasions where no statutory rights are granted, however this will be explained before any contract is concluded.

**COMPLAINTS**

If you wish to register a complaint, please write to IQ Financial Advice Ltd, Sparkhouse, Rope Walk, Lincoln, LN6 7DQ or telephone 01522 837211. A summary of our internal complaints handling procedures for the reasonable and prompt handling of complaints is available on request

If you cannot settle your complaint with us, you may be entitled to refer it to the Financial Ombudsman Service ([www.financial-ombudsman.org.uk](http://www.financial-ombudsman.org.uk)) or by contacting them on 0800 023 4567.

**COMPENSATION SCHEME**

We are covered by the Financial Services Compensation Scheme (FSCS) if we cannot meet our obligations. This depends on the type of business and the circumstances of the claim.

Most types of investment business are covered for up to a maximum limit of £85,000. Insurance arranging and advising is covered for 90% of the claim, without any upper limit. For compulsory classes of insurance, insurance arranging and advising is covered for 100% of the claim, without any upper limit. Further information about this compensation scheme arrangement is available from the FSCS ([www.fscs.org.uk](http://www.fscs.org.uk)).

**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**

These Terms of Business are governed and shall be construed in accordance with English Law and the parties shall submit to the exclusive jurisdiction of the English Courts. Any person who is not a party to this Agreement has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this Agreement but this does not affect any right or remedy of a third party which exists or is available apart from that Act.

**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.

**RISK WARNINGS**

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. IQ Financial Advice Ltd cannot be held liable for any depreciation in the value of investments arranged for you.

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

**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 in conjunction with the **Engagement Letter, Privacy Terms and Service Proposition** before signing them. If you do not understand any point please ask for further information.

Please confirm to us in writing if you do not consent to us or any company associated with us processing any sensitive data as described above. Further information about consent and how we process your data can be found in the **Privacy Terms document**.

\_\_\_\_\_  
Client Signature

\_\_\_\_\_  
Client Signature

\_\_\_\_\_  
Client Name

\_\_\_\_\_  
Client Name

\_\_\_\_\_  
Date Signed

Signed for and on behalf of IQ Financial Advice Ltd:

\_\_\_\_\_  
IQ Financial Advice Ltd Name

\_\_\_\_\_  
IQ Financial Advice Ltd Signature

\_\_\_\_\_  
Date of Issue