

CLIENT AGREEMENT

This agreement is issued on behalf of Henwood Court Financial Planning Limited at Vigo Place, Aldridge, Walsall, WS9 8UG whom can be contacted on 0845 055 1970.

Services

Initial Advice Services

1. Financial Health Check

The Financial Health Check is an invaluable service that enables you to fully appraise your financial situation, present and future through the effective combination of skilled information gathering and sophisticated cash flow modelling software.

- We gather information regarding your current assets, liabilities, income and expenditure
- We establish your current and future financial objectives
- We assess the impact your current financial behaviour will have on your future
- We identify gaps in your financial provision
- We determine the actions that will have the most positive impact on you achieving your financial objectives
- We will research, analyse and evaluate your position and produce a fully documented written report incorporating cash flow projections and product solutions where applicable
- Where appropriate this service will include those outlined within the Investment Management below

2. Investment & Pension Analysis

Whether you have a single investment/pension to make or an array of investments/pensions that you have gathered over the years, you will benefit from a structured and disciplined review and analysis to help you decide on the most appropriate course of action.

- We establish your current financial position
- We establish your current and future financial objectives
- We gather and analyse data to identify shortfalls with planning
- We determine your tolerance of investment risk
- We establish the asset allocation that will best suit your 'risk' profile and 'return' expectations
- We will recommend the most appropriate tax wrapper(s) to deliver maximum tax efficiency, investment control, flexibility and cost savings for you

- We will identify investment/pension managers employing robust and intensive research procedures with the aim of delivering active, focused and structured portfolio management

3. Transactional Advice

Our preference is to establish the full context before advising clients on any single aspect of their financial affairs. We do recognise however that some clients will have specific areas on which they need advising. This may be an isolated need for 'Protection' or 'Tax Planning'.

- We will establish your financial situation in the context of the advice requested
- We will establish current provision where relevant
- We will identify gaps in your provision
- We will undertake research on your behalf
- We will make considered and qualified recommendations

Implementation Services

If you decide to proceed with our recommendations, as set-out in our initial advice service we offer an efficient and effective implementation service that offers the following benefits:

- To establish an appropriate investment strategy with the creation of a robust asset allocation and identification of investment managers and tax wrappers designed to meet your personal requirements now and in the future.
- To consolidate all asset into one place to allow for administrative convenience, greater control and flexibility.
- To use and select tax efficient vehicles taking into consideration your own status.
- To negotiate competitive discounts off initial and ongoing fund management charges.

Ongoing Advice Services

We believe that successful financial planning involves a long-term programme of amalgamating professional advice with review, analysis and action to help continued guidance towards the pursuit of your goals, together with taking great pride in the creation of enduring relationships that prove advantageous and rewarding for our clients.

Further details of all of the following services are provided in our Client Service Charters – available on request and are summarised below:

1. Private Client (Wealth Management) Service

The most comprehensive of our suite of services, this is specifically designed for clients with complex financial needs and portfolios of wealth to protect and grow. It offers all aspects of the **Investment Management Service** together with the benefits of **financial coaching** helping you to clarify, understand and prioritise your objectives; and produce a focused strategy to create and/or maintain the life you want to live; and **prudent financial management** bringing financial and investment organisation achieved by employing sophisticated personal lifetime cash flow software and a dependable investment strategy.

- Ongoing Financial Coaching
- Annual Planning Meetings
- Budget and Cash Flow Planning
- Regular Risk Profile Assessment
- Portfolio Construction and Consolidation
- Active Portfolio Management and Alert Service
- Tax and Planning
- Remove the Hassle
- Priority Response
- The Professionals Service
- Financial Information

2. Investment Management Service

This is a high quality service provided to clients who have assets to protect and grow where the added benefits of financial coaching and prudent financial management are not required. Clients benefit from the same robust approach to Portfolio Construction and Consolidation and Asset Allocation is continually monitored to ensure alignment with risk tolerance.

- Portfolio Construction and Consolidation
- Active Fund Management and Fund Monitoring
- The Professionals Service
- Financial Information – detailed consolidated valuations provided annually, together with appraisals and quarterly commentary, electronic newsletter
- A 50% discount off normal hourly rate (face to face) review work

3. Investment Management Program

Similar to the Investment Management Service, this is a 'lighter' offering in which your Investment Portfolio is actively managed and rebalanced to remain in line with your risk tolerance, but you do not wish us to produce Annual Consolidated Valuation Reports and Appraisals for you.

- Portfolio Construction and Consolidation
- Active Fund Management and Fund Monitoring
- The Professionals Service
- Financial Information – quarterly market commentary, electronic newsletter
- A 35% discount off normal hourly rates for (face to face) review work

PAYING FOR SERVICES

Henwood Court primarily derives its income from fees rather than commissions (excluding protection products and some retirement vehicles).

This means that we are uniquely placed to give you truly objective advice. We have no financial conflict of interest in selling products, increasing investment transactions or modifying portfolios.

We have strong incentives to minimise your costs and maximise your account value, since our fees can grow only if the size of your account grows. Our pricing structure is based around the value we deliver, not the time we spend.

Above all we seek to ensure our clients get complete satisfaction from our service and are so confident in our processes that we offer.

Our fees are separated into the initial advice fee, the implementation fee and the ongoing advice fee.

INITIAL ADVICE FEES

Service	Initial Fee
Financial Health Check (Stand Alone)	From £750
Investment & Pension Analysis (Stand Alone)	From £250
Financial Health Check (Plus Investment & Pension Analysis)	From £750
Transactional Advice	From £250*

* Or subject to a pre-agreed hourly rate. If your needs and requirements have limited demand upon our time and expertise (for example, arranging a life assurance plan) this fee may not be applicable.

IMPLEMENTATION FEES

On investment or lump sum pension recommendations we may agree a **fee based on a percentage of the amount invested**. This can be deducted from your plan rather than you paying the fee yourself.

Lump-Sum Contracts:

Investments of up to £100,000	
Investment Amount	Fee (percentage invested)
Up to £49,999	3%
£50,000 - £99,999	A flat fee of £1,500 or 2% (whichever is greater)
Investments in excess of £100,000	
Next Investment Amount	Fee (percentage invested)
£100,000 - £299,999	1.50%
Next £300,000 - £499,999	0.75%
Next £500,000 - £1,000,000	0.50%
£1,000,000+	0.25%

Regular contribution Contracts (Pension & Regular Saving Plans excluding Phased Investment Schemes):

Regular Saving Amount	Payment
£0 – Unlimited	1.5 months payments subject to a minimum of £250 and maximum of £1,500

Please note: these fees can be deducted from your plan rather than you paying the fee by cheque – this is an option which the majority of our clients prefer but the choice is yours.

ONGOING SERVICE FEES

Ongoing advice is subject to either the payment of a monthly retainer and/or if we purchase a pension or investment contract on your behalf we will receive from your product provider a payment based on a percentage of the pension or investment fund value (normally 0.75%). While this is part of our remuneration for the initial advice it will help to fund the majority of the costs of your ongoing service. Minimum investment rules apply for each service. Investments below £70,000 will not qualify for any ongoing service unless an additional small monthly retainer fee is paid.

Our intention to be as transparent as possible and the below table outlines our minimum fees dependent on size of portfolio and agreed before taking any action.

Service	Cost*
Private Client (Wealth Management) Service	A minimum of 0.75% of the assets under management subject to a minimum of £2,000 per annum.
Investment Management Service	A minimum of 0.75% of the assets under management subject to a minimum of £1,000 per annum.
Investment Management Program	A minimum of 0.75% of the assets under management subject to a minimum of £500 per annum.

* The costs may be met via either a monthly retainer payment and/or via payment amounting to 0.75% of assets under management.

Further explanation about these services may be found within the individual Client Service Charters that you should read before signing this agreement.

Please note, only clients engaging our Private Wealth Management Service will automatically receive annual face to face planning meetings with their adviser.

Face to Face adviser review meetings for our Investment Management Service and Investment Management Program clients will be subject to the time based fees outlined below that may alter over time. Please note that this will be verbally confirmed prior to further engagement to ensure your full understanding and we can assure you that you will not receive an invoice without prior verbal agreement.

Time based Fees

In certain circumstances work will be remunerated on a time basis. This is largely where we are engaged to do some diagnostic consultancy work on client's behalf or for ad hoc review meetings requested by clients.

The costs of these are detailed below.

We will tell you if you have to pay VAT. Our typical charges are:

Financial Planner	£150 per hour
Technical Services Manager	£75 per hour
Client Services Co-ordinator	£50 per hour

Our commission option – (Protection & Some Retirement Plans only)

Experience has taught us that clients do not wish to pay fees for arranging protection or simple retirement plans therefore with agreement we will be paid a commission from the provider who will be selected based on suitability and premium competitiveness. The amount we are paid will be disclosed within your personal illustration issued prior to arranging the plan.

IMPORTANT COMPLIANCE STATEMENTS

Authorisation Statement

Henwood Court Financial Planning Limited is Authorised and Regulated by the Financial Services Authority. The Financial Services 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 FSA's Register by visiting the FSA's website as www.fsa.gov.uk/register/ FSA No. 417707 or by contacting the FSA on 0845 606 1234.

Permitted Business

Our permitted business is advising on and arranging saving and investment products, pensions, mortgages and non-investment insurance contracts.

Client Classification

Each client with whom the firm does business is categorised to identify the level of regulatory protection. We propose to classify you as a 'Retail Client' for purposes of Investment business. 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. Details of our complaints procedure are available on request.

Communications

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

Scope of Service

We are an independent firm of financial planning and wealth management consultants providing investment services from the whole market. We are committed to providing objective and comprehensive advisory services to private clients and their families. We offer products and services as follows:

- We offer investment products from the whole of the market.
- We offer non-investment products from a range of insurers.
- We also offer mortgage products. Where we propose to do so we will provide you with a separate Initial Disclosure Document detailing the services we offer and the costs of those services.

Best execution

In executing or transmitting orders on your behalf to third parties, we will take all reasonable steps to ensure that we obtain the best possible result for you in terms of best execution.

Rights to Cancel 'post' implementation stage

In most cases you can exercise a right to cancel, by withdrawing from the contract recommended to you. In general terms you will normally have a 30 day cancellation period for a life, pure protection, payment protection or pension policy and a 14 day cancellation period for all other policies. In most instances, you will not be able to exercise a right to cancel a mortgage contract, unless the contract is concluded at a distance (i.e. no face to face advice), at which point you may have a 14 day cancellation period.

The start of the cancellation period will normally begin, for pure protection policies, when you are informed that the contract has been concluded or, if later, when you have received the contractual terms and conditions. In other cases, the cancellation period will begin on the day the contract is concluded or, if later, the day on which you receive the contractual terms and conditions. Instructions for exercising the right to cancel, if applicable, will be contained in the relevant product disclosure information which will be issued to you.

Complaints

In the event that you are dissatisfied with a recommendation we have made or services we have provided, you may be entitled to make a complaint. We have a complaints procedure that is available on request. If you wish to register a complaint, please write to Henwood Court Financial Planning Limited, Vigo Place, Aldridge, Walsall, WS9 8UG or telephone 0845 055 1970.

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

Compensation Scheme

We are 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.

Most types of investment business are covered for 100% of the first £30,000 and 90% of the next £20,000 so the maximum compensation is £48,000.

Insurance advising and arranging is covered for 100% of the first £2,000 and 90% of the remainder of the claim, without any upper limit.

Further information about this compensation scheme arrangement is available from the FSCS. These amounts will change from January 2010.

Data Protection

Some services are provided to Henwood Court Financial Planning Limited by third parties such as processing business or obtaining compliance or regulatory advice, which warrant the disclosure of more than just your basic contact details. You agree that personal information held by Henwood Court Financial Planning Limited may be disclosed on a confidential basis, and in accordance with the Data Protection Act 1998, to any such third parties. You also agree that this information may be transferred electronically, e.g. e-mail, and you agree that ourselves, or any such third party, may contact you in future by any means of communication which we consider appropriate at the time.

Product Providers, Lenders and Investment Managers may administer your policy, any existing policies you may have with them and provide other services, from centres in countries outside Europe (such as India and the USA) that do not always have the same standard of data Protection laws as the UK. However, they are required to put a contract in place to ensure that your information is adequately protected, and they will remain bound by their obligations under the Data Protection Act even when your personal information is processed outside Europe.

We may contact you in the future by means of an unsolicited promotion should we wish 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.

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.

Finally

Henwood Court does not handle clients' money. We only accept cash or cheques made out to us where the payment is **directly** in settlement of charges or disbursements for which we have sent you an invoice. We will instruct you of the correct process for writing cheques where related to your investment requirements or in payment of policy premiums.

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

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.

Client Agreement Declaration

Client Consent

These are the standard terms and conditions upon which we, Henwood Court, intend to rely. Please raise any questions or queries about our standard terms and conditions with us before signing this document.

Please tick this box if you do not wish to be contacted for marketing purposes by e-mail, telephone, post or SMS.

PLEASE CONFIRM WHICH SERVICE YOU REQUIRE FROM HENWOOD COURT

SERVICE		TICK THE SERVICE THAT YOU REQUIRE
Full Financial Health Check		
Investment & Pension Analysis		
Transactional Advice		
ONGOING ADVICE		
Private Client (Wealth Management) Service		
Advisory Service	Investment Management Service	
	Investment Management Program	
Transactional Service		

I/We hereby authorise the transfer of information, as described above on a confidential basis when warranted between such third parties. I/We agree that the Client Agreement will come into effect from the date of issue.

I/We confirm receipt of the relevant Client Service Charter that I/we have read in conjunction with this Client Agreement. I/We confirm understanding of the terms of engagement and that Henwood Court will receive 0.75% of funds under management to help pay for the ongoing service.

Customer Name(s)		
Customer Signature(s)		
Date of Declaration		

December 2009