

# 2020 FINANCIAL ADVICE

## Terms of Engagement

This agreement sets out the terms under which we will provide our services to you. It is important that you read the document fully and ask us to explain anything that you do not understand.

## What We Do & How We Charge

We are a financial planning business, focused on helping you understand and plan for your financial future. This information is designed to outline the services that we provide and how we may charge for them.

### 1. Our Services

Whatever financial decisions you must make, the first step towards making the right decisions is to establish a clear understanding of your financial needs. People seek financial advice for many different reasons so it's important that we understand exactly who you are and what you want to achieve. At our first meeting we'll gather information about you to help define your needs and priorities.

Our services include:

- **Financial Planning:** It is important to identify what you might want to achieve and how you can do this. We can help you to identify your goals and create a plan for your finances to help you achieve them.
- **Savings and Investments:** Whether you are saving for a specific purpose or investing a lump sum it is important to understand what you are investing in along with any risks. We can work with you to establish the most appropriate investment or savings plan for your personal circumstances and goals.
- **Retirement Planning:** It is important to know whether the money you are saving towards retirement will provide you with sufficient funds to meet your retirement objectives. We can work with you to proactively plan for your retirement and help you decide on the options available once at retirement.
- **Financial Protection:** Most of us want to protect the things that are important to us, our family, our home, our business, and our quality of life. Protection planning can help to provide peace of mind in case your circumstances change due to unexpected events. We can help you plan for the best way to protect you, your family, your home, and your business.

We will not commence any work on your behalf until you have agreed with our Terms of Engagement.

### 2. Our Advice

We offer independent investment and retirement advice. This means that we consider a wide range of financial strategies and products. We are constantly reviewing the market to ensure that the services and products we offer are appropriate for our clients.

Where we provide financial protection advice we are acting as an insurance intermediary and will provide advice which is based on a fair and personal analysis of the market.

Where we recommend products or services to you, these will be selected based on your personal circumstances, financial goals, and objectives. We will then consider several additional factors where appropriate, including the services you need, charges, how much risk you are prepared to accept in an investment product and how much of a drop in its value you could withstand. The areas we can advise on include:

- Individual Savings Accounts
- Collective Investments
- Investment Bonds
- Structured Products
- Income Protection
- Business Protection
- Savings for Retirement
- Flexible Pension Benefits
- Tax Planning
- Enterprise Investment Schemes
- Venture Capital Trusts
- Life Assurance
- Critical Illness Cover
- Private Medical Insurance
- Annuities
- Business Planning
- Estate Planning

We don't provide advice in relation to individual share holdings. If this is something you need assistance with, we can refer you to a stockbroker.

We don't provide advice on options, futures, and other derivative contracts as we believe that these are unlikely to be suitable for our clients.

## Pension Transfer Advice

Giving up the guarantees that a defined benefit (DB) pension scheme provides and transferring the cash equivalent transfer value to another pension arrangement is a significant and complex decision.

We only offer a full pension transfer service and require full disclosure of personal and financial information including all other investments and pensions. The starting assumption for all pension transfers along with pension conversions and pension opt-outs is that it will not be suitable. We will gather detailed information about your circumstances to assess whether a transfer would be in your best interests, and we will not implement a transfer unless we believe it to be suitable for you.

Once we have carried out our full analysis you will receive a personalised report explaining our recommendations which will include:

- **An appropriate pension transfer analysis** – this is a comparison of the benefits and options available under your existing DB pension scheme with the benefits and options available under the proposed new pension arrangements.
- **A transfer value comparator** – this will help you understand the underlying value of your DB pension scheme and what you may be giving up if you transfer, convert or opt-out.
- **Cash flow model** – this is to establish whether your existing DB pension could meet your needs compared to how a new pension fund may provide an income to you in retirement.

Where a pension transfer is recommended, we will also provide you with suitable investment advice for your pension funds and we will liaise with both your existing and new pension scheme providers to facilitate the transfer.

## Referrals to a Discretionary Fund Manager

Where we recommend that some or all your funds are invested directly with a discretionary fund manager ("DFM"), which involves the existence of an Investment Management Agreement ("IMA") to define the scope of the DFM service, we'll help to manage the relationship between you and the DFM.

The work typically includes:

- Undertaking appropriate due diligence and recommending a DFM service that we believe best meets your needs and objectives.
- Attending initial meetings with you and the DFM and ensuring that your relationship with the DFM is established correctly.
- In some circumstances, the financial adviser acting as your 'agent' in relation to the part of your portfolio held with a DFM. This means that you won't have a direct contractual relationship with the DFM and the DFM will instead treat our firm as its client. Before setting up this type of arrangement we'll explain the implications to you.
- Our costs to refer you to a DFM service such as a Platform that administers model portfolios to ensure they are regularly rebalanced and do not become out of sync with the risk tolerances chosen by you.

## 3. Our Obligations

### Our Recommendations

- Before providing advice, we will assess your needs, consider your financial objectives, and assess your attitude to any risks that may be involved. If you don't want to discuss a particular area of financial planning, we can exclude it if you instruct us to do so however this might have a bearing on the advice that might have been given.
- Where we agree to provide you with a service that includes an ongoing review of the suitability of the investments you retain, we will carry out this review at least annually. To do this we will need to contact you to assess whether the information we hold about you remains accurate and up to date. We will issue you with a report setting out the results of our assessment and any recommendations.

- If we recommend that you hold some of your investments with a discretionary fund manager (DFM) a professional fund manager will be appointed to monitor your portfolio and make investment decisions on your behalf. In this scenario we will explain the respective responsibilities of ourselves and the DFM in relation to your investments.

## **Financial Crime**

- We are obliged to put in place controls to prevent our business from being used for money laundering and other forms of financial crime.
- We will verify your identity before undertaking any business with you. To do this 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. The check may leave a 'footprint' on your credit file, but it will not affect your credit rating.

## **Best Execution**

- Where we send applications on your behalf to third parties, we will take all sufficient steps to ensure that we obtain the best possible result for you. This is referred to as 'best execution'.
- We have a best execution policy. If you want to see a copy of it, please ask us.

## **Conflicts of Interest**

- Although we will always try to act in your best interests there may be situations where we or one of our other clients has some form of interest in the business being transacted for you. If this happens or we become aware that our interests or those of one of our other clients' conflicts with your own interests, we will write to you and ask for your consent to proceed before we carry out any business for you. We will also let you know the steps we will take to make sure you are treated fairly.
- We have a conflicts of interest policy. If you want to see a copy of it, please ask us.

## **Benefits We May Receive**

- As a firm providing independent advice, we are unable to accept or retain payments or material benefits from other firms as this would conflict with our independent status.
- From time to time, we may attend training events funded or delivered by product providers, fund managers or investment platforms. These events are designed to enhance our knowledge and enable us to improve the quality of service we provide to our clients. As such this doesn't affect our obligation to act in your best interests. Please ask us if you want further details.

## **Protecting Personal Information**

- To provide our services to you we will need to collect information regarding your personal and financial circumstances. We take your privacy seriously and will only use this information to deliver our services. The legal basis on which we intend to process your data is the performance of our contract with you.
- Some data is classified as 'special category data' due to its sensitive nature. As part of our contract with you we may need to obtain data from you that is contained in a special category. We will only gather this type of data following your explicit consent to do so, which we will ask for when you sign this document.
- Our Privacy Notice contains more information about how we may process your data. You can view our Privacy Notice at [www.2020financial.co.uk](http://www.2020financial.co.uk) or we can provide it to you on request.

## **Communicating With You**

- Our normal ways of communicating with you are by telephone, post, e-mail, SMS text message or in person. Our communications will be in English.
- We may ask you to confirm your instructions to us in writing as this helps to avoid any misunderstandings now or in the future.
- Where you have consented for us to do so, we may contact you in the future by means of an unsolicited promotion should we wish to discuss the relative merits of a particular product or service that we feel may be of interest to you. You can cancel your consent at any time.

## **Recording Telephone Calls**

- To help us to continually improve our service and in the interests of security, we may record and may monitor your telephone communications or conversations with us.
- Copies of our telephone recordings will be available on request, for a period of 6 months after the recording was made.

## **4. Your Obligations**

### **Providing Information About Your Circumstances**

- Our advice will be based on the information that you provide. It is important that you provide us with accurate and up to date information when we request details about your circumstances and objectives. This will allow us to provide you with suitable advice. If the information you provide is inaccurate or if you limit the information provided this could affect the suitability of the advice, we give.

### **Payment For Services**

- By signing this agreement, you are agreeing to pay the charges in accordance with this document.
- Our initial charges are payable once we have completed our agreed work and must be settled within twenty business days.
- If you are paying our initial charges by instalments, which only applies when you have taken out a regular contribution contract, it's important that you make payments as agreed. If you miss a payment or cancel the contract from where the payments are coming from, we will send a separate invoice for the outstanding amount.
- In some circumstances we may receive a commission payment from a product provider in addition to any charges for our services. If the commission payment relates to a regular premium policy and you stop paying those premiums, we may be obliged to refund some, or all the commission received back to the product provider. In such cases, we reserve the right to request the full payment of any refunded commission from you.
- Any products we have arranged for you will only be kept under review as part of an ongoing service for which you have agreed to pay. Our ongoing services are optional, but if you agree to purchase an ongoing service, the ongoing service will be provided as a follow up to the initial service.
- Our charges for ongoing services will start alongside the initial charge and may be paid from the value of a pension or investment or may be paid to us directly by you.
- Ongoing services can be cancelled at any time by informing us in writing but please note that we do reserve the right to charge you for any services we have provided before cancellation.
- Where our charges are based on a percentage of the value of your investments or pensions, the amount of our ongoing charges may increase as the size of your fund grows.
- In some circumstances we may receive ongoing commission payments from product providers in addition to our charges for ongoing services.

### **Legal and Accounting Advice**

- We are not qualified to provide legal or accounting advice or to prepare any legal or accounting documents. This means that you should refer any points of law or accountancy that may arise during discussions with us, to a solicitor or accountant as appropriate. We will be happy to recommend one if required.

## **5. Cancellation and Amendments**

### **Ending This Agreement**

- We may terminate this agreement at any time by giving you at least twenty business days' written notice.
- You may terminate this agreement at any time, without penalty. Notice of termination must be confirmed in writing and will take effect from the date of receipt.

- Any transactions already initiated will be completed according to this agreement unless otherwise agreed in writing.
- You will be liable to pay for any services we have provided before cancellation and any outstanding fees, if applicable.

## Amendments

- From time to time, it may be necessary to amend the terms set out in this agreement where it's not necessary to issue a new agreement. Where this occurs, you will be provided with the latest version when your adviser next contacts you.

## Product Cancellation Rights

- Full details of any financial products we recommend to you will be provided in the relevant product information you will receive. This will include information about any product cancellation rights along with any other early termination rights and penalties. Certain products and transactions may not include cancellation rights.

## 6. Useful Information About Our Services

### Who Authorises Us to Advise You?

- 2020 Financial Advice Limited is an appointed representative of Corbel Partners Limited which is authorised and regulated by the Financial Conduct Authority (FCA), 12 Endeavour Square, Stratford, London, E20 1JN. [www.fca.org.uk](http://www.fca.org.uk) Our firm reference number is 945644.
- Our permitted business is advising on and arranging pensions, pension transfers and opt-outs, investments, and non-investment insurance.
- You can check our details 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.
- Unless we tell you otherwise, we will treat you as a retail client. This means that you are given the highest level of protection available under the UK's regulatory system.

### What If Things Go Wrong?

- If you are unhappy with our advice or any aspect of our services, we encourage you to contact Corbel Partners Limited as soon as possible. We will do our best to resolve your concerns.
- Corbel Partners Limited can be contacted as follows:
  - **Telephone:** 01925 637891
  - **Email:** [hello@corbelpartners.co.uk](mailto:hello@corbelpartners.co.uk)
  - **In writing:** Corbel Partners Limited, 750 Mandarin Court, Warrington, WA1 1GG
- We have a complaints procedure, and we will provide further details on request. If you do have a complaint and you are not happy with our response, the Financial Ombudsman Service may be able to help. The Financial Ombudsman Service considers disputes between a financial services business and a client. Full details are available at [www.financial-ombudsman.org.uk](http://www.financial-ombudsman.org.uk)

### Additional Peace of Mind

- The Financial Services Compensation Scheme (FSCS) is the UK's statutory compensation fund for customers of authorised financial services firms who are unable to pay claims against them, usually because they have gone out of business. You may be able to claim compensation from the FSCS if we can't meet our obligations.
- The amount of compensation available will depend on the type of business and the circumstances of the claim. Further information is available from the FSCS at [www.fscs.org.uk](http://www.fscs.org.uk)

## 7. Our Charges

All our advice and services can be paid for by fees, agreed with you, either directly or by product charges. We may receive commission from some providers but only in relation to insurance and mortgage recommendations. Commission may be offset against or replace any fees agreed with you.

Our charges fall into the following categories:

**a) Initial Charges:** these are the upfront costs of our advice and services. We offer several types of initial fee structure depending on your needs.

**b) Ongoing Charges:** once your initial financial plan is in place it is important to keep it under review so that it can be adapted, where necessary, as your circumstances change. Our ongoing services are designed to do this.

Our actual charges and fees will be provided to you in pounds and pence and will be agreed with you before we do any chargeable work. We will explain your payment options too and let you know where any fees are subject to VAT.

### Initial Charges

We provide you with an initial consultation free of charge. The consultation helps us to understand your financial objectives and enables us to determine how we can support you working towards them. We will also discuss our costs and services both initially and throughout our relationship with you.

### Our Initial Advice Process

This may be a continuation of the initial discussion, where agreed, or during a further appointment.

What we do for you
<p>Our advice process includes the following services as appropriate to your circumstances:</p> <ul style="list-style-type: none"><li>• Gathering information about your existing financial arrangements and personal circumstances.</li><li>• Understanding your risk profile, personal investment preferences, and investment experience.</li><li>• Establishing your goals and objectives.</li><li>• Analysing your current financial situation, carrying out research, and preparing our recommendations.</li><li>• Presentation of our recommendations including their suitability along with benefits and drawbacks.</li><li>• Providing a personalised written report of the recommendations presented.</li><li>• Implementation of the recommendations including regular updates to keep you informed of progress.</li><li>• Ensuring all transactions are completed in line with your expectations.</li></ul>

Our fees may be based on a percentage of the amount of money invested or on a fixed fee basis. Both options are outlined below.

### Percentage Based Fees - No ongoing Service Required

Our charge for this service is based on a percentage of the amount of money you are investing as part of our recommendations, as follows:

- **5% on the first £25,000**
- **3% on the next £175,000**
- **1% on the remainder**

The fees will be calculated using the above formula and quoted to you on a monetary basis. It can either be taken from your fund on completion of the transaction or paid directly by you to the firm. The minimum fee payable per investment is £1500 and the maximum fee is capped at £15,000.

<b>Example Fees – Percentage based fees</b>				
Investment Amount	£10,000	£50,000	£100,000	£200,000
Fee	£1500 (min fee)	£2,000	£3,500	£6,500

### Percentage Based Fees – With Ongoing Service

Our charge for this service is based on 1.5% of the amount of money you are investing as part of our recommendations until your portfolio reaches £200,000 (Subject to a minimum of £750 for new clients and a maximum of £3000. The minimum fee is waived for existing clients). After your portfolio exceeds £200,000, any further investments will have the initial fee waived.

The fees will be calculated using the above formula and quoted to you on a monetary basis. It can either be taken from your fund on completion of the transaction or paid directly by you to the firm.

<b>Example Fees – Percentage based fees</b>				
Investment Amount	£10,000	£50,000	£100,000	£200,000
Fee	£750 (min fee)	£750	£1500	£3,000

Occasionally investment contracts such as VCT and EIS will not facilitate ongoing adviser charging and in those cases, you will be charged a 1.5% implementation fee of the contract, subject to a £300 minimum fee.

### Discretionary Fund Managers

Where the work we are instructed to carry out results in a recommendation and referral to a DFM, our initial fees for carrying out this work will be calculated in line with the scale above. Referrals to a DFM are subject to the addition of VAT as they are a referral to a service and not a product recommendation. VAT is based on a rate of 20%. You will be notified in advance if this is the case.

<b>Example Fees – DFM referral fees</b>				
Investment Amount	£250,000	£500,000	£1,000,000	£1,500,000
Fee excluding ongoing servicing (including VAT)	£8,400	£12,000	£18,000	£18,000
Fee with ongoing servicing (including VAT)	£3,600	£3,600	£3,600	£3,600

### Pension Transfers

Where the work we are instructed to carry out involves the assessment of suitability of whether to transfer the cash equivalent transfer value (CETV) of one or more defined benefit pension schemes to a personal pension arrangement, the chargeable work commences only following the firm's Triage process and your agreement to the advice fee contained in a Personalised Charges Document which is based on a percentage of the CETV as follows:

- **5% on the first £150,000**
- **1% on the remainder**



Our fee for this advice is higher than other types of work due to its complexity and high-risk nature and subject to a minimum of £3,000 and a maximum of £20,000. Before we commence our chargeable work, we will require an initial fee payment of £3,000 with the remainder of the fee becoming due when we present our advice. The balance of the fee is payable regardless of whether the advice is to transfer or remain in the scheme.

<b>Example Fees – Pension transfer</b>				
CETV	£250,000	£500,000	£1,000,000	£1,500,000
Fee	£8,500	£11,000	£15,600	£20,000 (max fee)

While we will make every effort to complete work within the 3-month CETV guarantee period, we cannot guarantee this. If a new transfer value is required, which may have a higher or lower value, you may be charged a fee by the pension scheme trustees for providing the new transfer value.

### Fixed Fees

The firm can agree with you a fixed fee for the work based on an estimate of the time that the work will take to complete. This fee will be fixed and agreed before any work commences, and an invoice will be provided. If the advice does not include a regulated product recommendation, we will add VAT to the fees, and we will advise you of this in advance. We use the following hourly rates within our calculation of the fixed fee:

- Chartered Financial Planner                      £250
- Administrator    £40
- Independent Financial Adviser                      £175
- Paraplanner    £110

An example of how this might be calculated is as follows:

<b>Example Fees – Hourly rate fixed fee basis</b>				
<i>Chartered Financial Planner</i>	<i>Independent Financial Adviser</i>	<i>Paraplanner</i>	<i>Administrator</i>	<i>Total Cost</i>
5 hours	-	3 hours	1 hour	£1,620
-	5 hours	3 hours	1 hour	£1,245

### Pension Opt-Out & Conversions (where a pension transfer is not being considered)

Our fee for advising on a potential pension opt-out or conversion is £3,000+VAT payable in advance of the work being completed.

### Regular Savings Plans

Our fee for advising on and implementing a regular premium savings plan is £750. The fee can be taken either by the policy provider from your plan all at once or spread over a maximum of twelve months from inception or paid directly by you to the firm.

If the regular savings are being set up in conjunction with a lump sum investment or transfer, then this fee will be waived.

### Non-Investment Insurance Services and Costs

We will receive commission for advising on and arranging an insurance policy from the insurance provider, which we will disclose to you.

The minimum fee for advising on and implementing an insurance policy is £750. If the commission payable is less than this amount, then you will be required to pay the remaining amount to the firm.

*For example, an insurance policy pays total commission to the firm of £485 which is less than the minimum amount therefore you will be required to pay the balance of £265 to the firm.*

## Consumer Credit

We may provide advice in relation to the Consumer Credit as part of our wider advice services. We make no charge and receive no commission for any advice in relation to consumer credit activities.

## Ongoing Charges

Our ongoing services are optional and minimum fees apply. If you agree to purchase an ongoing service, the service will be provided as a follow up to the initial advice and recommendations. The table below provides details of what services are provided for each service proposition. Meetings can be held face to face, or by video or telephone call.

Ongoing Service Level	Financial Advice	Financial Planning	Wealth Planning
Annual statement of valuation and holdings and meeting with adviser	✓	✓	
Biannual (twice yearly) statement of valuation and holdings and meeting with adviser			✓
Annual meeting with adviser to review your personal and financial circumstances, goals, and objectives along with risk profile, investment preferences and ongoing suitability of advice along with target market	✓	✓	✓
Fund or portfolio switches required to existing plans following ongoing suitability review		✓	✓
Amendment to income levels and ad hoc income withdrawals for flexible drawdown plans		✓	✓
Annual review and update of cashflow modelling if required		✓	✓
Access to adviser & support team if required		✓	✓
Financial coaching & education if required			✓
Tax & estate planning if required			✓
Liaison with professional advisers if required			✓
<b>Cost based on the value of your investments</b>	<b>0.5% p.a. Minimum £500</b>	<b>0.5% p.a. Minimum £1000</b>	<b>0.5% p.a. Minimum £2500</b>

These services are individually costed based on the features provided. You do not automatically move between services and if you wish to change your service level then you can request this.

Example Fees – Ongoing service				
Investment Amount	£50,000	£100,000	£250,000	£500,000
Ongoing Service Fee	£250	£500	£1,250	£2,500

## Small Self-Administered Schemes (SSAS)

Due to the complex ongoing administration requirements of a SSAS an additional 0.5% ongoing service charge is levied on the first £1m of fund value.

Example Fees – Ongoing service				
Value of SSAS	£250,000	£750,000	£1,500,000	£2,000,000
Ongoing Service Fee	£2,500	£7,500	£12,500	£15,000

## Discretionary Fund Manager Monitoring

Where some or all your funds are invested in a bespoke solution with a Discretionary Fund Manager (“DFM”) we’ll help to manage the relationship between you and the DFM and monitor their performance.

This work typically includes:

- Reviewing the DFM’s performance on an annual basis.
- Attending annual review meetings to ensure the DFM service continues to meet your needs, objectives, and investment mandate.

We charge a fee of 0.5%+VAT of the invested amount for these services. VAT is currently 20%.

Example Fees – DFM monitoring				
Investment Amount	£250,000	£500,000	£1,000,000	£1,500,000
Fee (including VAT)	£1,500	£3,000	£6,000	£9,000

## 8. Payment Options

Initial & Ongoing Fee Payment Options
<p>Initial &amp; ongoing charges can be paid in several ways:</p> <ul style="list-style-type: none"> <li>• Cheque.</li> <li>• Bank transfer for initial fees.</li> <li>• Standing order for ongoing fees.</li> <li>• Payment via deductions from your financial products or investments. Most product providers or investment operators offer this facility, however it will reduce the amount you have left to invest and may, depending on your circumstances, have other consequences. We’ll discuss this with you beforehand. Ongoing fees will rise and fall in line with changes in your investment values.</li> <li>• For investments held on an administration platform, you may choose to pay our charges out of the funds held in the platform cash account. It is important to maintain sufficient funds in the cash account to cover our charges as they become payable.</li> </ul> <p>All fees paid directly by you are due within twenty business days and are to be paid either by cheque, payable to “Corbel Partners Limited” or by bank transfer to Corbel Partners Limited using the bank details and reference number that is shown on your invoice.</p>

## 9. Other Charges

Depending on the services we provide, there may be costs and charges that are not charged by us but relate to the financial products we arrange for you. These charges may be one-off charges or charges payable on an ongoing basis. For example:

- **Service Costs:** If your investments are held on a platform or held with a DFM, the platform provider or DFM may make a charge for administering and managing your investments.
- **Investment Costs:** These are the costs relating to the manufacturing and managing of your investments, for example, fees charged by the investment fund manager and costs relating to investment transactions.

We will always disclose any third-party costs as part of making our recommendations.

### Aggregated Costs and Charges

Before we provide you with our advice, we will add together all the costs and charges payable so that you are able to understand the overall costs of our services and recommendations. This is referred to as aggregated costs and charges information.

## 10. Declaration

- I/We acknowledge that this agreement will come into effect once it has been signed and will remain in force until it is terminated.
- I/We consent to the processing of special category data as necessary to provide products and services as part of our contract.
- I/We acknowledge that this agreement is governed by and shall be interpreted in accordance with English law.

### Marketing

From time to time, we may wish to contact you to offer additional products or services which may be of interest to you. To do this, we require your consent:

I/We consent to be contacted for marketing purposes by:

Email  Telephone  Post  Text Message

I/We do not consent to be contacted for marketing purposes

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