

# CLIENT AGREEMENT

## Initial Advice Service

**Service launched:** 1<sup>st</sup> September 2020

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THE THOUGHTFUL INVESTOR

## CHANGES TO THIS CLIENT AGREEMENT

This section details changes made to this Client Agreement since the launch of the service. We show below the date of the change, the page the change relates to and the details of each change. This is intended to make it clear for clients how and when we make updates to this document.

Date of change	Page	Details of change
06/08/2021	7	In the Costs of our Services section, where there is reference to requesting a refund for funds held on account, we have introduced a de minimis threshold of £25 before we will make a payment. Please note that you will still receive full future credit for any amount below £25 treated in this way.
06/08/2021	8	In the Fees for our Initial Advice and Service section we have sought to clarify the charging structure for clients who are taking advantage of our Ongoing Advice Service and require further discrete initial advice. This type of advice is subject of a 1% charge based on the relevant capital value and has a minimum fee of £1,200. We have also included examples of the charging structure within the section.
06/08/2021	11	<p>In the Paying for our Services section, where there is reference to us issuing an invoice for fees owed, we have introduced a de minimis threshold of £25 before we will issue an invoice for fees owed. Please note that any amount below £25 will still remain due and will be invoiced later, as part of any larger amount which becomes due.</p> <p>Later in this section we have also removed the reference to the use of payment cards, in that we have deleted the previous reference to such cards not being an acceptable form of payment. This change has the effect of allowing future payment of invoiced adviser charges by card, in certain limited circumstances.</p>
06/08/2021	14	In the Right to Terminate this Agreement section, we have added a section that explains what happens in a scenario where we receive more income than we are entitled to after you have left our service. This also explains what will happen if we are unable to contact you about this after you leave our service.
06/08/2021	15	<p>In the Quality of Service section, we have removed reference to the EU Online Dispute Resolution Portal following the UK's withdrawal from the European Union on 31<sup>st</sup> December 2020 as it no longer applies to the UK.</p> <p>In the same section we updated the name of our Compliance Officer to Michael Richardson, following his appointment in April 2021.</p>

The above changes will come into effect immediately for new clients joining the service after the date of change shown above and for pre-existing clients in accordance with the section Amendment to these Terms on page 16.

This document represents our *Client Agreement*, the purpose of which is to set out in formal terms how we'll provide our services to you. This should be read in conjunction with:

- our brochure, called *Thoughtful Advice for a World of Difference*, incorporating an insert called *Our Advisory Services*;
- our brochure, called *Guide to the Breadth & Depth of Our Advice*, incorporating an insert, called the *Scope of Our Advice*; and
- the personalised *Client Fee Agreement*, which we'll ask you to sign and return

#### **We offer two types of service:**

- An Initial Advice Service; and
- An Ongoing Advice Service

The first of the brochures mentioned above and the accompanying insert explain the differences between each service. This *Client Agreement* covers only the *Initial Advice Service*. **This is designed to benefit clients who have identified a specific need for one-off advice. Unlike the *Ongoing Advice Service*, there is no ongoing adviser-client relationship.** If having received initial advice you decide that you'd benefit from ongoing advice, we'll provide you with the *Client Agreement* relating to that service and ask you to sign a separate *Client Fee Agreement*. If you're already an existing client, benefitting from our Ongoing Advice Service, that service will continue in line with your separate, existing ongoing *Client Fee Agreement* and *Client Agreement*.

Having read the brochure, the inserts and this *Client Agreement*, we'll ask you to sign and return a personalised copy of our *Client Fee Agreement*. This is our assurance that you've read and agreed to the following terms and to the basis upon which we'll be paid. If you're unsure of the implications of any of our terms, please ask us to explain them to you.

## **ABOUT US**

Castlefield is a trading name of Castlefield Advisory Partners Limited, which is authorised and regulated by the Financial Conduct Authority, who can be found at 12 Endeavour Square, Stratford, London, E20 1JN. We're financial advisers and are registered in England and Wales under company number 6584365. Our registered office is 111 Piccadilly, Manchester, M1 2HY. Our FCA Register number is 478430. You can check our details on the FCA's Register by visiting the FCA's website at [www.fca.org.uk/register](http://www.fca.org.uk/register) or by contacting the FCA on 0800 111 6768 or 0300 500 8082. You can contact us via our website ([www.castlefield.com](http://www.castlefield.com)) or via telephone (0161 233 4550).

## **ABOUT THE SERVICES WE OFFER**

Details of the services we offer can be found in our brochure (called *Thoughtful Advice for a World of Difference*), which should be read in conjunction with the insert called *Our Advisory Services*. We'll agree with you which of our services you want us to provide or we've recommended that you receive. So that we can provide you with advice and recommendations suitable to your personal and financial circumstances we'll gather the appropriate information from you and we'll then be able to set out clearly your financial objectives. Your objectives will be set out and summarised within a personalised Suitability Report, which will be issued to you as part of our advice process. This will document and explain the recommendations we've made.

## **OUR SPECIALISM IN RESPONSIBLE INVESTMENT**

Investing responsibly, sustainably or ethically is not just about screening out certain sectors, but about investing in businesses that are monitoring their environmental and social impact, with the aim of preserving and enhancing long-term shareholder value. We believe that companies that take sustainability into account are more likely to show themselves to be robust over the long-term and thereby perform better.

## THE SCOPE OF OUR ADVICE

Our advice to you will highlight particular areas where we feel we can be of help. The scope of our advice will depend on the area(s) where we jointly agree that you need advice.

Our *Initial Advice Service* involves us providing a **restricted advice service**. This means that when we consider and recommend new retail investment products to you, we'll only consider relevant and suitable products and options for you from a range we've previously selected as potentially suitable for clients with objectives and needs similar to yours. We'll therefore make personal recommendations to you concerning retail investment products whilst restricting our advice to this pre-determined, regularly reviewed list. You'll find the range of possible providers and options listed on the separate sheet, called *The Scope of Our Advice*, each of which has been selected based on a range of criteria including such factors as the range of features and benefits offered, value for money, administrative efficiency and the perceived security and financial standing of the providers concerned. If it's appropriate for you, in our view, to retain an existing investment or product we'll make this clear to you. If you've existing products and investments which are outside *The Scope of Our Advice*, we'll only recommend new options for you, where in our view we've identified products or services more suitable for you than your existing ones.

**As a general guide, when considering new investments or the reinvestment of cash resulting from the recommended sale of an existing one, we'll recommend a fund or funds managed by our sister organisation, Castlefield Investment Partners LLP (CIP), but only where a suitable fund managed by them is available. In the absence of such a suitable fund we'll select the most suitable third-party managed fund from our approved panel.**

More typically, if we consider that you'll benefit from the services of a discretionary investment manager, we expect to introduce you to CIP, who'll then work closely with you and us to agree an appropriate investment strategy, matched to your appetite for risk. Subject to your agreement with them, they'll then manage an agreed portfolio of investments to meet your needs. If you've a portfolio already managed by an alternative investment management organisation, we'll only recommend using CIP where this is clearly suitable for you and in our view demonstrably in your interests. We'll explain the respective responsibilities of ourselves and CIP in relation to your investments.

Where we provide protection planning services, we're acting as an insurance intermediary and will provide advice which is based on a fair and personal analysis of the market. We'll do this free from any initial restrictions or bias.

In any event, we'll always explain carefully the methodology we use in providing advice to you, so that you understand how we've reached our recommendation. We'll only recommend a product or service which is, in our view, genuinely suitable for you and meets a need identified as a result of the information you've been willing to provide. We've produced the brochure referred to above, called *Guide to the Breadth & Depth of Our Advice*, which sets out in more detail how we operate in terms of selecting investments and products for our clients.

Subject to your agreement to our recommendations, we'll implement the advice and arrange the purchase of the recommended investment or insurance products on your behalf.

We're unable to offer the *Initial Advice Service* to any new clients who are non-UK resident.

## OUR ADVICE PROCESS

The financial planning process in general is divided into six separate stages:

1. Initial Consultation
2. Research
3. Preparation
4. Advice
5. Implementation
6. On-going Service

**The first five of these stages form part of our *Initial Advice Service*, which is the subject of this *Client Agreement*.**

The sixth stage – On-going service – is the subject of a separate *Client Agreement* to this one, which covers our *Ongoing Advice Service*.

### 1. THE INITIAL CONSULTATION

This is the first assessment with you and is free of charge. It can last up to an hour and will typically take place over the telephone or via a video call; often in conjunction with the use of our secure portal. We'll ask basic details about your circumstances, to get a sense of how we may be able to help. If we can we'll provide an initial estimate of the time and cost involved, or we may need to come back to you later with an estimate. We'll explain our service options and help you to understand the difference between our two services. We'll help you to complete a *Financial Planning Questionnaire*. You'll have the opportunity to ask us questions about how we work. If you don't want to discuss a particular area of financial planning and that area should not form part of the advice given, we can exclude it, if you instruct us to do so. This might of course have a bearing on the advice that might have been given.

We'll issue you with any paperwork we're required to give to you and discuss the options for how we'll be paid. You're not obliged to proceed beyond this stage. However, in order to move to the next stage, you'll first have to sign a separate *Client Fee Agreement*, to agree to these terms and to indicate that you accept our charges for the work envisaged. This will provide an accurate estimate of our fees, which you'll be committing to paying at that stage.

### 2. RESEARCH

Following your agreement, your adviser will then undertake all of the necessary research to be able to meet your requirements. This stage will involve a suitability assessment, looking into areas highlighted as being specific to your personal circumstances. There's likely to be a need to research a range of possible solutions or services which appear to be of relevance to you. We'll also ask you to complete a document called *Objectives, Risk & Values*, so that we can get a clear impression of what's important to you and how much risk you're willing and able to accept.

### 3. PREPARATION

We'll then prepare our recommendations based on the above research, taking into consideration your circumstances and requirements. If you decide not to proceed with our recommendations, the full initial fee you've agreed to pay will become payable. Please refer to the *Client Fee Agreement* for further details.

### 4. ADVICE

Our recommendations will be presented in the form of a *Suitability Report*. Your adviser will be available to discuss this report with you and will provide all the required documentation in order to help you to select the most suitable course of action. It's likely that your adviser will highlight if it seems like you'd benefit from our ongoing help and advice; to make sure that, once implemented, our initial advice and the resulting range of products and investments

remain suitable for your ongoing and changing needs. Our separate *Ongoing Advice Service* is the means by which we provide ongoing advice to our clients and this is covered by a separate *Client Agreement* to this one.

## 5. IMPLEMENTATION

Following your agreement to proceed, we'll complete with you all of the necessary documentation and administration procedures relating to the advice provided, such as further research and quotations; communication with financial institutions; consultation with colleagues; administrative and technology costs; correspondence and phone calls. Any final policy documents will be issued to you.

Each of the stages outlined above forms part of an integrated service package. In other words, assuming that you wish to take advantage of our advice, our overall service to you will automatically include the implementation of our advice and the arrangement of the purchase of any products or services we recommend to you and which you agree to take advantage of.

If you decide to ask us to provide ongoing advice, we'll provide you with a copy of *the Client Agreement* relating to our *Ongoing Advice Service* and we'll ask you to sign a separate *Client Fee Agreement*, which will set out clearly the likely separate ongoing cost.

## THE COST OF OUR SERVICES

Our separate *Client Fee Agreement* covers in detail how we calculate our fees to cover our services. We'll discuss this with you and answer any questions you have. **The *Client Fee Agreement* forms part of this *Client Agreement*, so they should be read alongside each other as, together, they represent the entire agreement between us.**

When you first consider taking advantage of the *Initial Advice Service*, or decide to take advantage of the service on a subsequent occasion (perhaps because you're already taking advantage of our *Ongoing Advice Service* and have decided that you need some additional, discrete advice), we won't charge you until we've provided you with a personal fee estimate and you've agreed to pay the amount concerned. Irrespective of whether our advice results in you buying or changing any investment product or policy or indeed whether you decide to accept our advice at all, you agree to pay us a fee for the advice and service we provide.

We reserve the right to increase our fees in future but, if we do so, we'll let you know in advance of any increased charges coming into effect. The section below entitled *Amendment to these Terms* explains how we'll do this. In any event, as this is an *Initial Advice Service* and there is no ongoing element to the advice, each time you ask us to provide a discrete package of advice we'll provide an estimate of the proposed fee, based on our then current charges. If, having engaged us to provide you with advice, you proceed with the advice but subsequently decide to withdraw from any investment or policy agreed, within an initial period during which the product provider would look to recover fees from us (which in turn have been used to cover the costs of advice provided to you) we reserve the right to charge a corresponding fee to you.

You agree that all fees invoiced will be settled within seven days of the date of the invoice or other request for payment. Any outstanding fees will incur interest charges at a daily rate equivalent to 1% per calendar month.

You agree that where a product or service provider has agreed to facilitate the payment of fees due from you to us, and where such fees received are in excess of any fees you owe us at the time of receipt of the amount concerned, then we may retain these additional monies as an advance against the cost of future service from us to you. These

payments are agreed as being owned by us on account until they're actually offset against our future fees or actually refunded to you. If you request a refund (and this amount is above £25 in total) we'll action your request as soon as we can but in any event within 30 days, although we reserve the right to offset any fees for work undertaken which has yet to be invoiced, before the final refund takes place.

In the event that we're entitled to receive a commission for non-advised transactions or for certain business transacted or advised on prior to 31<sup>st</sup> December 2012, we'll be able to tell you the amount of any commission that is paid to us by product providers and other institutions with whom investments are made. You should be aware of the possibility that other costs or taxes relating to the services that we provide for you may exist, even though they're not paid through us or imposed by us.

We make no additional charge in relation to our specialisation in responsible investment.

We offer three ways in which you can pay for our initial advice. The actual adviser charges (fees) will be agreed with you and based on the complexity of the work involved, the amount invested and the overall assets subject to our advice.

We may:

1. Charge you on a percentage basis depending on the amounts invested; or
2. Charge an hourly rate; or
3. Agree a fixed fee with you depending on your specific requirements

These are further detailed below. Please note, all fees quoted include any VAT which may be payable and the cost of implementing the advice, if you decide to go ahead. However, if you act on our advice but choose to implement it yourself, you will still remain liable for our initial advice fees.

## FEES FOR OUR INITIAL ADVICE AND SERVICE

Irrespective of how we agree to charge you, for **new clients** our initial advice is subject to a **minimum fee of £2,400**. For **existing clients**, already taking advantage of our separate *Ongoing Advice Service* who then subsequently ask us to provide them with a separate element of discrete, initial advice, which is not therefore covered by their existing ongoing *Client Fee Agreement*, the **minimum fee is £1,200**.

### 1. Initial charges on a percentage basis

#### New clients

Our charge is 3% for the first £100,000 of the value of any investments, policies and/or services we have agreed should be subject to our advice plus the value of any new cash you would like our advice on investing. Any amount above £100,000 would be charged at 1%. The *Client Fee Agreement* will list the investments, policies, services and/or cash we agree should be subject to our advice, together with an estimate of the initial advice fee. Once we have confirmed the actual value of these to you our fee will be based on this actual total amount. For any initial advice that includes advice on protection policies, the initial commission payment from the product provider would be included within the overall fee.

#### Existing clients

As an existing client, already taking advantage of our Ongoing Advisory Service and wishing to seek our additional advice, our charge is 1% of the value of any additional investments, policies and/or services we have agreed should be subject to our advice plus the value of any new cash you would like our advice on investing.

**Here are some examples of how our percentage-based initial charges would apply based on the charges above:**

#### New clients

If we advised you, as a new client, on policies, investments and/or new cash, with a total value of £65,000, our fee would be our minimum fee of £2,400.

If we advised you on policies, investments and/or new cash, with a total value of £100,000, our fee would be 3% of £100,000, or £3,000.

If we advised you on policies, investments and/or new cash, with a total value of £200,000, the first £100,000 would incur a fee of 3% and the remaining £100,000 would incur a fee of 1%. The total fee would therefore be £4,000, calculated as:

3% of £100,000, being:	£3,000, plus
1% of £100,000, being:	£1,000
Which makes:	£4,000

#### Existing clients

If we advise you, as an existing client taking advantage of our Ongoing Advisory Service, on additional investments, policies and/or new cash, with a total value of £100,000, our fee would be subject to our minimum fee of £1,200.

If we advised you on additional investments, policies, and/or new cash, with a total value of £200,000, this would incur a fee of 1%. The total fee would therefore be £2,000.

#### Advice that includes a protection policy

If we advised you on policies, investments and/or new cash, with a total value of £200,000 and took out a protection policy, where the commission payment was £500, our initial fee would be based on the above example, implying an initial advice fee of £4,000, from which we'd deduct the amount of the commission received, being £500, leaving a balance for you to pay of £3,500.



## 2. Initial charges on an hourly basis

Depending on the type of advice you ask to provide, we may charge you on an hourly rate:

In the case of a Partner, Associate or Manager, an hourly rate of:	£198
In the case of a Senior Executive, an hourly rate of:	£120
In all other cases, an hourly rate of:	£90

We'll provide you with an estimate of how much in total we plan to charge. You may ask us not to exceed a given amount without checking with you first. We'll record the amount of time spent on your affairs in order to substantiate the fee we'll charge. We've put together the example below to show what our typical costs may be, if charged on an hourly basis.

### Here is an example of how our hourly rate-based charges would apply based on the charges above:

Creating a holistic financial plan, with recommendations to meet your needs and objectives, taking into account your attitude to risk and values:

Partner/Associate/Manager 10 hours	10 x £198 = £1,980
Senior Executive 8 hours	8 x £120 = £960
Executive 5 hours	5 x £90 = £450
Total initial charge	£3,390

## 3. Initial charges based on a fixed fee

We may pre-agree a fixed charge for any work we carry out on your behalf. The amount of the fee will depend on your individual circumstances and the complexity of your financial requirements. As a guide, the fixed fee will be calculated in the same way as our initial charges on a percentage basis, covering those assets you indicate at the outset you would like our advice on. Whilst the fixed fee option would provide certainty at the outset on this basis, if you choose to ask us to advise on additional assets part way through the advice process or immediately at the conclusion of it, we reserve the right to agree an additional fixed fee for the additional advice.

### Fixed charges for setting up a new investment

This could address a specific requirement you may have in relation to a particular goal (such as retirement planning). For example, setting up a contribution into a new pension scheme, taking into account your needs and objectives, attitude to risk and affordability.

Our typical charge for setting up a new Personal Pension as above is subject to our minimum fee of £2,400 for new clients and £1,200 for existing clients using our *Ongoing Advice Service*.

Our typical charge for setting up a new ISA/General Investment Account with a value of £100,000 is £3,000.

Our typical charge for setting up a new ISA/General Investment Account with a value of £200,000 is £4,000.

## OTHER CHARGES

Even where you're receiving and paying separately for our *Ongoing Advice Service*, covering an agreed range of assets we may still recommend that you take advantage of this separate *Initial Advice Service*, if or when the need arises. This could be the case where you wish to ask us to look after additional assets which we need to research before making a formal recommendation as to how they might complement your existing portfolio. It could also be relevant in the case of the need for more complex advice, such as advice on long term care, or the implementation of tax planning strategies outside of our existing core service e.g. advice on investing in a product or service designed to mitigate inheritance tax. The charges and fees for more complex advice will be agreed with you as part of this *Initial Advice Service*.

The actual charges and fees for more complex advice will be agreed with you before we start any work. Additional charges for more complex advice are based on an hourly rate and an example can be found below.

### Additional initial fee example, relating to complex advice

Partner/Associate/Manager 6 hours	6 x £198 = £1,188
Senior Executive 5 hours	5 x £120 = £600
Executive 2.5 hours	2.5 x £90 = £225
<b>Total additional initial charge</b>	<b>£2,013</b>

Depending on the services we provide, there may be costs and charges (including taxes), not charged by us, but related to the financial products or services we arrange for you. These charges may be one-off charges (payable up front) or charges payable on an ongoing basis. For example:

**Service costs:** If your investments are held on a platform (an online investment administration service) or held with a Discretionary Fund Manager (DFM), like our sister firm Castlefield Investment Partners LLP, the platform provider / DFM will make a charge for administering / managing your investments.

**Investment costs:** These are the costs relating to the manufacturing and managing of your investments – for example, fees charged by an investment fund manager, or costs relating to investment transactions.

We'll always disclose any third-party costs as part of making our recommendations to you, as required by our regulator, the Financial Conduct Authority. For example, before we provide you with our advice, we'll add together all the costs and charges payable by you, so that you're able to understand the overall costs of our services and recommendations. This is referred to as aggregated costs and charges information.

## PROTECTION

For advice on non-investment protection policies, we'll be paid for this element of our advice by the commission supplied by the recommended product provider. We may be able to provide you with an estimate of the amount before we start the advice process. Where the commission offered by the provider doesn't meet our minimum fee level, we'll agree a fee to make up the difference.

In respect of any regular premium protection policy which we've arranged for you, should you subsequently cease to pay premiums on the policy and consequently we're obliged to refund the commission that has been paid to us, by the provider, we reserve the right to charge you a fee representing the amount we're asked to repay.

### **A typical example of the amount of initial commission we could receive from a policy is set out below:**

A joint life policy, with a sum assured of £200,000, on a level-term basis over 20 years, based on a healthy male and female couple, aged 40, on a first death basis, is £567. This would mean a fee of £1,833 would apply to satisfy our minimum fee threshold of £2,400 for a new client.

Any commission we receive from the product provider will be used to offset your initial fee. For example, if our fee for advice in a specific area was £2,400 and it included arranging a protection policy for you, which paid us commission of £567, you would owe us £1,833.

## PAYING FOR OUR SERVICES

Where one or more of the products, policies or services we've agreed to take under our care is able to facilitate the payment of fees to us, on your behalf, you agree that we may make the necessary arrangements for them to do so. This may require no further specific authority from you but where it does you agree to provide your specific authority in a form acceptable to the provider(s) concerned. We'll choose which provider or providers are best able to facilitate the payment of the necessary fees to us. We reserve the right to agree with the provider(s) concerned the specific, relative amount(s) to be claimed from each of them. **Where, based on our agreement with you, a fee is due to us and the amount facilitated in this way is insufficient to cover the fee due, we will typically issue an invoice (where this amount is above £25) and ask you to settle the balance direct by way of bank transfer and you agree here to do so.**

Please note that the facilitation of a fee from any financial product or service in this way will reduce the amount left for investment and may, depending on your circumstances, have other consequences. If any of the products or services you invest in hold insufficient funds to cover any up-coming or recent charge, you confirm you'll provide us with authority to release up to the total value of the charge due. We'll confirm how the funds will be taken and provide the appropriate paperwork, where required.

We can't accept payments by cash or by standing order and will only accept a cheque in exceptional circumstances. Payments direct from your bank to ours are the standard way in which we operate. Our fees become payable and should be settled within seven days of the date of the invoice. Where our charges are based on a percentage of your investments, the amount of our charge may increase as the size of your fund grows and any estimate will be based on current values, which may well have changed by the time the actual invoice is due.

## PROVIDING INFORMATION ABOUT YOUR CIRCUMSTANCES

Our advice will be based on the information that you give so it's 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.

## OTHER IMPORTANT TERMS

**HOW WE WILL CLASSIFY YOU:** We've classified you in accordance with the Financial Conduct Authority rules as a *Retail Client*. This means that you're afforded the greatest level of protection available under the Financial Services and Markets Act 2000 (FSMA). If we propose to treat you as any other type of customer, we'll let you know and explain why. You have the right to request a different categorisation. However, this may result in the loss of some of the protections available under the FSMA, such as the right to refer complaints to the Financial Ombudsman Service and the right to receive specific information in respect of any investments we recommend or arrange on your behalf.

**METHODS OF COMMUNICATION:** Unless you advise us otherwise, we'll communicate with you by any of the following means: our secure portal, e-mail, telephone, or face-to-face meeting. **Please note, we'll not be able to set up or operate your account efficiently and keep you up-to-date if you don't provide us with a personal email address, which you'll then need to remember to access regularly.** Where we provide correspondence through our secure portal, the documents will be stored securely within the portal itself. Should you wish to have a local copy of your correspondence you'll need to download the correspondence from the portal to your own computer. To help with resolving possible disputes as quickly and amicably as possible, we require you to give us instructions in writing, via our secure portal or via email, if you're happy with the inherent vulnerability of this latter communication method. Our preferred method is via our secure portal. If you're unable to communicate with us via one of these methods, please contact us to discuss if there's an alternative. In any event, we can refuse your instructions at our discretion. From time to time we may wish to contact you to offer additional products or services which may be of interest to you. In order to do this, we require your consent as detailed within our *Financial Planning Questionnaire* and *Privacy Notice*. At our discretion and unless we hear from you to the contrary, we may telephone you from time to time between the hours of 9am to 9pm without your further prior consent to such contact.

**RECORDING COMMUNICATIONS:** To ensure we carry out your instructions accurately, to help us continually to improve our service and in the interests of security, we'll 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 5 years after the recording was made.

**ACCEPTING INSTRUCTIONS:** Instructions which have the intention of prompting us to undertake any action on your behalf should be made in accordance with the methods outlined above. However, we may accept your instructions by any means when we believe, in our absolute discretion, that these instructions originated from you or from someone acting with your authority. You accept that we shall not be liable to you for any delay in responding to these instructions and you agree to indemnify us for any losses we incur as a result of reliance on such instructions.

**LANGUAGE:** All our communications and documents will be provided to you in English.

**LEGAL AND ACCOUNTING ADVICE:** We're not qualified to provide legal or accounting advice or to prepare any legal or accounting documents. This means that the onus is on you to refer any point of law or accountancy that may arise during the course of discussions with us, to a solicitor or accountant.

**INVESTMENT AND NON-INVESTMENT INSURANCE SERVICES:** We are permitted to advise on and arrange deals in investments and non-investment insurance contracts. If we arrange these for you, please note they won't be kept under review unless we have agreed to do so. You are free to ask for our advice at any stage. However, we may contact you in the future should we wish to discuss the relative merits of an investment or non-investment insurance contract or service which we feel may be of interest to you.

**BENEFITS WE MAY RECEIVE:** Under the rules of our regulator, the Financial Conduct Authority, we can't accept payments or benefits from other firms (e.g. product providers) unless it's designed to enhance the quality of service we provide and it doesn't conflict with our duty to act in our clients' best interests.

From time to time we may attend training events funded and /or delivered by product providers, fund managers and investment platforms. These events are designed to enhance our knowledge and 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.

**CLIENTS' MONEY:** We don't handle clients' money. We never accept a payment to us (unless it is a payment in settlement of our charges or disbursements for which we have sent you an invoice) or handle cash.

**CONFLICTS OF INTEREST:** On occasions we, or one of our other customers/associates/shareholders, will have some form of interest in a transaction we're handling for you. If this happens, or if we become aware that our interests or those of one of our other customers conflict with your interests, we'll inform you in writing and obtain your consent in writing before we carry out your instructions. We'll also let you know the steps we'll take to make sure you're treated fairly. There may be occasions when we'll be unable to act for one of the parties involved. We have links with Castlefield Investment Partners LLP (CIP) and ConBrio Fund Partners Ltd (CFP), as sister organisations within the same group of companies. We're free to recommend to you that CIP manages some or all of your assets or that you buy a fund to which CFP acts as the Authorised Corporate Director. However, this will only be the case if the product or service they offer is genuinely suitable for you. Please let us know if you'd like to see a copy of our *Conflicts of Interest Policy*.

**BASIS OF VALUATION OF INVESTMENTS:** Where we provide you with an estimate of the value of your various assets or investments, as part of our service to you, we'll do this in good faith, to assist you with monitoring your assets. The valuations will be derived from various sources we consider to be reliable – typically provided by product providers themselves, at our request – but we can't be held responsible for the accuracy or completeness of information provided by third parties. The relevant dates of valuation of different investments may also vary as between one provider and another, although presented to you in the form of an aggregate valuation of all of your assets, for purposes which may include the calculation of our agreed fee on a set date.

**REGISTRATION/LOCATION OF YOUR INVESTMENTS OR POLICIES:** We'll make arrangements for all your investments to be registered in your name unless we've agreed otherwise in writing. We'll forward to you all documents showing ownership of your investments as soon as practical after we receive them. All cheques, documents of title, etc, may be sent by post to your last known address and shall be sent at your own risk. A recorded delivery service will not normally be used.

**TAXATION – CAPITAL GAINS TAX:** Please bear in mind that, in recommending a portfolio of assets for you, the recommendation may generate a liability to Capital Gains Tax on your behalf. This will result if the realised gains on the investments in your portfolio exceed the amount of any Capital Gains Tax allowance to which you may be entitled in any one tax year and you're liable to pay such tax. The extent of any such liability will depend on a number of factors, including the size of your portfolio, the number and size of individual transactions we recommend you undertake and the size of your personal Capital Gains Tax allowance. We'll try to provide you with an indication of this liability based on the information we know about you and your investments; this indication isn't guaranteed and shouldn't be treated as such. You should remember to take account of any resulting gains when preparing your HMRC self-assessment form. In any event, we recommend that you seek advice if you're unsure of the taxation consequences of your recommendations.

**TAXATION – INCOME TAX:** Income collected on the investments held on your behalf will be dealt with in accordance with the terms and conditions of the providers that we recommend for your assets. We strongly recommend that you are familiar with these conditions to understand how received income will be treated. This income may be received gross or it may be considered to have been received net of basic rate income tax. If you are a higher rate taxpayer there will be an additional liability to tax, which you should bear in mind in preparing your HMRC self-assessment form. Again, we recommend that you seek appropriate advice.

We accept no liability for the tax consequences of actions undertaken on accounts we advise on.

**BEST EXECUTION:** When carrying out orders on your behalf, in relation to financial instruments, we'll take all sufficient steps to achieve what is called *best execution* of your orders. This means that we've got policies and procedures in place which are designed to obtain the best possible execution result, subject to and taking into account various (sometimes conflicting) factors. Please let us know if you'd like to see a copy of our *Best Execution Policy*.

**CANCELLATION RIGHTS:** Most policies and investments benefit from Cancellation Rights i.e. you may cancel your policy without suffering financial detriment, within a certain time period. Please note that the terms vary from policy to policy and some transactions may not have any Cancellation Rights attached.

**RISK WARNINGS:** The value of investments may go down as well as up and you may not get back the amount you originally invested. Past performance is not necessarily a guide to future performance. The price of investments we may recommend may depend on fluctuations in the financial markets, or other economic factors, which are outside our control. We'll notify you separately of any specific risk factors that apply to the service we provide for you or to any investments which we recommend.

**THE RIGHT TO TERMINATE THIS AGREEMENT:** You or we may terminate this agreement at any time, without penalty or prejudice to the completion of any transactions already initiated, which will be completed, unless otherwise agreed in writing. Notice of this termination must be given in writing. However, you'll be liable to pay for any transactions made prior to termination and any fees which may be outstanding. If we terminate this agreement, we'll give you at least 30 calendar days' notice, which will take effect from the day following the date upon which we send our notice. You'll be liable to pay for any transactions entered into or cost of advice yet to be invoiced relating to the period prior to termination and any fees outstanding, if applicable. Where we provide correspondence through our secure portal, the documents will be stored within the portal itself. Should our agreement with you end, you'll no longer be able to access the online portal, so you may wish to download your correspondence before the end of the agreement. For copies of correspondence after the agreement ends, you'll need to contact us to provide this information to you. We'll retain documents in line with the timescales set out in our *Privacy Notice*. If our agreement ends, we may continue to

receive adviser charges from product providers for a short period afterwards, where we have had an historical agreement to do so. This may result in us receiving a cash payment in excess of the value of our final invoice. Where this happens, we will attempt to contact you using the contact details we have on record to return these fees to you. The only exception to this is with pensions, where we will attempt to return the fees to the product provider, as pension legislation prevents us from paying excess charges to you directly. If we are unable to return excess payments to you or your product provider, despite our reasonable efforts, we reserve the right to donate unclaimed fees to charity after a suitable period of time.

**TREATMENT OF INFORMATION OR DATA RELATING TO YOU:** To provide our services properly we'll need to collect information about your personal and financial circumstances. We take your privacy seriously and will only use your personal information to deliver our services. Sometimes, we may need to pass your personal information to other organisations (e.g. if you apply to take out a financial product or service, we'll need to pass certain personal details to the product or service provider). Your personal information may be transferred electronically (e.g. by email or over the internet) and we, or any relevant third party, may contact you in future by what we believe to be the most appropriate means of communication at the time (e.g. telephone/ email /letter etc.). The organisations to whom we may pass your details also have their own obligations to deal with your personal information appropriately. Sometimes a product or service may be administered from a country outside Europe. If this is the case, the firm must put a contract in place to ensure that your information is adequately protected. The primary basis on which we intend to process your personal data is for the performance of our contract with you. In the case where we need to process special category (sensitive) data, we'll ask you to sign a declaration within our *Financial Planning Questionnaire* (FPQ). For further details on how we process personal data, please refer to our FPQ and our *Privacy Notice*, which explains in more detail how we process your personal data, please visit: <http://www.castlefield.com/privacy-notice/>. A written copy is also available on request. By agreeing to the terms of this *Client Agreement*, you agree to us processing your personal data in accordance with the *Privacy Notice*.

**QUALITY OF SERVICE:** If you have any complaint about the advice you've received from us or a product that you've taken out through us please call or write to our Compliance Officer, Michael Richardson. Our contact details are shown in the About Us section above. Our internal complaints handling procedure, covering the reasonable and prompt handling of complaints, is available upon request. If, after we've reviewed your complaint, we can't settle your complaint with us, you may be entitled to refer it to the Financial Ombudsman Service, full details of which can be found at [www.financial-ombudsman.org.uk](http://www.financial-ombudsman.org.uk) or by calling them on 0800 0234567 or 0300 1239123. We'll not levy any charge for handling complaints made against us.

**FINANCIAL SERVICES COMPENSATION SCHEME:** We're covered by the Financial Services Compensation Scheme (FSCS). If you make a valid claim against us in respect of the investments we arrange for you and we're unable to meet our liabilities in full, you may be entitled to redress from the Financial Services Compensation Scheme. This depends on the type of business and the circumstances of the claim. Most types of investment business are covered up to a maximum limit of £85,000 and deposits may be covered up to a maximum of £85,000. Further information about compensation scheme arrangements is available from the FSCS, website: [www.fscs.org.uk](http://www.fscs.org.uk).

**VERIFYING YOUR IDENTITY:** We're required to verify your identity and no advice can be offered nor transactions undertaken on your behalf until such verification has been obtained. In connection with this arrangement, we may carry out an online identity check with a licensed identity checking agency, which will retain a record of that search and may use the information provided to assist with future electronic searches by other companies. We may conduct these checks from time to time throughout our relationship, not just at the beginning. We may also request documents or further information from you from time to time to aid our ongoing verification requirements.

**AMENDMENT TO THESE TERMS:** If we amend these terms, including a change to our current or future charges, we'll inform you of our intention to do so, using one of the methods of communication mentioned above. You agree that we may change the future content without receiving your prior consent to do so, provided that we have given you at least 30 days' notice, unless it is impractical to do so.

This *Client Agreement* is personal to you and/or to your personal representatives and you or they may not transfer obligations entered into. We may assign this contract to any person connected with us or to any successor company, on giving written notice to you to that effect. This *Client Agreement* shall be governed by and construed according to English Law. Any disputes shall be determined in the English Courts.

**RELEVANT REGULATIONS:** The Contract (Rights of Third Parties) Act 1999 shall not apply to this Agreement.







THE THOUGHTFUL INVESTOR

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