

# CLIENT AGREEMENT

## Mortgage & Protection Business

**This document and the Client Fee Agreement attached are important documents. You should therefore read these terms carefully before signing them. If you do not understand any of the items covered please ask.**

**The terms of this Agreement will come into force immediately and will remain in force until cancelled by you or us. This document sets out our commitments to you and the basis upon which we will conduct business.**

### Our Services

It is important to stress that we offer a full *Independent* advice proposition in respect of both Mortgages and Protection. Our Key Facts document explains this in more detail. In short, we will review a significant portion of the market place to identify the best solution for you.

As an Independent Financial Adviser firm, we can offer you advice across all areas of your finances (unless directed otherwise) and can use all products and providers across the market place to ensure any objectives are implemented successfully. Our permitted business is to advise on and arrange pensions (including pension transfers), investments, savings, mortgages and non-investment insurance contracts.

If you wish to receive advice on other areas, we will introduce you to one of our Independent Financial Advisers within the firm.

### Client Classification

All clients with whom the firm conducts business are firstly classified into one of three areas. These are retail, professional or eligible counter-party categories, which ultimately allows us to identify the level of regulatory protection in each case. We propose to classify you as a *Retail Client* for investment purposes affording you the maximum protection under current legislation, unless we inform you in writing of an alternative classification.

### Objectives and Restrictions

Following the issue of this Agreement, any subsequent advice or recommendation offered to you will be based on your stated objectives, an agreed acceptable level of risk in terms of your borrowing strategy and any instructions you may wish to make regarding the type of solutions you are willing to consider.

Details of your stated borrowing and protection objectives will be included in the suitability report we will issue confirming our recommendations. Under normal circumstances we will assume that you do not wish to place any restrictions on the advice we give you.



## Communication

We will communicate with you in English, both verbally and written in all cases. We consider e-mails to have the same status as written documents on the understanding these are received from a previously confirmed e-mail address. We are unable to provide a guarantee that any e-mail sent will be received, or that the contents of any such messages will remain private during internet transmission. We accept no liability for any damages that you or any others may suffer as a result of the alteration or loss of confidentiality of any e-mailed information.

We virus scan all e-mails but will not be responsible for any damage caused by a virus or alteration by a third party after it is sent. We recommend that you employ virus protection measures when accessing communications from us.

We can also offer secure messaging through end to end encryption solutions on our Client Portal. For more information on this service please ask your adviser.

## Mortgage Advice

We are authorised to conduct mortgage business. As this is an increasingly specialist area we have a dedicated team who can assist you and explain our services and fees in more detail should this be of interest to you.

## Insurance Advice

All advice from Optimum is provided following an assessment of your needs and a fair analysis of the market is undertaken to identify suitable plans including Term Assurance, Critical Illness Cover and Income Protection.

## Paying by commission–(product charges)

If we arrange a non-Retail Investment Product (e.g. protection policy) for you, we may receive commission from the product provider. Although you pay nothing up front, that does not mean our service is free. You still pay us indirectly through the product charges. We will advise you in writing where any commission is not sufficient to cover our charges and will agree this with you in writing before any fees are due.

## Cancellation Rights

We will always inform you of your statutory right to cancel. You will normally be granted 30 days in which to cancel a life or pension contract, however there may be occasions where this period is 14 days or that no statutory rights are granted. This will be explained before any contract is concluded.

## Material Interest

We will always act honestly, fairly and professionally when dealing with you. Occasionally situations may arise where we or one of our clients have 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 clients' conflict with your interest, we will write to you and obtain your consent before we carry out your instructions, and detail the steps we will take to ensure fair treatment. You can request a copy of our conflict of interest policy at any time.

## Instructions

To avoid disputes we require our clients to give us instructions in writing/email in respect of all investment transactions. We will however, accept oral instructions to commence a life policy provided they are subsequently confirmed in writing. All advice given by Optimum Independent Financial Advisers Limited will be provided in writing, or if given verbally will be confirmed in writing subsequently to ensure clarity of information.



## Termination

You, or we, may terminate our authority to act on your behalf at any time, without penalty. Notice of this termination must be given in writing and sent by recorded delivery and will be deemed to be effective from the date of receipt. Termination will not prejudice the completion of any transactions already initiated on your behalf or any rights or obligations already arising, unless you specifically request us to discontinue processing that transaction. Upon termination we reserve the right to charge a fee in line with the work undertaken but any fee related to an on-going service that will no longer be provided will be cancelled. Any outstanding fees due under this Agreement will be due within 14 days of the termination date.

## Client Records & The Data Protection Act

You have the right to inspect copies of contract notes, vouchers and entries in our books, files or computerised records relating to your transactions. We keep records of our business transactions for at least six years. We reserve the right to only provide copies of your records if giving you direct access to them would allow access to files containing records of other clients.

Personal information provided by you may be maintained on our computer records and will not be shared with other parties, unless you have agreed otherwise. The provisions of the General Data Protection Regulation (GDPR) will apply. In order for us to advise you properly we must obtain certain information about your finances and personal circumstances.

This information will be retained and used by us in the future.

By signing this document:

- 1 You agree that the information we hold about you can be held on computer and/or paper files.
- 2 You agree that any information, which you give us, may be disclosed to third parties (e.g. credit reference agencies, product providers or data processors) for the purpose of administering and processing your application where we are providing an intermediation service between you and third parties, including the preparation or implementation of a service or the provision of an on-going service, or upon the sale of all or part of our business.

## Marketing

If you **do** wish us to update you with information on products and services that we feel may be of interest to you, please tick here.

You may also select your preferences in relation to how we may contact you in the future. Please tick each box to confirm the media types you are willing to receive.

- Post
- Email and/or secure electronic communications
- Text

We agree that any consent given by you may be withdrawn at any time by contacting us in writing at our main office address.

## Legal Governance

This Client Agreement is governed by and shall be construed in accordance with English Law and the parties shall submit to the exclusive jurisdiction of the English Courts.

## Call recording

Due to changes imposed by our regulator we now record telephone calls into and from our main office number for your additional protection.

## Client Money

**Optimum Independent Financial Advisers Limited does not handle client money. We will never accept a cheque made out to us (unless it is a cheque in settlement of fees, charges or disbursements for which we have sent you a bill) or handle cash.**



## Money Laundering Regulations

Working in the financial services industry means we must meet our obligations to verify the identity of all our clients. We do this via an electronic service called *SmartSearch* and we need to inform you this will make a *soft* imprint on your search file. We have been advised this has no impact to an individual's credit score.

For larger investments we will need to establish a clear 'source of funds' for any monies to be invested and may therefore need to request additional information to comply with the new money laundering rules.

## Cost of Our Services

Not all firms charge in the same way. We will discuss your payment options with you and answer any questions you have. We will not charge you anything until you have agreed how we are to be paid for our services.

It is important to understand that our time and advice are not free and so any charges/fees agreed with you will still be payable whether you buy a product or not.

## Hourly Rates/Fixed Fees

You may ask us to provide you with generic advice or review certain arrangements without the need for setting up of a new product. In these circumstances, it is likely the fee agreed would be subject to VAT at the prevailing rate. We will agree the rate we will charge before undertaking any work for you.

Our typical charges are:

- Independent Mortgage Adviser ..... £175.00 Per Hour
- Senior Administrator ..... £75.00 Per Hour
- Administrator ..... £50.00 Per Hour

You can request an estimate of how much in total we may charge. You can also ask us not to exceed a given amount without firstly gaining your authority to proceed. Alternatively, we may agree to work on a fixed fee for part or all of any service we provide to you.

## Other benefits we may receive

In the course of our business dealings we may be provided with additional services from various providers including the facilitation of the adviser charge so as to avoid the need for you to settle our charges from your own bank account. In addition, we may be provided with training resources from time to time. Further information can be provided upon request.



# Client Fee Agreement

## This fee agreement is made between:

1 Optimum Independent Financial Advisers Limited, 8-9 St Peters Court, Colchester, CO1 1WD  
(the adviser)

and

2 ..... (the client)

This Fee Agreement should be considered as an addendum to our Standard Client Agreement, the general terms of which will apply in all cases.

## Services Provided

### Initial Advice

You have instructed us to act for you and perform the duties outlined in our Client Agreement. In summary we will:

- Gather all relevant personal information, including details of your finances, your needs and financial objectives.
- Analyse the information gathered in detail against your stated objectives and research possible solutions.
- Provide a detailed report of your situation to include our recommendations.
- Work with you and any relevant product providers or lenders to ensure the recommendations are implemented.

### Remuneration & Charges

For the **initial work** we have agreed an adviser charge of:

- A flat fee of £200.00 will be invoiced and be payable up front for the work involved in researching the market and processing your application. A further fee of £295.00 will be invoiced and become payable on receiving a formal mortgage offer from the relevant lender, giving a total cost payable of £495.00, should your application proceed to a formal mortgage offer. In addition, we will retain any commission paid by the lender.

### Value Added Tax (VAT)

Where applicable VAT will be added to invoices for services provided. As noted above, intermediation is an exempt service and so our experience is that our services to you are Exempt where intermediation exists and/or where you purchase an on-going service at the point of sale which is ancillary to the Exempt supply. We will notify you in writing where we believe our services are VATable.

### Payment Terms–initial fees

If an invoice has been issued, payment must be made in full within 14 days of issue. Late payment of any fee will result in interest being added at our discretion, at an equivalent rate of 4% per annum above the Bank of England base rate, as amended from time to time.

### Termination

You may terminate this agreement at any time giving notice in writing to our main address via Recorded Delivery. All work undertaken to date on your behalf will be costed in accordance



with the terms in this agreement and will become payable immediately upon issuance of a relevant invoice.

In some cases, cancellation or the lapsing of a long-term life assurance plan, protection policy or certain investments may result in reclaimed commission that has been used to enhance your contract terms or to offset the fee that would otherwise be charged. We reserve the right to recover these costs from you if they occur within 24 months of commencement of the policy/plan.

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I/We confirm that I/we have received these documents and the contents have been explained. I/We understand that the terms contained within these documents will be deemed to be effective from the date they were provided to me/us.

**We agree/do not agree to share all information with our partner/spouse until such time as we send written confirmation that we wish to withdraw this permission.**

**By agreeing to these terms and conditions you accept that the fees due will become payable on completion of the advice or transaction at the prescribed levels.**

Signed .....

Signed .....

Name .....

Name .....

Date .....

Date .....

**For adviser to complete:**

Signed .....

Name .....

Date .....