Client Agreement

key information
INFORMING YOU OF THE FACTS

Applewood Wealth Management Ltd is authorised and regulated by the Financial Services Authority. FSA Number 441181. You can check this on the FSA's Register by visiting the FSA's website: http://www.fsa.gov.uk/register www.fsa.gov.uk/register or by contacting the FSA on 0845 606 1234.

Our Commitment to You

Prior to providing you with any advice we will take time to understand your current needs, circumstances and attitude to risk. Any advice provided will be confirmed to you in writing.

Client Classification

Applewood Wealth Management Ltd classifies all clients as 'retail clients' for investment business and 'consumers' for non-investment insurance business which means you are afforded all protections under the rules of the Financial Services Authority (FSA). Should you wish to be classified differently for investment business, please discuss this with your adviser. Your adviser will inform you should your circumstances dictate that we would need to classify you differently for non-investment insurance business.

Please note that should you wish to be considered as a different category of customer for investment business, such as a professional client or eligible counterparty you must inform us in writing. We will provide you with a new client agreement and you may lose a number of protections which will be outlined in that new agreement.

Methods of Communication

Unless you advise us otherwise, we will communicate with you via the following methods of communication, Face to Face, E-mail, Telephone, Letter, SMS and Fax.

Investment and Non-Investment Insurance Services

Applewood Wealth Management Ltd is permitted to advise on and arrange (bring about) deals in investments and non-investment insurance contracts.

With regard to investments and non-investment insurance contracts which we have arranged for you, these will not be kept under review unless we agree otherwise with you; but we will advise you upon your request.

Applewood Wealth Management Ltd does not handle clients' money. We never accept a cheque made out to us (unless it is a cheque in settlement of charges or disbursements for which we have sent you an invoice) or handle cash.

Scope of Advice

Investment - We offer products from the whole market.

Non-investment Insurance - We offer products from a range of insurers on the basis of a fair analysis of the market for Term Assurance, Critical Illness and Permanent Health Insurance.

Conflicts of Interest

Applewood Wealth Management Ltd offers advice in accordance with that disclosed to you in this agreement. Occasions may arise where we or one of our other clients have some form of interest in business being transacted for you. If this happens or we become aware that our interests or those of one of our other clients conflict with your interests, 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.

Nucleus is predominately owned by its IFA participants who collectively drive the platform and its development forward. Both Applewood Wealth Management Ltd and our parent company; Perspective Financial Group Limited have invested in Nucleus and as such should be viewed as a minority shareholder. This means we are totally committed to the long term success of the venture and may benefit should

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Registered in England and Wales No: 5436958. Registered Office: Paradigm House, Brooke Court, Wilmslow, Cheshire SK9 3ND. Applewood Wealth Management Ltd is authorised and regulated by the Financial Services Authority. Applewood Wealth Management Ltd is a subsidiary of Perspective Financial Group Ltd

ultimately the wrap be sold to a third party. Should a conflict of interest arise in the future as a result of this arrangement we will write to you before any action is taken.

Best Execution

It is our policy to transact your business in order to achieve the best possible results in terms of the nature and price of the products selected, transaction charges, administration and service excellence. Further details of our policy regarding this are available upon request.

Termination of our Services

You or we may terminate our authority to act on your behalf at any time. You will be liable to pay for any advice or services that you have received prior to the date of termination. This means that where we have agreed the advice and services that we will provide for you and we have agreed to receive payment for these, either by means of a fee or by receiving commission from a provider, you will have to pay us for any work we have completed up to the date of termination.

Data Protection

For details of our Data Protection statement and policy, please see our separate Data Protection Statement and consent form, which will be provided separately to you.

Payment for Services

Applewood Wealth Management offers you an initial meeting to understand in broad terms; your needs and objectives and to agree with you that our services are right for you going forward. This meeting usually lasts for around one hour.

Thereafter payment for our advice and services can be by a fee, by commission or by a combination of both as described below. Prior to undertaking any work on your behalf we will agree with you how we will be paid for our advice and services and agree which level of service is most appropriate to your needs.

1. Fee: We will agree the rate we will charge before beginning work and will confirm this in a separate fee agreement. We will tell you if you have to pay VAT. If we also receive commission from the product provider when you buy a product, we will pass on the full value of that commission to you in one or more ways. For example, we could reduce our fee; or reduce your product charges; or increase your investment amount; or refund the commission to you.

2. Commission (through product charges): This is payable to us from the product provider. While you will not pay us anything directly, this does not mean that our service is free. The commission is derived from the product charges taken by the provider to cover their own costs and commission payable to us and these charges reduce the amount allocated to the investment.

3. Combination of Fee and Commission: This option is a combination of the two options described above.

The cost of our services is the same regardless of the option chosen. Prior to undertaking any work on your behalf we will agree with you how we will be paid for our advice and services.

Advice Charges (These charges are not applicable if a client of The Applewood Wealth Care Programme™ paying a minimum fee of 1% of the fund value investment)		
Meeting in office	£250	Note: We may waive this fee for the initial meeting to establish your requirements.
Meeting out of the office	£350	
Valuation Report	£150	Provide the values of a client's portfolio.
Valuation and Fund X-Ray	£300	Valuation report including fund analysis.
Commitment fee	£500 minimum	To establish new clients records, create files and transfer agencies. Valuation, Fund X-Ray and recommendation.

Table of Fees continued overleaf

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Regular Savings and Contributions (These charges are payable by all clients)		
Lump Sum Investments and Transfers	Up to 6% depending upon the complexity of the work involved.	Of the funds being purchased (dependant on the total investment/product). For Example: - If you invest £10,000 in to an ISA, Unit Trust, OEIC, Bond or Pension the cost would be £600
Regular Contribution Investment and Pension Contracts	Dependent upon the type of contract arranged.	For example: - If you pay £100 a month into an ISA, Unit Trust or OEIC the cost would be £4 per month (4% of the monthly premiums) - If you pay £100 gross a month into a Pension the cost would be £6 (6% of the first year's premiums)
Annuity Purchase	Up to 2%	Of the Annuity Purchase price. For example: - If the annuity purchase price is £10,000 the cost would be £200
Fund switches	£25	Administration cost per fund switch (applicable if not a member of The Applewood Wealth Care Programme™).
Additional Services Provided (These charges are payable by all clients)		
The Applewod Income from Capital Report™	£350	A complete analysis of how much income your can comfortably take from capital with confidence.
The Applewood Planning for Retirement Report™	£350	We calculate all of your pensions and provide full estimates of your projected pension's benefits at retirement and to cover all options.
The Applewood Trust Report™	£350	A comprehensive report on the options available with different trusts to protect and to preserve your estate.
Retained Service		
The Applewood Wealth Care Programme™	Up to 1.5% per annum	Of funds under management, to provide The Applewood Wealth Care Programme™

Non-Investment Insurance
We may be remunerated by fee or commission. You will receive a client specific illustration, which will detail any other fees relating to your particular insurance policy

The Applewood Wealth Care Programme™
Some people can become financially disorganised, meaning that they lose track of their investments and generally end up paying too much in charges and holding under performing investments.

Through the Applewood Wealth Care Programme™ we review, monitor and risk assess your portfolio every six months, so that you become financially organised and your investments are in good health. We have an automatic rebalancing programme in place, which allows you to stay within your risk levels and not to drift up the risk profile causing you unnecessary risk to the portfolio.

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We also incorporate tax planning, charge reduction, improved returns and the risk assessment programme. The Applewood Wealth Care Programme™ is a proven tool that has been running since 2006 and is a trademark process to Applewood.

The important factors are The Risk Ladder ™, Model Portfolios, the Review Programme, all three processes coming together will give you a unique opportunity to have professional wealth managers looking after your money and reporting to you in an unbiased and independent way.

It is important to remember that we work for you and not for a fund management team, as you pay Applewood for this service at a modest fee of between 1% and 1.5% of your portfolio assets, dependant of the size.

Cancellation Charge

In the event of a cancellation after you have given instruction for us to complete work on your behalf, regardless of the payment option chosen, should you decide not to proceed with, cancel or use another Adviser/Product Provider i.e. if the work that we have transacted is not finalised* the following are the maximum charges that will apply. In all cases the percentages will be calculated on anticipated gross fee/commission from the investments placed.

– Up to 50% if transactions are not yet finalised.

– Up to 100% if transactions are finalised.

You may ask us for an estimate of the total we may charge and we will not exceed an amount previously agreed without asking you first.

Maximum charge	@50%	£	@100%	£

** Finalised means once cancellation notices have been issued by the insurance companies. Cancellation charge will be applied if finalised business is cancelled during the statutory 30 days cooling off period.*

General

Please note that there is a possibility that other costs, including taxes, could be incurred related to transactions in connection with investment business that are not paid via the firm or imposed by it.

For certain transactions that we recommend to you, Applewood Wealth Management Ltd will accrue a notional entitlement under a Discretionary settlement. The value of this entitlement does not impact on the overall charges applied to your investment, and the actual cost to you will be disclosed as required by the Financial Services Authority.

In addition to the above, for certain transactions that we recommend to you, we will also receive a royalty payment from the provider as part of the annual management charge. This payment will be made on an annual basis and again will not affect the charges applied to your contract as disclosed to you at the point of application. We will be happy to provide you with details of the payments as they relate to your investment should you request these.

Complaints

If you wish to register a complaint, please contact us in writing at the above address or telephone us on 01691 671903. If you cannot settle your complaint with us, you may be entitled to refer it to the Financial Ombudsman Service.

Compensation Arrangements

We are covered by the Financial Services Compensation Scheme (FSCS). You may be entitled to compensation from the scheme if we cannot meet our obligations. This depends on the type of business and the circumstances of the claim.

Investment

Most types of investment business are covered for 100% of the first £50,000, so the maximum compensation is £50,000.

Insurance

Insurance advising and arranging is covered for 90% of the claim with no upper limit. Further information about compensation scheme arrangements is available from the FSCS

Accounting to You

We will forward to you all documents showing ownership of your investments as soon as practicable after we receive them; where a number of documents relating to a series of transactions is involved, we will normally hold each document until the series is complete and then forward them to you.

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Law, Jurisdiction and Exclusions and Limitations on our Liability

This client agreement is governed and shall be construed in accordance with English Law and the parties shall submit to the exclusive jurisdiction of the English Courts. We accept no responsibility for the accuracy or completeness of any information about your policies/investments or other assets/liabilities provided to us by third parties which we have relied upon in good faith. We accept no liability for delays to transactions arising from the actions or performance of any third party. The Contracts (Right of Third Parties) Act 1999 shall not apply to this agreement.

Force Majeure

Applewood Wealth Management Limited shall not be in breach of this Agreement and shall not incur any liability to you if there is any failure to perform its duties due to any circumstances reasonably beyond its control.

Clients Consent

This is our standard client agreement upon which we intend to rely. For your own benefit and protection you should read these terms carefully before signing them. If you do not understand any point please ask for further information.

I/we agree that this client agreement will come into effect from the date of issue.

Wealth Manager		
Client Name (s)		
Client Signature (s)		
Date		

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Statement of Understanding

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Under treating customers fairly, we would like to ensure that you fully understand in summary what has been discussed.

I/we confirm the report has been explained.

I/we confirm and accept the recommendations.

I/we confirm the different asset classes have been explained.

I/we confirm that I/we wish to invest for a minimum of 5 years.

I/we confirm and understand that investment can go down in value as well as up and there is no guarantee to investment performance and that I/we might get back less or more than invested.

I/we confirm our attitude to risk is:

Client 1	**1** ☐ Holding	**2** ☐ Cautious	**3** ☐ Balanced	**4** ☐ Adventurous	**5** ☐ High Risk
Client 2	**1** ☐ Holding	**2** ☐ Cautious	**3** ☐ Balanced	**4** ☐ Adventurous	**5** ☐ High Risk

I/we confirm that following the advice I/we can afford to invest:

Lump Sum Investment:

C1		**C2**		**Joint**	

Pension Investment:

C1		**C2**	

I/we require: amount of income per year:

C1		**C2**	

I/we confirm I/we are able to afford a regular savings of:

C1		**C2**		**Joint**		**Per month**

I/we confirm that I/we accept short term volatility.

I/we confirm that Applewood Management Limited have explained the cancellation rights in respect of the product recommendation.

By signing this form, I/we acknowledge that my Adviser has explained the costs, surrender charges, penalties and running costs of the recommended investment(s)/contract(s). For your own benefit and protection you should read this form carefully before signing it. If you do not understand any point please ask for further information.

Wealth Manager		
Client Name (s)		
Client Signature (s)		
Date		

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Data Protection Statement

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The purpose of this Notice

As part of our arrangement with you, Applewood Wealth Management Ltd ("we", or "us", or "our") has certain obligations under privacy laws, including the Data Protection Act (the "Act") to notify individuals how it will process any personal information it collects about them. Our associated group companies ("Group Companies") may also be provided with personal information about you. This Notice will inform you of what personal information we collect, how that information is used, where it is transferred, and how you may view and amend such information. You may be assured that we will treat all personal information as confidential and will not process it other than for a legitimate purpose. Steps will be taken to ensure that the information is accurate, kept up to date and not kept for longer than is necessary. Measures will also be taken to safeguard against unauthorised or unlawful processing and accidental loss or destruction or damage to the information.

What type of personal information will be processed?

We collect and process various personal data about you for the purposes of providing advice, administration and management services which are explained in more detail below. "Processing" is defined in the Act but could include obtaining, recording or holding information or data. "Personal data" is information which can identify you as a living individual, including where used in conjunction with other information. Common examples of personal data which may be collected and used by us in our day to day business activities include:

- name;
- date of birth;
- gender;
- ethnicity;
- marital status;
- address;
- telephone number and other contact details (including email addresses);
- job title; and
- bank account and other financial details.

Depending upon the types of products and services you require, the information collected and processed may also contain "sensitive personal data" for the purposes of the Act, which includes information held by us as to:

- your physical or mental health or condition;
- the commission or alleged commission of any offence by you;
- any proceedings for an offence committed or alleged to have been committed by you, including the outcome or sentence in such proceedings;
- sexual life;
- in limited circumstances, your membership of a Trade Union;
- your political opinions, religious or similar beliefs

Any information which we receive fairly and lawfully relating to one of the above categories constitutes sensitive personal data. Examples of likely items which may contain sensitive personal data (although this is not an exhaustive list) are life insurance questionnaires, medical reports and SSP self-certification forms.

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Please note that as with personal data, you have freedom of choice when it comes to your decision as to whether you provide us sensitive personal data. In addition to your right to request that we stop processing your personal data and sensitive personal data at any time, you have an opportunity at the end of this Notice to choose not to provide sensitive personal data to us at all. You should however note that if you exercise this right or subsequently request that we stop processing all or part of your personal data and/or sensitive personal data, this could impact upon our ability to provide you with certain types of product and services and may ultimately result in us being unable to provide them to you at all.

How will my personal data be collected and used?

We collect personal data from you to the extent necessary to provide advice, administrative and management services and (subject to the provisions below), related marketing activities.

We may process your personal data and sensitive personal data for the following reasons:

The administration, management and provision of advice in relation to financial services products;

Our legitimate business processes and activities including internal audit, accounting, business planning and proposed and actual transactions (including joint ventures and disposals of business); and

Compliance with legal (including dealing with claims), regulatory and other good governance obligations;

This list is not exhaustive and may be updated from time to time as business needs and legal requirements dictate. Some of the personal data that we maintain will be kept in paper files, while other personal data will be included in computerized files and electronic databases.

Who might my personal data be shared with?

Your personal data will be made available for the purposes mentioned above and only to responsible management, human resources, accounting, audit, compliance, information technology and other corporate staff, including within the Group Companies. It may also be made available to third parties providing relevant services to us, such as Paradigm Partners LLP, who provide us with certain support services, including regulatory support.

Certain personal data will also be reported to government authorities where required by law and for tax or other purposes. Personal data may also be released to external parties as required by legislation, or by legal process, as well as to companies you authorise us to release your personal data to. We will not sell your personal data to any third party.

Direct marketing

We and our Group Companies may wish to provide you with information about new products, services, promotions, and other information in which we think you may be interested. We may send you such information by postal mail, fax and telephone; unless you have registered with the appropriate Preference Service (we would be grateful if you could let us know if this is the case). If you purchase a product from us we may retain your address for future mailings. If you do not want your information used for direct marketing purposes at any time, please contact our customer services department by e-mail at info@applewood.co.uk or by telephone on 01691 671903 to let us know and we will not send you any direct marketing.

E-mail marketing

We would also like to provide you with the above information by e-mail. However, we appreciate that e-mail "spam" has become a problem in recent years. If you are a customer or you have previously asked us for information on our products:

We may contact you regarding your purchase or other matters regarding transactions between us, or your customer relationship with us, or send you information on our products by e-mail, unless you have asked us not to do so; and We may also use your e-mail address to send you information about our products and services that we think may be of interest to you by way of informational e-mails, unless you have asked us not to do so.

A consent tick box is provided at the end of this form for you to indicate your preference to receive e-mail marketing. If you decide at any time that you no longer wish to receive marketing e-mails from us, please email us at info@applewood.co.uk

Your right to review and amend personal data

You have the right to review your personal data and sensitive personal data held by us and have any inaccurate information about you corrected. If you wish to do so, or to notify a change in your details, please contact The Data Protection Officer on 01691 671903 or in writing at Applewood Wealth Management, Belgrave Place, 17 Salop Road, Oswestry, Shropshire SY11 2NR. You may be charged a fee (subject to the statutory maximum) for supplying you with such data.

How to request that we cease processing your personal data

If at any time you wish us to cease processing your personal data or sensitive personal data, or contacting you for marketing purposes, please contact The Data Protection Officer on 01691 671903 or in writing at Applewood Wealth Management, Belgrave Place, 17 Salop Road, Oswestry, Shropshire SY11 2NR.

How to withhold your consent

☐ Please tick (✔) this box if you do not consent to us or any Group Companies processing any sensitive personal data.

☐ Please tick (✔) this box if you are happy for us and any Group Companies to contact you for marketing purposes by e-mail

Your Consent

By signing below you are confirming that you accept the terms of this Notice. Before doing so, please contact us if you have any queries or concerns regarding the contents of this Notice.

Wealth Manager		
Client Name (s)		
Client Signature (s)		
Date		

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