

# ***Our Client Agreement for Financial Planning***

making your future possible

**Henson Crisp Limited** offers financial planning, wealth creation and management to personal and corporate clients, with a strong emphasis on long-term relationships. We work in partnership with you to really understand your goals and aspirations ensuring that even complex circumstances and solutions are simplified, bringing you clarity.

## **Our service and fees**

### ***Typical engagement process***

Our service can be individually tailored to your specific financial planning needs but would typically involve:-

<b>Initial consultation</b>	Initial discussion at our expense at no obligation to you, to explore your needs, what we do, whether we can help and support you achieve your financial objectives, and to explain our data privacy policy and charging structure both initially and ongoing.
<b>Issue engagement documentation</b>	We issue a service proposition detailing our understanding of your requirements, the specific service we propose to provide and how much it will cost you, including whether you will have to pay VAT.
<b>Completion of personal financial and risk assessment questionnaires</b>	Once we have your agreement to proceed we will obtain additional background information about your existing financial arrangements and full personal circumstances including your investment knowledge and attitude and tolerance towards investment risk.
<b>Analysis of information we have obtained</b>	We will conduct a detailed analysis and comparison of your existing arrangements and assess your needs before preparing our personal recommendations to you including an asset allocation model that matches your risk profile.
<b>Second meeting</b>	We offer a second meeting to explain and discuss our recommendations in detail.  This is the point at which the initial fee would typically become due.
<b>Policy arrangement and Implementation</b>	We will handle all fund and policy administration on your behalf liaising with product and platform providers, insurers, and other professional contacts as appropriate; provide regular updates to keep you informed of progress; and ensure all your documents are issued in line with your and our expectations.
<b>Ongoing management and review service</b>	Your financial objectives may change over time due to changes in your lifestyle or circumstances. We believe it is essential to ensure that your portfolio continues to meet your lifestyle and investment objectives, making changes to your plans and holdings to reflect these changes.

**We will always agree the level of our charges and your payment options before proceeding with any work. Our Service Proposition and Engagement will confirm the fee and specific service to be provided and whether you have to pay VAT. You may ask us for an estimate of how much in total we might charge. You may also ask us not to exceed a given amount without checking with you first.**

**We will not charge you until you have agreed how we are to be remunerated.**

### Location of meetings

Our charges assume that any meetings are conducted in our offices. Where alternative locations are requested we will make an additional charge to cover our travelling time based on 50% of our normal hourly rates stated below. For example, the travelling charge for a 2 hour round trip for a meeting involving a director and paraplanner would be £465

## Typical initial engagement costs

### An initial financial review and recommendation fee

Our charge for this service is a fixed fee of £1,100 + VAT payable on provision of our recommendation report. This covers the cost of any initial research and data gathering, creating a bespoke financial plan, and a subsequent discussion to present the recommendation to you.

If you do not accept our recommendation this fee will still be due. If however you do accept and proceed with our recommendations this fee will be waived and the only initial fee will be the Policy arrangement and implementation fee.

### Policy arrangement and implementation fee

Our charge for this service can be based on an hourly fee or a fixed project fee and can either be paid by cheque/bank transfer or may be able to be deducted from the total investment. This covers the financial review and recommendation described above as well as the implementation of that recommendation, including liaison with product providers.

Some insurers will still pay commission on protection policies (for example life assurance and income protection) in which case we will not charge a fee but if you subsequently cease to pay premiums on the policy and in consequence we are obliged to refund the commission that has been paid to us we reserve the right to apply the firm's fee equivalent to you, less any commissions received, for a period of four years after commencement of the policy

## Hourly rate for policy arrangement and implementation

Where we have agreed to an hourly based fee, our current rates are:

<b>Director</b> – Our shareholding director is a well-qualified, experienced professional able to provide specialist advice and design financial planning solutions and strategies	<b>£300 per hour</b>
<b>Financial Planner</b> – Our financial planner is a highly qualified and experienced professional able to advise on all aspects of financial planning for private clients, trustees and small businesses.	<b>£250 per hour</b>
<b>Operations Manager</b> – Our operations manager assists with the preparation of technical reports, cash flow modelling and complex calculations alongside quality-checking the work of paraplanners and administrators	<b>£185 per hour</b>
<b>Paraplanners</b> – Paraplanners assist by researching products and producing technical reports to support advisers and the Operations Manager	<b>£165 per hour</b>
<b>Administrator</b> Our administrators are the first port of call for all of our clients. They are highly organised in dealing with all correspondence, arranging meetings, preparing client valuations and paperwork	<b>£100 per hour</b>

All hourly rates will be reviewed on 1<sup>st</sup> August annually.

Next you will find some example costs of typical initial services

A standard review of existing investments		
Administrator	6 hours at £100 per hour	£600
Paraplanner	3 hours at £165 per hour	£495
Financial Planner	6 hours at £250 per hour	£1,500
Average cost for new investment review £2,595 + VAT		
A complex review of retirement benefits and planning options		
Administrator	7 hours at £100 per hour	£700
Operations Manager	4 hours at £185 per hour	£740
Director	7 hours at £300 per hour	£2,100
Average cost for new retirement planning review £3,540 + VAT		

### Fixed project fee for policy arrangement and implementation

Example fixed fees for typical initial projects are

Cashflow forecast	£1,500
Options at retirement	£2,500
Investment review	£2,500

### Ongoing investment review service

We offer a choice of three ongoing servicing packages – Level 1, Level 2 and Level 3. The cost of these will be 1% per annum of the value of your investments but subject to minimum overall charges depending on the Level selected. The charge will be spread over the year and applied proportionally to the value of your investments monthly. Alternatively you can pay the fee by cheque or standing order.

For clients wishing to deal with us only on an ad hoc basis we offer a transactional service for which there is no ongoing charge and you will just receive an annual statement of holdings.

Service provided	Level 1	Level 2	Level 3
Annual statement of holdings including valuation and details of total costs	✓	✓	✓
Access to our support team	✓	✓	✓
Liaison with product providers and fund managers	✓	✓	✓
Quarterly newsletter – select from paper or electronic	✓	✓	
Quarterly newsletter electronic only			✓
Telephone and email access to your adviser	✓	✓	
Portfolio rebalancing and administration	✓	✓	
Investment processes embedded with ongoing professional expertise and governance	✓	✓	
Half yearly investment bulletins and valuation reports	✓		
Interim valuations on demand	✓	✓	
Annual financial review meetings *		✓	
Annual financial review meeting held at our office or via telephone *			✓
Six monthly financial review meetings *	✓		
Comprehensive financial health check	✓		
<ul style="list-style-type: none"> <li>• Detailed tax planning</li> <li>• Estate planning</li> <li>• Income / Expenditure review and forecasting</li> </ul>	✓		
Liaison with accountant / solicitor	✓		
<b>Minimum annual charge</b>	<b>£2,500</b>	<b>£1,500</b>	<b>£750</b>

\* We will regularly invite you to your financial review and remind you of its importance, but it will be your decision each time as to whether you require the review.

If you ever want to cancel this service and the associated charge you can do so at any time without penalty. You just need to tell us in writing and give us seven days' notice.

### **Our Charges – Example Costs (ignoring any changes in fund value)**

Costs	Level 1	Level 2	Level 3
Percentage of investment value	1% p.a.	1% p.a.	1% p.a.
	<b>Subject to minimum charge £2,500 (£208.33 monthly)</b>	<b>Subject to minimum charge £1,500 (£125 monthly)</b>	<b>Subject to minimum charge £750 (£62.50 monthly)</b>
<b>Example calculations</b>			
For a portfolio value of	£300,000	£175,000	£85,000
Annual fee	£3,000 (1% of £300,000)	£1,750 (1% of £175,000)	£850 (1% of £85,000)
Monthly fee	<b>£250 monthly</b>	<b>£145.83 monthly</b>	<b>£70.83 monthly</b>

Please note that all service levels are subject to minimum charges as detailed above which will increase with the Retail Price Index (RPI) on 30<sup>th</sup> June annually and take effect from 1<sup>st</sup> August.

#### **The financial review**

We will contact you several weeks before your financial review is due. If you request the review, it will consist of:

- Review of your objectives and risk profile
- Review of the continuing suitability of your financial plan
- Review of your portfolio of investments and the performance of the underlying assets
- Review of any taxation and legislative changes
- Recommendations for fund switches where appropriate
- Implementation of any agreed changes such as risk profile, income payments

**Additional advice on issues outside of your Henson Crisp portfolio which results in a separate engagement would be subject to separate cost.**

## **Terms of Business and Client Agreement**

This document sets out the basis on which we will conduct business with you and on your behalf. It is our standard client agreement and we intend to rely on it, in conjunction with our Service Proposition and Engagement. **It is an important document and, for your own benefit and protection, we would ask you to read it carefully before proceeding with our service.** If you are unsure of any of its terms, please contact us immediately for an explanation. The terms of this Client Agreement come into force immediately you engage us to conduct business and services for you, and remains in force until further notice.

### **Authorisation Statement**

Henson Crisp Limited is authorised and regulated by the Financial Conduct Authority. The Financial Conduct Authority (FCA) regulates the financial services industry in the UK and their address is 12 Endeavour Square, London, E20 1JN. You can check this on the FCA's Register by visiting the FCA's website [www.fca.org.uk](http://www.fca.org.uk) or by contacting the FCA on 0800 111 6768. Our FCA Register Number is 469175

### **Permitted Business**

Our permitted business is advising on, distributing and arranging savings and investment products, pensions including pension transfers, and non-investment insurance contracts.

### **Client Categorisation**

Each client with whom the firm does business is categorised to identify the level of regulatory protection. We propose to classify you as a 'Retail Client' for investment and non-investment insurance purposes which affords you the highest level of regulatory protection available.

### **Communications**

We will communicate with you in English, both verbally and in writing, for the sending and receiving of instructions. [Note: email is an acceptable method of being 'in writing'] Any advice given to you by us shall be in writing. We prefer our clients to give us instructions in writing, to aid clarification and avoid future misunderstandings. We will, however, accept oral

instructions provided they are confirmed in writing. We may, at our discretion, refuse to accept instructions although such discretion shall not be exercised unreasonably. We will record all transactions on our files, along with copies of the relevant documentation, which will be retained by us for a period of not less than five years.

### ***Duty of Disclosure***

It is your responsibility to disclose all material information that is known to you including any information that might influence our recommendations to you as well as the judgement of insurers in determining the scope of cover, the price and whether or not to accept your risk. The inclusion of incorrect information or omission of any material facts may result in the investment or policy to which the application or proposal relates being adversely adjusted, made void and/or any claim(s) made against it being refused. This duty of disclosure arises at commencement, renewal or at any time the insurer requires throughout the terms of the contract. If you are unsure whether information constitutes a 'material fact' you should disclose it.

In the event of Henson Crisp assisting you in the completion of any investment application or policy proposal forms you will continue to bear full responsibility for the accuracy and completeness of the information entered on such forms.

### ***Scope of Service***

We operate independently and therefore provide investment services and distribute products from the whole market and from a range of insurers for non-investment insurance (i.e. term assurance, critical illness cover, permanent health insurance, private medical insurance) on the basis of a comprehensive and fair analysis of the market.

Any advice or recommendation that we offer to you, will only be given after we have assessed your needs and considered your financial objectives and attitude to any risks that may be involved. We will also take into account any instructions or restrictions that you wish to place on the type of products you would be willing to consider. If however you state that you do not in fact require advice or a recommendation from us, you will not receive one, but we may ask some questions to narrow down the selection of products on which we will provide details. You will then need to make your own choice about how to proceed.

### ***Your Understanding of Risk***

Because the value of investments can go down as well as up, you may not get back the full amount invested. Levels of income from investments may also fluctuate and/or affect the capital value of the investment. Past performance should not be seen as an indication of future performance.

If suitable, we may advise you on investments which are not readily realisable. We would draw your attention to the risks associated with these investments as there is generally a restricted market for them. In some circumstances it may therefore not be possible to deal in the investment or obtain reliable information about its value.

We may also, on occasion, advise on other financial products which are not regulated by the FCA under the Financial Services and Markets Act 2000. The Financial Services Compensation Scheme does not apply to any of these products.

For insurance products, your insurance policy may lapse if you do not keep up to date with regular premium payments, and you may not be covered if a claim is made.

### ***Order Execution***

We must take all sufficient steps to obtain the best possible result on your behalf when placing or passing on your instructions to buy or sell an investment. This is referred to as 'best execution'. We are required to put in place, provide a summary of and obtain your consent to our best execution policy. A summary is available as Appendix I and, by proceeding with our service, you are consenting to that policy.

### ***Registration of Investments***

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

### ***Restrictions***

Unless advised to the contrary, we will assume that you wish to place no restrictions on the markets in which transactions are to be executed or on the types of investment or insurances we may recommend and in which you may subsequently invest.

## ***Client Money***

For your additional security Henson Crisp is not permitted to handle clients' money. We never handle cash or accept a cheque made out to us, unless the cheque is in settlement of an item for which we have sent you an invoice.

## ***Anti-money Laundering***

We are required, by the Proceeds of Crime Act 2002 and the Money Laundering regulations 2017, to verify the identity of our clients, to obtain information as to the purpose and nature of the business which we conduct on their behalf, and to ensure that the information we hold is up-to-date. For this purpose 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. We reserve the right to delay any applications until adequate verification of identity has been obtained.

## ***Material Interest***

We will act honestly, fairly and professionally always conducting business in our clients' best interests. Occasionally situations may arise where we or one of our other clients have some form of interest in business transacted for you. Conflicts of Interest are impossible to remove entirely but we identify, monitor and manage real or potential conflicts in order to safeguard our clients' interests.

The following actual or potential conflicts of interest have been identified:-

- Access to confidential information
- Outside business interests or personal relationships
- Inducements and non-monetary benefits
- Remuneration

We rely on a policy of independence to manage any conflicts of interest between Henson Crisp and our clients or between one client and another. This means that it is possible that there may be material interest or conflicts of interest relating to the service given to clients but we are required to disregard that material interest or conflict of interest when advising clients.

We monitor where conflicts of interest may exist such as having a material interest in relation to a transaction or recommendation, and if we believe we are unable to manage a specific conflict of interest using this policy of independence we will disclose the conflict to clients by writing to you with full details and the steps we will take to ensure fair treatment, and obtain your consent before we carry out your instructions. Ultimately, if we believe that disclosure would also not manage the conflict fairly, we must decline to act for the client.

## ***Disclosure of connections with other financial services companies***

The principal of Henson Crisp Limited is a controller of and a shareholder in RXI Wealth Limited. RXI Wealth Limited is an authorised firm providing Discretionary Investment Management (FRN 749884). The existence of the shareholding and any potential benefit does not alter our regulatory responsibility to remain impartial, and will in no way influence our recommendations in relation to the most suitable service, product or provider for you and your circumstances. We will only recommend that you use this service if we believe that it is suitable for your investment requirements but if you would prefer that we exclude it from our considerations please advise us.

## ***Disclosure of minor non-monetary benefits we may receive***

The investment platforms and product providers we recommend make available a variety of technical product and legislative information as well as online tools enabling us to map the performance of clients' portfolios. This may be in the form of information that is generally available to all financial advisers such as guides on how to complete application forms, projections of future benefits, and confirmation of why their products may be suitable for specific individuals/circumstances. We also have access by telephone and email to technical helpdesks which we use to discuss possible solutions to particularly complex client situations, to request tax calculations and completion of transfer value analyses.

These are facilities that platforms and providers make available to all financial advisers with the sole aim of enhancing the quality of the service to clients.

Platform and product providers and fund managers may also provide us with training presentations in the form of webinars, and occasionally roadshows, to explain legislative or regulatory changes and developments or to describe new products or funds.

You can receive more detailed, specific information on all the above on request

### ***Rights to Cancel***

We will inform you of your statutory right to cancel. The Distance Marketing Directive normally grants you 30 days in which you may cancel a life, pure protection or pension contract whereas the cancellation period for all other policies is normally 14 days.

The cancellation period will normally begin on the day the contract is concluded or, if later, the day on which you receive the contractual terms and conditions. Instructions for exercising the right to cancel, if applicable, will be contained in the relevant product disclosure information which will be issued to you.

If you cancel a single premium contract, you may be required to pay for any loss caused by market movements. This means that, in certain circumstances, you might not get back the full amount you invested if you cancel the policy.

### ***Complaints***

If you wish to register a complaint about the service you have received or the product you have bought, please contact Henson Crisp. Your complaint will be investigated promptly and reasonably in accordance with our complaints handling procedure, a copy of which will be supplied to you and is available any other time on request. If you are not happy with the way we have carried out our investigation or the result, you may be entitled to complain directly to the Financial Ombudsman Service (FOS). Further information about the FOS is available from their website [www.financial-ombudsman.co.uk](http://www.financial-ombudsman.co.uk).

### ***Compensation Scheme***

We are covered by the Financial Services Compensation Scheme (FSCS) if we cannot meet our obligations. This is dependent upon the type of business and the circumstances of the claim. Most types of investment business are covered by 100% but only up to a maximum of £50,000 whereas the advising and arranging of non-investment insurance is covered for 90% of the claim, without any upper limit.

The providers of the products we recommend though have other cover limits which, again, are dependent upon the type of business and we can provide further information about this compensation scheme arrangement on request or it is available from the FSCS at [www.fscs.org.uk](http://www.fscs.org.uk).

### ***Protection of Personal Data***

Henson Crisp Limited is a Data Controller under the General Data Protection Regulation (GDPR) and any personal and financial information you provide will be processed, subject to the GDPR, both manually and by electronic means for the purposes of providing financial planning advice services, administration, and management.

Full details of the types of data we hold, how it is used, where it is stored, how long it is retained, our legal basis for processing it and your rights with respect to your personal data are in our Privacy Notice.

You may be assured that we and any company associated with us will treat all personal and special category data 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 but we cannot be held responsible for the information held on your file becoming inaccurate due to your change of circumstances if you fail to inform us of those changes. Measures will also be taken to safeguard against unauthorised or unlawful processing and accidental loss or destruction or damage to the data.

You can also help to safeguard your own electronic data by taking care not to send unencrypted emails containing confidential or sensitive, personal data. We encourage you instead to attach a password protected Word document if you wish to communicate such information electronically. Additionally, the use of 2-factor authentication before accessing free, open, publicly available WiFi, would add a further level of security.

### ***Force Majeure***

Henson Crisp Ltd 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.

### ***Liability***

Under no circumstances will we be responsible or liable for any consequential loss including but not limited to any loss of profit or business opportunity arising directly or indirectly out of or in consequence of anything done or omitted to be done by us or the breach by us of any obligation due to you except insofar as the same arises as a result of our wilful default, negligence or our breach of the rules of the FCA.

**Law**

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 Courts of England and Wales.

**Termination**

The authority to act on your behalf may be terminated at any time without penalty by either party giving fourteen days' notice in writing to that effect to the other, but without prejudice to the completion of transactions already initiated. Any transactions effected before termination and a due proportion of any period charges for services shall be settled to that date.

**Declaration**

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 engaging us. If you do not understand any point please ask for further information.

**Issued for and on behalf of Henson Crisp Limited**



## BEST EXECUTION AND ORDER HANDLING POLICY

### INTRODUCTION

When placing orders with other firms (e.g. third-party brokers, wrap providers, fund supermarkets and fund managers) for the execution of client orders or when passing on (transmitting) your instructions to buy or sell an investment, we are required to take all sufficient steps to obtain the best possible result for you, considering a range of criteria and factors. This is in the interests of our clients and our firm, and will ensure that client orders are executed in a prompt and fair manner for the type of order in question. We regard best execution as an obligation that extends to all our clients. This requirement is satisfied through implementation of policies and procedures that:

- Transmit orders as soon as practical, unless postponing is in the client's best interest
- Allow for execution of otherwise comparable client orders in the sequence in which they are received.

This best execution policy applies to orders in financial instruments such as collective investment schemes (unit trusts), investment trusts, equities, and other securities. You should read this policy in conjunction with our Client Agreement for Financial Planning.

### EXECUTING YOUR ORDER

For the execution of client orders, we rely on the services of large third party financial institutions. We never buy and sell investments directly for you; rather we always transmit such instructions to a third party who will place the deals under the provisions of their own Order Execution Policy.

We shall transmit any order promptly and comparable orders sequentially to your best advantage and ensure they are accurately recorded and allocated. In summary, this means we will place agreed orders with the agreed third-party entity as soon as possible.

### Execution Criteria

Given that all our clients are classified as Retail and all orders are passed to another entity to execute, the relevant criteria are the characteristics of:

- The transaction and where it can be directed
- The financial instruments that are the subject of the order
- Any specific instructions you have given us

### Execution factors

The execution factors are: price, costs, timeliness, likelihood of execution and settlement, size and nature of the order, or any other consideration relevant to the execution of the order. For retail clients the best possible result will be determined by the 'total consideration', represented by the price and the execution costs. The remaining factors will only be given precedence if they are required to deliver the best possible result.

For example, for collective investment schemes our policy is to recommend the share classes with the lowest available Ongoing Charges Figure (OCF), but such instruments are typically priced only once a day, and not all funds are priced at the same point in time. Transactions will not take place at the price on the day a trade is placed but will attract the price of the next valuation point.

### ENTITIES WHERE ORDERS ARE PLACED OR TRANSMITTED

As independent financial advisers we provide investment services and products from the whole market and will regularly assess the third parties available to us to identify those that will enable us, on a consistent basis, to obtain the best possible result when placing or transmitting your orders.

The third parties have their own responsibilities in relation to best execution and client order handling and are required to publish information annually on the quality of execution obtained and the execution venues they have selected. We will review this information and consider their costs and fees to ensure we can comply with our obligations to you.

### MONITORING AND REVIEW

We will regularly monitor the effectiveness of our best execution policy to identify and, where appropriate, correct any deficiencies. In particular, this will cover the standards and execution quality of the third parties referred to in the policy.

We will also review this best execution policy at least annually and whenever there is a significant change that affects our ability to continue to obtain the best possible results for our clients.

### CLIENT SPECIFIC INSTRUCTIONS

**If you provide us with specific instructions regarding an order and we accept those instructions, you should be aware that this may prevent us from taking the steps set out in this policy to obtain the best possible result, in respect of the elements covered by those specific instructions.**

**We may refuse specific instructions from you though, where we consider the instructions are not practicable, not in your best interests or where we are unable or unwilling to transact with your selected venue or third party.**

**If your instructions relate to the purchase of a Complex Financial Instrument (e.g. non-readily realisable security, derivative, warrant), even though the transaction will be on a non-advice basis, we will be required to first assess whether the product is appropriate for you taking into account your knowledge and experience.**