



20 September 2011

Client Agreement Letter

Introduction

Under the rules of The Financial Services Authority (FSA) we are required to provide you with our Client Agreement which details the way in which we undertake our business and the costs associated with any advice provided to you. We will, provided you are happy with these terms, ask you to sign the bottom of this letter to confirm receipt and acceptance of the terms set out. This agreement will be relied upon in the event of a dispute until terminated by either party. If initiated by us, termination will be without prejudice to the completion of transactions already initiated or in progress.

As a retail client, this letter exists to protect your interest in that it clearly lays out the working practices of Estate Capital Financial Management Limited and states exactly what your rights are when we conduct business on your behalf. In the event of a material change in the terms on which Estate Capital Financial Management Limited wish to undertake business with you then you will be issued with a new Client Agreement Letter before being provided with any further investment service. We shall assume acceptance of the terms on receipt of a signed copy of the agreement and unless we hear to the contrary within 7 days of issue.

Authorisation

Estate Capital Financial Management Limited is authorised to conduct investment business under the Financial Services & Markets Act 2000 and is authorised and regulated by the Financial Services Authority. Estate Capital Financial Management Limited's FSA Registration number is 402217. You can check the above details on the FSA Register by visiting the FSA website www.fsa.gov.uk/register or by contacting the FSA on 0845 606 1234.

Estate Capital Financial Management Limited is an independent financial adviser firm and will act on your behalf in advising you on products from the whole market.

Permitted Activities

Estate Capital Financial Management Limited is authorised to advise on and arrange life insurance, pensions and investments in authorised Unit Trusts and Investment Trusts, Individual Savings Accounts and other regulated investments.

We do provide advice on occupational pension transfers and membership of defined benefit occupational schemes.



We do provide advice on and arrange Mortgages but **do not** provide advice or arrange Lifetime Mortgages & Home Reversion Schemes.

The advice given and the investments arranged are on the basis of the information you provide to us prior to any particular investment. We do not accept liability for any change in your circumstances that would subsequently lead to the particular investment arranged becoming inappropriate.

Client's Money

Estate Capital Financial Management Limited does not handle client's money. We will not accept a cheque made payable to us (unless it is a cheque in settlement of charges or disbursements for which we have sent you an invoice) or handle cash.

Conflicts of Material Interests

We will act honestly, fairly and professionally known as conducting business in "Clients best interest" regulations. Occasionally situations may arise where we or one of our other clients have some form of interest in business transacted by 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.

Our Interest in Nucleus Financial Services Limited

The Nucleus Wrap is an administrative platform which we may use to manage your investment and pension portfolio. The Nucleus Wrap Service is only open to a restricted number of qualified IFA firms who meet the service requirements, and each of them is required to invest in the provider. 51% of Nucleus is owned by its IFA participants; the remaining 49% is owned by Sanlam, a South African financial services company. In our case we have invested £15,000 in the company. This cost is not passed on to you in any way. The shareholding does not alter our regulatory responsibility to provide you with impartial advice, and will not influence our advice to you. We will justify our recommendations in writing via a suitability report. We will be happy to discuss this in more detail.

Termination of Authority

Either party may terminate our authority to act on your behalf at any time, without penalty. Notice of this termination must be given in writing and will take effect from the date of receipt. Termination is without prejudice to any transactions already initiated which will be completed according to these terms of business unless otherwise agreed in writing. You will be liable to pay for any transactions made prior to termination and any fees which may be outstanding.

Professional Indemnity Insurance

Estate Capital Financial Management Limited carries professional indemnity insurance to the value of £1,750,000 in order to protect ourselves and our clients in the event of error.

Financial Services Compensation Scheme

We are covered by the Financial Services Compensation Scheme. 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. Most types of investment business and mortgage advice and arranging are covered for 100% of £50,000. Insurance advising and arranging is covered for 90% of the claim with no upper limit. Further information about the compensation arrangements is available from the Financial Services Compensation Scheme.

Complaints

If you should have any complaint about the advice you receive or a product you have bought please write to Mr Christopher Davies at Estate Capital Financial Management Limited, Capital House, 10 Uplands Crescent, Swansea SA2 0PB. If, following our subsequent investigation and response, you are

still not satisfied you may contact the Financial Ombudsman Service. Full details are contained within our internal complaints procedure, which is available to you on request at any time.

Right to Withdraw (Cancellation Rights)

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 or pension contract. However, there will be occasions where no statutory rights are granted, however, this will be explained before any contract is concluded. Finally, any contracts arranged at your explicit consent (normally referred to as execution only) do not provide cancellation rights.

Client's Risk

Your attitude to risk and reward will be assessed and any investment will be based on this. You are however advised that because investments can fall as well as rise, you may not get back the full amount invested. Past performance is not necessarily a guide to future performance.

Investment Objectives and Restrictions

Following the issue of this letter any subsequent advice or recommendation offered to you will be based on your stated investment objectives, acceptable level of risk and any restrictions you wish to place on the type of investments or policies you are willing to consider. Details of your stated investment objectives will be included in the suitability letter we will issue to you to confirm our recommendation. Unless confirmed in writing to the contrary, we will assume that you do not wish to place any restrictions on the advice we give you.

We will also 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.

Data Protection Statement

The information you have provided is subject to the Data Protection Act 1998 (the "Act"). By signing this document you consent to us (or any company associated with us) processing, both manually and by electronic means, your personal data for the purposes of providing advice, administration and management. "Processing" includes obtaining, recording or holding information or data, transferring it to other companies associated with us, product providers, the FSA or any other statutory, governmental or regulatory body for legitimate purposes. These include, where relevant, solicitors and/or other debt collection agencies for debt collection purposes and carrying out operations on the information or data. We may also contact you (including by telephone) with details of any other similar products, promotions, or for related marketing purposes where we think you may be interested. If at any time you wish us, or any company associated with us, to cease processing your personal data or sensitive personal data, or contacting you for marketing purposes, please contact The Data Protection Officer (Christopher Davies) at Estate Capital Financial Management Limited by telephone or in writing. You may be assured that we and any company associated with us will treat all personal data and sensitive personal data as confidential and will not process it other than for legitimate purposes. 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 data. Subject to certain exceptions, you are entitled to have access to your personal and sensitive personal data held by us. You may be charged a fee (subject to the statutory maximum) for supplying you with such data.

Law

The 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.

Taxation Advice

We cannot accept responsibility for taxation advice. Clients must be responsible for their own taxation position and we strongly recommend that clients take advice on taxation matters from a qualified accountant. When we act upon your request to switch funds and rebalance a portfolio held within a general investment account, we will not take responsibility for the assessment of any capital gains tax that may be liable as a result of any fund switch.

Proof of Identity

Where we are required to verify your identity in accordance with the Criminal Justice Act 1993 and the Money Laundering Regulations, no investment will be made until such verification has been obtained. We cannot therefore accept responsibility in instances where investments are delayed due to these regulations.

Credit Referencing

We will where required make searches using credit referencing agencies who will supply us with credit information. The agencies will record details of the search whether or not an application proceeds. Credit searches and other information which is provided, may be used by Estate Capital Financial Management Ltd and other companies if credit decisions are made about you, or other members of your household.

Payment for Services

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

Advice and Establishment Fees

Our charges are:

a) Discovery

We do not charge any fee for our first Discovery Meeting.

b) Research, Investigation

Our fees for the research and investigation of clients existing financial arrangements is charged at £100 per hour. These fees can be offset through transactional commission. If a client requests analysis on the suitability to transfer an Occupational Pension then we will prepare a Transfer Value Analysis Report and our fee will be a fixed £500.

c) Financial Plan

Our fees for the creation and advice of a financial plan are charged at £180 per hour. These fees can be offset through transactional commission earned from the setting up of financial products.

Our hourly rates are typically based on:-

Chartered Financial Planner	£180 per hour
Diploma Financial Planner	£150 per hour
Diploma Financial Paraplanner	£100 per hour
Certified Financial Paraplanner	£50 per hour
Administration	£25 per hour

d) Implementation

Investment

Our advice and implementation fees are scaled dependant upon the amount of investment they are;

£1 - £500,000	3% fee
£500,000 - £1 million	2% fee
£1 million - £2 million	1% fee
Over £2 million	0.5% fee

For the re-registration of assets onto an Investment wrap platform, we may charge a fee of up to 1% of assets transferred.

Insurance

When we establish a contract of insurance we will receive a transactional commission from the relevant insurance company.

e) Ongoing Service

We will charge an annual fee of 0.75% of funds held under our advice. This fee relates to the ongoing service and management of the assets held under our advice. When we recommend the use of a discretionary investment manager, our fee is reduced to 0.5% of funds held under management.

Remuneration

Where income is derived from investment managers, life assurance companies or the operators of collective investment schemes through which investments are made, we shall tell you the amount payable to us on any such investment. If we receive a commission or other form of benefit from another intermediary, we will inform you of the amount.


If we arrange a life policy for you from which we receive initial commission and subsequently you cease to pay premiums resulting in us refunding the initial commission which has been paid to us by the provider, we reserve the right to recover from you an amount equal to the amount we have had to refund. The amount recoverable and the timeframe over which it is recoverable are dependent on the chosen product. Further details of the amount and timeframe will differ dependent on the terms of cover and notified to you within the Suitability Letter we send to you confirming our recommendations prior to the conclusion of the contract. **We will not charge any fee if you exercise your right to cancel the policy in accordance with the cancellation notice sent to you by the policy provider.**

Our Dealings with You

We prefer our clients to give us instructions in writing by completing the relevant application form and signing the appropriate declaration to avoid possible disputes. We will accept oral instructions, if they are subsequently confirmed in a letter.

Upon conclusion of the advice process we will agree a Service Level to provide ongoing service. This will be agreed and be commensurate to the size of your portfolio and in line with your expectations as to your ongoing requirements.

Yours sincerely



Chris Davies APFS
Chartered Financial Adviser
Director

DECLARATION

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

Please tick this box if you do not consent to us or any company associated with us processing any sensitive data (detailed under Data Protection).

Please tick this box if you do not wish for us or any company associated with us to contact you for marketing purposes by email, telephone or text.

I/We have chosen for the firm to be remunerated by;

- Payment of a fee
- Payment by commission (through product charges)
- Payment by a combination of commission and fee

I/We wish to receive the following level of service in accordance with the Estate Capital Financial Management Service Level Agreement provided to me/us:

- Wealth Management
- Financial Planning Service
- Financial Advice Service
- Product Advice Service

Client name(s) _____

Client signature(s) _____

Date of issue _____

Date of signing _____

TREATING CUSTOMERS FAIRLY

Estate Capital Financial Management Limited are committed to providing excellent service and ensuring that our clients clearly understand the reasons behind our advice and recommendations. In addition, we aim to provide clients with the right amount of information, so they can make informed decisions in regard to their financial circumstances, needs and priorities.

You may receive a Client Questionnaire in the future. Completing it means you will help us improve all of our services and allows us to measure the effectiveness of our training and development programme.