



## Client Agreement

### 1. INTRODUCTION

This agreement sets out the terms under which our services are to be provided, including details of the specific services and a summary of our charges for those services.

**BKD Wealth Management** is a financial planning business, focussed on helping you understand and plan for your financial future. We are also able to act on your behalf in advising you on investments, non-investment insurance contracts. We offer you an initial discussion (without charge) at which we will describe our services more fully and explain the payment options. Following our initial discussion, should you decide to proceed there is a cost for our advice and services.

**BKD Wealth Management** is a private limited company registered in England and Wales with company number 08266483 and whose registered office is at 44 Mountfield Road, London, W5 2NQ.

You can contact us by writing to us at the above address, by email to [info@bkdfinancial.net](mailto:info@bkdfinancial.net) or by telephone on 02085 665550.

### 2. OUR SERVICE

The services that you have selected and the charges for those services are confirmed in Section 12 - Your Consent at the end of this agreement. We agree to provide the services selected and you agree to pay us for those services.

We offer both **initial** and **ongoing** services for your financial planning, investment, retirement and protection needs.

Our initial services focus on the creation and implementation of your financial plan, based on your current circumstances and your future goals. Your circumstances and aspirations will inevitably change over time and so our ongoing services are typically designed to ensure that your financial plan adapts to reflect any such changes.

#### Initial Services

Our initial services are entirely bespoke and will typically consist of:

- An initial consultation, entirely at our expense, during which we will:
  - Help you to define and prioritise your financial objectives
  - Gather information about your current circumstances and financial arrangements
  - Establish your attitude to and understanding of risks
- In depth research and analysis
- Recommendations presented in a written report
- A meeting to explain the reasons for our recommendations and any potential risks or disadvantages
- Implementation of our recommendations

#### Ongoing Services

- We charge for ongoing services that may be required, including investment management and any periodic or ongoing reviews that we carry out on your behalf, including fund switches.
- We will confirm the rate, frequency, and length of this service before beginning any ongoing servicing work for you
- You can cancel our ongoing services, in writing, at any time.

- Your adviser will discuss with you the level and frequency of the ongoing services you require.

Any financial products we have arranged for you will only be kept under review as part of an agreed ongoing service for which you agree to pay. Our ongoing services are optional, however, where you agree to purchase an ongoing service, unless otherwise agreed, the ongoing service will be provided as a follow up to the initial service.

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 restrictions that you wish to place on the type of products you would be willing to consider.

Our advice will be based on the information that you give, so it is 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 advice we give.

In some circumstances we may provide you with a non-advised service where you will **not** receive advice or a recommendation from us. Where this is the case we will provide details of our non-advised services and charges separately.

### **Referrals to a Discretionary Investment Manager**

Where we recommend that some or all of your funds are invested using our discretionary investment management service, we will help you manage these arrangements including any other discretionary investment manager (DIM) involved in this process.

This work will typically include:

- Undertaking appropriate due diligence and recommending a DIM service that we believe best meets your needs and objectives
- Acting as your 'agent' to establish and maintain your investments with the DIM in accordance with your objectives and risk profile

### **3. COMMENCEMENT**

This agreement shall commence once it has been signed by all parties and shall remain in force until terminated in accordance with Section 8 – Cancellation below.

### **4. FINANCIAL PLANNING AND HOW WE CHARGE FOR IT**

For any aspect of our financial planning all actual charges and fees will be fully disclosed to you. We will not charge you until we have discussed your payment options and agreed with you how we are to be paid. We will also let you know if there are any other costs that might arise in connection with the services we provide to you.

Our charges/fees will be VAT exempt unless the work we provide for you only involves advice and/or preparing a report, in which case VAT may be applicable. We will always tell you if you have to pay VAT before we undertake any work for you.

Charges for the ongoing service will not be liable to VAT (unless the initial service was liable to VAT) where both the initial and ongoing services are part of the same package.

### **Investment Planning & Wealth Management**

Before making any recommendations, we will carry out a suitability assessment so that we are able to act in your best interests. Our recommendation will be based on a comprehensive and fair analysis of the market.

We offer **independent** investment advice. This means that we consider a wide range of financial strategies and products. We are constantly reviewing the market to ensure that the services and products we offer are appropriate for our clients.

Where we recommend particular investment strategies and products to you, these will be selected based on your personal circumstances and your financial objectives. We offer investment management on both a discretionary and advisory basis. We will consider a number of factors, including the services you need, the cost of investing, how much risk you are prepared to accept in an investment product and how much of a drop in its value you could withstand.

An example of the areas we can advise on include:

▪ Life Assurance	▪ Unit Trusts	▪ Investment Bonds
▪ Open Ended Investment Companies	▪ Pensions	▪ Defined Benefit Pension Transfers
▪ Annuities	▪ Structured Deposits	▪ Phased Retirement & Income Drawdown
▪ Investment Trusts	▪ Long Term Care	▪ Venture Capital Trusts
▪ Term Assurance	▪ Enterprise Investment Schemes	▪ Critical Illness Cover
▪ Income Protection	▪ Structured Products	▪ ISAs

Where we provide protection planning services we are an insurance intermediary and will provide advice which is based on a fair and personal analysis of the market

We do not provide advice in relation to individual share holdings. If this is something you need assistance with, we can refer you to a stockbroker. We do not provide advice on options, futures and other derivative contracts as we believe that these are unlikely to be suitable for our clients.

For further details please refer to our client services brochure / website.

### Our charges

The way we are paid for our services may depend on the type of advice given. Typically this will be:

- Investment business: Fees agreed and paid by you (or via your investment provider)
- Insurance business: Fees agreed and paid by you or commission payable by the insurance provider, which is a percentage of the total annual premium. You will receive a quotation from the insurance provider.

More details on these options and how they are paid is found in the following sections on initial and ongoing charges. Our charges fall into the following categories:

- Initial charges:** These are the upfront costs of our services. We offer different types of initial service depending on your needs.
- Ongoing charges:** Once your financial plan is in place, it is important to keep it under review so it can be adapted, where necessary, as your circumstances change. Our ongoing services are designed to do this.

All our services are chargeable, except for the initial meeting which is entirely at our expense. You can elect to pay for our services in the following ways:

- percentage based charge
- fixed charge basis
- hourly rate basis
- a combination of these

Our actual charges and fees (in pounds and pence) will be agreed with you before we do any work and we will explain your payment options too. We will also let you know where any fees are subject to VAT.

## Initial charges

We will agree, at outset, a fee for our time spent on research and analysis, preparation of our recommendations and report and implementation. This fee will be based on the amount and complexity of the work involved and will be charged as follows:

### **For Investment Business**

**Percentage based charge:** Our initial investment charge will normally be charged as a percentage of the total funds being invested or transferred and will be charged as follows:

Investment up to £100,000	Up to 3%
On the next £100,000 invested	Up to 2%
On the next £800,000 invested	Up to 1%
Above £1million	0.25%
Minimum initial fee	£3,000
Maximum initial fee	£30,000

(Please note we reserve the right to charge at an enhanced rate above 3% for particularly high risk or complex work. Examples would be Defined Benefit Pension Transfers, Equity Release and Alternative Investment Schemes).

*For example:*

• An initial investment of £100,000 will cost:	£3,000
• An initial investment of £200,000 will cost:	£5,000
• An initial investment of £500,000 will cost:	£8,000
• An initial investment of £1million will cost:	£13,000
• An initial investment of £2million will cost:	£15,500

**Fixed charge or hourly rate basis:** You may pay for our services on a fixed rate fee or time-costed basis at our discretion. If we work for you on a time-costed basis, our hourly rates are:

• Managing Director	£400 per hour
• Director/Chartered Financial Planner	£300 per hour
• Independent Financial Adviser	£250 per hour
• Paraplanner	£140 per hour
• Administrator	£70 per hour

*For example:*

If you are working with a Chartered Financial Planner and the estimated time for analysing your investments or pensions and creating a report is in the region of 4-5 hours, an estimate of the cost would be:

£1,200 -  
£1,500

### **For non-investment insurance transactions:**

For arranging non-investment insurance contracts, we normally receive an initial commission which we offset against our fee for providing the advice and implementing the agreed arrangement(s). Where we receive commission, we will tell you the amount before we carry out the business. If you cease to pay the premiums and, in consequence, we are obliged to refund any commission that has been paid to us, we reserve the right to charge you a fee equal to the amount refunded, in respect of the work undertaken on your behalf.

## Paying our initial charges

Our charges are payable on completion of our work and must be settled within 28 business days. Payment can be made either by:

- Cheque or electronic transfer (unfortunately, we cannot accept payments by cash or card).
- Payment via deductions from the financial product(s) you invest in or (if relevant) deductions from the amount invested with a discretionary investment manager (DIM). Most product providers / DIMs offer this facility but using it will reduce the amount you have left to invest and may, depending on your circumstances, have other consequences. Although you may pay nothing to us up front that does not mean that our service is free. You still pay us indirectly through deductions from the amount you pay into your product.

- For investments held on a platform (an online investment administration service) you may choose to pay our charges out of the funds held in the platform cash account, although it is important to maintain sufficient funds in the account to cover our charges as they become payable.
- For protection planning only, we may receive commission from a product provider in relation to an insurance product we have arranged for you. The amount of commission is a percentage of the total annual premium and we will tell you the amount before we carry out business for you.

### **Our ongoing charges**

Where we agree to provide you with a service that includes an ongoing review of the suitability of the investments we have recommended, we will carry out this review annually. To do this we will need to make contact with you to assess whether the information we hold about you remains accurate and up to date. We will issue you with a report setting out the results of our assessment, and if relevant, any updated recommendations.

The charge for this service will commence at the end of the first month in which any financial products have been set up for you.

Typically our ongoing service charges are as follows:

<b>Ongoing Advice Service Annual Charge (percentage based on funds under management) Minimum Annual Charge</b>	<b>Discretionary 1% £1,000</b>	<b>Advisory 1% £1,000</b>
Investment account management	✓	✓
File maintenance and administration	✓	✓
Liaising with product providers on your behalf	✓	✓
Administrative plan alterations (without advice)	✓	✓
Valuation statement (at least annually)	✓	✓
Annual meeting with your adviser	✓	✓
Liaising with your accountant or other professional advisers	✓	✓
Adviser call-back service	✓	✓
Fund switching	✓	
*Using your investment ISA allowance such as 'Bed & ISA'	✓	
*Use of annual tax allowances eg. Capital Gains Tax (CGT) and Personal Allowance etc	✓	

**\*Please note that if the Advisory service is selected fund switching, 'Bed & ISAs' and annual tax allowance management may be subject to an additional charge and will be agreed with you before any work is carried out. Fund switching will usually be subject to a charge of 1% of the value of funds switched. We also reserve the right to reduce our ongoing annual service charge.**

Ongoing advice charges in respect of bespoke discretionary investment management services are subject to VAT.

For example:

- For a fund of £100,000, our fee would be £1,000 per annum
- For a fund of £250,000, our fee would be £2,500 per annum
- For a fund of £500,000, our fee would be £5,000 per annum

### **Paying our ongoing charges**

Payment of ongoing charges can be made either by:

1. Deduction from your investment(s) on a monthly, quarterly, six-monthly or annual basis, where the product / platform provider is able to offer this facility.
2. For investments held on a platform (an online investment administration service) you may choose to pay our charges out of the funds held in the platform cash account, although it is important to maintain sufficient funds in the account to cover our charges as they become payable.
3. A regular fee, paid by cheque or bank transfer at our discretion.

Ongoing services can be cancelled at any time by simply informing us in writing but please note that we reserve the right to charge you for services provided prior to cancellation.

Before we provide you with our advice we will add together all the costs and charges payables so that you are able to understand the overall costs of our services and recommendations. This is referred to as aggregated costs and charges information. These charges will be outlined in our suitability report.

### **Bespoke Programme**

A bespoke ongoing service programme may be agreed with you and could include any combination of the services shown above, along with any specific services required. Bespoke programmes must contain at least one review meeting per year to assess the ongoing suitability of your arrangements.

### **Other Charges**

Depending on the services we provide, there may be costs and charges (including taxes), not charged by us, but related to the financial products 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 DIM, the platform provider and DIM 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 the investment fund manager, costs relating to investment transactions.
- We will always disclose any third party costs as part of making our recommendations

Before we provide you with our advice we will add together all the costs and charges payable so that you are able to understand the overall costs of our services and recommendations. This is referred to as aggregated costs and charges information

## **5. INVESTMENT SERVICES – DISCRETIONARY OR ADVISORY**

We offer our financial planning services on a **discretionary** or **advisory** basis. There are a number of differences between investment management conducted on a discretionary and advisory basis.

The initial process is the same – understanding your circumstances and requirements before drawing up a recommended portfolio. You and your financial planner will start your relationship by working out your investment objectives and risk appetite, and then devising an investment strategy that fits your profile and requirements. How much investment risk you are willing to take, the level of returns you aim to receive for taking that risk will be addressed and the distinctions below refer to the on-going management of your account after this point.

Both types of management provide access to your financial planner and benefit from the expertise of a dedicated investment management team:

### **Advisory Investment**

For those clients who would like to be consulted about all investment recommendations made by our research advice and execution services, an active advisory relationship is probably the most suitable. This option will provide you with professional investment management services but the ultimate investment decision will remain with you.

#### **Advantages**

- + Active involvement in changes to portfolio.
- + You make the final decision on purchases and sales.
- + Allows you to reflect your own investment views and any restrictions you may wish in place.
- + May have lower fees.

#### **Disadvantages**

- Portfolios are reviewed less frequently.
- Likely time lag between recommendation and transaction.
- You must commit time to consider any recommended changes.

### **Discretionary Investment**

Discretionary investment management services are a popular option for those who have little experience in investing, or lack the time or inclination to be involved in every decision. Your discretionary investment manager will take charge of all investment decisions and will not require consent for individual transactions (you have signed over permission for this). This option does not involve you in day-to-day investment management decisions and requires less administration. Typically, there are two types of discretionary management, these are the Discretionary Managed Portfolio Service (DMPS) or the Discretionary Bespoke Service (DBS) or you may have a combination of these. Your adviser will discuss this with you and agree the most suitable option to meet your circumstances and objectives.

#### **Advantages**

- + Portfolio is reviewed continuously.
- + The investment manager can react quickly to unfolding events and opportunities, making changes to your portfolio in a timely manner.
- + Your portfolio reflects all the views of the manager, rather than those agreed by you.
- + You do not need to allocate time to review ongoing investment recommendations.

#### **Disadvantages**

- Portfolio decisions are made without your input.
- May involve additional fees.
- Portfolio may not reflect your own individual views.

### **Roles and responsibilities of the adviser and discretionary investment manager**

**BKD Wealth Management will:**

#### **Our DIM selection**

We shall ensure we have conducted sufficient research and due diligence on the discretionary investment managers that we select to provide discretionary investment management services.

#### **KYC and Suitability**

We shall assess your circumstances and financial planning objectives, knowledge and experience to ensure that a discretionary investment management service is appropriate. We shall ensure that the discretionary investment management service and the investment policy or investment strategy of the model portfolios we recommend are suitable such that you are able financially to bear the investment



risks and have the necessary experience and knowledge in order to understand the risks involved in the management of the investments.

**On-going suitability of the discretionary investment management service and model portfolio**

We shall ensure that the discretionary investment management services and the investment policy or investment strategy of the model portfolios we recommend remain suitable for your investment objectives and attitude to risk on at least an annual basis.

**On-going monitoring of our selection and the discretionary investment management service**

We shall monitor the performance of the discretionary investment management services to ensure the on-going appropriateness of our selection for your overall financial planning and investment objectives.

**Reporting**

You will be notified in the event that your discretionary investment portfolio depreciates by 10% (as measured from the beginning of a reporting period) and any subsequent depreciation in multiples of 10%. If you are invested in a model portfolio, this notification will be provided to you via the investment platform provider's online portal.

**Fees and charges**

We shall be responsible for notifying you of the fees and charges of the discretionary investment management service we select for you.

**Tax**

We shall be responsible for providing advice to you on the tax implications of the discretionary investment management service.

**The discretionary investment manager will:**

- Manage your investments in accordance with the investment policy, investment strategy and investment mandate of the model portfolios we have selected for you.
- Ensure its decisions to trade and all transactions are consistent with the terms of the investment policy, investment strategy and investment mandate of the model portfolios we have selected for you.

**The discretionary investment manager will not:**

- Provide you with financial planning or tax advice or assess your suitability for their investment management service.

## **6. OUR OBLIGATIONS**

**Recommendations**

- Before providing advice we will assess your needs, consider your financial objectives and assess your attitude to any risks that may be involved. If you do not 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.
- Before making any recommendations, we will carry out a suitability assessment so that we are able to act in your best interests.
- We will confirm any recommendations we make in writing (our suitability report) along with details of any special risks that may be associated with the products or investment strategies we have recommended.
- Where we agree to provide you with a service that includes an ongoing review of the suitability of the investments we have recommended, we will carry out this review at least annually. To do this we will need to make contact with you to assess whether the information we hold about you remains accurate and up to date. We will issue you with a report setting out the results of our assessment and, if relevant, any updated recommendations.
- Please be aware that investments can fall, as well as rise, and that you may not get back the full amount invested. The price of investments we may recommend may depend on fluctuations in the financial markets, or other economic factors, which are outside our control. Past performance is not necessarily a guide to future performance.
- Specific warnings relevant to the investments, investment strategies or other products we arrange are provided in the relevant product literature provided.
- We may, where appropriate, recommend holding some, or all, of your investments with a discretionary fund manager (DFM), a professional investment manager appointed to monitor your portfolio and make investment decisions on your behalf. In such cases we'll explain the respective responsibilities of ourselves and the DFM in relation to your investments.



- In some circumstances we may need to act as your 'agent' in relation to the part of your portfolio held with a DFM. This means that you won't have a direct contractual relationship with the DFM and the DFM will instead treat our firm as its client. Before setting up this type of arrangement we'll explain the implications to you.
- We may occasionally recommend investments that are not readily realisable. We will only do this where appropriate but, if we do, we will draw your attention to the risks associated with the investments in our suitability report. There is a restricted market for such investments and in some circumstances, it may not be possible to deal in the investment or obtain reliable information about its value.

We are subject to legal and regulatory requirements to provide advice that is appropriate to your needs but we do not accept responsibility for the subsequent performance of your investments made on the basis of the advice. As you are responsible for your own investment decisions, you can choose to invest against our advice and have the right to decline to follow our advice by not transacting as we advise.

### **Best execution**

Where we send investment applications on your behalf to third parties (e.g. to put an investment into force), we will take all reasonable steps to ensure that we obtain the best possible result for you. This is referred to as 'best execution'.

We have a best execution policy. If you want to see a copy of it please ask us.

### **Financial Crime**

We are obliged to put in place controls to prevent our business from being used for money laundering and other forms of financial crime.

We will verify your identity before undertaking any business with you. To do this 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. The check may leave a 'footprint' on your credit file but it will not affect your credit rating.

### **Conflict of interests**

We will endeavour always to act in the best interests of you, our client. However, circumstances can arise where we or one of our other clients may 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. The conflicts of interest policy is available upon request.

Shipman Group Holdings Ltd is the parent company of both BKD Wealth Management and Cathedral Financial Management Ltd who we may appoint to provide discretionary investment management services in respect of some or all of your investments. This relationship does not alter our regulatory responsibility to provide you with impartial advice, and so should not influence our advice to you.

### **Other benefits we may receive**

From time to time we may attend training events funded and/or delivered by product providers, fund managers and platforms. These events are designed to enhance our knowledge and ultimately therefore enhance the quality of service we provide to our clients. Further details are available on request. Under the rules of the regulator, the FCA, as a firm providing independent advice we are unable to accept or retain payments or benefits from other firms (e.g product providers), as this would conflict with our independent status.

## **Communicating with you**

We may communicate with you by telephone, post, e-mail or in person. In certain circumstances, we may ask you to confirm any instructions in writing prior to implementation. All our communications with you will be in English.

By providing your instruction via email, you acknowledge that any email address used and provided to us may be used for such communication going forward. Furthermore you authorise us to continue to use such email address until written notification is received from you of any change to such email address.

Where we communicate by email, you acknowledge and confirm that because of the nature of the internet, the security of emails cannot be guaranteed and the content of email may not remain private or unaltered during internet transmission. We accept no liability for any damages that you or any other party may suffer as a result of the loss of confidentiality or any alteration of any emailed information.

## **7. YOUR OBLIGATIONS**

This section sets out your obligations in agreeing to receive our services.

### **Providing information about your circumstances**

Our advice will be based on the information that you give so it is 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, incomplete or if you limit the information provided this could affect the suitability of the advice we give.

### **Payment for services**

- By signing this agreement, you are agreeing to pay the charges for our services as set out in Section 12 (Services agreed). Your selected payment method is also confirmed in Section 12. Some of our services are subject to VAT at the appropriate rate. We will advise you if any payments are subject to VAT.
- Our **initial** charges are payable once we have completed our agreed work and must be settled within 28 days.
- Any products we have arranged for you will only be kept under review as part of an ongoing service for which you have agreed to pay. Our ongoing services are optional, but if you agree to purchase an ongoing service, unless otherwise agreed, the ongoing service will be provided as a follow up to the initial service.
- Our charges for ongoing services will start on the first annual review meeting or may be deducted monthly if taken as a percentage of funds under management. Our charges are payable within 30 days of the end of the relevant period.
- Ongoing services can be cancelled at any time by informing us in writing (see Section 8 – Cancellation) but please note that we do reserve the right to charge you for services we have provided before cancellation.
- Where our charges are based on a percentage of your investments, the amount of our ongoing charges may increase as the size of your fund grows.
- In some limited circumstances (for protection planning business only) we may receive a commission payment from a product provider. Typically, the commission payment will be offset against the charges you owe us for our services. If the commission payment relates to a regular contribution policy and you stop paying premiums on that policy, we may be obliged to refund the commission received back to the policy provider. In such cases, we reserve the right to request the full payment of any outstanding balance of charges for our services.
- In some circumstances, we may receive ongoing payments (commission) from product providers relating to existing investments you hold. Such payments may be taken into account when determining the charges for ongoing services. We will discuss and agree this with you where relevant.

## 8. CANCELLATION

### **Termination of this Agreement**

We may terminate this agreement by giving you at least 20 business days written notice. You may terminate this agreement 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 this agreement unless otherwise agreed in writing. You will be liable to pay for any services provided prior to termination and any fees outstanding, if applicable.

### **Product cancellation rights**

Full details of the products we recommend to you including, for example, the minimum duration of the product, information on your right to cancel or whether no right to cancel exists, and any other early termination rights and penalties, will be covered in the relevant product disclosure information you will receive before the conclusion of any contract.

In most cases you can exercise a right to cancel by withdrawing from the contract. In general terms you will normally have a **30 day cancellation** period for a life, protection, payment protection or pension policy and a **14 day cancellation** period for all other policies.

Instructions for exercising the right to cancel, if applicable, will be contained in the relevant product disclosure information which will be provided to you.

If you cancel a **single premium** contract, you may be required to pay for any loss you might reasonably incur in cancelling it which is 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.

## 9. HOW YOU ARE PROTECTED

**BKD Wealth Management** is authorised and regulated by the Financial Conduct Authority (FCA), 12 Endeavour Square, Stratford, London, E20 1JN.

Our Financial Services Register number is 809874. Our permitted business is advising on and arranging pensions, savings and investment products and non-investment insurance contracts. You can check this on the Financial Services Register by visiting the FCA's website [www.fca.org.uk/firms/systems-reporting/register](http://www.fca.org.uk/firms/systems-reporting/register) or by contacting the FCA on 0800 111 6768.

Unless we notify you in writing to the contrary, we will be treating you as a **retail client**. This means that you are afforded the highest level of protection under the regulatory system and should have the right to take any complaint to the Financial Ombudsman Service.

### **Complaints**

If you are dissatisfied with a recommendation we have made you are entitled to make a complaint. We have a complaints procedure that is available on request. If you wish to register a complaint, please contact us:

**In writing:** Mike Williams, BKD Wealth Management, Ground Floor, Eagle House, 1 Babbage Way, Exeter Science Park, Exeter, Devon, EX5 2FN.

**By phone:** 01392 278491

**By e-mail:** [mike.williams@shipmanfp.co.uk](mailto:mike.williams@shipmanfp.co.uk)

Please be assured we treat complaints seriously. For your further protection if you cannot settle your complaint with us, you may be entitled to refer it to the Financial Ombudsman Service ('FOS'). The Financial Ombudsman Service (FOS) is an agency for arbitrating on unresolved complaints between regulated firms and their clients. Full details of the FOS can be found on its website at [www.financial-ombudsman.org.uk](http://www.financial-ombudsman.org.uk).

## **Financial Services Compensation Scheme**

We are also 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.

**Investments** - most types of investment business are covered for up to a maximum of £85,000.

**Insurance** - advising and arranging is covered for 90% of the claim, without any upper limit.

We may also, on occasion, advise on other financial products which are not regulated by the Financial Conduct Authority (FCA). The Financial Services Compensation Scheme does not apply to any of these products.

Further information about compensation scheme arrangements is available from the FSCS at [www.fscs.org.uk/consumer](http://www.fscs.org.uk/consumer).

## **10. GENERAL**

### **Client information**

You acknowledge that you need to provide reasonable assistance to and engage positively in the advice process to enable BKD Wealth Management to provide services effectively. This will include providing information in a timely fashion both for initial and ongoing advice services and accordingly, you shall at all times act in good faith to co-operate with BKD Wealth Management as we reasonably require. Furthermore, you acknowledge that any information provided by you is complete, accurate and up-to-date.

We cannot be responsible nor liable for any costs or losses sustained or incurred by you as a result of us providing the services late or not providing any part of them if this is caused by you not giving us the information we need within a reasonable time of us asking for it.

### **Exclusions on Liability**

We shall not be liable for any error of judgement or any loss suffered by you in connection with the services we provide to you under this Agreement (and in particular, but without limitation, we shall not be liable for any loss which may be sustained in the purchase, holding or sale of any investments or other assets in connection with those services) unless such loss arises from our negligence, wilful default or fraud.

We are not liable to you for any loss arising from any cause beyond our reasonable control and the effect of which is beyond our reasonable control to avoid or any losses that are not reasonably foreseeable at the time you gave us an instruction. Loss or damage is foreseeable if either it is obvious that it will happen or if, at the time the contract was made, both we and you knew it might happen, for example, if you discussed it with us at the time of implementing an investment.

We are not liable to you if we fail to take any action which, in our opinion, would breach any regulatory requirement or market practice. To the extent that there is any conflict between this agreement and our duties under any regulatory requirement or market practice, we will act in a way we reasonably consider necessary to comply with any regulatory requirement or market practice and will not be treated as having breached this agreement as a result.

We cannot be held responsible for delays beyond our control. If our performance of the services is affected by an event outside our control, then we will contact you as soon as possible to let you know and we will take reasonable steps to minimise the effect of the delay. Provided we do this we will not be liable for delays caused by the event but if there is a risk of substantial delay you may contact us to end the agreement and receive a refund for any services you have paid for but not received."

Our aggregate liability to you under this agreement shall be limited to £1,000,000 (£1m).

Any claim brought against us must be notified to us within 6 years of the date of our advice.

Nothing in this paragraph attempts to exclude or limit in any way our liability to you where it would be unlawful to do so. This includes liability for any breach of our duties under the regulatory system, death or personal injury caused by our negligence or the negligence of our employees, agents or

subcontractors; for fraud or fraudulent misrepresentation; or for breach of those legal rights in relation to the services which are granted to you by statute and may not be limited or excluded.

### **Jurisdiction**

This agreement is governed by and should be interpreted in accordance with English law and you agree to submit to the non-exclusive jurisdiction of the English Courts.

### **Legal and accounting advice**

Neither our firm nor our employees are qualified to render legal or accounting advice or to prepare any legal or accounting documents. It is hereby understood and agreed that the onus is on you, the client, to refer to a solicitor or accountant any point of law or accountancy that may arise during the course of discussions with us.

### **Record keeping**

We may record telephone conversations, video calls or any other electronic communication for training or monitoring purposes. We retain copies of such records for a period of at least 5 years in which such records will be available on request during that period.

### **Third Parties**

You agree that we cannot be held liable for any loss resulting from third party insolvency or failure of a third party to act with due skill, care and diligence. This is subject to our having exercised reasonable skill and care in selecting the third party for this role, in accordance with our due diligence procedures.

### **Investment related**

#### **Documentation**

We will endeavour to make arrangements for all your investments to be registered in your name unless you first instruct us otherwise in writing. All policy documents will be forwarded to you as soon as practicable after we receive them. If there are a number of documents relating to a series of transactions, we will normally hold each document until the series is complete and then forward them to you.

#### **Investment Performance & Risks**

Please be aware that investments can fall, as well as rise, and that you may not get back the full amount invested. The price of investments we may recommend may depend on fluctuations in the financial markets, or other economic factors, which are outside our control. Past performance is not necessarily a guide to future performance.

Specific warnings relevant to the investments, investment strategies or other products we recommend will be confirmed to you in your suitability report. Under the terms of this agreement, we may, if appropriate, advise you on investments which are not readily realisable. We would draw your attention to the risks associated with these investments as there is 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.

Although we will explain the risk of any investment products as part of our advice process, it is important that you understand the risk associated with the relevant product. If you are unsure about the way the product or recommendation works or require any further clarification, please ensure that you raise this with us.

It is important to note that some of the services and products provided by us may be affected by adverse tax consequences. Neither BKD Wealth Management nor its employees are qualified to render tax advice or to prepare tax documents. It is hereby understood and agreed that the onus is on you, the client, to refer to a tax adviser any tax implications that may arise during the course of discussions with us.

## **Insurance related**

### **Providing information to your insurer**

Your insurance / protection cover is based upon the information you provide to the insurance company. Where you are buying insurance as an individual, this means that you must take 'reasonable care' to answer all questions asked by the insurer fully and accurately. Once cover has been arranged, you must immediately notify the insurers or us of any changes to the information that you have already provided. Failure to provide accurate and up to date information may invalidate your insurance cover and mean that a claim may not be paid.

All other clients (e.g. commercial clients) must still disclose all 'material facts' (any information that may influence the insurer's decision over cover or terms) prior to inception and throughout the period of the policy. Again, failure to disclose material information may invalidate your insurance cover and could mean that a claim may not be paid.

## **11. PROTECTING YOUR PERSONAL INFORMATION**

- 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 as described above we require your consent by indicating your agreement as detailed under our separate 'GDPR Consent and Marketing' agreement.

## **MISCELLANEOUS**

A failure or delay by any party to exercise any right or remedy provided under this agreement or by law shall not constitute a waiver of that or any other right or remedy, nor shall it prevent or restrict any further exercise of that or any other right or remedy.

If a Court finds any provision or part-provision of this agreement invalid, illegal or unenforceable, it shall be deemed modified to the minimum extent necessary to make it valid, legal and enforceable. If such modification is not possible, the relevant provision or part-provision shall be deemed deleted. Any modification to or deleted of a provision or part-provision under this paragraph shall not affect the validity and enforceability of the rest of this agreement.

## 12. YOUR 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. This Client Agreement replaces any previous agreements and understandings we have with you, and will only be modified where confirmed in writing.

- I/We acknowledge that the Client Agreement will come into effect once it has been signed by all parties and will remain in force until terminated.
- This agreement is governed and shall be interpreted in accordance with English law and both parties shall submit to the exclusive jurisdiction of the English Courts.
- I/We consent to BKD Wealth Management carrying out electronic verification checks in respect of my/our identity.

### Agreed Services & Charges

Initial Service	Tick to confirm	Details of agreed fees
<b>Financial Planning Report and Implementation</b>	<input type="checkbox"/>	£..... to be invoiced on completion
	<input type="checkbox"/>	.....% of the value of the investment transaction(s) to be invoiced on completion
	<input type="checkbox"/>	.....% to be deducted from the investment platform
	<input type="checkbox"/>	As per our stated terms on page 4
Ongoing Services	Tick to confirm	Details of agreed fees
<b>Advisory</b>	<input type="checkbox"/>	.....% per annum deducted from the investment platform
<b>Discretionary Arrangement (Agent as Client). Please read and complete Section 13</b>	<input type="checkbox"/>	
<b>Discretionary Arrangement (non Agent as Client)</b>	<input type="checkbox"/>	

<b>Client Name(s):</b>		
<b>Client Signature(s):</b>	COPY TO BE RETAINED FOR YOUR RECORDS	
<b>Date:</b>		



If you withdraw your instructions from us or a matter otherwise fails to proceed we will be entitled to charge a reasonable amount for the work completed plus any disbursements. We do not accept cash payment.

As our client you are responsible for the payment of our invoices. This remains the case regardless of whether you arrange another party to pay our fees. Some of our services may not be subject to VAT and where this is the case we will advise you accordingly.

If our fees are not paid on the due date we reserve the right to charge you interest on outstanding fees from the due date until the date of payment, before and after any judgement, at the rate of 5% above the base rate of Barclays Bank plc from time to time.

## 12. YOUR 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. This Client Agreement replaces any previous agreements and understandings we have with you, and will only be modified where confirmed in writing.

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<b>Discretionary Arrangement (non Agent as Client)</b>	<input type="checkbox"/>	

<b>Client Name(s):</b>		
<b>Client Signature(s):</b>	PLEASE SIGN AND RETURN	
<b>Date:</b>		

If you withdraw your instructions from us or a matter otherwise fails to proceed we will be entitled to charge a reasonable amount for the work completed plus any disbursements. We do not accept cash payment.

As our client you are responsible for the payment of our invoices. This remains the case regardless of whether you arrange another party to pay our fees. Some of our services may not be subject to VAT and where this is the case we will advise you accordingly.

If our fees are not paid on the due date we reserve the right to charge you interest on outstanding fees from the due date until the date of payment, before and after any judgement, at the rate of 5% above the base rate of Barclays Bank plc from time to time.

### **13. Agent as Client - Discretionary investment management services**

- Cathedral Financial Management Ltd are discretionary investment managers (DIM) and we may recommend their discretionary investment management services. Where appropriate, we may also use other DIMs to manage some or all of your investments. In this scenario, all the decisions on whether buy and sell investments within your portfolio are made at the absolute discretion of the DIM.
- Where we make a such a recommendation, we will confirm the respective responsibilities of us as your adviser, investment manager and/or agent, you as the Investor, and any other DIM recommended. Please refer to the 'Roles and responsibilities of the adviser and DIM' in Section 5 of this agreement.
- Our relationship with you is that we will act as your agent, at least insofar as it means that you give us your authority to act on your behalf in relation to other DIMs. This means that we will be acting as your agent and will use all reasonable steps to discharge our responsibilities to you with care and due diligence. We will undertake appropriate due diligence on the DIM and ensure that the services provided by the DIM meet your investment objectives and risk profile.
- The DIMs we may use for discretionary investment management services operate on an 'Agent as Client' basis. This means that the DIM will treat us – acting as your agent - as their regulatory client. We become the client of the DIM on your behalf. There is no direct written contract between you and the DIM. Depending on the services they provide, the DIM may not even know your identity. This type of arrangement is different from an arrangement whereby you have a direct relationship with the DIM. All communication in relation to the discretionary investment management service will be between the DIM and us acting as your agent. There will normally be no direct communication between you and the DIM. You should be aware that with this type of arrangement, you may lose some protections afforded to investors (retail clients) who have a direct relationship with the DIM. The DIM will treat us as their client, not you. Typically, they will classify us as a Professional Client. The consequences for you of us being categorised as a professional client are set out in Appendix 1.

**Authority and consent**

**Please read this carefully and sign and return one copy to us**

We need your explicit authority and consent to enter into this type of arrangement with a DIM on your behalf. In signing this agreement, you confirm your consent.

I/we confirm BKD Wealth Management is authorised by me/us to act as my/our agent and on my/our behalf in selecting a discretionary investment management service.

I/we authorise BKD Wealth Management to enter into discretionary investment management agreements as agent on my/our behalf and create a binding legal relationship between me/us and the relevant DIM.

For these purposes, I/we authorise BKD Wealth Management, acting on my/our behalf, to sign any documents, and take any further steps, that are required to form or administer discretionary investment management agreements of the type described in this Agreement.

Under these discretionary investment management agreements, BKD Wealth Management will instruct the relevant DIM to exercise discretion and decide the manner in which my/our portfolio is invested, based on the investment risk profile / investment policy / strategy selected by BKD Wealth Management acting on my/our behalf.

Although each discretionary investment management agreement will create a legal relationship between me/us and the relevant DIM, I/we understand that the DIM will be entitled to treat BKD Wealth Management, rather than me/us, as the DIM's client. This may affect the legal and regulatory rights I/we would otherwise have in respect of the way in which the DIM manages my/our portfolio, as more fully described in Appendix 1 of this Agreement.

In particular, I/we understand that this may mean that neither I/we am, nor BKD Wealth Management acting on my/our behalf is, able to complain to the Financial Ombudsman Service.

Client name(s):		
Client signature(s):		
Date:		

**Authority and consent**

**Please read this carefully and sign and return one copy to us**

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For these purposes, I/we authorise BKD Wealth Management, acting on my/our behalf, to sign any documents, and take any further steps, that are required to form or administer discretionary investment management agreements of the type described in this Agreement.

Under these discretionary investment management agreements, BKD Wealth Management will instruct the relevant DIM to exercise discretion and decide the manner in which my/our portfolio is invested, based on the investment risk profile / investment policy / strategy selected by BKD Wealth Management acting on my/our behalf.

Although each discretionary investment management agreement will create a legal relationship between me/us and the relevant DIM, I/we understand that the DIM will be entitled to treat BKD Wealth Management, rather than me/us, as the DIM's client. This may affect the legal and regulatory rights I/we would otherwise have in respect of the way in which the DIM manages my/our portfolio, as more fully described in Appendix 1 of this Agreement.

In particular, I/we understand that this may mean that neither I/we am, nor BKD Wealth Management acting on my/our behalf is, able to complain to the Financial Ombudsman Service.

Client name(s):		
Client signature(s):		
Date:		





## Appendix 1 – Consequences of categorisation as a professional client Information

Regulatory consequences of categorisation as a professional client	Our response
<b>a) Communication with clients</b>	
<p>A firm must ensure that its communications with all clients are fair, clear and not misleading. The way in which a firm may communicate with professional clients (about itself, its services and products, and its remuneration) may be different from the way in which the firm communicates with retail clients. A firm's obligations in respect of the level of detail, medium and timing of the provision of information are different depending on whether the client is a retail or professional client.</p>	<p>Although the DIM may treat us as a Professional Client, we will treat you, our investor, as a retail client. We will ensure that the risks of any Discretionary Investment Management Service we select is explained to you clearly and the risks are clearly disclosed.</p>
<b>b) Information on costs and charges</b>	
<p>A firm must provide clients with information on costs and associated charges. The information provided may not be as comprehensive for professional clients as it must be for retail clients.</p>	<p>We will provide you with clear information on the costs and charges of any services we provide you as well as the costs and charges involved in any DIM Service we may select.</p> <p>Under the regulatory system, we are obliged to provide you aggregated costs and charges disclosure on an annual basis. This will include all the costs and charges of investments that we have arranged for you or recommended. The costs and charges of the DIM would be included in this disclosure</p>
<b>c) Disclosure of risks</b>	
<p>A firm is entitled to assume that a Professional Client has the requisite knowledge and experience to understand the risks involved in investing.</p>	<p>Although the DIM may treat us as a Professional Client, we will treat you, our investor, as a retail client. We will ensure that we assess your knowledge and experience in the investment field relevant to the specific type of investment or service we may recommend. We will also ensure that the risks of any DIM service we recommend are explained to you clearly.</p>

**Suitability and appropriateness**

Regulatory consequences of categorisation as a professional client	Our response
<p>If a firm makes a personal recommendation or manages investments for a client, it is required to obtain and consider the following information in relation to the client:</p> <ul style="list-style-type: none"> <li>• The client's knowledge and experience in the investment field relevant to the specific type of investment or service</li> <li>• The financial situation of the client, and</li> <li>• The client's investment objectives</li> </ul> <p>However, when making a personal recommendation or managing investments to or on behalf of a professional client, a firm is entitled to assume that, in relation to the products, transactions and services for which the professional client is so classified, the client has the necessary level of experience and knowledge in order to understand the risks involved in the transaction or in the management of his portfolio. This assumption cannot be made for a retail client and firms must assess this information separately.</p>	<p>We will treat you, our Investor, as a retail client.</p> <p>Under the regulatory system we are required to obtain and consider the following information in relation to you.</p> <ul style="list-style-type: none"> <li>• Your knowledge and experience in the investment field relevant to the specific type of investment or service</li> <li>• Your financial situation, and</li> <li>• Your investment objectives</li> </ul> <p>Where we recommend You use the services of a DIM, we will ensure that the services of the DIM are suitable for you at outset and on an ongoing basis.</p>

**Client money**

Regulatory consequences of categorisation as a professional client	Our response
<p>The definition of 'client' in CASS includes 'if a person ('C1'), with or for whom the firm is conducting or intends to conduct designated investment business, is acting as agent for another person ('C2'), either C1 or C2 in accordance with the rule on agent as client COBS 2.4.3 R'. Therefore, in the absence of agreement to the contrary, the client would be the adviser and a per se professional client.</p> <p>A firm can obtain written acknowledgement from a professional client to confirm that their money is not subject to the client money rules (CASS 7.10.9 – 10). If a professional client opts-out, its money will be segregated from the money of the firm and used by the firm in the course of its own business, and the professional client will rank only as a general creditor of the firm.</p>	<p>Although the professional client opt-out is available, we will not be agreeing to the opt-out and will request our money is treated as client money in accordance with the client money rules.</p>

**Financial Ombudsman Service (FOS)**

Regulatory consequences of categorisation as a professional client	Our response
<p>The FOS handles complaints about investments and resolves disputes for free between financial services companies and their customers without having to go to court.</p> <p>The services of the Financial Ombudsman Service in the UK may not be available to professional clients, unless they are, for example, consumers, small businesses or individuals acting outside their trade, business, craft or profession. Given that we will be classified as a professional client and our trade is financial services, we may not be able to take a complaint on your behalf to the FOS.</p> <p>Given that you have no direct contractual relationship with the DIM you may not be able to take your complaint to the FOS.</p>	<p>We operate our own complaints procedure, a copy of which is available on request. Should you wish to make a complaint about the DIM we recommend you would need to complain to us in the first instance.</p>

**Financial Services Compensation Scheme (FSCS)**

Regulatory consequences of categorisation as a professional client	Our response
<p>The FSCS exists to protect customers of financial services firms that have failed.</p> <p>If a company you have been dealing with has failed and cannot pay claims against it, the FSCS can step in to pay compensation.</p> <p>We are a member of the UK Financial Services Compensation Scheme. You may be entitled to claim compensation from the FSCS if we cannot meet our obligations to you. This will depend on the circumstances of the claim.</p>	<p>Any DIM that we select will also be a member of the FSCS and your money should be protected.</p> <p>COMP 5.5.1 confirms that 'protected investment business' includes: 'designated investment business carried on by the relevant person with, or for the benefit of, the claimant (so long as that claimant has a claim), or as agent on the claimant's behalf'.</p> <p>COMP 12A.2.2 states: 'If a claimant has a claim as agent for one or more principals, the FSCS must treat the principal or principals as having the claim, not the claimant'.</p>