



# about our services and costs



AIC Financial Limited  
 Flight House  
 Earls Colne Business Centre  
 Earls Colne  
 Essex  
 CO6 2NS

**Edition: September 2015**

<b>Intrinsic Customer Promise</b>	
We will always treat you fairly. You can expect in all our dealings with you that we will:	
<ul style="list-style-type: none"> <li>➤ treat you as we ourselves would expect to be treated</li> <li>➤ never take advantage of you</li> <li>➤ be open and honest</li> <li>➤ quickly put right any mistake that we make.</li> </ul>	

<b>1. The Financial Conduct Authority (FCA)</b>	
The FCA is the independent watchdog that regulates financial services. This document is designed by the FCA to be given to consumers considering buying certain financial products. You need to read this important document. It explains the service you are being offered and how you will pay for it.	
<b>2. Which service will we provide you with?</b>	
<input type="checkbox"/>	Independent advice – We will advise and make a recommendation for you after we have assessed your needs. Our recommendation will be based on a comprehensive and fair analysis of the market.
<input checked="" type="checkbox"/>	Restricted advice – We will advise and make a recommendation for you after we have assessed your needs, but we only offer advice on products from panel of leading investment companies. We will be happy to provide you with a list of the companies on the panel at your request
<input type="checkbox"/>	No advice – You will not receive advice or a recommendation from us. We may ask some questions to narrow down the selection of products that we will provide details on. You will then need to make your own choice about how to proceed.

Insurance	
<input checked="" type="checkbox"/>	We will advise and make a recommendation for you after we have assessed your needs for Life Assurance, Critical Illness, Income Protection, Accident Sickness & Unemployment, Home Insurance, and Private Medical Insurance.
<input type="checkbox"/>	You will not receive advice or a recommendation from us. We may ask some questions to narrow down the selection of products that we will provide details on. You will then need to make your own choice about how to proceed.
Mortgages	
<input checked="" type="checkbox"/>	We will advise and make a recommendation for you after we have assessed your needs.
<input type="checkbox"/>	You will not receive advice or a recommendation from us. We may ask some questions to narrow down the selection of products that we will provide details on. You will then need to make your own choice about how to proceed.
3. Whose products do we offer?	
Investment – please refer to section 2 of this document.	
Insurance	
<input checked="" type="checkbox"/>	We offer Private Medical Insurance products from a range of insurers.
<input checked="" type="checkbox"/>	We offer Life, Critical Illness, Income Protection and Whole of Life products from a panel of leading insurers. Ask us for a list of insurers we offer insurance from.
<input checked="" type="checkbox"/>	We offer General insurance* products from Legal & General. *If Legal & General cannot insure you for Buildings and Contents we may use a range of other providers.
Mortgages	
<input checked="" type="checkbox"/>	We offer mortgages from the whole market
<input type="checkbox"/>	We only offer mortgages from a limited number of lenders.
<input type="checkbox"/>	We only offer mortgages from a single lender

4. What will you have to pay us for our services?
Investment
<p>Payment for our services will be on the basis of an agreed Advice Charge. We will discuss your payment options with you and answer any questions you have to enable us to select the options most appropriate for you. We will not charge you until we have agreed with you how and when we will be paid.</p> <p>A description of the options for making <u>payment</u> and for <u>calculating</u> initial advice and ongoing service charges is set out below. Advisers may not offer every client all options.</p> <p><b><u>Payment Options:</u></b></p> <ul style="list-style-type: none"> <li>• <b>Provider Facilitated</b></li> </ul> <p>Following our advice, if you decide to invest through regular premiums, a lump sum or a transfer the initial advice charge can be taken from the payment(s) given to the Product Provider. An ongoing charge for service can also be taken from your investment. In some</p>

circumstances this may give rise to a capital gain and a possible tax liability which would be taken into account in our recommendations.

- **Paying Directly**

Alternatively, you may pay us directly by cheque or bank transfer.

In both cases, you will receive clear details on what the total charge is, the advice/services it relates to, how it has been calculated and when it is due to be paid. Please note, you will be under no obligation to implement any recommendations we make through this firm but an advice charge may still be levied for the work undertaken.

**Calculating the Advice Charge:**

Unless otherwise explained the charges below will cover a full advice process: understanding your current situation, objectives, attitude to risk, research to identify suitable solutions, documenting our recommendations and implementing the agreed solutions.

**Initial Advice Options**

1. Percentage of Investment or Transfer amount

When our work involves investing a lump sum of money, our range of charges is:

- 3 to 5% on first £150,000,
- 2 to 3% on the next £100,000 and
- 1 to 2% on any balance

Our typical charge is 4% of the sum invested, which for an investment of

- £75,000 would be £3,000 and for
- £100,000 would be £4,000

As there is a minimum amount of work involved with even relatively small sums to be invested, the percentage is typically higher for smaller investments, such as with an ISA.

Our typical charge for a full NISA annual premium of £15,240 (for the 2015/16 tax year) or other similar size investment would be 5%, which equates to £750.

Should you invest through regular premiums, our range of charges taken over 12 months are

- Up to 50% of the first £250 of monthly premiums
- Up to 30% of the next £500 of monthly premiums and up to 10% over £750pm.

Our typical charge is 10% of the first three year's premiums

For a regular premium of £150 per month, this would equate to £540 (36 x £150 x 0.1)]

For premiums above £250 per month our typical charge is 10%.

For a regular premium of £300 per month this would equate to £1,080 (36 x £300 x 0.1)

The charges outlined above are raised when the investment is made and will NOT be subject to VAT

If you ask us to stop work after agreeing to these charges you will be invoiced for the time

spent on your case before we receive your instructions using the hourly rates detailed below.

If detailed recommendations with illustrations have not been provided and discussed with you at this point, the charge will be subject to VAT at the standard rate.

## 2. Hourly Rate.

Our charge may be based on the amount of time involved to undertake work at the following hourly rates:

- Advice - Diploma Up to £200
- Advice - Chartered Up to £400
- Para planning support Up to £75
- Travel and Administration Up to £50

Based on our experience and the anticipated complexity of your circumstances we will give you an estimate of the cost for pieces of work in advance of starting chargeable work and will not exceed this estimate without your clear agreement.

The typical time involved to complete the advice process in our offices by a diploma qualified adviser for a client with a single investment or to set up a pension arrangement will be;

Adviser – 6 hours at a cost of £1,200

Paraplanner – 5 hours at a cost of £375

A total of £1,575

For a Pension Transfer from two ceding schemes, in our offices, it will be;

Adviser – 3 hours at a cost of £600

Paraplanner – 8 hours at a cost of £600

A total of £1,200

If you ask us to stop work after agreeing to these charges you will be invoiced for the time spent on your case before we receive your instructions.

If detailed recommendations with illustrations have not been provided and discussed with you at this point, the charge will be subject to VAT at the standard rate

## 3. Fixed Rates

**We offer a range of advice services at fixed rates, set after an initial consultation. Full details of all fixed price services available will be provided on request but our typical charges for two levels of Financial Review are:**

Full Financial Review - £750 to £3,000

A fully documented review of a your assets and liabilities and net worth; current and projected income and expenses (e.g. projected into retirement); insurance policies, retirement provision and other investments, including an analysis of current product and fund features and estimated inheritance tax liabilities with generic recommendations to meet the your broad financial objectives.

Basic Financial Review - £500 to £1,000

**A simple documented review of current arrangements in relation to your objectives, orientated to meet a particular need (such as retirement income) with generic recommendations**

If no further work is undertaken leading to an actual investment, this charge will be subject to VAT at the standard rate

Charges calculated using an hourly or fixed rate may be paid directly or be converted to a % of a subsequent investment, facilitated by the Product Provider.

### **Ongoing Service Options.**

It is important to regularly review your investments to ensure they remain appropriate for your risk profile and the outcomes you seek, which can change over time. Service will include recommending changes to new or existing investments to help meet your goals at an acceptable level of investment risk, providing fund analysis and valuations and a wide range of associated ad hoc services.

Our charges range between 0.25 and 1% of the value your funds each year.

- Our typical charge is 0.5% ('Financial Advice' Proposition) for which we provide an Annual Face-to-Face review meeting. Covering:
    - Assessment of personal Circumstances
    - Review of Goals & Objectives
    - Review of Investment performance & holdings
    - Valuations & Investment commentary
    - Reassessment of Risk Profile & Asset Allocation
    - Fund Switching & Rebalancing
- We will consider any changes to your attitude to risk and objectives and check that your investments remain appropriate. We will periodically provide you with information relevant to your circumstances and contact you regarding changes in legislation, tax or budget that may be of interest.
- For funds under management of £50,000 a 0.5% charge would equate to £250 pa. In cash terms, the charge will increase and decrease in line with value of your funds.

Alternatively, for clients and their families with more complex financial arrangements likely to need a range of support services over time such as IHT planning, remortgaging, taking retirement benefits over time and regular cash flow monitoring, we may agree a monthly retainer that reflects the service required, paid by standing order or direct debit. A typical charge will be £100 to £200 per month. Details are available on request.

### **Other Points**

We will ask you to sign personalised Charge Agreement for the agreed Initial Advice and Ongoing Service

The Ongoing Service Charge can be cancelled at any time without any penalty by email or post using contact details provided. These methods ensure we have an audit trail for your instruction. You will be responsible for cancelling any instructions from your bank. If the

charge is being taken from your investments we will endeavour to instruct the Provider, Platform or DFM to stop the charge within 5 working days of receiving your instructions and refund any over payment if we are unable to meet this commitment.

You may ask us for an updated estimate of your advice charge at any time and you may ask us not to exceed a given amount without checking with you first. We will tell you if you have to pay VAT. The attached Terms of Business includes basic details of our mutual obligations with regard to adviser charges.

<b>Insurance</b>	
<input type="checkbox"/>	A fee.
<input checked="" type="checkbox"/>	No fee for Life Assurance, Critical Illness, Income Protection, Accident Sickness & Unemployment, Home Insurance, and Private Medical Insurance. We will be paid by commission from the company.
You will receive a quotation which will tell you about any other fees relating to any particular insurance policy.	
<b>Mortgages</b>	
<input type="checkbox"/>	No fee. We will be paid by commission from the lender. Or you could choose a fee only option where you will pay a fee of (enter amount or percentage) and we will pass on any commission paid by the lender to you.
<input checked="" type="checkbox"/>	A fee of £350 up to £750 payable at the outset. We will also be paid by commission from the lender. Or you could choose a fee only option where you will pay a fee of £1,000 and we will pass on any commission paid by the lender to you.
You will receive a key facts illustration when considering a particular mortgage, which will tell you about any fees relating to it.	
<b>Refund of fees</b>	
If we charge you a fee, and your mortgage does not go ahead, you will receive:	
<input type="checkbox"/>	A full refund if the lender rejects your application.
<input checked="" type="checkbox"/>	No refund if you decide not to proceed.

## 5. Who regulates us?

AIC Financial Ltd is an appointed representative of Intrinsic Financial Planning Limited and Intrinsic Mortgage Planning Limited Wiltshire Court, Farnsby Street, Swindon, SN1 5AH which is authorised and regulated by the Financial Conduct Authority. Intrinsic Financial Planning Limited's FCA Register number is 440703 and Intrinsic Mortgage planning Limited's FCA Register number is 440718.

The permitted business of Intrinsic Financial Planning Limited and Intrinsic Mortgage Planning Limited is advising on and arranging pensions, investments, mortgages, life assurance and general insurance.

You can check this on the FCA's Register by visiting the FCA's website [www.FCA.gov.uk/register](http://www.FCA.gov.uk/register) or by contacting the FCA on 0845 606 1234.

## 6. Loans and ownership

Intrinsic Financial Services Limited owns 100% of the share capital of Intrinsic Financial Planning Limited and Intrinsic Mortgage Planning Limited. Old Mutual Wealth Life Assurance Limited owns 100% of the share capital of Intrinsic Financial Services Limited

## 7. Other Interests

Intrinsic has a number of payment arrangements with various product providers to facilitate adviser learning and enhance the outcomes for our clients. Further details are available on request.

Intrinsic operates a panel of protection providers as part of its restricted offering as explained in Section 2. The product providers who make up the protection panel contribute to additional customer benefits including Accidental Death Benefits and claims support via Red Arc. These additional customer benefits are funded through commission payments to Intrinsic and further details are available on request.

## 8. What to do if you have a complaint

If you wish to register a complaint, please contact us:

**In writing:** Complaints Department, Intrinsic Financial Services Limited, Wiltshire Court, Farnsby Street, Swindon, SN1 5AH.

**By phone:** Telephone 01793 647400.

**If you cannot settle your complaint with us, you may be entitled to refer it to the Financial Ombudsman Service.**

## 9. Are we covered by the Financial Services Compensation Scheme (FSCS)?

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

### Investment

Most types of investment business are covered up to a limit of £50,000.

### Insurance

Insurance advising and arranging is covered for 100% of the claim, without any upper limit.

### Mortgages

Mortgage advising and arranging is covered up to a limit of £50,000.

Further information about compensation scheme arrangements is available from the FSCS.

## **Terms of Business**

This document sets out the terms of business between Intrinsic Financial Services, its Appointed Representatives and its clients. These Terms of Business apply until further notice. Either we or you can end them at any time, without penalty and this will not affect any outstanding transactions being carried out on your behalf.

### **Investment Advice and Recommendations**

Any investment advice your adviser provides will be based on your personal financial circumstances and objectives. We will confirm these and the reasons for any recommendation in an Advice Report. If you have asked for any restrictions on the types of investment or the markets you wish to invest in, these will be confirmed in the Advice Report.

### **Advice and Service Charges**

- 1) Transaction only Charges: Payment of the initial Advice and ongoing Service Charge will be facilitated by the relevant Product Providers or Platform administrators as a percentage of premiums invested or of the value of the plan's value/funds under management as at the anniversary of the initial investment.  
If the Client cancels their investment in the cooling off period or stops their regular premium payments the Charge will no longer be due unless a minimum charge is agreed.
- 2) Terms of payment for any other arrangement will be detailed in a personalised Charge Agreement. If you wish to proceed, you will be asked to sign and return a copy to confirm your understanding and acceptance of the arrangements.

Full details of the final Advice and any future Service Charge will be provided in the Advice Report prepared for you by your Adviser. If you opt to pay the Adviser Charge directly (not through a product) an Invoice will also be provided.

Providers/Platform administrators will detail the specific process they operate to facilitate a Charge in their literature.

### **Your Duty of Disclosure**

It is your responsibility to provide complete and accurate information to insurers when you take out an insurance policy. It is important that all statements made on the proposal form, or on any additional documentation are full and accurate. Please be aware that if you fail to disclose any relevant information, or any change of circumstances to your insurer then any claim may not be paid. We strongly recommend that the information you provide is checked thoroughly prior to submission.

### **Acting in your Best Interests**

If any material interest or conflict of interest should arise in business that we are arranging for you, we will let you know and ask for your consent before we carry out your instructions.

### **Client Classification**

The FCA has rules which affect the rights you have as a customer.

We classify all our individual customers as 'retail' customers. As a retail customer you have rights under the Financial Ombudsman Service (FOS) and the Financial Services Compensation Scheme (FSCS). These are set out in the Services and Costs Disclosure Document – "What to do if you have a complaint" and "Are we covered by the Financial Services Compensation Scheme" sections. We have internal complaint handling procedures available – ask us if you would like a copy.

There are other classifications of customer that don't have these rights. These are "professional" customers - such as listed companies, local authorities and larger partnerships or trusts. Also "eligible counterparties" (e.g. national governments and other state bodies, banks or regulated financial services firms).

If you have any questions regarding your classification please write to Intrinsic Financial Services Ltd Compliance Department, Wiltshire Court, Farnsby Street, Swindon, SN1 5AH or to the Financial Ombudsman Service and FSCS.

**Data Protection Act 1998**

The personal information you provide will assist your financial adviser in offering you the best advice as required by the Financial Services and Markets Act 2000. The personal data you provide will be used and stored in accordance with the Data Protection Act 1998. To understand exactly what data we hold, why we hold it and your rights under the Data Protection Act 1998 our Fair Processing Notice can be viewed at [www.intrinsicfs.com](http://www.intrinsicfs.com)

**Client Money**

**We do not handle Client Money.** We never handle cash and will only accept a cheque made out to us in settlement of Advice and Service Charges.

**Financial Crime**

All transactions relating to the services provided by us are covered by Money Laundering Regulations and the Proceeds of Crime Act. The FCA also requires that we have appropriate measures in place to prevent the furtherance of financial crime. Our responsibilities under these regulations and the rules of the FCA include but are not limited to verifying the identity and address of our clients and of any third party making payments on their behalf. Where we require, you must supply proof of your identity in accordance with the requirements of the above Regulations.

Such verification may include electronic searches of the electoral roll and the use of credit reference agencies, which will result in a soft foot-print' on your credit records. This foot-print is not visible to other financial service providers and does not affect your credit rating in anyway. In accordance with the Data Protection Act 1998 acceptance of these terms and conditions represents your permission to us to access this information.

**Governing Law**

This agreement shall be governed and construed in accordance with the laws of England and Wales. In relation to any dispute, the client irrevocably agrees to submit to the non-exclusive jurisdiction of the English courts.