CLIENT LETTER OF ENGAGEMENT

Pettecrew Financial Planning Ltd
76 Gloucester Road
Urmston
Manchester
M41 9AE

Tel: 0161 393 8430

Pettecrew Financial Planning believes that professional advice can add significant value to individuals and businesses. Therefore, choosing your financial adviser is one of the most important decisions you will ever make. Take your time, choose wisely, and we hope that we can earn the right to work with you into the future.

Your Financial Plan

As your partner in building wealth and financial security, our role is to help you identify, achieve and maintain your desired lifestyle without the fear of running out of money.

By engaging Pettecrew Financial Planning, you assure yourself of regular financial check-ups and access to new ideas brought to you by our team. Our comprehensive, ongoing financial planning service is designed to create real value for you.

The discovery meeting

Our five different service propositions are described over the following pages. At your first Discovery Meeting with one of our qualified financial advisers, we will help you to select the service that best meets your needs. This meeting is without obligation, at our expense and is the first step in getting to know you well. By the end of this meeting, our financial adviser will have demonstrated our empathy, experience and expertise to support you on your financial journey and:

- Understand where you are now
- Know what you want to achieve financially in the years ahead
- Be clear about what is important to you and what you want your money to do

Without this insight, no financial decisions can be made.

Our financial planning process

Once we know what you are trying to achieve, we undertake an all-encompassing financial planning process, analysing your existing investments to identify the current and future value of what you have already. We also consider your lifetime expenditure requirements to create reasonable assumptions about what your financial future looks like and to build a blueprint for your future financial strategy. In other words, financial planning as it should be.

Simplifying investment management

We use the very latest technology to deliver a consolidated view of your entire wealth, helping to facilitate decision making and day-to-day investment management.

Service Levels

We provide a range of service levels to accommodate all circumstances:

Transactional: **Initial transaction(s) including research, recommendation and implementation. No ongoing service.**

Ongoing Services: **Initial transaction(s) including research, recommendation and implementation. Access to our ongoing services; service level dependent upon total investable assets as set out below.**

Premier	Comprehensive	Generations
£500k+	£75k-£500k	<£75k
1% per annum	1% per annum	1% per annum
Our enhanced ongoing advice service.	Our standard ongoing advice service.	Restricted to the children/grandchildren of existing Comprehensive/Premier clients.

Our annual fees are levied against the total value of your assets under management and are paid monthly in arrears through your policy(s). Where payment cannot be facilitated through your policy(s), alternative solutions will be discussed with you.

Full summaries of our different ongoing service levels are described below.

Premier Wealth Management Service

A bespoke Wealth Planning service designed for clients with significant financial arrangements.

The Premier Wealth Planning service is designed for clients typically with investable assets of more than £500,000.

Our role is to help you identify, achieve and maintain your desired lifestyle without the fear of running out of money.

What can you expect?

- One planning meeting a year (additional meetings available at no extra cost).
- Annual assessment of your goals, aspirations and personal circumstances.
- Annual assessment of the tax efficiency of your financial arrangements.
- Annual assessment of your attitude to investment risk and capacity for loss.
- A distinctive approach to investment management.
- Providing information on opportunities that may interest you throughout the year via phone/post.
- Supplying end of year taxation information as required.
- Providing strategic updates to your accountant or any other professional advisers as required.

Comprehensive Wealth Management Service

A tailored Wealth Planning service designed around clients' unique goals, to help individuals and families achieve and maintain their desired lifestyle without the fear of running out of money.

The service is suitable for clients with investable assets between £75,000 and £500,000 who recognise the need for integrated Wealth Planning advice.

Your adviser will work with you to understand your goals and objectives to deliver Your Financial Plan.

What can you expect?

- One planning meeting a year (additional meetings available at no extra cost).
- Annual assessment of your goals, aspirations and personal circumstances.
- Annual assessment of the tax efficiency of your financial arrangements.
- Annual assessment of your attitude to investment risk and capacity for loss.
- A distinctive approach to investment management.

Generations Advice Service

The Generations Service was created specifically to assist the children and grandchildren of our clients.

Designed to provide the future generations of our clients with investable assets of less than £75,000 access to independent advice and solutions normally reserved for wealthier clients.

Our role is to oversee clients' portfolios and communicate with them via email or post to ensure their objectives are met.

What can you expect?

- Biennial planning meeting.
- Establishment of attitude to investment risk and capacity for loss.
- Access to expert professional independent advice.
- Detailed recommendation reports.
- Telephone and email access to our expert team.

Schedule 1 - Our Wealth Management Fees

The Discovery Meeting

Our initial meeting with you is at our expense.

Your Commitment Fee

Having agreed to engage with Pettecrew Financial Planning, we will ask for a Commitment Fee based on the service you have selected:

Transactional	£1,500
Premier	£1,500
Comprehensive	£1,500
Generations	£500

Your Commitment Fee covers some of the cost of the initial data gathering, research, analysis and discussions with other professional advisers as required. Should you proceed with our recommendation(s), this will be offset by your Implementation Fee as below. However, if you reject our recommendation(s), we reserve the right to invoice you this figure within eight weeks of the date of issue.

Wealth Planning Implementation Fee

For arranging new pensions*/investments and/or reviews of existing policies, our Implementation Fee is levied as a percentage of the total value of the assets involved, subject to our minimum Commitment Fee as above. This is calculated on a banding basis set out here and highlighted in the examples below.

Our banding basis is as follows:

Band 1: Up to £249,999	@ 3.0 %
Band 2: £250,000 - £499,999	@ 2.0 %
Band 3: £500,000 plus	@ 1.0 %

*For each additional pension review, your Commitment Fee will increase by £500.

Where we have implemented a protection contract as part of our recommendation(s), any commission received will be used to offset your Implementation Fee. Any remaining difference will be charged either via your portfolio or directly invoiced.

Example 1

New client with cash investment of £100,000 plus transferring invested assets of £50,000. Falls into fee band 1: Up to £249,999

INITIAL FEE PAYABLE		
£100,000 + £50,000 = £150,000	@ 3.0%	→ **£4,500 (TOTAL)**

Example 2

New client with cash investment of £200,000 plus transferring invested assets of £250,000. Falls into fee band 2: £250,000 - £499,999

INITIAL FEE PAYABLE		
£200,000 + £49,999 = £249,999	@ 3.0%	→ **£7,499.97**
£200,001	@ 2.0%	→ **£4,000.02**
		→ **£11,499.99 (TOTAL)**

Example 3

New client with three pensions valued at £75,000. Falls into fee band 1: Up to £249,999

INITIAL FEE PAYABLE		
£75,000	@ 3.0%	→ **£2,250**
Implementation fee: £1500 + £500 + £500 = £2500		→ **£250 (shortfall)**
		→ **£2,500 (TOTAL)**

Example 4

Existing clients with £211,000 already managed by Pettecrew Financial Planning with new top up cash injection of a further £40,000. Falls into fee band 2: £250,000 - £499,999

INITIAL FEE PAYABLE		
£40,000 (£211,000 + £40,000 = £251,000)	@ 2.0%	→ **£800 (TOTAL)**

Ongoing Planning Fee

Ongoing planning is a key element of our Wealth Planning proposition and one that is essential in providing you with peace of mind and the certainty that you will have the best chance of living the life you desire without the fear of running out of money.

Pettecrew Financial Planning levies a 1% per annum fee based on the value of your overall portfolio under our supervision. For example:

- A portfolio valued at £750,000 would attract an annual fee of £7,500
- A portfolio valued at £350,000 would attract an annual fee of £3,500.
- A portfolio valued at £100,000 would attract an annual fee of £1,000.

Our Ongoing Planning Fee is calculated on the basis of a percentage of the value of your portfolio under our supervision. Your portfolio value will be based on all investments that are being used to satisfy your capital and income requirements. The amount you pay will, therefore, fluctuate with the value of your investments: if your investments increase in value, the amount you pay us will also increase and if your investments fall in value, the amount you pay us will reduce.

Our Implementation and Ongoing Planning Fees are expressed as a percentage of the value of your portfolio under our supervision, and we will confirm the exact monetary amount based on the valuations at the time in our written Suitability Report.

Annuities & Immediate Care Plans

A flat fee of 3% of the funds being advised is charged for advice relating to annuities or immediate care plans. This is subject to a minimum fee level of £1500. For example:

- An annuity/immediate care plan of £150,000 will attract a fee of £4,500.
- An annuity/immediate care plan of £100,000 will attract a fee of £3,000.
- An annuity/immediate care plan of £40,000 will attract a fee of £1,500 (minimum of £1,500 applies)

Additional Fees

Where specialist advice or advice over and above or outside of the scope of our three service levels is required, a fee will be charged based on a number of factors:

- The complexity of the matter and the research involved.
- The specialised knowledge and responsibility involved.
- The time spent on the query.
- The number and importance of the documents prepared or considered.

This will be set out in writing and agreed prior to the commencement of any work.

VAT may be added to the fees shown below. We will confirm where VAT will apply.
Hourly rates will be charged as follows:

CERTIFIED FINANCIAL ADVISER	£200 per hour
PARAPLANNER	£ 95 per hour
ADMINISTRATOR	£ 45 per hour

Our Service Commitment to you

Our commitment is simple and that is to provide you with a financial planning service supported by our first class team and leading edge technology to consistently deliver on that promise.

1. Planning Meetings

It is critical that we meet regularly to discuss your financial plan, assess any changes in your circumstances and keep you abreast of any issues that may affect your financial future. As a valued client, you can expect us to review your financial plan regularly. We will additionally contact you by email or telephone when urgent action is felt to be necessary.

2. Full Range of Services

We provide or facilitate all services to support you throughout your financial journey including:

- Retirement Planning
- Investments
- Non-investment based Protection
- Private Medical Insurance
- Auto-enrolment
- Inheritance Tax Planning
- Wills and Powers of Attorney
- Trusts
- Tax Planning
- Multi-generational Financial Planning
- Referral network for accounting and mortgage services

3. Your Team

We have assembled an outstanding team and each individual plays an important role in meeting your needs. You will be looked after by one of our specialist advisers, as well as our paraplanning and client servicing teams who are available five days a week.

4. Our Education

This is a complex and dynamic profession. You can expect your adviser to be qualified, have integrity and offer objective advice at all times. Trust between you and your adviser is central to a successful financial plan. The Financial Planning Team provides advice in a co-ordinated and professional way and best practice is always shared.

5. Your Commitment

We have outlined our service commitment to you in detail. In return we ask that you commit to meeting with us, provide us with all the information that we need and ensure that we are managing all of your assets. It is only with full disclosure that we can fulfil our promises to provide the best advice.

6. Code of Ethics

Our advisers adhere to the Code of Ethics and Professional Practice of professional bodies such as the Personal Finance Society and Institute of Financial Planning and will provide you with the highest level of service. However, if on any occasion our service falls short of that which you would expect of a professional firm, please notify the Compliance Officer at our address noted on the first page as soon as possible in order that we may seek to rectify the situation to your satisfaction.

Your Consent (Client Copy)

For your own benefit and protection, you should also read our Terms of Business carefully before signing this Letter of Engagement. If you do not understand any point, please ask for further information.

I/We agree that the Letter of Engagement and the accompanying Terms of Business will come into effect from the date of issue.

Declaration					
I/We agree to pay any fees applicable to Pettecrew Financial Planning for the selected service as indicated below. I/We understand that further charges may also be applicable for third party services and in relation to any products recommended. These charges will be fully disclosed prior to any applications being completed. I/We also confirm that the Pettecrew Financial Planning Terms of Business has been provided and that this has been read and understood.					
	Transactional	**Premier**	**Comprehensive**	**Generations**	**Lite**
Please tick your chosen service					
Date Issued					
Financial Adviser					
Signed by:					
Client or Representative					
Print Name					
Client or Representative					
Print Name					
Your Financial Adviser					
Date Signed					

Marketing Preferences

If you would like to opt in to receiving communications regarding investment opportunities/other services via phone, email or post, please provide your consent below:

PHONE	**EMAIL**	**POST**
☐	☐	☐

THIS PAGE IS LEFT INTENTIONALLY BLANK.

Your Consent (Adviser Copy)

For your own benefit and protection, you should also read our Terms of Business carefully before signing this Letter of Engagement. If you do not understand any point, please ask for further information.

I/We agree that the Letter of Engagement and the accompanying Terms of Business will come into effect from the date of issue.

Declaration					
I/We agree to pay any fees applicable to Pettecrew Financial Planning for the selected service as indicated below. I/We understand that further charges may also be applicable for third party services and in relation to any products recommended. These charges will be fully disclosed prior to any applications being completed. I/We also confirm that the Pettecrew Financial Planning Terms of Business has been provided and that this has been read and understood.					
	Transactional	**Premier**	**Comprehensive**	**Generations**	**Lite**
Please tick your chosen service					
Date Issued					
Financial Adviser					
Signed by:					
Client or Representative					
Print Name					
Client or Representative					
Print Name					
Your Financial Adviser					
Date Signed					

Marketing Preferences

If you would like to opt in to receiving communications regarding investment opportunities/other services via phone, email or post, please provide your consent below:

PHONE	EMAIL	POST
☐	☐	☐