

CLARENDON

FINANCIAL PLANNING LTD

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[www.clarendonfp.co.uk](http://www.clarendonfp.co.uk)



## PROFILES

**Frederick Hervey-Bathurst MSI (Director)**  
Chartered Financial Planner



Frederick is the founding director of Clarendon, having previously established Chestergate in 1996. (Clarendon is the result of the demerger from Chestergate). He is married with two children and started his career in financial planning after graduating from university. Frederick is a member of the Securities Institute and a Chartered Financial Planner. He runs employee benefit schemes for a wide range of employers. Frederick's private client work involves developing strategies to create and manage wealth to meet his clients' objectives and goals.

**Peter Pelly APFS (Consultant)**  
Chartered Financial Planner



After a short service commission in the Royal Green Jackets, Peter joined an insurance brokerage specialising in advising the Armed Forces. In 1987 Peter joined an insurance company as an adviser, developing a detailed knowledge of individual and company pension arrangements. Peter has worked with Frederick since 1999 and has continued his professional development, qualifying as a Chartered Financial Planner in the first year possible. Peter provides advice to individuals and companies, particularly on pensions matters, including divorce issues. Peter is married with four children and lives in Salisbury.

**Trevor Smith, APFS (Consultant)**  
Chartered Financial Planner



Trevor joined the financial services industry in 1974. He has worked for a number of investment companies including Skandia and Old Mutual, where he headed up the technical marketing department. Trevor became an Independent Financial Adviser in 2001 when he bought into an established practice before joining Clarendon in 2011. He specialises in providing investment and pensions advice to individuals and trustees.

**Gary Walsh BA (Hons) Dip PFS (Consultant)**



Gary has worked with Frederick since 2008 and has worked in financial services since 2000, specialising in corporate pensions and investment. Gary has achieved the higher level Diploma in Financial Planning (required for all advisers by 2013) and is progressing toward full Chartered status having already passed the highest level of pension exam. Gary's qualifications include employee benefits (group risk), trusts, and investment portfolio management.

## **Christine Holloway**



Christine has worked with Frederick and Peter since 2000. Her primary role is to support Frederick and she has responsibility for the day to day office management. Christine has been working in financial services for over 20 years and was previously an adviser for Abbey National.

## **Val Goode**



Val has worked with Frederick and Peter since 2001. Val predominantly provides reception and secretarial support for the office and also provides administrative support when necessary.

## **Helen Walker**



Helen joined Clarendon in 2011 to support Frederick and Trevor. Helen began her career in financial services with HBOS in 1999 within their Credit Card Operation, before being promoted to a Customer Relations role based at Halifax Head Office. Having relocated to Salisbury, Helen spent the last 4 years working for one of the UK's largest pension providers (James Hay Pension Trustees) covering all aspects of SIPP and WRAP.

## Why Choose Clarendon?

### Qualifications & Technical Knowledge

Frederick Hervey-Bathurst, Peter Pelly and Trevor Smith are Chartered Financial Planners, holders of the profession's highest qualification, achievable only by rigorous examination. Fewer than 1% of the UK's independent financial advisers have this qualification.

Clarendon is convinced of the value to our clients of up-to-date, challenging professional qualifications. Peter Pelly has been involved in the setting of examinations for the Chartered Insurance Institute, and as a company, we are committed to supporting all employees who wish to develop their professional knowledge. Gary Walsh has qualified in investment management, group risk, and the highest level of pensions since joining and will soon be eligible for Chartered status.

### Lifetime Cash Flow Analysis

Clarendon's commitment to investing in technology allows us to provide a lifetime cash flow analysis for each client, using sophisticated computer software. This enables us not only to identify investment objectives, but to assess objectively the best way of achieving them. The system is also a useful tool in ascertaining an approach to investment risk.

### Ground-breaking Approaches

Clarendon's advisers have enquiring minds; their enthusiasm for continuing professional development is only one aspect of this. We challenge current fashions and apply fundamental economic principles to find creative solutions to our ever-changing world.

We invest, we do not speculate.

### Stability

Clarendon started trading in June 2011 however we have worked with one another for over ten years. All advisers remain fully committed to the business, with long-serving staff who understand the company's ethos of client care.

### Understanding Client Needs

Clarendon's staff have personal knowledge and experience of the many different objectives which are prioritised by our clients. Whether your interest is in keeping the family home, planning for school fees or ensuring a comfortable retirement, Clarendon's staff will understand your concerns.

### Independence

Clarendon provides independent, impartial advice. We find the most suitable product to meet the needs of our clients, from the simplest to the most complex financial instruments. Our status as independent financial advisers allows us to select from the widest possible range of investment managers and their offerings, rather than being tied to any one company's products.

### Informed Decision Making

All investment recommendations must be approved by our clients before action is taken. This ensures that clients fully appreciate the strategy and factors behind each decision.

### Integrity

Clarendon does not hold client money and does not provide a discretionary service. Clarendon upholds the highest standards of professional conduct.

## OUR SERVICE PROPOSITION

	Charges
<p><b><u>COMPREHENSIVE QUESTIONNAIRE (LIFETIME CASH FLOW ANALYSIS)</u></b></p>	
<p>Provision of comprehensive questionnaire leading to lifetime cash flow analysis:</p> <p>1. Completion and return of questionnaire with letters of authority as appropriate within six weeks:</p> <p>2. Reviews: If total funds under management (paying 0.5% p.a. fund based commission) exceed £150,000</p> <p style="padding-left: 40px;">If funds are less than £150,000.</p>	<p>£500 with the following <i>reductions</i></p> <p>Fee reduced to £350</p> <p>No fee incurred</p> <p>Fee of £150</p>
<p><b><u>REACTIVE</u></b></p> <p>A) Where funds under management generate minimum income to Clarendon of £500 p.a.</p> <p>B) £200 p.h. (maximum) - refer to 'key facts' page 15.</p>	<p>£30 p.m./min 18 months</p> <p>£200 p/h max</p>

### Notes

- The Financial Services Authority requires Clarendon to base advice on comprehensive and current information of clients' circumstances and objectives. For this reason the above time scale must be adhered to; otherwise extra work, with related cost, is incurred.
- For more detailed explanation refer to [www.clarendonfp.co.uk](http://www.clarendonfp.co.uk). or telephone 01794 388 594.

## ANNUITY PURCHASE

Purchase Price (after tax free cash)	Number of plans transferred						
	1	2	3	4	5	6	7+
£15-50,000	£800	£1,050	£1,300	£1,550	£1,800	£2,050	NEGOTIABLE
£51-£100,000	£1,600	£1,850	£2,100	£2,350	£2,600	£2,850	
£101-£200,000	£2,000	£2,250	£2,500	£2,750	£3,000	£3,250	
£201,000 +	NEGOTIABLE						

## PENSION TRANSFER (CONSOLIDATION)

Total fund after consolidation	Number of plans transferred								
	1	2	3	4	5	6	7	8	+
£0-£25,000	£600	£800	£1,000	£1,200	£1,400	£1,600	£1,800	£2,000	Negotiable
£25-£50,000	£500	£700	£900	£1,100	£1,300	£1,500	£1,700	£1,900	Negotiable
£50-£100,000	£400	£600	£800	£1,000	£1,200	£1,400	£1,600	£1,800	Negotiable
£100-£150,000	£300	£500	£700	£900	£1,100	£1,300	£1,500	£1,700	Negotiable
£150,000 +	Negotiable								

Assumption: Clarendon receives 0.5% p.a. of funds under management.

## STAKEHOLDER / PERSONAL PENSION

### Single Contribution

1<sup>st</sup> plan: Minimum charge £250.

2<sup>nd</sup> plan: Reduced to £150 if taken out at same time, with a further £50 reduction for any additional plans taken out at same time.

### Regular Contribution

Minimum charge: £200

2<sup>nd</sup> plan charge: Reduced to £150 if taken out at same time, with a further £50 reduction for any additional plans taken out at same time.

- Assumes 0.5% p.a. fund based commission is paid.

## PROTECTION

(Term, family income benefit, critical illness, whole life,  
private medical, permanent health [disability/income protection], keyman insurance)

Minimum fee/commission: £600.00

Additional minimum fee/commission where trust is required: £250.00

True cost/time is often considerably greater than £500: £2,000 is not unusual, dependent upon factors such as medical underwriting and efficiency of GP. We therefore do not anticipate rebating any additional commission earned.

## INVESTMENT

(Individual savings accounts, collective investments, bonds et cetera)

Minimum charge: £216 (equivalent to 3% of £7,200: standard commission).

Where commission received is below £216, a fee will be charged for the difference (unless total funds under management exceed £50,000 on the date the investment was made).

## VCT/EIS/BPR

Minimum charge = £1,000.

## CLIENT AGREEMENT

### Our Status

Clarendon Financial Planning Ltd are independent financial advisers. We are authorised and regulated by the Financial Services Authority (FSA) and are bound by its rules. All individuals employed by or contracted to Clarendon Financial Planning Ltd to provide investment advice are approved by the FSA under the firm's authorisation. Our registration number is 540286. Our details can be checked on the FSA Register by visiting the FSA's website [www.fsa.gov.uk/register](http://www.fsa.gov.uk/register) or by contacting the FSA on 0845 606 1234.

### Services

We are authorised to advise on and arrange a wide range of investments (such as unit trusts, OEICS and ISAs), life assurance, pensions, term and protection assurance, mortgages and equity release. We can also advise on and arrange bank and building society investments and National Savings products. In relation to any life policy and any other product that we recommend, our advice is always offered on the basis of a fair analysis of the relevant market. We will agree with you whether or not you would like us to keep your arrangements under review. If you do not wish us to do this, we will not give any further advice unless requested to do so by you, but we will be glad to advise you at any time if you ask us to.

### Client Classification

It is a requirement of the FSA that we formally classify all our clients into certain categories. Unless otherwise agreed in writing, we have classified you as a Retail Client, which means you have the highest level of protection available under the regulatory system. You may request a different classification if you wish but you should be aware that if you are reclassified you may lose some regulatory protection.

### Investment Objectives

We will confirm how our recommendations meet your individual needs in our suitability letter. When making a detailed investment recommendation, we will confirm your investment objectives and any restrictions on the types of investment in which you wish to invest.

### Remuneration

We will discuss payment options with you and answer any questions you may have prior to conducting any chargeable work for you. Here is a summary of payment options. Please note that other costs, including taxes, may arise that are not paid by us nor imposed by us.

#### Investment - fee option

Whether you buy a product or not, you will pay us a fee for our advice and services, which will become payable on completion of our work. We will confirm the rate we will charge in writing before beginning work, and we will tell you if you have to pay VAT. You may ask us for an estimate of how much in total we might charge, and you may ask us not to exceed a given amount without checking with you first. Our typical hourly rates are:

Director:	£200 per hour
Financial adviser:	£200 per hour
Administration:	£75 per hour.

If you choose this payment option and we also receive commission from a product provider (see below) we will pass on the full value of that commission to you; for example, we could reduce our fee, reduce your product charges, increase your investment, or refund the commission to you.

□ **Investment - commission only option**

If you buy a financial product, we will take our remuneration as commission from the product provider. Although you pay nothing up front, you are paying us indirectly through product charges, which reduce the amount left for investment. We will tell you how much the commission will be before you complete an investment, but you may ask for this information earlier. In some cases we will receive “trail” commission as part of the payment, which we retain to cover administrative and operating expenses generally. By signing this agreement you are consenting for us to retain such trail commission. Unless we inform you to the contrary this type of commission does not cover ongoing reviews. Some examples of commission are as follows:

- if you invest £10,680 in an ISA we may receive commission of 3% of the amount investment (£320) and 0.5% of the value of the fund (roughly £53 every year);
- if you pay £500 a month into a personal pension with a term of 25 years then we may receive commission of £25 per month;
- if you pay £1000 per annum towards a whole of life policy then we may receive up to £1438 in the first year.

⌋ **Investment - combination of fees and commission option**

If you choose this option we will charge you a combination of fees and commissions as outlined above. The actual amounts will depend on the service provided for you.

⌋ **Insurance**

We do not charge a fee for advising on and arranging insurance policies. We are paid by commission from the insurance companies we use. You will receive a quotation which will tell you about any other fees relating to any particular insurance policy.

⌋ **Mortgages and Equity Release**

Information about our mortgage and equity release services and remuneration is provided in a separate document.

**Instructions**

We normally ask clients to give instructions in writing by either completing the relevant application form and signing the appropriate declaration or sending us a signed letter of authority.

**Accounting to You**

We do not handle client money. We only accept cheques made out to us in settlement of charges or fees for which we have sent you a bill. We do not handle cash. As intermediaries we never own the investments you buy or transact through us. All investments will be registered in the name(s)

of the client(s) unless otherwise agreed in writing. We will forward to you all documents showing ownership of your investments as soon as practicable after we receive them. Where a number of documents relating to a series of transactions are involved, we may retain each document until the series is completed and then forward them to you. In some cases documentation may be sent to you directly from the product provider.

### **Personal Interests**

We undertake not to transact business in which we or one of our other clients or any director or employee has a known interest, or if we become aware that any interest could conflict with your own, unless we have disclosed that interest to you in writing and we have received your written consent to proceed.

Occasionally we may receive commission from a stockbroker or another intermediary that does not form part of the remuneration arrangements we have agreed with you. If we receive such benefit we will inform you and will tell you the precise amount if you ask us to do so.

### **Execution Policy**

We have given due consideration to the relative merits of the different sources from which units are available for sale and purchase. We have considered the sources that are most relevant to our type of firm (eg. directly from the fund manager, from fund supermarkets and via platforms) and we use a range of different venues that are appropriate to the client's needs. For clients where we provide an ongoing review service involving a range of funds, we consider that the additional services provided by a platform justify the additional execution costs that may be incurred. For clients requiring an ad-hoc or single investment, we select a bespoke fund that meets their particular requirements.

Where we select bespoke funds these compare favourably in cost terms with a range of similar funds, and we review our preferred funds regularly. For execution only orders we take instructions directly from the client and may not be able to adhere to our policy for obtaining the best results. We review our execution policy at least annually and whenever a material change occurs that affects our ability to adhere to our execution policy.

### **Complaints**

We take every care to provide the highest standards of service. However, should you ever have a concern or a reason to complain, you should contact Frederick Hervey-Bathurst, Director and Compliance Officer, who will investigate the matter fully. Our contact details are set out below. If your complaint remains unresolved after our investigation you may be entitled to refer it to the Financial Ombudsman Service. A copy of the firm's complaints procedure, and the contact details for the Financial Ombudsman Service, are available on request.

### **Safeguards**

For your protection, Clarendon Financial Planning Ltd is licensed by the Office of Fair Trading under the Consumer Credit Act, registered under the Data Protection Act, and maintains professional indemnity insurance that meets with FSA requirements. We are also covered by the Financial Services Compensation Scheme (FSCS). You may be entitled to compensation from the scheme if you make a valid claim against us and we cannot meet our liabilities. The amount of compensation depends on the type of business and the circumstances of the claim as follows:

- **Investment** - most types of investment business are covered up to a maximum limit of £50,000.
- **Insurance** - insurance advising and arranging is covered for 90% of the claim, without any upper limit.
- **Mortgages and equity release** - mortgages and equity release advising and arranging is covered up to a maximum limit of £50,000.

- **Bank & building society deposits** - are protected up to a maximum limit of £85,000.

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

### **Money Laundering Regulations**

We comply with Money Laundering Regulations which require financial institutions to verify the identity and place of residence of clients. We also request that you inform us as to the source of investment funds. This process will require sight of certain documentation, and we do not take responsibility for any delay in investing where we are awaiting such verification. In the event that you are unable to provide verification documents to us in a timely manner after we have received completed application forms, the application(s) and any monies may be returned to you uninvested. If you provide false or inaccurate information and we suspect fraud or money laundering we will report this.

### **Data Protection**

Clarendon Financial Planning Ltd is a Data Controller that processes data in accordance with the Data Protection Act 1998. In order to advise you properly we must obtain certain information from you about your personal and financial circumstances. We will also need to maintain certain other records. The FSA requires us to retain records of our business transactions for specified periods; we will not, however, keep your records for longer than is necessary. You have the right to inspect your records and all such requests should be referred to **Frederick Hervey-Bathurst** who is the firm's Information Security Officer, at the address set out below. **We may charge a fee of £10 for responding to your request.**

1. You agree that the information we hold about you can be held on computer and / or paper files.
2. You agree that any information we hold about you may be disclosed:
  - a. To third parties (eg, credit agencies and product providers) for the purpose of processing your application;
  - b. The regulators (mainly the FSA) who have a legal authority to check all our records;
  - c. Our compliance consultants, who help us to ensure that we abide by our regulatory obligations.
3. You agree that we may use the information that we hold about you to contact you from time to time by post, fax, e mail or telephone to bring to your attention products, services or information about your existing contracts, which may be of benefit for you. You may opt out of this condition by putting an X in the following box  $\theta$ .
4. We have a legal obligation to ensure that the information is kept up-to-date, which we can only do if you provide us with updated information.
5. You may withdraw your consent to clauses 2a, 2c and 3 at any time by informing us in writing.
6. We never disclose your data to any other third parties (even if related) without your express permission in writing. We will provide you with an authority letter which you would need to sign and return before approaching any other third parties.

**Commencement, Amendments and Termination**

This agreement commences when we receive it signed and dated by you. We may amend this agreement without your prior consent but we will give at least 10 business days' notice before conducting relevant business, unless we consider it to be impracticable to do so under the circumstances at that time.

This agreement may be terminated at any time by either you or us in writing, without prior notice and without penalty, and will be effective from the date the notification is received. Termination is without prejudice to any transactions already initiated, which will be completed according to these terms and conditions unless otherwise agreed in writing. You will be liable to pay for any transactions made prior to termination and any fees, which may be outstanding.

**Declaration and Signature (s)**

**Please read this Client Agreement in full and with care before signing below. Please contact us before signing should you have any queries. Thank you.**

I confirm that I have read this agreement and consent to the terms and conditions expressed therein.

Name of client: ..... Name of client: .....

Signature of client: ..... Signature of client: .....

Date: ..... Date: .....

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