



BALENS FINANCIAL LTD

# Corporate Client Agreement

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BALENS FINANCIAL LTD

## Corporate Client Agreement For Investments & Insurances

### INTRODUCTION

This document is intended to be issued to business and corporate clients where Balens Financial Limited are providing advice in the area of investments, pensions and different types of life and protection cover. This document is not intended to be issued to any private individual who would be deemed to be a Retail Client.

### Regulatory Obligations

**Balens Financial Limited** is an Appointed Representative of Go IFA Ltd (FRN 530741), and is Authorised and Regulated by the Financial Conduct Authority. The Financial Conduct Authority (FCA) regulates the financial services industry in the UK and their address is 25 The North Colonnade, Canary Wharf, London, E14 5HS. We are authorised to advise on Investment Products, including Collective Investments, Pensions and Insurance products. In addition, we are authorised to advise on Non-Investment Insurance and Occupational Pension Transfers. 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) FCA No. 630456 or by contacting the FCA on 0845 606 1234.

### Our Products and Services

**Balens Financial Limited** is able to act on your behalf in advising you on investments and non-investment insurance contracts. We offer products and services as follows:

- **Investments** - we offer an Independent advice service. We will recommend investments based on a comprehensive and fair analysis of our relevant market. We will place no restrictions on the Investment Markets we will consider before providing investment recommendations, unless you instruct us otherwise. We will however only make a recommendation when we know it is suitable for you.
- **Non-investment protection contracts** - we offer non investment protection products e.g. term assurance, income protection and critical illness from a range of insurers.

We offer you an initial discovery meeting at a charge of up to £500, at which we will describe our services more fully and explain the payment options. If you decide to go ahead we will:

- Gather and analyse personal and financial information about you and your aims and objectives;
- Advise, recommend and discuss any action we think you should take, and with your agreement, we will implement the relevant products.

**You should be aware that investments carry varying degrees of risk and as their underlying value can fall as well as rise you may not get back the full amount invested.**

### Your aims and objectives

As you are a business / corporate customer it is possible that you may **not be covered** by various elements of the Financial Services Regulatory protection systems. For example, you may not have access to the Financial Ombudsman Service, which is usually available to private individuals (known as Retail Clients).

This document sets out to explain our current understanding as some areas are difficult to clearly define.

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.



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With very few exceptions, we will confirm to you in writing the basis of our recommendations along with details of any special risks associated with the products recommended.

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 conclusion of any contract.

We will communicate with you in English both verbally and in writing for the sending and reception of orders. To avoid any doubt, instructions should be issued in writing. We may also, on occasion, advise on other financial products which are not regulated by the FCA under the Financial Services Act 2012. The Financial Services Compensation Scheme does not apply to any of these products.

Under the terms of this agreement, we may, if appropriate, advise you on investments that 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 not be possible to deal in the investment or obtain reliable information about its value.

## Our Financial Planning Service

### Initial Discovery Meeting

Our initial consultation will comprise of:

- An initial meeting with our qualified Financial Adviser
- A chance to ask questions and understand what we do
- Understanding your expected financial requirements
- Establishing your current circumstances
- Discussing the way you would like us to help you going forward
- Information about our charges

We will also discuss the cost, and levels, of our services both initially and throughout our relationship with you.

### Information Gathering & Analysis

- Gathering of information about your existing financial arrangements and full personal circumstances to build a detailed picture of your current position.
- Review the information gathered from the client, existing product providers and Pension scheme administrators.
- Establish where you are with your current position and plans, to assess any short falls and gaps and to establish your future requirements, time horizon, risk profile and tolerance to risk

### Advice and Recommendation

We will carry out an extensive assessment of your financial circumstances at the outset to establish your financial planning requirements. This will include:

- Understanding of your investment knowledge and attitude and tolerance towards investment risk;
- Recommendation of an asset allocation model that matches your risk profile and the subsequent assessment and suitability of any existing holdings.



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- Discussing your time horizon, growth and income requirements
- Preparing our recommendations with key features and illustrations
- Arranging a second appointment to explain and discuss our recommendations in detail.

When you receive our report/financial plan it will be your decision whether to implement our recommendations either completely or in part. A clear breakdown of what our fees are for implementations is included at the end of this section, which you are in receipt of.

### **Policy arrangement and Implementation**

The implementation of our recommendations includes where appropriate:

- Organising the necessary paperwork to implement our solution
- Dealing with the product provider on your behalf
- Making sure that the application process runs smoothly
- Regular updates to keep you informed of progress
- Ensure all your documents are issued in line with your expectations
- Supplying you with the paperwork and keeping a copy on your file

### **Financial Review**

We can assess your previous and current financial situation and supply a detailed report with recommendations. This service can be done without the need for new product implementation as a standalone service. All charges will be agreed in writing beforehand.

To achieve your longer term goals and objectives it is important that your financial arrangements are reviewed at least annually. Our ongoing review service has three core elements;

- Review of your circumstances and objectives; including changes to attitude to investment risk (if applicable).
- Reporting on progress achieved.
- Assessment of assets held including rebalancing. We can assess your previous and current financial situation and supply a detailed report with recommendations.

### **The cost of our services**

Our aim is to ensure that our charges are clear and represent fair value for the advice we provide. We will always agree the basis of charging and an indication of the charges that will apply.

### **Hourly Rate**

It is important to emphasize that the option of paying for our services on a strict time cost fee basis does exist. We will tell you if VAT applies. Our charge in these circumstances will be levied via a fee invoice for settlement via cheque or BACS payment. Our typical charges are:

- Chartered Financial Planner @ £200 per hour
  - (as an example, arranging an annuity may take a total of 10 hours @ £200 = £2000)
- Financial Adviser @ £150 per hour
- Administration £95 per hour

You may ask us for an estimate of how much we may charge. You may also ask us to not exceed a given amount without checking with you first.



### **Fixed Fee Basis**

The option of paying for our services on a task based or fixed fee basis also exists. In these circumstances we will agree with you a fixed fee for the work that we will undertake on your behalf. The fee charged will be based on commercial considerations as well as the nature of the work to be undertaken, based on our experience and expertise.

Our charge in these circumstances will be levied either via fee invoice, as described above, or by a product charge, as described below. The most common method of charging for our services is via products that are held or arranged on your behalf. Our fees for all of our services are detailed below. Due to the complexity of the above processes your Financial Adviser will confirm the exact fee required.

Advice / Service Costings	Costs to be paid by the client	Amount Agreed
Initial Discovery Meeting	Up to £500	£_____
Information Gathering & Analysis	Minimum £500	£_____
Advice & Recommendations	Minimum £500	£_____
Financial Review	Minimum £1,500	£_____

Arrangement & Implementation area	Costs / Charges	Amount Agreed
Individual Protection Policies	Provider Commission Subject to minimum of £1,000	£_____
Group Insurances	Provider Commission Subject to minimum of £1,500	£_____
Investments	£1,500 - £5,000	£_____
Pension Transfer Advice	£1,500 - £5,000	£_____
At Retirement Planning	£500 - £5,000	£_____
Auto Enrolment Pension	£1,500 - £10,000	£_____
Corporate Pension Planning	£1,500 - £5,000	£_____
Director Pension Planning	£1,500 - £5,000	£_____
Advice to Employees	As per private client agreement	Discount Agreed Y/N Discount Amount____%

As each transaction is different; the fee will vary on the amount of complexity involved. The exact fee will be agreed before work is carried out, with a full written statement of costs provided.

### **Ongoing Service**



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We will discuss the full range of our ongoing services during our initial discovery meeting. These services include, but are not limited to, providing you with:

- structured reviews to give you peace of mind;
- assessment of your circumstances and any changes to your plans that are needed;
- regular updates and information regarding your holdings;
- a choice of differing levels of support depending on your needs;
- Ongoing support with correspondence and administration issues.

Any ongoing service agreed will be customised for your needs and bespoke. We will provide a written explanation of the fees charged for any ongoing service in advance of the work being undertaken. The fee is payable by the company and is not taken from the product.

Should you decide to cancel our agreement to provide ongoing services you must provide written confirmation of your decision and we will cease payments for these services within 28 business days and after collection of any due proportion of any period charges.

### **Our Protection Services and Costs**

Similar to our investment services above, we will provide you with a personal and financial review prior to making our recommendation(s) to you. Should you accept our recommendation(s), we will arrange the implementation of this/these for you. The reasons for our recommendations will also be provided to you in a written report.

We do not charge a fee for our insurance and protection services as we will normally receive commission from the policy provider. You will not be subject to VAT for this service.

### **VAT**

Under current legislation most of our services are not subject to VAT but should this change in future, and where VAT becomes due, we will notify you before conducting any further work.

### **Cancellation rights**

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, pure protection, payment protection or pension policy and a 14 day cancellation period for all other policies.

For pure protection policies the start of the cancellation period will normally begin when you are informed that the contract has been concluded or, if later, when you have received the contractual terms and conditions. In other cases, the cancellation period will begin on the day the contract is concluded or, if later, the day on which you receive the contractual terms and conditions. Instructions for exercising the right to cancel, if applicable, will be contained in the relevant product disclosure information, which will be issued 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.



## Client Money

We are not permitted to handle client money and we cannot accept a cheque made out to us (unless it is in respect of an item for which we have sent you an invoice) or handle cash.

## 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.

## Instructions

We prefer our clients to give us instructions in writing, to aid clarification and avoid future misunderstandings. We will, however, accept oral & email instructions provided we have prior confirmation in a agreed format.

## Material interest

We will act honestly, fairly and professionally known as conducting business in 'Client's Best Interest' regulations. Occasionally, situations may arise where we or one of our other clients have some form of interest in business transacted for you. If this happens, or we become aware that our interests or those of one of our other clients conflict with your interest, we will write to you and obtain your consent before we carry out your instructions, and detail the steps that we will take to ensure fair treatment. In accordance with the rules of our regulator, The Financial Conduct Authority, we are prohibited from accepting any payment (commission or other non-monetary benefits) which is likely to conflict with the duty of the firm to its clients.

## Complaints

If you wish to register a complaint, please write to:

James Hancher  
Go IFA Ltd  
1 Dunstall Business Centre  
Astwood Lane  
Feckenham  
B96 6QH

A summary of our internal complaints handling procedures for the reasonable and prompt handling of complaints is available on request and if you cannot settle your complaint with us, you may be entitled to refer it to the Financial Ombudsman Service (FOS). But please see below:

The FOS have full jurisdiction in deciding who they can / cannot assist, which we would be bound by. As at January 2014 information from FOS states:

Complaints can be made by, or on behalf of, customers (or potential customers) who are private individuals or "micro-enterprises". "Micro-enterprises" (an EU term covering smaller businesses) can bring complaints to the ombudsman as long as they have an annual turnover of less than £1 million and fewer than ten employees. Source – FOS – Jan 2014





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In addition, the Financial Conduct Authority (FCA) website also states that an eligible complainant must be a person that is:

- (1) a consumer;
- (2) a micro-enterprise;
- (3) a charity which has an annual income of less than £1 million at the time the complainant refers the complaint to the respondent; or
- (4) a trustee of a trust which has a net asset value of less than £1 million at the time the complainant refers the complaint to the respondent.

Source: FCA – January 2014

If one of our clients is in doubt about the eligibility of a business, charity or trust, we will treat the complainant as if it were eligible. If the complaint is referred to the Financial Ombudsman Service, the Ombudsman will determine eligibility by reference to appropriate evidence, such as audited accounts or VAT returns.

### **In the event of the Financial Ombudsman Service confirming the case is outside of their jurisdiction**

Please note if FOS confirmed this in writing and the event relating to the complaint was more than 15 years ago we would wish to rely on the relevant 'long-stop' statute. The Limitation Act 1980 states that a claim in respect of negligence cannot be brought more than 15 years after the date of the alleged negligent act. It is our understanding that Court proceedings cannot be started more than 15 years after the date when the cause of action arose (whether the complainant was aware of the cause of action date or not).

### **Compensation Scheme**

We are covered by the Financial Services Compensation scheme (FSCS) if we cannot meet our obligations. This is dependent upon the type of business and the circumstances of the claim. Most types of investment business are covered up to a maximum limit of £50,000, whereas Insurance business is covered for 90% of the claim, without any upper limit.

Further information about this compensation scheme arrangement is available from the FSCS.

**The FSCS Rules which set out who is eligible to benefit from the protection provided by the FSCS are shown on their website. As at January 2014, we understand that some corporate bodies might be excluded. Below are the exceptions that will apply:**

- i) a body corporate (which includes a company, industrial and provident society, Royal Charter body, and statutory corporation) which exceeds two or more of the following:
  - £6.5 million turnover
  - £3.26 million balance sheet total
  - 50 employees
- ii) an unincorporated association which has assets of more than £1.4 million;
- iii) collective investment funds (these would include common investment funds).

To qualify for compensation you must be eligible under the FSCS rules. These rules are outlined in the link below:

<http://www.fscs.org.uk/what-we-cover/eligibility-rules/>

Source- FSCS – January 2014



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**LIMITATION OF LIABILITY – IMPORTANT NOTICE FOR CORPORATE CLIENTS WHO ARE NOT COVERED BY THE FINANCIAL OMBUDSMAN SERVICE & THE FINANCIAL SERVICES COMPENSATION SCHEME. THIS DOES NOT APPLY TO ANY RETAIL CLIENT OR INDIVIDUAL.**

1. This section forms part of our agreement & Terms of Business. We accept instruction to act on your behalf strictly subject to the following limitation upon our liability.
2. Our liability to you for any act or omission (including, but not limited to, our negligence and/or the negligence of any other parties in respect of which we are legally liable to you), whether such liability be in damages, equitable compensation or otherwise, shall not exceed the sum of £1,000,000 in respect of any one transaction or series of related transactions.

This figure has been carefully chosen in order to enable us to offer reasonable redress to our customers in the event of a claim, whilst enabling us to retain competitive levels of fees and commissions and make appropriate arrangements to ensure that any proper claim is met.

This section does not apply to awards made by the Financial Ombudsman Services in the exercise of his compulsory jurisdiction.

3. In section 2 above:
  - i. ‘negligence’ means a breach of any obligation upon us to take reasonable care, whether that obligation is imposed by virtue of a term (express or implied) of any relevant contract or by the law of negligence, or otherwise;
  - ii. ‘transaction’ means any professional service provided by us to you, including (but not limited to) the arranging of insurance, advising on insurance cover and/or on particular wordings, notification of claims to insurers, and claims handling generally;
  - iii. ‘in a series of related transactions’ has its ordinary meaning (save that ‘transaction’ has the meaning given at (ii) above), but includes (without limitation), (a) transactions concerning, connected with or arising out of the same policy of insurance or reinsurance arrangements, or, (b) where different policies or arrangements insure or reinsure (as the case may be) all or some of the same risks, transactions concerning, connected with or arising out of some or all of those policies or arrangements.
4. Under these Terms of Business, you agree not to make any claim against any employee, director, partner, consultant or other individual connected with us. See paragraph 5 below. However, it is also understood and agreed that if for any reason the provisions of paragraph 5 hereof are held to be invalid or unenforceable in whole or in part, any claim made by you against any employee, director, partner, consultant or other individual connected with us is also subject to the limit of liability of £1,000,000 contained in this clause, and you understand and agree that any such individual may avail himself of this limitation.
5. You agree:
  - i. that your remedies in relation to the provision of professional services by us, arising out of or in connection with this engagement, lie exclusively against us and not against any employee, director, consultant or partner as individuals;
  - ii. that you will not make any claim and/or bring any legal proceedings against any employee, director, partner, consultant or other individual, in respect of any act or omission by any such person or persons (whether negligent or not).

You understand and agree that the provisions of this clause may be enforced by any employee, director, partner, consultant or other individual connected with us in accordance with the Contracts (Rights of Third Parties) Act 1999.



## Data Protection

The information you have provided is subject to the Data Protection Act 1998 (the “Act”). By signing this document you consent to us or any company associated with us for processing, both manually and by electronic means, your personal data for the purposes of providing advice, administration and management.

“Processing” includes obtaining, recording or holding information or data, transferring it to other companies associated with us, product providers, the FCA or any other statutory, governmental or regulatory body for legitimate purposes including, where relevant, to solicitors and/or other debt collection agencies for debt collection purposes and carrying out operations on the information or data.

In order to provide services to you we may be required to pass your personal information to parties located outside of the European Economic Area (EEA) in countries that do not have Data Protection Laws equivalent to those in the UK. Where this is the case we will take reasonable steps to ensure the privacy of your information.

We may also contact you or pass your details to other companies associated with us to contact you (including by telephone) with details of any other similar products, promotions, or for related marketing purposes in which we think you may be interested.

The information provided may also contain sensitive personal data for the purposes of the Act, being information as to your physical or mental health or condition; the committing or alleged committing of any offence by you; any proceedings for an offence committed or alleged to have been committed by you, including the outcome or sentence in such proceedings; your political opinions; religious or similar beliefs; sexual life; or your membership of a Trade Union.

If at any time you wish us or any company associated with us to cease processing your personal data or sensitive personal data, or contacting you for marketing purposes, please contact The Data Protection Officer in writing to the address in our footer.

You may be assured that we and any company associated with us will treat all personal data and sensitive personal data as confidential and will not process it other than for a legitimate purpose. Steps will be taken to ensure that the information is accurate, kept up to date and not kept for longer than is necessary. Measures will also be taken to safeguard against unauthorised or unlawful processing and accidental loss or destruction or damage to the data.

Subject to certain exceptions, you are entitled to have access to your personal and sensitive personal data held by us. You may be charged a fee (subject to the statutory maximum) for supplying you with such data.

## Anti-money laundering

We are required by the anti-money laundering regulations to verify the identity of our clients, to obtain information as to the purpose and nature of the business which we conduct on their behalf, and to ensure that the information we hold is up-to-date. For this purpose 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.



### Tax advice

Any basic tax advice is based on a UK Residency / Corporate status unless otherwise agreed in writing. We do not provide tax advice unless directly connected to the agreed financial planning services for each individual case. Unless explicitly agreed in writing, we only provide advice to UK clients – resident & domicile.

### Force Majeure

**Balens Financial Limited** shall not be in breach of this Agreement and shall not incur any liability to you if there is any failure to perform its duties due to any circumstances reasonably beyond its control.

### Termination

The authority to act on your behalf may be terminated at any time without penalty by either party giving seven days notice in writing to that effect to the other, but without prejudice to the completion of transactions already initiated. Any transactions effected before termination and a due proportion of any period charges for services shall be settled to that date.

This is our standard Corporate 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.

Please tick this box if you do not consent to us or any company associated with us processing any such sensitive data.

Please tick this box if you do not wish for us or any company associated with us to contact you for marketing purposes by e-mail, telephone, post or SMS.

### AGREEMENT TO PROCEED

By signing below you are agreeing to our terms as agreed above.

<b>Signed on behalf of Balens Financial Ltd</b>		
<b>Authorised Signatory(s)</b>		
<b>Print Name(s)</b>		
<b>Dated</b>		



**AGREEMENT OF FEES**

**This is our standard Corporate 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.

We are aware of the costs of the Financial Review and Recommendation(s), and where appropriate, the Policy Arrangement and Implementation services and agree to the method and timing of these.

We confirm that we agree to the adviser being remunerated on the basis selected below;

	By deduction from the policy	By Direct Payment	By a combination
<b>Flat Fee/Commission</b>	£	£	£
<b>Ongoing flat fee</b>	£	£	£

By signing below We agree that We have been given, read and understand all of the following documents;

Business Card  Explanation of Cost  Client Agreement

We also confirm We have had the opportunity to read my answers to ‘fact find’ and confirm that the ATR and Fact Find are true and correct.

We confirm We have had the following explained to me:

Risk Associated with chosen product  Cancellation rights  Complaints procedure

<b>Authorised Signatory(s)</b>	<b>Date</b>
<b>Print Name</b>	
<b>On Behalf of (Company Name)</b>	
<b>Financial Adviser Signature</b>	<b>Date</b>
<b>Print Name</b>	

NB: In relation to your chosen ongoing service a separate Ongoing Service Agreement will be issued at the same time as this agreement.