

Welcome Pack

For clients of Inspired Advice Limited

This pack contains essential initial information for anyone seeking financial planning advice from Inspired Advice Limited.

Please refer to the **Contents** listing to become familiar with the range of subjects covered by this document.

Our practice is to issue the **Welcome Pack** to all new clients, and also when we carry out new work on behalf of existing clients.

Inspired Advice Limited

Newlands House, 40 Berners Street, London W1T 3NA

Tel 020 7907 4520 Fax 020 7907 4525

Email contact@inspiredadvice.co.uk

Inspired Advice Limited is an appointed representative of Validpath Ltd which is authorised and regulated by the Financial Services Authority

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About this Welcome Pack

You may already be aware that the financial services profession is highly-regulated and often extremely bureaucratic. Whilst all this regulation is there for a perfectly valid purpose, frequently we find that the paperwork and procedures appear perplexing to our clients. We have therefore attempted to demystify things by organising the essential ingredients into this 'Welcome Pack', and by providing some supplementary information.

Furthermore, we are conscious that for some clients, taking the first steps in accessing independent financial advice might be a somewhat daunting process. For this reason, we have supplied additional information such as our 'First Meeting Agenda'.

We hope you find this helpful!

About Inspired Advice Limited

Our history

Inspired Advice Limited was established by Andy Pape who has over 15 years of financial services experience. He has attained the Advanced Diploma in Financial Planning, which is a degree level qualification. His first degree was in Theoretical Physics.

Andy is proud to be a Chartered Financial Planner. This title is only awarded to those who have attained the highest level of qualification in financial planning. Title holders must also have professional experience, abide by the Chartered Insurance Institute's Code of Ethics and maintain their knowledge by continuing professional development.

The majority of our new clients are referred to us by our accountancy & legal connections or by our satisfied existing clients.

What we are

We are 'Independent Financial Advisers' (IFAs) or 'planners'. In practice, this means two things:

1. our remuneration (the way we charge for services) is not linked to any one company or indeed to one form of payment. We therefore offer our clients a free choice of fee or commission payment options (see later in the 'KeyFacts about our services and costs'). We will discuss this issue with you in full *before* commencing work.
2. we have no ties to any one product-provider (e.g. insurance companies), or indeed to any limited group of companies, when it comes to recommending financial products. In theory this means that we can provide you with genuine 'whole of market' advice, embracing all insurers and investment providers in the UK. In practice, your circumstances or requirements may involve a restricted choice of product-provider – and where this is necessary, we'll tell you.

The types of service we offer

- assistance with specific individual areas of need (e.g. arrange a mortgage, set up a pension).
- reviews of existing arrangements/policies (e.g. portfolio review, pension fund risk assessment).
- broader-based planning (e.g. a holistic review of your financial circumstances & assessment of progress towards achieving objectives).
- more complex tax-planning exercises (e.g. to assist in reducing Inheritance Tax liabilities).
- services aimed at clients entering a particular phase in life (e.g. the restructuring of pensions and investments for retired individuals).
- non-transactional services (e.g. help in organising your affairs, Will-Planning etc).

The things that make us stand out

- we do not charge for the first meeting with a new client.
- we will agree your priorities for attention, and confirm our remuneration basis *before* we commence work for you.
- due to our accountancy connections, we place a strong emphasis on tax-planning (it's not what you *earn*, but what you *keep* that matters).
- we have taken all possible measures to limit our impact on the environment (e.g. all of the paper we use is from 100% recycled sources including our business cards).
- our internal disciplines and procedures are focused on minimising *risk* for our clients. This is evident in our approach to product selection and portfolio construction.
- we simply do not believe most of the product-provider hype. This means that we frequently talk our clients *out* of buying products where we feel the reality does not live up to the marketing.
- we believe that our clients *deserve* genuinely independent financial service. Many competitor firms pay lip-service to the concept of 'independent' financial advice by using restrictive panels of product-providers. We believe that 'independent advice' requires a whole-of-market approach.

We hope that this provides you with sufficient information to have a 'picture' of what we are like as a firm of Independent Financial Advisers – but if you have any further questions, please contact us on 020 7907 4520.

On the following page, we attach our 'First Meeting Agenda' to assist you in preparing for a financial-planning consultation. This page also refers to items of 'compliance' paperwork which the Regulator (the FSA) requires that we give you, or complete with you.

First Meeting Agenda

If this is your first meeting with Inspired Advice Limited, we want you to feel comfortable with us and have a very clear idea of what is involved in the process of seeking and obtaining financial advice. This document is intended to provide you with a broad agenda which we hope you will find helpful.

	Agenda Item	Description	✓
①	Initial regulatory disclosures	The Financial Services Authority requires us to give all new clients a range of introductory items, as follows: <ol style="list-style-type: none"> Retail Client Agreement – sets out the broad terms under which we act for our clients KeyFacts Guide to Services & Costs – a description of our services and the costs associated with financial services advice (according to FSA standards). 	
②	Anti-Money Laundering Procedures	All financial intermediaries are required to take minimum steps to verify the identity of all clients. We would be grateful for your cooperation with this, as it applies to everyone.	
③	Identify your requirements, objectives & preferences	We seek to make our advice as relevant and as specific as possible for our clients' requirements. We are therefore extremely grateful when clients take the time to be clear about the things that really matter to them.	
④	The FactFind!	Clients <i>can</i> access our services on the basis of providing minimal detail regarding their financial circumstances, but the reality is that if you want good-quality advice, we need sufficient (relevant) good-quality information about you. Please help us with this step!	
⑤	Letters of Authority	If you wish us to comment on, assess or analyse your existing policies, we'll need your help in signing 'letters of authority' so we can obtain current information from product-providers.	
⑥	Payment for Services	We endeavour to be as open and clear as possible when it comes to explaining the options for paying for our services. We feel it is important to have the discussion as early in our relationship as possible, so that you do not have concerns about ambiguity or unforeseen costs. We offer our clients the full range of options: (1) pure fee-based advice, (2) commission-based advice, or (3) commission-offset (hybrid) based advice.	
⑦	What Next?	We will follow up our first meeting by confirming exactly what we'll be doing for you and how you will be paying for the service. We will then carry out the necessary research and work on your behalf. Our recommendations can be presented to you either at a face to face meeting or via post or email.	

Thank you for your help!

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Client Factsheet – EU Anti-Money Laundering Regulations

In August 2006, the EU ‘Anti Money Laundering’ regulations were revised, and this has inevitably had a practical impact on the way we have to deal with our clients.

Inspired Advice Limited are required to carry out certain basic ‘Identity Verification’ procedures in respect of all of our clients - both individual and corporate.

Since this is now a legal requirement, we would be grateful for your full cooperation, and the purpose of this factsheet is to explain what is needed.

Where you are existing clients of ours, or particularly where we have known you for some time, please bear with us - the fact that we have to follow these rules does not imply that we doubt what you have told us about your background!

The following table summarises the types of documentation we need to have sight of for individual clients - we would value your assistance in getting items ready for us to copy for our records.

PHOTO-BASED EVIDENCE	or	NON PHOTO-BASED EVIDENCE
Valid passport		Valid old-style full UK driving licence
Valid photocard driving licence (full or provisional)		Recent evidence of entitlement to a state or local authority-funded benefit
National identity card (non-UK nationals)		<i>Supported by...</i>
Firearms certificate or shotgun licence		Instrument of a court appointment (such as liquidator, or grant of probate)
Identity card issued by Electoral Office for Northern Ireland		Current Council Tax demand letter or statement
		Current bank statements, or credit/debit card statements, issued by a regulated financial sector firm in the UK or EU (<u>not</u> internet printouts)
		Utility bills (<u>not</u> internet printouts)
		A record of our visit to your home

As you can see, where clients supply non photo-based evidence, then we need to have *two* forms of evidence. In some instances, depending upon the nature of the investment transaction, we may actually need to ask for some additional information. Where this is the case, we will explain clearly what is required.

Thank you very much for your assistance with this aspect of the financial regulations!

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Please Note: The following pages contain 'initial disclosure' documents compiled according to a format laid down by the Regulator, the Financial Services Authority.

We have carefully segregated these items from our own notes on the previous pages.

The 'KeyFacts' documents contain a general description of services, products and costs. In practice, we tailor our services to match the specific needs of individual clients.

Please never treat these general descriptions of services and charges as being a comprehensive description of what we offer our clients.



Inspired Advice Limited,
Newlands House, 40 Berners Street,
London W1T 3NA

1. The Financial Services Authority (FSA)

The FSA is the independent watchdog that regulates financial services. This document is designed by the FSA 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.

2. Whose products do we offer?

Investment

- We offer products from the whole market.
- We only offer products from a limited number of companies.
- We only offer products from a single company.

Insurance

- We offer products from a range of insurers for Term Assurance, Mortgage Protection Assurance, Critical Illness Insurance, Private Medical Insurance, Permanent Health Insurance, Buildings and/or Contents Insurance, Accident, Sickness and Unemployment Insurance.
- We only offer products from a limited number of insurers.
- We only offer products from a single insurer.

Mortgages

- We offer mortgages from the whole market.
- We only offer mortgages from a limited number of lenders.
- We only offer mortgages from a single lender.
- We do not provide mortgage advice, but may refer you to a specialist

3. Which service will we provide you with?

Investment

- We will advise and make a recommendation for you after we have assessed your needs.
- 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.

- We will provide basic advice on a limited range of stakeholder products and in order to do this we will ask some questions about your income, savings and other circumstances but we will not:
- Conduct a full assessment of your needs;
 - Offer advice on whether a non-stakeholder product may be more suitable

Insurance

- We will advise and make a recommendation for you after we have assessed your needs for Term Assurance, Mortgage Protection Assurance, Critical Illness Insurance, Private Medical Insurance, Permanent Health Insurance, Accident, Sickness and Unemployment Insurance.
- You will not receive advice or a recommendation from us in relation to, Buildings and/or Contents Insurance. 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

- We will advise and make a recommendation for you after we have assessed your needs.
- 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.
- You will not receive advice or a recommendation from us. We will refer you on to an accredited mortgage specialist.

4. What will you have to pay us for our services?

Investment

Not all firms charge for advice in the same way. We will discuss your payment options with you and answer any questions you have. We will not charge you anything until you have agreed how we are to be paid. **We have ticked the payment options we offer.**



Paying by fee. Whether you buy a product or not, on completion of our work, you will pay us a fee for our advice and services. If we also receive commission from the product provider when you buy a product, we will pass on the full value of that commission to you in one or more ways. For example, we could reduce our fee; or reduce your product charges; or increase your investment amount; or refund the commission to you.

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. You may also ask us not to exceed a given amount without checking with you first

Our typical charges are:

Fixed Project Fees

We are able to quote a fixed fee for a specific project. Please ask us for more information.

You may also ask us not to exceed a given amount without checking with you first. It is the policy of Inspired Advice Limited to ask clients to sign a fee agreement prior to undertaking any chargeable work; this is to avoid any confusion at a later date.

A list of typical examples are shown below:	
Initial financial planning surgery (up to 3 hours) with outline report, but no specific product advice	£500
Pension transfer analysis report	£1,000
Amalgamation of up to 3 personal pension policies with a view to purchase an annuity	£2,500
A full bespoke financial planning report	£1,500 to £5,000
Arranging an 'Open Market Option'	£600 to £800



Paying by commission (through product charges). If you buy a financial product, we will normally receive commission on the sale from the product provider. Although you may pay nothing up front, that does not mean our service is free. You still pay us indirectly through product charges. Product charges pay for the product provider's own costs and any commission. These charges reduce the amount left for investment. If you buy direct, the product charges could be the same as when buying through an adviser, or they could be higher or lower. We will tell you how much the commission will be before you complete an investment, but you may ask for this information earlier. The amount of commission we receive will vary depending on the amount you invest and (sometimes) how long you invest, or your age.

For example,

- If you invested £100,000 in an Investment Bond we would receive commission of £5,000 (5%) OR £3,000 (3%) plus 0.5% of the value of the fund (approximately £500) every year.
- If you invest £100 per month (gross) in a new Personal Pension Plan (example based on 25 years to retirement), we would receive commission of £600 and 0.5% of the value of the fund each year (should the fund be worth £1200, the commission would be £6 in year one). The ratio of initial and fund based amounts can be varied if agreed.



Paying by a combination of fee and commission (through product charges). In some circumstances, we may charge you a combination of fee and commission. The fee will not exceed the rates shown in this document. We will agree the rate we will charge before beginning work. The fee will become payable on completion of our work. You may ask us for an estimate of how much in total we might charge. You may also ask us not to exceed a given amount without checking with you first. We will tell you how much the commission will be before you complete an investment, but you may ask for this information earlier. Where we charge a combination of fees and commission, our maximum rates are set out in the fee information and the commission sections above. **In addition to the above we may charge a fee on a different basis for a specific transaction or project but we will agree this with you in advance.**

Insurance

A fee.



No fee for Term Assurance, Mortgage Protection Assurance, Critical Illness Insurance, Private Medical Insurance, Permanent Health Insurance, Buildings and/or Contents Insurance, Accident, Sickness and Unemployment Insurance.

You will receive a quotation which will tell you about any other fees relating to any particular insurance policy.

Mortgages

- No fee. We will be paid by commission from the lender.
- An initial fee of £250 to source a suitable lender and product for you. Any commission we receive from the lender will be offset against this amount.

You will receive a key facts illustration when considering a particular mortgage, which will tell you about any fees relating to it.

Refund of fees

If we charge you a fee, and your mortgage scheme does not go ahead, you will receive:

- A refund of £150

5. Who regulates us?

Inspired Advice Limited, Newlands House, 40 Berners Street, London W1T 3NA is an appointed representative of Validpath Ltd, which is authorised and regulated by the Financial Services Authority. 2020 Financial Services' FSA Register number is 197107. Our permitted business is advising on and arranging investments, pension transfers, insurance and mortgages.

You can check this on the FSA's Register by visiting the FSA's website www.fsa.gov.uk/register or by contacting the FSA on 0845 606 1234.

6. What to do if you have a complaint

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

In writing: Write to Andrew Pape, Inspired Advice Limited, Newlands House, 40 Berners Street, London W1T 3NA.

By phone: 020 7907 4520

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

7. 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 for 100% of the first £30,000 and 90% of the next £20,000 so the maximum compensation is £48,000.

Insurance

Insurance advising and arranging is covered for 100% of the first £2,000 and 90% of the remainder of the claim, without any upper limit. For compulsory classes of insurance, insurance advising and arranging is covered for 100% of the claim, without any upper limit.

Mortgages

Mortgage advising and arranging is covered for 100% of the first £30,000 and 90% of the next £20,000 so the maximum compensation is £48,000.

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

Inspired Advice Limited – Retail Client Agreement

This Agreement is issued on behalf of Inspired Advice Limited of Newlands House, 40 Berners Street, London W1T 3NA who can be contacted at 020 7907 4520 or by e-mailing: contact@inspiredadvice.co.uk. You should read this Agreement in conjunction with our 'KeyFacts Guide to Services and Costs'.

Authorisation

Inspired Advice Limited are Appointed Representatives of Validpath Ltd which is authorised and regulated by the Financial Services Authority, Number 197107.

Client Classification

Each client with whom the firm does business is categorised as to identify the level of regulatory protection. We propose to classify you as a 'Retail Client' for Investment purposes.

Communications

We will communicate with you in English both verbally and written for the sending and reception of orders.

Services to be provided

With regards to investments which we have arranged for you, these will not be kept under review but we will advise you upon your request. However, we may contact you in the future by means of an unsolicited promotion should we wish to contact you to discuss the relative merits of an investment or service which we feel may be of interest to you. Any telephone contact will be between the hours of 9.00am and 9.00pm unless you instruct us to the contrary.

On issue of this letter any subsequent advice or recommendation offered to you will be based upon your stated investment objectives, acceptable level of risk and any restrictions you wish to place on the type of investments or policies you are willing to consider. We will issue you a suitability letter to confirm our recommendation. Unless confirmed we will not place any restrictions on our recommendations.

Inspired Advice Limited *does not handle clients' money*. We never accept a cheque made out to us unless the cheque is in settlement of charges or disbursements for which we have sent you an invoice, nor do we handle cash.

We will also make arrangements for all your investments to be registered in your name unless you first instruct us otherwise 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 are due involving a series of transactions, we normally hold each document until the series is complete, and then forward them to you.

Ongoing Investment Commission

In addition to any initial commission paid, Inspired Advice Limited may also receive a nominal ongoing commission from a product provider. This 'trail' commission is generally 0.5% of the fund value and is used to assist in covering the back-office administration costs, such as providing valuations and changing addresses. As an example, an ISA valued at £7000 would pay £35 over a 12-month period.

Material Interests

We will act honestly, fairly and professionally, known as conducting business in 'Clients 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 we will take to ensure fair treatment.

Rights to Cancel

We will inform you of your statutory right to cancel. The 'Distance Marketing Directive' normally grants you 30 days in which you may cancel a life or pension contract. However there will be occasions where no statutory rights are granted, however this will be explained before any contract is concluded.

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 FSA 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. 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 commission or alleged commission 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 at Inspired Advice Limited, Newlands House, 40 Berners Street, London W1T 3NA, telephone 020 7907 4520 or by e-mail to contact@inspiredadvice.co.uk.

You may be assured that we and any company associated with us will treat all 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.

Law

These Terms of Business are governed and shall be construed in accordance with English Law and the parties shall submit to the exclusive jurisdiction of the English Courts.

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.

Declaration

Client consent

I understand and consent to the above terms and I hereby authorise the transfer of information, as described above on a confidential basis when warranted between such third parties. I agree that this Agreement will come into effect from the date of issue.

Please tick this box if you **do not** consent to us or any company associated with us processing, on a confidential basis, any such sensitive data. *Please note that ticking this would prevent us from making arrangements on your behalf.*

Please tick this box if you **do not** wish for us to contact you for marketing purposes by e-mail, telephone, post or SMS. *Please note that ticking this might interfere with future service and policy reviews.*

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

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.

I have read and understood the terms laid out in this agreement & the related 'Key facts' documents and have chosen for Inspired Advice Limited to be remunerated by;

<input type="checkbox"/>	Payment of a fee.
<input type="checkbox"/>	Payment by commission or fee deducted from product charges.
<input type="checkbox"/>	Payment by a combination of commission and fee.

Customer Name(s)		
Customer signature(s)		
Date of issue		
Date of Signature		