



## about our services and costs



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### Intrinsic Customer Promise

We will always treat you fairly. You can expect in all our dealings with you that we will:

- treat you as we ourselves would expect to be treated
- never take advantage of you
- be open and honest
- quickly put right any mistake that we make.

### 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 can only offer products from a limited number of companies.  
Ask us for a list of the companies whose products we offer.
- We only offer products from a single group of companies.

#### Insurance

- We offer products from a range of insurers.
- We can only offer products from a limited number of insurers for life and critical illness insurance, buildings and contents insurance or mortgage payment protection insurance. Ask us for a list of insurers we offer insurance from.
- 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.

### 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 life and critical illness insurance, buildings and contents insurance or mortgage payment protection insurance.



You will not receive advice or a recommendation from us for private medical 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.

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

### Investment

You will pay for our services on the basis of a fee, commission or combination of fee and commission. We will discuss your payment options with you and answer any questions you have. We will not charge you until we have agreed with you how we are to be paid. A description of each of these options is set out below.

#### **Paying by a combination of Fee and Commission (through product charges)**

If we agree this option, the charges will taken as a combination of fees and commission received. The actual amounts will depend on the service provided to you, but will be in line with the arrangements set out in the sections below headed “Paying by Fee” and “Paying by Commission” (through Product Charges).

#### **Paying by Fee**

If we agree this option, whether you buy a product or not, you will pay us a fee for our advice and services. This will become payable on the completion of our work, or at agreed stages. 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.

The manner in which we charge the fees will depend on the nature of the work undertaken. For work that doesn't involve the investment of a lump sum, we may charge you an hourly rate to cover our costs. Alternatively we may agree a fixed fee before we start the work. Typically the hourly rate will be £150.00 per hour, but we will confirm the exact rate with you before we begin our work.

When our work involves investing a lump sum of money, our typical charges are:

- 4% of the sum invested.
- 0.5% of the fund value each year. We may agree this where you require your plan to be regularly reviewed. This is typically to ensure that changes to the original investment can be made where necessary, and to ensure a continued match to your attitude to risk (which is likely to change with time).

When we agree a fee with you, the actual amount or the basis of the calculation will be detailed in the **Fee Agreement**. This is a document that spells out clearly what the fee charged will be. If you agree to the terms, you will need to sign the Fee Agreement document to confirm that you are happy for the work to proceed.

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 also tell you if you have to pay VAT.

### **Paying by Commission (through product charges)**

If you buy a financial product, we will normally receive commission from the product provider. Although you pay nothing to us up front, that does not mean our service is free. You still pay us indirectly through product charges. Product charges pay for the provider's own costs and any commission. These charges could 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.

The commission paid will depend on the type of product, the amount invested and how long the investment is intended to last. For absolute clarity on how much commission will be paid, please see the illustration you will be provided with under Financial Services Authority rules, for the product being recommended. All illustrations are designed to provide full and accurate disclosure on commission, as well as the charging structures applied within the various investments. This will be provided to you in good time, before you complete an application form.

Here are some examples of the typical amount of commission which would be received by Intrinsic Financial Services Ltd for several different product recommendations.

- If you invest £10,000 into an Equity ISA, the amount of commission we would receive would be £375 immediately and £50 each year thereafter.
- If you invest £10,000 into an Investment Bond, the amount of commission we would receive would be £475 immediately and £50 each year thereafter.
- If you pay £80 net a month (which is £100 gross) into a Personal Pension with a term of 25 years, the amount of commission we would receive would be £674.92 immediately and £30 each year thereafter.
- If you invest a lump sum of £10,000 into a Self Invested Personal Pension, the amount of commission we would receive would be £550 immediately and £50 each year.

The commission amounts cover our costs to recommend a suitable investment product and to liaise with the product provider to set the plan up on your behalf. The amounts paid yearly will cover the costs of the continuing service and advice, where we have agreed you would like this level of service.

#### **Insurance**

- A fee.
- No fee for life and critical illness insurance, buildings and contents insurance or mortgage payment protection 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.



A fee of £350 payable at the outset when you apply for a mortgage. We will also be paid commission from the lender.

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 does not go ahead, you will receive:



A full refund if the lender rejects your application.



A refund of £xx if your application falls through.



No refund if you decide not to proceed.

## 5. Who regulates us?

SKL Financial Consultancy, which is a trading style of Rosemount Financial Solutions Ltd, is an appointed representative of Intrinsic Financial Planning Ltd, Wakefield House, Aspect Park, Pipers Way, Swindon, SN3 1SA which is authorised and regulated by the Financial Services Authority. Intrinsic Financial Planning Ltd's FSA Register number is 440703.

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

You can check this on the FSA's 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.

## 6. Loans and ownership

Sanlam Netherlands Holdings BV owns 25% of the share capital of Intrinsic Financial Services Limited. Friends Life Ltd owns 19% of the share capital of Intrinsic. Bank of Scotland has provided Intrinsic with a loan facility of £3.0m, none of which has been utilised.

## 7. Cirilium Funds and Uinsure

We have developed three Cirilium funds in conjunction with Henderson Global Investors that are available through some of our product providers. The funds are available as part of the full fund range offered by those providers.

As part of our arrangement with Henderson Global Investors, they will pay us a sponsorship fee of up to 0.5% per annum of the Net Asset Value of the Cirilium Funds. The fee that we receive is part of the Annual Management Charge and is included in the Total Expense Ratio (TER) of each fund. This means that the fee is not an additional charge to you on top of the other charges that will be disclosed to you.

Intrinsic has a long-term capital sharing arrangement in place with Uinsure Limited, which may result in future payments being made by Uinsure Limited to Intrinsic.

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

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

**In writing:** Write to Compliance Department, Intrinsic Financial Planning Ltd, Wakefield House, Aspect Park, Pipers Way, Swindon, SN3 1SA.

**By phone:** Telephone 01793 647400.

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

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

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

**Investment**

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

**Insurance**

Insurance advising and arranging is covered for 90% of the claim, without any upper limit.

**Mortgages**

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

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

# **Terms of Business**

This document sets out the terms of business between Intrinsic Financial Services and its clients.

## **Investment Advice and Recommendations**

Any investment advice your adviser provides will be based on your personal financial objectives. We will confirm these objectives, and the reasons for each recommendation in a "Reason for Recommendation" letter. If you have asked for any restrictions on the types of investment or the markets you wish to invest in, these will be confirmed in the Reason for Recommendation letter.

## **Your Duty of Disclosure**

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

## **Acting in your Best Interests**

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

## **Your Rights and Client Classification**

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

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

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

If you'd like to know how you would be classified please write to Intrinsic Financial Services Ltd Compliance Department, Wakefield House, Aspect Park, Pipers Way, Swindon, SN3 1SA or to the Financial Ombudsman Service and FSCS.

These Terms of Business will apply from 1/12/2007 and will remain valid until further notice. We reserve the right to change them or anything in them at any time. Either we or you can end them at any time, without penalty and this will not affect any outstanding transactions being carried out on your behalf.

## **Data Protection Act 1998**

The personal information you provide will assist your financial adviser in offering you the best advice as required by the Financial Services and Markets Act 2000. The personal data you provide will be used and stored in accordance with the Data Protection Act 1998. You have a right to access all the personal information that Intrinsic Financial Services holds about yourself. To receive this we must receive a written request including a £10.00 fee made payable to Intrinsic Financial Services.

## **Client Money**

**We do not handle Client Money.** We never handle cash and will not accept a cheque made out to us (unless it is a cheque in settlement of monies owed to us).

## **Governing Law**

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

## **Financial Crime**

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

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