

Brighter*

**Our Terms of Business
for Final Salary Pension Reviews**

Brighter Financial Services Limited

www.brighterfs.com

Our Terms of Business for Final Salary Pension Reviews

Welcome to Brighter Financial Services Ltd

Brighter Financial Services Ltd is authorised and regulated by the FCA.

You can check our details on the FCA register by visiting register.fca.org.uk or by contacting them on 0300 500 0597.

We are regulated to offer independent financial advice. This means that we are not tied to any one provider in terms of products that we can offer; nor are we limited in the range and type of product that we can consider for you. We aim to always review a sufficiently diverse range of products so as to ensure that we meet your financial needs. We will do this for all products that we consider on your behalf, pensions, investments, mortgages and insurance.

Our commitment to you

We are a practice of independent financial planners helping you plan for life- events, now and in the future. We offer a full review of your financial arrangements to determine the best way forward for you and can offer this, without restriction, from the whole of the pension/investment market.

We do not discriminate against clients on the basis of race, creed, ill health or financial circumstances and offer the same standard of service to all.

Where clients have problems relating to ill health or a language barrier we may request support for the client so that they can engage effectively with our services. On request, a copy of our vulnerable person's policy can be made available to clients or **downloaded from our website**.

In all our dealings with our clients we will:

- * Act fairly, honestly and transparently in all our dealings with you.
- * Advise you, in writing, where there appears to be a conflict of interest between two parties where financial advice is being provided by us
- * Listen to you and develop a plan between us that secures the best financial outcome for you, depending on your specific circumstances.
- * Provide you with a report of the results from our research and put our recommendations to you in writing. In line with your wishes, complete application forms and get the product(s) set up to your satisfaction.
- * Make sure that any pensions and investments we choose between us are both affordable and suitable for your needs.
- * Describe our on-going service associated with pensions and investments and will clearly explain the value of on-going reviews of your financial plans.
- * Not engage our services with you if we believe it is not within yours or our interests to do so. In these situations we will attempt to guide you to alternative sources of support.
- * Identify early on in our dealings with you whether you require support as vulnerable client (***please refer to our vulnerable person's policy***)

Our Terms of Business for Final Salary Pension Reviews cont...

In this document we will cover our process for final salary pension transfer reviews and how we will work with you, as a client. This will include:

- * The steps we take in determining a financial plan for you i.e. what happens in practice when you engage the services of an independent financial adviser
- * Our charges
- * The Law and Regulations that apply to our terms of engagement with you and how this affects your rights as a consumer of our services.

1. Our process for reviewing your final salary pension

- * The Triage System -including our initial assessment questions
- * The Abridged Advice Process
- * Full Advice Process

1.i. Stage 1-Triage and short answer assessment

It is important that you understand what you are potentially giving up if you transfer out of a DB scheme. This is why we have developed a short presentation via our Client Exchange system so that you can be fully aware of the facts about transferring your pension, before you embark upon a review. We will ask you to complete a short initial assessment as part of this triage and request that you understand what business arrangement you are entering into when you ask us to review your pension.

As a result of the triage we will either advise you that you are eligible to enter into stage 2 of our process –Abridged Advice or advise you against proceeding with the review.

1.ii. Stage 2-Abridged Advice

If, as a result of the triage process, we consider that it may be within your interests to proceed to Abridged Advice we will go on to request that you do the following:

1. Complete a full profile on Client Exchange so that we can accept you as a client
2. Request that you read and sign this Terms of Business so that you understand how we will work with you and accept our charging structure for Abridged and Full Advice for Final Salary Pension Transfer Reviews.
3. Request that you complete Fact Finds relating to Final Salary Pension Transfer Reviews. In particular, we would want to understand how many pensions and investments you have in total, including the DB scheme.
4. Request that you complete an Attitude to Risk on-line questionnaire.

The steps (1-4) above are a means by which the adviser can collect further data about your circumstances and will enable the adviser, after reviewing the data above, to understand whether a full advice process is likely to be within your interests. It is important that this interim step is taken and evaluated properly by the adviser for two reasons:

- * The risks involved in transferring your pension are evident as you stand to lose valuable benefits from your DB pension scheme if you are advised to transfer.
- * **You will pay the same charges after the full advice process has been completed, whether the outcome is to transfer or not.** It is therefore within your interests to do the Abridged Advice Interim step first.

Our Terms of Business for Final Salary Pension Reviews cont...

1.iii. Stage 3-Full Advice

If as a result of the Abridged Advice Process, we consider that it may be within your interests to proceed to Full Advice we will work with you as follows:

- * Check that we have all the information that we require from you, including full and comprehensive Fact Find information, an Attitude to Risk and a full profile on our internal data collection system-Client Exchange
- * That you have agreed to our charging structure and have the funds to support the Full Advice Process.
- * That you have a recent (inside 3 months) Cash Equivalent Transfer Value from your workplace pension provider. If it is older than this, we will ask you to gain a second CETV. ***N.B please note that we will request a CETV whether we go on to recommend that you transfer or not away from your DB pension scheme.***
- * Carry out research and cash flow modelling on your behalf, on the basis of all information provided, to determine your current financial position in relation to your objectives.
- * Determine the correct investment plan for you, based upon the advice provided. Our recommendations will be provided to you verbally and in "Your Plan"

N.B. ***The recommendations will be based upon advice to transfer or not to transfer out of your DB scheme.***

2. Going ahead with recommendations

Typically, once you agree to move ahead with the advice and recommendations provided to you by your adviser we will do the following:

- * Complete application forms after suitable cooling off period and speak with providers on your behalf
- * Ensure that pensions/investments/reviews of policies etc. are set up in line with your requirements, including setting up the products in your name.
- * Ensure you receive the documents within 2 business days of us receiving them into Brighter Financial Services Ltd.
- * Provide you with a suitability report. The report will be a summary of the discussions you have had with the adviser. The report is long for reasons of Regulation and client protection purposes and not always an easy read. If you are unclear about the contents of this report, please ask your adviser for further explanations for you.

2.i. Clients with specific financial requirements

There are occasions when clients are insistent with respect to the arrangement of certain financial products/processes. We will only consider carrying out such arrangements where we consider that there will not be any fiscal detriment to the client and that such an arrangement is likely to be, in the long term, within the client's best financial interests.

Please refer to our Insistent client policy available via our website for further details.

3. Charges for the pension transfer review

Please note that we are a commercial business and have Regulatory and 3rd party contractual costs to pay. In the case of final salary transfer reviews we have been able to hold our charges for the past three years without any increases but the pressures of increased costs associated with final salary transfer reviews has resulted in us needing to review our charges, outside our normal annual charge review process. We are confident, however; that our charges remain some of the most competitive within the market. For final-salary scheme pension reviews, payment for our services commences at the Initial Consultation Meeting.

Our fees are simple and clear.

Stage 2 - Abridged Advice.

We charge a fee of £500 at the Abridged Advice Stage. This must be paid before stage 3-Full Advice commences.

Stage 3 - Full Advice

We charge a fee of £4750+0.75% of the transfer value, but will refund you the £500 that you paid at Stage 2-Abridged Advice.

The minimum transfer value that we service is £300,000. We have provided some examples of how our charging structure works for final salary pension transfer reviews overleaf:

Our Terms of Business for Final Salary Pension Reviews cont...

Example 1

If we arrange a transfer on your behalf for £300,000 our implementation fee would be £4750 + 0.75% of the transfer which equates to £7000

Example 2

If we arrange a transfer on your behalf for £600,000 our implementation fee would be £4750 + 0.75% of the transfer which equates to £9,250

3.i. Other Charges

There are two other charges that you need to consider that will be incurred against your policy. These are:

1. A charge for the management for your funds on a platform, as determined by your financial adviser, again taken by the platform provider. A platform (we use either Embark or Aegon) is a means by which multiple savings i.e. ISA's, pensions etc can be managed under one umbrella to ensure careful monitoring of performance with standardised administrative fees.
2. The underlying investments that we recommend will have a charge that is normally a percentage of the value of your investment and incorporated into the fund price. Whilst you don't see this charge being deducted, you should be aware of it.

These have been shown in the table below. All charges are taken directly from the savings fund itself, you will not be expected to find the charges from an alternative monetary source. **If you have any queries at all about the charges that will be levied against your plans/policies please ask the financial adviser for further explanation.**

Table showing typical provider charges

The table provides you with a typical example only of the provider charges incurred against your investments and pensions.

Fund choice based on the legal and general multi index fund range AMC* 0.31% costing could change with different fund choice.

*AMC - Annual Management Charge.

Embark Platform based on £100k investment

Chosen platform "computer programme"	0.31% in monetary terms £310 per annum
The particular chosen investment fund charge	0.31% In monetary terms £310 per annum

Aegon Platform based on £500k investment

Chosen platform "computer programme"	0.18% in monetary terms £900 per annum
The particular chosen investment fund charge	0.31% in monetary terms £1550 per annum

4. Servicing: On-going reviews

(Please refer to the table overleaf for a summary of the services we offer)

Our clients are not under any obligation to receive an on-going service from us, but we would strongly urge them to consider the benefits before making a decision.

Taking out a pension or investment is only the start of the journey, in terms of making adequate provision for life pre and post retirement. We recommend ongoing service reviews with the adviser for the following reasons:

- * **To regularly review your financial objectives so that the financial plan that you made with your adviser when you first met, remains relevant to your needs today.**
- * **To ensure that your financial objectives are reviewed regularly so that the financial plan that you developed with your adviser when you first met, remains relevant to your needs today.**
- * **To ensure that your plans are monitored to make sure that they remain in alignment with similar products and market performance.**

Our Terms of Business for Final Salary Pension Reviews cont...

- * **Keeping our clients engaged with their finances is our number one priority;** the benefits to you are that you will become better informed, influencing investment decisions and the management of your money to your advantage. The benefits to us are that we hopefully keep you as a client and continue to grow our business in line with your needs, now and into the future.

Details of service	Available in service plan 1	Available in service plan 2	Available as transactional services
Comprehensive annual review of financial portfolio <ul style="list-style-type: none"> investment/pension performance statistics and report. individual income modeling for retirement planning adviser-led review with recommendations. 	✓		
Active review of financial portfolio <ul style="list-style-type: none"> on-line mini questionnaire to assess changes in financial circumstances brief overview of investment/pension performance by adviser with feedback where changes identified. 		✓	
Provider investment and pension due diligence <ul style="list-style-type: none"> Ensuring products performing well against competitors within market and that they remain fit for purpose. 	✓	✓	
Access to our Client Exchange Portal <ul style="list-style-type: none"> financial goal setting to help you make the most from your finances secure messaging to keep your financial data safe when we communicate with you and send you your service reports. 	✓	✓	
Access to our Personal Finance Portal <ul style="list-style-type: none"> immediate access to fund valuations for investments and pensions 	✓	✓	
*Specialist support for Later Years and Residential care financial planning	✓		✓
*Specialist support for IHT, capital gains and tax efficiencies	✓		✓
*Specialist support with the arrangement of a will and/or Lasting Powers of Attorney	✓		✓
*Mortgage or product review on expiry of mortgage deal or at client's request	✓		✓
*Personal or Corporate review and assessment of protection needs	✓		✓
Cost based on total value of investments	1%	0.75%	Nil
Minimum annual cost	£1250	£375	Nil
Maximum annual cost	£4750	£800	

Our Terms of Business for Final Salary Pension Reviews cont...

4.i. Details for financial reviews

Service Plan 1

We will monitor your plans against similar in the market to ensure that you are receiving optimum performance from your funds. We will provide you with a report of our findings on an annual basis.

In addition we will provide you with a suite of services that may be of interest to you and will include these in the fee.

These include:

- ✳ Tax efficiencies, IHT and capital gains.
- ✳ Later Years and residential care planning
- ✳ Arrangement of Wills and/or Lasting Powers of Attorney
- ✳ Mortgage or product review on expiry of mortgage deal.
- ✳ Corporate or Personal Protection review and assessment

The cost for Service Plan 1 is 1% of the fund value, (taken as 1/12 of the 1% charge on a monthly basis).

Service Plan 2

Each year you will receive a short questionnaire asking you to up-date us with any changes in your personal and financial circumstances. This information will be available to you through a simple on-line process. Once this has been completed we will review it and, if there are any changes that could impact upon your financial objectives, we will arrange for you to discuss this with an adviser.

You may also be interested to access some of the transactional services that are available as part of Service plan 1. We have therefore made these available to our clients on a transactional basis only. (see 4.iii)

The cost for Service Plan 2 is 0.75% of the fund value (taken as 1/12 of the 0.75% charge on a monthly basis)

4.ii. How we are paid by you

The charges for servicing can be deducted from your investments or paid directly by you. You should note that when paid through the investments it may reduce your personal tax thresholds and/or exemption levels. Where this happens we will discuss it with you and confirm it in your personal recommendation report.

Where we agree to provide on-going services you can choose to cancel this at any time by providing us with written confirmation of your decision. Payments would then cease within 7 business days or after collection of any due proportion of any period charges if later.

We are prohibited from accepting any payment (fiscal or gratuity) which is likely to conflict with the duty of the firm to its clients.

VAT

Under current legislation 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.

Our Terms of Business for Final Salary Pension Reviews cont...

Explanation of charges

Our fee is calculated as 1% of the value of the fund taken on a monthly basis.

This means that in any year the fee that we receive will increase or decrease depending on the value of the fund in that particular month.

To describe our charges we have set out the following examples below:

Example 1

If we arrange an investment or pension on your behalf totalling £60,000 and you select Service Plan 2, in year 1 we would charge 0.75% of £60,000 or £450.

Example 2

If we arrange an investment or pension on your behalf totalling £600,000 and you Service Plan 1, in year 1 we would charge 1% of £600,000 or £6000. This would be more than our maximum charge of £4750 so we would charge £4750 each year.

4.iii Transactional Services

If you do not take up Service plan 1 or Service Plan 2 you are still entitled to access these services at the charges set out below:

Area of specialist support	Details	Charge
*Specialist support for Later Years and Residential care financial planning	Covers the Care Act rules 2015 and residential care funding plus guidance on equity release if required	£180 per hour
*Specialist support for IHT, capital gains and tax efficiencies	Corporate and personal advice specifically relating to understanding tax effective financial management	£180 per hour
*Specialist support with the arrangement of a Will and/ or Lasting Powers of Attorney	Instruction and Will under-writing, plus the arrangement of LPA's	Fee schedule available on request
*Complete mortgage service with new product set-up	Complete review and assessment of mortgage product needs and arrangement of new products and plans	£395
Mortgage product review where client remains with existing lender on an improved deal.	No change in general product arrangements.	£150
*Personal or Corporate review and assessment of protection needs, including set up of new policies/ plans where required	Whole review of protection arrangements including set-up and advice	No direct charge, commission from lender.
Advising on existing corporate and personal protection plans and arranging cross-options agreements or setting up Trusts	Trusts, cross-option agreements, general protection advice	Fee schedule available on request

5. Client Exchange

We anticipate that all clients will be granted access to our secure portal via Client Exchange. Exchange provides clients with the opportunity to see documents and receive and send messages to Brighter in a way that ensures that privacy is ensured. Exchange also gives clients access to fact finds and questionnaires so that they can take charge over the information that is provided to Brighter to help in the development of a Brighter Financial Plan.

All our clients will be sent a welcome e-mail asking them to register for Exchange.

6. Your right to cancel

Under Consumer Law you have a right to cancel any transaction made within a reasonable timeframe. At Brighter we are transparent about this right and acknowledge that our clients may change their mind. If you find that, after signing this agreement, that you are in the position where you wish to cancel it, please write to us within 14 days from the date of this agreement, setting out your reasons for cancellation. This cancellation right is 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. Cancellation periods for specific financial product types will be set out clearly for you in Key Features and Product Information documents as-well as the suitability report.

7. Liability

We aim to provide you with the best advice and product information from the whole of the market. Clients need to be aware, however, that this agreement is for Brighter Financial Services Ltd to arrange and provide financial services alone and that this covers the totality of the arrangement between us and you.

There may be increases or decreases in product value in line with market forces. Brighter Financial Services Ltd cannot accept any liability in relation to these events, albeit that these will be explained to the client as part of the risk assessment process.

The client agreement is governed and shall be construed in accordance with English Law.

8. Using and managing your personal and financial information

We are bound by the principles of the General Data Protection Regulations 2016 and have interpreted these laws into the way we will do business with you.

When handling your personal data we will:

- * Explain at our meetings with you the types of information that we will need from you and may retain for our records.
- * Use the information that you provide us (only and exclusively) in respect of the management of your financial affairs/products.
- * Not share your personal information with any third parties that do not have a direct interest in the management of your financial affairs/products.
- * Endeavour to hold accurate information about you and request that you support us in maintaining your personal records with information that is current and up to date.
- * Not change the information we hold about you, without your express knowledge and consent.
- * Share your personal information with financial providers of services/third parties in circumstances where:
 - The sharing of the information is in direct relation to the arrangement/management of your financial affairs and with your understanding.
 - The passage of information can be managed securely in terms of digital transfer (encryption, password protect, portal)
 - The passage of information can be managed as securely as possible in terms of paper transfer (see GDPR policy)

Our Terms of Business for Final Salary Pension Reviews cont...

- * All the information we hold on our clients is available on –line via our client portal (accessed from the website) or via PFP (our database tool) where clients can see all the information we hold on them. If paper copies are required in addition to this access, we would therefore respectfully request a £5 fee for administrative services in the preparation of the paper copy documents.

We are bound by the Regulations of the Financial Conduct Authority. We therefore need to:

- * Verify your identity in accordance with the Proceeds of Crime Act 2002 and the Money Laundering Regulations 2017. We reserve the right to approach third parties and to delay any of your applications until adequate verification of identity has been obtained.
- * Retain records of suitability of a client's financial arrangements for the following periods:
 - Indefinitely for pension transfers, pension conversion, pension-opt out or FSAVC
 - Six years for a personal pension, stakeholder pension or life policy
 - Six years for a MiFID or equivalent third country business
 - Three years in all other cases.

Further details about our General Data Protection policy can be found at www.brighterfs.com

9. 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.

10. Termination

We would respectfully request that in the event that you wish to cease using Brighter Financial Services Ltd that you contact us, preferably in writing and advise us of your wishes. Any transactions undertaken before termination and a due proportion of any period charges for services shall be settled to that date.

Before commencing any financial business with you we would respectfully request that you sign our declaration and consent, as detailed below.

We hope you have found our terms of business for pensions and investments straight forward and clear. However, if you have any further queries, do not hesitate to contact us on 01422 832100 or by e-mail to admin@brighterfs.com

If you do not have any further queries, please could you review and sign the declaration.

11. Complaints

We always try to offer our clients exceptional service but sometimes things can go wrong.

If you wish to provide us with details in writing about a concern or complaint you have about our services, please do so in writing to the following address:

The Director, Brighter Financial Services Ltd, 66-68 West St, Sowerby Bridge, West Yorkshire, HX6 3AN.

11.i Financial Ombudsman Service

Clients should be aware that if they are unhappy with any response to a complaint received from the company, as a retail client and consumer of financial services you can complain directly to the Financial Ombudsman Service. The FOS will assess whether you have an eligible complaint before proceeding with an investigation. For further information on the Financial Ombudsman Service please refer to their website, www.financial-ombudsman.org.uk

11.ii Financial Ombudsman Service

If your complaint is up-held you may be able to seek financial redress via the Financial Services Compensation Scheme (FSCS). Investment business will normally be covered up to £50,000. Further information about these amounts and limits for all other product types are available from the FSCS at www.fscs.org.uk/what-we-cover/products.

Our Terms of Business for Final Salary Pension Reviews cont...

A copy of our complaints procedure will automatically be sent to you on receipt of a written complaint, which includes potential access to compensation via the Financial Services Compensation Scheme.

I/we consent to the use of our personal and financial information in accordance with section 10 of this document.

Our Terms of Business for Final Salary Pension Reviews Declaration: Part 1

I agree to the Terms of Business, as set out in this document.

Client Name 1

Client signature 1

Client Name 2

Client signature 2

Date of Issue:

Issued by

On behalf of Brighter Financial
Services Limited

Signature

Our Terms of Business for Final Salary Pension Reviews

Declaration: Part 2 - Abridged Advice

I agree to pay a non-refundable fee of £500 to receive Abridged Advice. I understand that I must pay this fee before the next stage in the process is provided.

The payment will be: A fee A direct deduction from the policy

I would like Brighter Financial Services to provide the following on going service level:

Transactional Only (No charge) Service Plan 1 Service Plan 2

In so doing they will be remunerated by _____ % which is expected to be £_____ in the first year.

The payment will be: A fee A direct deduction from the policy

Client Name 1

Client signature 1

Client Name 2

Client signature 2

Date of Issue:

Issued by

On behalf of Brighter Financial
Services Limited

Signature

Our Terms of Business for Final Salary Pension Reviews

Declaration: Part 2 - Full Advice

I would like Brighter Financial Services Ltd to advise and arrange product(s) on my behalf. I agree that they will be remunerated the sum of £ _____. I understand that the fee is not subject to the outcome of the transfer review and must be paid whether my funds are transferred or not. As per the terms of our PI insurance we cannot facilitate the needs of insistent clients.

The payment will be: A fee A direct deduction from the policy

I would like Brighter Financial Services to provide the following on going service level:

Transactional Only (No charge) Service Plan 1 Service Plan 2

In so doing they will be remunerated by _____ % which is expected to be £ _____ in the first year.

The payment will be: A fee A direct deduction from the policy

Client Name 1

Client signature 1

Client Name 2

Client signature 2

Date of Issue:

Issued by

On behalf of Brighter Financial
Services Limited

Signature