

Important Information about Our Services



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TENETCONNECT

Who are we and what do we do?

We believe that great financial advice is central to building a more certain financial future for our clients. As qualified Independent Financial Advisers, we have access to the most up to date technology to ensure we provide peace of mind that your financial future is more secure as a result of working with us.

There is little in life that can be achieved without a combination of time, planning and money, we help bring these components together for your future benefit.

We are Direct Financial Planning (UK) Ltd is an appointed representative of TenetConnect Services Limited, which is authorised and regulated by the Financial Conduct Authority (FCA). The FCA is the independent regulator of financial services in the United Kingdom. TenetConnect Services Limited is entered on the Financial Services Register (www.fca.org.uk/register) under reference 150643.

Who is TenetConnect Services Limited?

TenetConnect Services Limited is wholly owned by Tenet Limited, which is a wholly owned subsidiary of Tenet Group Limited ('TGL'), a leading distributor of financial products and services in the UK. TGL is majority owned by the following corporate shareholders; AEGON UK Distribution Holdings Ltd (22%), Aviva Life & Pensions UK Limited (23%), Aviva Life Holdings UK Ltd (24%) and Standard Life Aberdeen PLC (25%). Aviva Life & Pensions UK Limited and Aviva Life Holdings Ltd are both companies within the Aviva plc group.

Their address is: TenetConnect Services Limited, 5 Lister Hill, Horsforth, Leeds, LS18 5AZ. Tel: 01132 390011.

To find out more about TenetConnect Services Limited and the support and backing they provide us with, please visit their website www.tenetgroup.co.uk/consumer.

What can we do for you?

Our mainstream service is to act on your behalf for the purpose of arranging and advising on the following:

- Investments & Pensions, for example an ISA or Personal Pension Plan;
- Retirement Planning inc. Flexi Access Drawdown and Annuities;
- Personal & Family Protection, for example a Life Assurance or Critical Illness Plan;
- Mortgages, including Buy-to Let;
- Releasing equity from your home (Equity Release);
- General Insurance, for example Buildings, Contents or Private Medical.

For all the services described above we will complete a detailed fact find so we can understand your circumstances, specific needs and objectives to determine if these personal services are suitable for you. We will then undertake research in order to provide a recommendation(s) and related information relevant to your individual circumstances. If, after due consideration you would like to accept any or all of our recommendation(s), we will then implement them and arrange any products and/or related services on your behalf.

Once your financial plans are in place it is important to keep them under review. Subject to the type of services you require from us, we can continue to act on your behalf through one of our service packages. Alternatively, for those who prefer a more transactional or ad-hoc 'pay as you go' service, we are also happy to provide our services as and when you need them. Ultimately, whichever type or level of service you require from us we will act in your best interests at all times.

Further details about these and other related services we provide are contained in the pages below. This also confirms the typical cost and how you can pay us for them.

IMPORTANT INFORMATION

Before you consider our services in more detail we would like to draw your attention to the following important information:

When we have discussed and agreed with you the services that we are to provide we will confirm this to you in a Client Agreement. This will describe the scope and specific services to be provided, the cost and how it can be paid for. It will also confirm how we use and store personal information that we collect from you in the course of providing our services. A copy of our standard Client Agreement is available on request.

From time to time it may be necessary for us to collect personal information from you, prior to concluding a written Client Agreement, to assess whether we are able to meet your needs. In this event we will clearly identify the data to be collected and will use it only for the purpose of assessing our ability to provide services to you.

Under the terms of Financial Conduct Authority (FCA) regulations we will classify you as a retail client for investment and pensions business. As a retail client you have the right to request re-classification as an elective professional client. This may be generally or in respect of a particular service, type of transaction or product, and is subject to the following:

- All requests for re-classification must be made in writing;
- We will consider such requests on a case by case basis against the criteria set out in FCA rules.
- We will confirm the scope of any re-categorisation along with the consumer protections you will lose as a result.
- You must keep us informed of any change to your circumstances that could affect your classification

We will not advise you if you are experiencing difficulties managing debts. Free help and advice about managing your debts is available by contacting the Money Advice Service via its website; www.moneyadviceservice.org.uk

INFORMATION ABOUT OUR INVESTMENT & PENSION SERVICES

We offer a range of services to help you meet your investment and retirement objectives. We provide independent which means that our recommendations to you will be based on the following selection criteria:

1. We will determine which, if any, of the following types of investment or pension products are capable of meeting your needs, along with any associated 'tax wrappers' available (e.g. an ISA):
 - Open Ended Investment Company Funds (OEICs) including Exchange Traded Funds (ETFs), Unit Trusts and Investment Trusts;
 - Personal Pensions, Stakeholder Pensions, Self-Invested Personal Pensions (SIPPs) and Annuities;
 - Insurance Based Investments, including Capital Investment Bonds and Endowments;
 - Structured Capital at Risk Products (SCARPS) and Structured Deposits;
 - Certain Specialist Investments suitable for retail clients, including Venture Capital Trust (VCT) Investments and Enterprise Investment Schemes.
2. We will then consider a broad range of different providers of these products from a fully researched panel that is representative of the whole of the market available to financial advisers and which we review on a regular basis using factors such as the risks, costs, complexity and their competitiveness in the market place.

Related Service Providers

Subject to your individual needs and objectives, we may also recommend that you hold and trade your investments and/or pensions in one place via a Platform Service. We may also recommend that some or all of your investments and/or pensions are managed by a Discretionary Investment Management Service (DIMS).

We will consider a broad range of these service providers from a fully researched panel that is representative of the whole of the market and which is also reviewed on a regular basis as described above.

We may recommend investments in the IFSL Sinfonia Open Ended Investment Company (OEIC). This investment company has been jointly developed between BNP Paribas and Sinfonia Asset Management Limited, a subsidiary of Tenet Group Limited. We may also recommend that you hold and trade your investments via Tenet Platform Solutions Limited, a subsidiary of Tenet Group Limited.

We may recommend products or services related to your investment and pension needs which are not regulated by the Financial Conduct Authority. For example, cash deposits, National Savings & Investment Products (NS & I), or Inheritance Tax Planning (IHT).

A description of our initial and ongoing services, their associated costs and payment terms, is provided below.

What can you expect to pay for our investment and pension advice?

The amount we charge and the basis of the payment will depend on the service you choose and your individual circumstances.

We will discuss your payment options with you and answer any questions that you may have. We will let you know if you have to pay VAT on the cost of our service.

It is possible that other costs, including taxes related to the business we conduct and products we arrange for you, may arise. These costs will not be paid by our firm but borne by you.

Our typical fees for advice and arranging an investment or pension on your behalf are set out below. Where hourly rates are stated, these are the actual hourly rates that will apply. There is an additional charge should you purchase one of our on-going service packages. The typical cost of our ongoing services and what they include is also set out below. You can cancel our on-going services at any time.

Initial Advice Services

For all new clients we would arrange an initial meeting at our expense. The purpose of this meeting is to discuss your requirements and the services that we provide in order to establish that we can add value to an ongoing relationship. This meeting can take place at our offices or we would be happy to meet you at your business or home address. Or if you prefer we can have an initial telephone conversation or skype meeting if this is more convenient.

| Initial Service Description | Initial Service Fee |
|--|---|
| Review of your current pension and / or investment arrangements (pre-retirement) including Occupational Pension Reviews | Charged at £150 per hour (exc. VAT) – Approx. 4-8 hours For example: if we spend 6 hours reviewing your current pension and / or investment arrangements our fee for producing your financial planning report would be £900 (exc. VAT) |
| Review of your pension arrangements (at retirement) and advice on using your pension funds to provide you with a suitable income and capital to meet your needs. | Charged at £150 per hour (exc. VAT) Approx. 2-6 hours, plus an Implementation fee based on a percentage of the pension funds used to purchase your retirement income, if you go ahead with our recommendations Example 1 - Guaranteed Annuity – If we spend 2 hours reviewing your pension arrangements our fee for producing your financial planning report would be £300 (exc. VAT) If you decide to go ahead with the recommendations made in the report an implementation fee of 3% of the amount used to buy the annuity is payable. For example if the amount used is £50,000 the fee would be £500, the total adviser charge would therefore be £1800 (exc. VAT) Example 2 - Investment Linked Annuity – If we spend 4 hours reviewing your pension arrangements our fee for producing your financial planning report would be £600 (exc. VAT) If you decide to go ahead with the recommendations made in the report an implementation fee of 3% of the amount used to buy the annuity is payable. For example if the amount used is £100,000 the fee would be £3,000, the total adviser charge would be £3,600 (exc. VAT) |

| | |
|---|--|
| | <p>Example 3 – Flexi-Access Drawdown/ Uncrystallised Fund Pension Lump Sum –</p> <p>If we spend 6 hours reviewing your pension arrangements our fee for producing your financial planning report would be £900 (exc. VAT) If you decide to go ahead with the recommendations made in the report, an implementation fee of 3% of the amount placed in drawdown is payable, subject to a minimum implementation fee of £1,500*</p> <p>For example if the amount used is £200,000 the fee would be £7,000, the total adviser charge would therefore be £7,900 (exc. VAT)</p> <p>*For example if you invest £45,000 this would work out to be $£45,000 \times 3\% = £1,350$, but you will be subject to the minimum Implementation fee payable of £1,500 (exc. VAT). The total adviser charge would therefore be $£900 + £1,500 = £2,400$ (exc. Vat).</p> <p>Example 4 - Capped Drawdown to Flexi-Access Drawdown Transfer</p> <p>If we spend 6 hours reviewing your pension arrangements our fee for producing your Financial Planning report would be £900 (exc VAT). If you decide to go ahead with the recommendation made in the report or wish to proceed differently to the recommendation made, an Implementation Fee of 3% of the amount transferred to Flexi-Access Drawdown is payable subject to a minimum implementation fee of £1,500*.</p> <p>For example, if the amount used is £100,000 the fee would be £3,500, the total Adviser Charge would therefore be £3,500 plus £900 = £4,400. Alternatively an existing Capped Drawdown Pension fund may convert into a Flex-Access Drawdown fund.</p> <p>* For example if you invest £45,000 this would work out to be $£45,000 \times 3\% = £1,350$, but you will be subject to the minimum Implementation fee payable of £1,500 (exc. VAT). The total adviser charge would therefore be $£900 + £1,500 = £2,400$ (exc. Vat).</p> |
| <p>Initial Service Description</p> | <p>Initial Service Fee</p> |
| <p>Where to put your savings (for those with more than £100,000 to Invest) or Transferring Personal Pension Plans</p> | <p>3% of the first £100,000 you invest plus 2.5% of the next £150,000 you invest plus 2% of the next £150,000 you invest plus 1.5% of the balance you invest, if you go ahead with our recommendations</p> <p>For example if you invest £100,000 your Adviser Charge would be £3,000 (exc. VAT).</p> <p>If you invest £150,000 your Adviser Charge would be £4,250 (exc VAT)</p> <p>If you invest £250,000 your Adviser Charge would be £6,750 (exc VAT)</p> <p>If you invest £500,000 your Adviser Charge would be £11,250 (exc VAT)</p> |

| | |
|--|---|
| <p>Where to put the Transfer of Occupational Pension Plans</p> | <p>We will agree an initial fee for researching your existing Occupational arrangement e.g. If we spend 6 hours reviewing your pension arrangements our fee for producing your Financial Planning report would be £900 excluding VAT.</p> <p>If you decide to go ahead with our Recommendation we will charge 3% of the amount you invest, subject to a minimum implementation fee of £1,500.*</p> <p>For example if you invest £100,000 your Adviser Charge would be £3,000 (exc. VAT)</p> <p>* For example if you invest £45,000 this would work out to be £45,000 x 3% = £1,350, but you will be subject to the minimum Implementation fee payable of £1,500 (exc. VAT). The total adviser charge would therefore be £900 + £1,500 = £2,400 (exc. Vat).</p> |
| <p>Where to save your money on a regular basis (for those With more than £250 per month to invest)</p> | <p>20% of the first years premium if you go ahead with our recommendations</p> <p>For example if you invest £300 per month (£3,600 per annum) your Adviser Charge would be £720 (exc VAT) Where paying by instalments, please see Example 1 further below</p> |
| <p>Where to save your money on a regular basis (for those With up to £250 per month to invest)</p> | <p>25% of the first years premium if you go ahead with our recommendations</p> <p>For example if you invest £100 per month (£1,200 per annum) your Adviser Charge would be £300 (exc. VAT) Where paying by instalments, please see Example 2 further below</p> |
| <p>Where to put your savings (for those with up to £50,000 to Invest)</p> | <p>3% of the amount you invest, if you go ahead with our recommendations</p> <p>For example, if you invest £25,000 your Adviser charge would be £750 (exc. VAT)</p> <p>For example, if you invest £50,000 your Adviser charge would be £1,500 (exc. VAT).</p> |

On-Going Advice and Review Services

Our ongoing services are designed to suit individual client circumstances and pension and investment needs. This will undoubtedly vary depending on individual client requirements and we seek to match these wherever possible. Once you have purchased our on-going service package you may cancel it at any time, without charge, by writing to us at the above address.

We also recognise that an on-going service package is not suitable for everyone and that some of our clients would simply like to use our services when they need them. For this purpose, we are also happy to undertake future 'ad-hoc' or one off reviews of an investment and/or pension portfolio we arranged on your behalf.

Our typical fees for advice and arranging investments on your behalf are set out in the table below. There is an additional charge for any ongoing work, such as periodic or ongoing reviews, we carry out on your behalf. We will confirm the rate, frequency, and length of this ongoing service before beginning any ongoing servicing work for you. You can cancel our ongoing services at any time.

| On-going Service Description | Service Fees |
|---|--|
| <p>Our services can include:</p> <ul style="list-style-type: none"> • Review meetings at an agreed frequency but at least once every 12 months • Statements on performance of investments usually quarterly • Cashflow analysis and reports updated annually • Newsletters including property and economic reviews usually issued monthly • Online access to pension and investment valuations • Access to your adviser should you need us in the meantime | <p>our service is available for 0.75% of the value of your portfolio per year and is charged on a monthly basis at the rate of 1/12th of 0.75% per month.</p> <p>For example: If your portfolio was worth an average of £50,000 over a 12 month period, the average monthly charge would be £375/12 = £31.25 per month.</p> <p>If your portfolio was worth an average of £100,000 over a 12 month period, the average monthly charge would be £750/12 = £62.50 per month.</p> <p>Please note:</p> <p>The exact amount we charge each month will depend on the value of your investment and will increase if the value of your portfolio goes up.</p> |

Ad-Hoc or One-Off Review Service

This service is typically suitable for those who don't want to pay for regular reviews by their adviser and prefer to monitor things themselves. Upon request, we are happy to offer one off or 'ad-hoc' reviews of an investment/pension we set up for you should the need arise.

The cost of this service will vary depending on the complexity of the work and how long it takes to complete. Our adviser charge for this service is **£150 per hour (exc. VAT).**

A typical review will include:

- **Updating the information we already hold about you**
- **Re-confirming your objectives and risk profile**
- **Providing you with recommendations regarding the on-going suitability of your portfolio, and;**
- **Subject to your agreement, implementing any adjustments to your portfolio we recommend e.g. fund switches.**

Example cost:

For a portfolio containing two separate arrangements (for example a personal pension and an ISA) we would expect a typical review to take approximately three to four hours calculated in 15 minute intervals.

For example, if it took us three and a half hours to complete a review, our fee would be **£525 (exc VAT).**

What are your payment options?

- We accept direct payment by cheque or bank transfer.
- We do not accept cash or credit cards.
- We will tell you if it is possible to settle our fees through a deduction from your investment/pension.
- For new investments and pension plans funded by regular contributions only (e.g. monthly by direct debit), you can choose to pay our fees by instalments.
- We will allow you to settle our fee in up to 12 months
- If you choose this option we will not provide you with any further services until all the instalments have been paid in full.
- If you choose to pay instalments as a deduction from your investment/pension, although you pay us nothing up front this does not mean our service is free. You are still paying us indirectly through deductions from the amount you pay into the product.
- These deductions will go towards settling our fee and will reduce the amount left for investment. An example of how this payment plan works in practice is set out below.

Example 1

You decide to proceed with a recommendation to invest £300 per month into a suitable product. As stated above our typical charge for providing you with this service would be equivalent to 20% of the first year premium i.e. £720 (exc. VAT). You may settle your adviser charge in 4 equal monthly instalments deducted from your first 4 monthly payments, with the balance being available for investment, as follows:

| | Your payment | Adviser Charge | Investment amount |
|-----------------|---------------------|-----------------------|--------------------------|
| Month 1 | £300 | £180 | £120 |
| Month 2 | £300 | £180 | £120 |
| Month 3 | £300 | £180 | £120 |
| Month 4 | £300 | £180 | £120 |
| Month 5+ | £300 | N/A | £300 |

Example 2

You decide to proceed with a recommendation to invest £100 per month into a suitable product. As stated above our typical charge for providing you with this service would be equivalent to 25% of the first year premium i.e. £300 (exc. VAT). You may settle your adviser charge in 4 equal monthly instalments deducted from your first 4 monthly payments, with the balance being available for investment, as follows:

| | Your payment | Adviser Charge | Investment amount |
|-----------------|---------------------|-----------------------|--------------------------|
| Month 1 | £100 | £75 | £25 |
| Month 2 | £100 | £75 | £25 |
| Month 3 | £100 | £75 | £25 |
| Month 4 | £100 | £75 | £25 |
| Month 5+ | £100 | N/A | £100 |

- You can choose to pay your adviser charge through instalments collected from your bank account by standing order. For example an Adviser Charge of £720 paid over four months would mean four instalments of £180 will be collected from your bank account. Standing Orders are normally collected on or around the 15th day of the month. This is broken down as in Example 1 above.
- Please note that if you cancel your investment or pension product before our fee is settled in full, including cancellation during a statutory cooling off period, you will need to make alternative arrangements to pay our fee.

Other benefits we may receive

If we take over the servicing rights of your existing arrangements that were arranged by another firm, we may be entitled to receive an on-going payment as a result. This is commonly referred to as 'trail commission'. Where this is the case we will offset the amounts received against our on-going service fees. For example, if our on-going service fee is £500 and we receive £200 trail commission from existing arrangements retained as part of your portfolio, the net fee due to us would be £300 (exc. VAT).

Some of the firms whose products we recommend provide us with access to training and software which allows us to offer you a better service. Some of the costs of these benefits may be passed onto you as part of the total charges you pay, should you choose to purchase a product from one of these firms. Further information regarding these arrangements is available on request.

We are not otherwise permitted to receive or retain any financial inducements, significant gifts or hospitality from investment product providers, for arranging investments.

Other Specialist Services

As part of the TenetConnect Services Limited Network of Financial Advisers we have access to support services and specialist expertise you would normally expect from a large organisation. Where it is in your best interest we may offer to refer you to another firm within the same Network.

With your permission, the other firm may carry out research on our behalf or alternatively advise you directly. The total cost of this service, including our fees for any preparatory work the other firm relies on, will be no higher than our standard tariff of fees and charges stated above.

INFORMATION ABOUT OUR INSURANCE SERVICES

Personal and Family Protection

We are insurance intermediaries who offer products from a range of insurers based on a fair and personal analysis of the market for Life Assurance, Critical Illness Cover, and Income Protection Insurance.

General Insurance

We only offer products from a limited number of insurers for Building & Contents, Accident Sickness and Unemployment, and Private Medical Insurance.

How much do we charge for our insurance services?

We do not usually charge a fee for advice and arranging an insurance product. We will receive commission from the insurer and this is reflected in the premium amount you pay to them. The amount of commission we receive will vary depending on the type of contract, term of the cover and the premium amount.

We will tell you how much commission we expect to receive before we transact business for you. You will receive a quotation, which will tell you about any other fees relating to any particular insurance policy we arrange for you.

We are not otherwise permitted to receive or retain any financial inducements, significant gifts or hospitality from insurance product providers, for arranging insurance contracts on your behalf.

INFORMATION ABOUT OUR MORTGAGE SERVICES

Whose products do we offer?

We offer a comprehensive range of mortgage products from across the market. We offer both first and second charge mortgages, but not deals that you can only obtain by going direct to a lender.]

For those seeking to increase their existing borrowing, alternative finance options may be available and more appropriate for your needs. For example, a further advance from your existing lender or an unsecured loan (e.g. a personal loan).

How much will you have to pay for our mortgage services?

A fee of £250 is payable on receipt of Report and Recommendation and the £250 payable upon Decision in Principle application. We will also be paid commission from the lender

Our fee becomes payable when we provide you with our recommendation(s).

If you choose to proceed with our recommendation and the mortgage goes ahead, we will also be paid commission from the lender for arranging the mortgage on your behalf.

The amount of commission we receive varies from lender to lender. Information about the range of commissions available to us from the mortgage products we recommend is available on request.

If you apply for a mortgage that does not go ahead, you will receive no refund.

You will receive a personalised illustration when considering a particular mortgage. This will highlight the key facts about the mortgage product including any fees relating to it.

INFORMATION ABOUT OUR EQUITY RELEASE SERVICES

Whose products do we offer?

Equity release products are either lifetime mortgages or home reversion plans. We offer a comprehensive range of equity release products from across the market but not deal's that you can only obtain by going direct to a product provider.

How much will you have to pay for our equity release services?

A fee of £850 is payable. £350 is payable when you submit an application for a lifetime mortgage or Home Reversion Plan and £500 is payable on completion. We will also be paid commission from the company that lends you money or buys your home.

If you apply for a lifetime mortgage or home reversion plan that does not go ahead, you will receive no refund.

You will receive a personalised illustration when considering a particular equity release product. This will highlight the key facts about the lifetime mortgage or home reversion plan including any fees relating to it

INFORMATION ABOUT OUR OTHER RELATED SERVICES

Non-Advised Services

We will tell you how we get paid and the amount before we carry out any business for you.

Credit Broking

We are also credit brokers. This means that if you require a loan other than a mortgage (for example, a personal loan), we can refer you to a specialist third party who can discuss your specific needs with you. We will not advise you on this type of borrowing and you will need to make up your own mind whether to go ahead or not.

WHAT HAPPENS IF YOU HAVE A COMPLAINT?

If you are unhappy with the service you have received or a product we have arranged on your behalf, a copy of our complaints procedure, which sets out how we will handle your complaint, is available upon request.

If you would like to make a complaint please contact us either in writing to: **Complaints, TenetConnect Services Limited, 5 Lister Hill, Horsforth, Leeds, LS18 5AZ**; or by e-mail: complaints@tenetgroup.co.uk; or by telephone: **0113 2390011**.

If we are unable to settle your complaint or you are unhappy with our response, the Financial Ombudsman Service may be able to help. We will explain how at that point.

If you require further information about the Financial Ombudsman Service you can contact them directly:

Tel: 0800 0234567

Website: www.financial-ombudsman.org.uk

ARE WE COVERED BY THE FINANCIAL SERVICES COMPENSATION SCHEME (FSCS)?

Yes, we are covered by the FSCS. You may be entitled to compensation from the scheme if we are unable to meet our obligations. This will depend on the type of business and the circumstances of the claim. The FSCS only pays compensation for financial loss and the limits are per person per firm, and per claim category, as listed below:

Investments:

Arranging and advising on most types of investment (e.g. an ISA) is covered up to a maximum limit of £50,000 per person per firm.

Long Term Insurance Contracts:

Arranging and advising on long term insurance contracts (e.g. a life insurance policy, personal pension or annuity) is covered for 100% of the claim without upper limit.

General Insurance Contracts:

Arranging and advising on compulsory classes of insurance (e.g. employers liability), professional indemnity insurance, and general insurance contracts that pay out on death or incapacity due to injury, sickness, or infirmity (e.g. an accident & sickness policy) is covered for 100% of the claim without upper limit.

Arranging and advising on other types of general insurance contracts (e.g. Building and Contents) is covered for 90% of the claim without upper limit.

Mortgages & Equity Release Products:

Arranging and advising on mortgages and equity release products is covered up to a maximum limit of £50,000 per person per firm.

Further information about the FSCS is available from their website: www.fscs.org.uk