



Terms of Business

Chester Partnership
Oaklands Business Centre
Hooton Road, Hooton
Cheshire, CH66 7NZ.

The Chester Partnership Ltd is an Appointed Representative of Intrinsic Financial Planning and Intrinsic Mortgage Planning Ltd who are authorised and regulated by the Financial Conduct Authority.

- This document sets out the terms of business between our firm (as an Appointed Representative) and its clients
- These 'Terms of Business' apply until further notice and must be read in conjunction with the 'Guide to Our Service'. In case of any ambiguity between the documents, this 'Terms of Business' will take precedent
- Either we or you can end these terms at any time, without penalty and this will not affect any outstanding transactions being carried out on your behalf

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Section 1. Confirmation of Our Advice Areas

Investments & Pensions

✓	Advice – We will advise and make a recommendation for you after we have assessed your needs.
	No advice – 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.

Please see our separate Terms of Business for details of our mortgage & protection services.

Section 2. Confirmation of Whose Products We Offer

Investments & Pensions

	Independent advice – Our recommendation will be based on a comprehensive and fair analysis of the market.
✓	Restricted advice – Our recommendation will be based on products from a panel of leading investment companies*. We will be happy to provide you with a list of the companies on the panel at your request. *If our panel investment companies do not offer a product/service that meets your needs, we may use a more extensive range of other investment companies.

Section 3. What You Will Pay for Our Services

Investments & Pensions – See Section 4

✓	Standard fees – where you wish to take advantage of our full advice process, or our ongoing service options. These are shown by way of implementation and ongoing service fees, and it is likely that no VAT is due on these fees.
✓	Ad hoc fees – where you do not wish an ongoing service or where you want specific advice or project work. Depending on the type of work, VAT may be due. We will advise if VAT is applicable prior to beginning any work.

Payment for our services will be on the basis of an agreed advice fee. We will discuss your payment options with you and answer any questions you have. We will not charge you until we have agreed terms.

You will see all our fee options displayed to you in the following sections.

Section 4. Pensions & Investments – Standard Fees

This process only begins once we have your agreement to complete work on your behalf.

This may involve arranging investments or other products as required, and may extend to implementing a specific financial planning process. We will act as the intermediary between any product provider(s) and you with a view to arranging the purchase of any Retail Investment Products as we have agreed.

We offer two ways of paying for our advice:

- A. Fixed fees; and / or
- B. Time based fees using hourly rates.

We will help you decide which approach is the most appropriate for you.

Option A – Fixed Fees

A fixed fee is generally preferred when advising on both pensions & investment products and our fixed fees reflect our extensive experience of working with clients on this basis.

Example fees when advising on capital investments and /or pension funds

Wealth to be advised on	Investment Portfolio		Personal Pension Funds		At / Post Retirement Pension Funds	
	Typical Fee	%age equivalent	Typical Fee	%age equivalent	Typical Fee	%age equivalent
£15,240	£480	3.15	£528	3.46	£720	4.72
£60,000	£1,487	2.48	£1,647	2.75	£1,950	3.25
£120,000	£2,728	2.27	£3,037	2.53	£3,491	2.91
£180,000	£3,859	2.14	£4,318	2.40	£4,922	2.73
£300,000	£5,780	1.93	£6,539	2.18	£7,443	2.48
£500,000	£8,376	1.68	£9,635	1.93	£11,039	2.21

Example fees when advising on regular savings

Regular Savings of £300 per month Cost of advice covered by a deduction of £40 taken from the amount you invest each month, for example £300 monthly saving less £40 fee = £260 invested	£480
Regular Savings of £600 per month Cost of advice covered by a deduction of £48.50 taken from the amount you invest each month, for example £600 monthly contribution less £48.50 fee = £551.50 invested	£582
Regular Savings of £1,000 per month Cost of advice covered by a deduction of £59.00 taken from the amount you invest each month, for example £1,000 monthly contribution less £59 fee = £941 invested	£708

Cancelling Our Agreement

If you ask us to stop work after agreeing to these fees you will be invoiced for the work completed up to when you ask us to stop working on your behalf.

The Stage of the Advice Process	Fees Payable
After agreeing the fees, but before we do any work	0%
Early Stage 2 – i.e. after we have started researching your current arrangements and/or solutions, but before designing a solution	10%
As Stage 2 concludes – i.e. after we have started designing a solutions, but before we present our recommendation	25%
At the end of Stage 2 and during Stage 3 – i.e. after we have presented our recommendation	100%

If detailed recommendations with illustrations have not been provided and discussed with you at the point you cancel the agreement, the charge will be subject to VAT at the standard rate.

Option B – Time based using hourly rates (including ad hoc fees)

Depending on the nature of the work, we may agree it is more appropriate to base our charges on the amount of time involved to undertake work. This approach would generally be preferred by clients requiring bespoke and / or ad hoc type work that is not necessarily product specific.

Whenever this option is appropriate, our fees are based on the following hourly rates and depend on the person completing the work, for example: - :	Hourly Rate
Financial Advisers – responsible for all fact find & advice meetings, structure of the advice & recommendations and your first point of contact	£147.00
Adviser Support (Technical) – usually responsible for entering data onto our systems, supporting the financial planner with research and preparing technical reports	£55.00
Adviser Support (Administration) – responsible for processing documentation and liaison with any financial companies we may recommend	£30.00
Practice Principals – responsible for the support & guidance as required throughout the delivery of the advice process	£147.00
Typically, for work completed on this basis you would expect to pay an average hourly rate of approximately -	£110.00

We will provide you with an indication of the time a piece of work would typically take to complete and therefore an indication of the likely cost.

Unlike Option A, this is a pure time based approach and the eventual cost will reflect the actual time taken. We will keep a record of all time spent working on your behalf which will be available for your attention at any time. We will however only conduct work in excess of a pre-agreed limit with your clear agreement.

An example of work completed using hourly rates follows: -

For a client seeking advice and recommendations for their potential future pension benefits, including a forecast of state pensions, an occupational pension scheme and modest personal pension funds - a relatively straightforward piece of work, our fees would be based as follows: -

Person	Time	Hourly Rate	Cost	Fees
Financial Adviser	10.5 hours	£147	£1,543	£1,860
Client & Adviser Support – Technical	4 hours	£55	£220	
Client & Adviser Support - Administration	2 hours	£30	£60	
Principal – Supervision, Guidance & Quality Control	0.25 hour	£147	£37	

Canelling Our Agreement

If you ask us to stop work after agreeing to these charges you will be invoiced for the time spent on your case before we receive your instructions.

Please note that ‘ad hoc’ services on their own are likely to attract Valued Added Tax (VAT), in accordance with current HMRC (Her Majesty’s Revenue and Customs) guidelines. If detailed recommendations with illustrations have not been provided and discussed with you at this point, the charge will be subject to VAT at the standard rate.

Where any of the above services are included in an ongoing service option (see Section 5), you will not be charged separately for these services.

VAT & Payment Terms

The fees outlined above will normally be raised when the investment is made and (as explained in previous section) will NOT be subject to VAT.

Subject to agreement, our normal payment terms are: -

Deposit Payment

Depending on the nature of the work involved we may request a deposit of 20% of the agreed fee before commencing work on your behalf. This amount may be reimbursed if we subsequently collect the total fee from the product provider.

Interim Payments

We would normally expect to complete financial planning work within 3 months of receiving your written instruction. If, for reasons outside of our control, work extends beyond this period we will request an interim payment after 3 months, and then every 3 months, each one equivalent to the outstanding fee at that time.

Final Payment

We will request your final payment shortly after completing the agreed work. If, again for reasons outside of our control, we are unable to complete the implementation of the advice confirmed in our Report, then we will request a payment equivalent to the outstanding fee at that time.

Payment Options

Our fees may be paid directly or facilitated by the product provider. If the payment is facilitated by the product provider and we have to repay the provider for any reason (i.e. you cancel the plan in the cooling off period) then you will become liable to pay us the fee directly.

Travel Time

Travel time will only be charged if meetings are held a significant distance from our offices with a cost agreed prior to undertaking work.

Discounts

A range of discounts may apply and depend on whether you are: -

- A new client to Chester Partnership;
- A customer we have done work for previously; or
- An existing client with an on-going service agreement.

Details will be provided when we provide you with an indication of our costs.

Section 5. On-Going Services & Fees

We strongly recommend our on-going services to ensure our clients goals and plans are closely monitored and amended in line with changing circumstances such as: budgets; attitude to risk; personal objectives; tax position; life goals; and the performance of investment funds.

Before deciding on an appropriate level of on-going service we will consider a variety of factors including: the number of meetings to be held in a year; the assets we advise upon; the funds we manage & how we manage them; and the complexity of your arrangements including the tax benefits derived.

We offer two levels of service:

- A. **A 'Portfolio Update & Review Service'; or**
- B. **A more comprehensive, 'Financial Planning & Advice Service'.**

These are explained as follows: -

A. Portfolio Update & Review Service

If you want a lighter touch, but pro-active service to monitor your pensions & investment portfolio you should select our Portfolio Update & Review Service. Reviews are conducted annually, however the method (face to face meetings, or telephone) is agreed to reflect your needs (and general wealth value).

The service includes:

- A review of our previous advice in context to your present circumstances; goals & objectives;
- A check to ensure your attitude to risk hasn't changed and to ensure investment funds remain appropriate;
- Provide valuations & relevant investment commentary;
- Make and administer recommendations in order to keep investments in line with your objectives (i.e. any fund switches and reviews of technology used to hold investments);
- Implement 'Bed & ISA' transactions advised on previously;
- Suggest additional areas that you might consider for further advice;
- Provide a Portfolio Update & Review Report confirming the above;
- Discounts on our normal fees apply for additional work completed at the time of the review and at other times throughout the year.

Fees are fixed depending on the level of service required as follows: -

The service you might select is:	Typical portfolio values:	Fee	%age equivalent
Annual Telephone Review	£45,000 to £75,000	£410	0.91% - 0.55%
Triennial Face to Face Review By telephone – years 1 & 2 Face to Face – every 3 rd year	£75,000 to £125,000	£565	0.75% - 0.45%
Biennial Face to Face Review Telephone – year 1 Face to Face – year 2	£125,000 to £175,000	£642	0.51% - 0.37%

B. Financial Planning & Advice Service

If you'd prefer a more involved service and more contact with us you should select our Financial Planning & Advice Service. In addition to the above services, this will include a fully integrated financial plan to ensure you remain on track to achieve specific goals. Face to face reviews are conducted annually or more frequently to reflect your needs and circumstances making this more of a bespoke type service.

Fees for this service are variable and based on our experience of the time that is typically required; the number of meetings agreed; the complexity involved; the amounts invested; the funds invested in and the technology used to manage them; tax considerations; additional legislative issues (particularly surrounding pensions); and the number of contracts that need to be administered.

Here are some examples: -

Typical portfolio values	Standard 'Growth' Portfolio		Income Producing Portfolio		Complex Portfolio	
	Typical Fee	%age equivalent	Typical Fee	%age equivalent	Typical Fee	%age equivalent
£200,000	£1,175	0.59	£1,325	0.66	£1,465	0.74
£400,000	£1,525	0.38	£1,875	0.47	£2,225	0.56
£600,000	£1,825	0.30	£2,375	0.40	£2,925	0.49
£1,000,000	£2,275	0.23	£3,225	0.32	£4,175	0.42

The Financial Planning & Advice Service will generally include a cash flow plan and this will be updated at each review at an additional cost of £200.

For the Portfolio Update & Review Service and the Financial Planning & Advice Service

- Unless agreed otherwise, the fees will normally be collected by a monthly deduction from your investment portfolio;
- Advice on new pensions, investments and savings will be subject to our initial fees and discounts – see Section 4;
- Services may be cancelled at any time and this is covered in the following section (6).

Section 6. Other Important Information we feel you ought to know

If You Are Not Happy With Our Service

If you have a complaint about your Adviser or any financial advice you have received from your Adviser please contact us:

In writing: Complaints Department, Intrinsic Financial Services Limited, Wiltshire Court, Farnsby Street, Swindon. SN1 5AH

Email: complaints@intrinsicfs.com

By phone: 01793 647400

We will be happy to provide you with a summary of the internal procedures for handling complaints, this is available without charge upon request.

If you cannot settle your complaint with us, you may be entitled to refer it to the Financial Ombudsman Service (e.g. if we arranged insurance or a regulated mortgage product). The Financial Ombudsman Service can be contacted as follows: The Financial Ombudsman Service, Exchange Tower, London E14 9SR

Telephone 0300 1239123

Email: complaint.info@financial-ombudsman.org.uk

www.financial-ombudsman.org.uk

Our Regulator - The Financial Conduct Authority

We are an appointed representative of Intrinsic Financial Planning Limited (FCA Register number is 440703), part of Intrinsic Financial Services Limited, Wiltshire Court, Farnsby Street, Swindon. SN1 5AH which is authorised and regulated by the Financial Conduct Authority.

In cases where we provide mortgage advice, this is covered via Intrinsic Mortgage Planning Limited (FCA Register number 440718).

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

You can check this on the FCA's Register by visiting the FCA's website www.FCA.org.uk/register or by contacting the FCA on 0300 500 8082.

Client Classification Levels For Your Protection

The FCA 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 (FOS) and the Financial Services Compensation Scheme (FSCS).

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 have any questions regarding your classification (e.g. if you are a large company), please write to Intrinsic Financial Services Ltd Compliance Department, Intrinsic Financial Services Limited, Wiltshire Court, Farnsby Street, Swindon. SN1 5AH or to the Financial Ombudsman Service and FSCS.

Client Money Peace Of Mind

We do not handle Client Money. We never handle cash and will only accept a cheque made out to us in settlement of Advice and Service fees. Our preferred method of payment is via bank transfer.

Your Duty of Disclosure

Any financial advice we provide will be based on your personal financial circumstances and objectives. It is important that the information you give us is both accurate and a true reflection of your current circumstances.

It is your responsibility to provide complete and accurate information to a provider (a provider being for example, an organisation that provides insurance, mortgage, or investment related plans).

It is important that all statements made on any 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 a provider, then the terms of your desired plan may be invalidated (e.g. an insurance claim may not be paid). We strongly recommend that the information you provide is checked thoroughly prior to submission.

Investment Advice and Recommendations Scope

Any investment advice your adviser provides will be based on your personal financial circumstances and objectives. We will confirm these and the reasons for any recommendation in an Advice Report.

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 Advice Report. We will always make it clear when products are not within the 'regulated' scope, and advise you of your rights.

Paying For Advised Services

Where payments are facilitated through a product, this will impact the actual amount remaining invested. Payment of the initial Advice and Ongoing Service fees facilitated by the relevant Product Providers or Platform administrators will be as a percentage of contributions invested or of the value of the plan's value/funds under management as at the anniversary of the initial investment. As such, the cash equivalent amount will vary depending on the value at the time.

Providers/Platform administrators will detail the specific process they operate to facilitate a fee in their literature. If you opt to pay the Adviser Charge directly (not through a product) an invoice will also be provided, which must be settled within 14 days of issue (we reserve the right to charge interest on late payments at a rate of 3% above Bank base rate).

Full details of the final Advice will be provided in the Suitability Advice Report. Full details of the any future Service fee will be provided either in the Suitability Advice Report or '**Authority to Proceed**' document prepared for you by your Adviser. You may also be asked to sign and return a copy of the Authority to Proceed document to confirm your understanding and acceptance of the arrangements.

Cancellation / Termination of Authority

The Ongoing Service fee or our authority to act on your behalf can be cancelled at any time without any penalty by email or post using contact details provided. These methods ensure we have an audit trail for your instruction. You will be responsible for cancelling any instructions from your bank. If the fee is being taken from your investments we will endeavour to instruct the Provider, Platform or DFM to stop the fee within 5 working days of receiving your instructions and refund any over payment if we are unable to meet this commitment.

You may ask us for an updated estimate of your advice charge at any time and you may ask us not to exceed a given amount without checking with you first.

Investment Advice Refunds

Our standard policy is that in circumstances where this agreement is terminated, a recommendation is not followed through to implementation, or a product arranged is cancelled at any time, no refunds will be given and all work undertaken will be billable and due. Please note that this does not affect your statutory rights or ability to complain.

If you cancel your investment(s) in the cooling off period or stop regular contribution payments the fee will no longer be due unless a minimum fee is stated in this Terms of Business and your Adviser Charging Agreement/Authority to Proceed.

VAT

The service we provide is described as an 'intermediation' service. This means we provide advice with the intention of acting between you and a product provider to arrange a financial product or service. If we did not do this we would be liable for VAT on the fees charged. VAT is not applicable on the fees we charge for intermediation services. In arranging the sale of retail financial products an adviser charge made for advice, even if you decide not to proceed with the purchase of the recommended product, will remain VAT free where the adviser has provided you with full advice services up to that point, including all relevant documentation.

The adviser charge made for an ongoing service is also VAT free provided it is in respect of an intermediation service. This means activities such as topping up an investment or utilising available investment tax allowances, such as the ISA allowance. In the event that the advice services we provide become ancillary to our intermediation services, VAT may become chargeable (e.g. we review your entire financial circumstances but make no or limited recommendations).

Should this change in the future, and where VAT becomes due, we will notify you before conducting any further work. In any case, where VAT is payable on our services it will be charged in addition to the agreed fee.

However, where a Discretionary Fund Manager (DFM) forms part of a solution, then VAT will become chargeable.

Declaration of Other Interests

Intrinsic has a number of payment arrangements with various product providers to facilitate adviser learning and enhance the outcomes for our customers. Further details are available on request.

Our Loans and Ownership

Intrinsic Financial Services Limited owns 100% of the share capital of Intrinsic Wealth Limited, Intrinsic Financial Planning, and Intrinsic Mortgage Planning Limited. Old Mutual Wealth Life Assurance Limited owns 89% of the share capital of Intrinsic Financial Services Limited with the remaining 11% being owned by minority shareholders.

Addressing Financial Crime

All transactions relating to the services provided by us are covered by Money Laundering Regulations and the Proceeds of Crime Act.2002. The FCA also requires that we have appropriate measures in place to prevent the furtherance of financial crime.

Our responsibilities include but are not limited to verifying the identity and address of our clients and any third party making payments on their behalf. If required you must supply proof of your identity in accordance of the above Regulations. Identity verification checks 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 for us to access this information.

Financial Services Compensation Scheme (FSCS) Current limits

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. i.e. it differs for investments, insurance, mortgages and bank accounts.

- Insurance: Insurance advising and arranging is covered without any upper limit.
- Mortgages: Mortgage advising and arranging is covered up to a limit of £50,000.
- Investment: Most types of investment business are covered up to a limit of £50,000.
- Deposits: Bank Type Deposits are covered up to a limit of £85,000 per institution.

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

The Law that we operate under

All of our agreements provided are governed and construed in accordance with the laws of England and Wales. In relation to any dispute, for your protection you agree to submit to the non-exclusive jurisdiction of the English courts.

The 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. To understand exactly what data we hold, why we hold it and your rights under the Data Protection Act 1998 our Fair Processing Notice can be viewed at www.intrinsicfs.com.