

The Financial Services Authority (FSA)

The FSA is the independent watchdog that regulates financial services. This document has been 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.

1. WHOSE PRODUCTS DO WE OFFER?

Investment

- We offer products from the whole market.
- We 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 for private medical insurance, permanent health insurance, life assurance and critical illness insurance.
- We only offer products from a limited number of insurers.
Ask us for a list of the 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.

2. 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.
- 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

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.

3. WHAT WILL YOU HAVE TO PAY US FOR OUR SERVICES?

Investment

You will pay for our services on the basis of a fee only, commission and / or a combination of both 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.

Paying by fee: Whether you buy a product or not, you will pay us a fee for our advice and services, which will become payable on completion of our work. If we also received 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.

Hourly Rate: We will confirm the rate we will charge in writing before beginning work.

Our typical charges are:

- Senior/ Specialist Adviser £200 – £250 per hour
- Financial Adviser £150 – £200 per hour
- Administration £75 per hour

Alternately we may charge a flat fee based on the amount to be invested as follows:

- £1 - £250,000 – 3.0%
- Next £250,000 – 2.0%
- £1m+ – 1.0%
- Next £250,000 – 1.5%

We will also charge you a continuing fee for servicing your investments of between 0.5% and 1.0% of the funds under management.

Reviews: These are generally paid for out of our ongoing charges detailed above. However, if this is insufficient, we will agree an additional fee with you before we commence work.

We will tell you if you have to pay VAT.

You may ask us for an estimate of how much in total we might charge. You may also ask us not to exceed a given amount without checking with you first.

Paying by commission (through product charges): If you buy a financial product, we will normally receive commission on the sale from the product provider. Although you pay nothing to us up front, that does not mean that our service is free. You still pay us indirectly through product charges. Product charges pay for the product provider's own costs and any commission. These charges reduce the amount left for investment. If you buy direct, the product charges could be the same as when buying through an adviser, or they could be higher or lower.

The amount of commission we receive will vary depending on the amount you invest and (sometimes) how long you invest or your age.

If you invest a lump sum of £10,200 in an individual savings account (ISA) we would receive commission of 3% of the amount invested (£306) and 0.5% of the value of the fund (roughly £51 every year).

If you invest a lump sum of £50000 in an Investment Bond we would receive commission of 6% of the amount invested (£3,000) and 0.5% of the value of the fund (roughly £250 every year).

If you pay £100 a month into a personal pension (with a term of 25 years) then we would receive commission of £316.80.

If you pay £50 a month towards a whole of life policy, then we would receive £1518.

We will tell you how much the commission will be before you complete an investment, but you may ask for this information earlier.

Paying by a combination of fee and commission (through product charges): We will charge you a combination of fees and commission. The actual amounts will depend on the service provided to you, but will be in line with the arrangements set out in the sections headed 'Paying by fee' and 'Paying by commission (through product charges)'.

Other benefits we may receive: In addition to any commissions we may receive, providers may provide us with other non-monetary benefits for example adhoc training, which allows us to offer you a better service.

Insurance

- A fee.
- No fee.

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/company.
- A fee of 0.5% of the total borrowing subject to a minimum remuneration level of £500 payable when the mortgage completes. For example, if you borrow £300,000, the fee would be £1,500. We will offset any commission received from the mortgage lender against the fee payable.
- A combination of fee and commission subject to the criteria outlined above. The fee is based upon the amount of time spent and will be agreed in advance. We will offset any commission received from the lender against the fee payable.

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.
- No refund.
- A refund of a proportionate amount that reflects the administrative effort. This is subject to the minimum charge that covers our costs outlined above i.e £500

4. WHO REGULATES US?

Blackstone Moregate is a trading name of Blackstone Moregate Limited, Barbican House, 26 – 34 Old Street, London, EC1V 9QR. Blackstone Moregate Limited are authorised and regulated by the Financial Services Authority. Our FSA Register number is 459051.

Our permitted business is advising and arranging life insurance, pensions, investments and mortgages.

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

5. WHAT TO DO IF YOU HAVE A COMPLAINT

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

- In writing – Write to The Compliance Officer, Blackstone Moregate, Barbican House, 26 – 34 Old Street, London, EC1V 9QR
- By phone – Telephone 020 7549 4463

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

6. 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 maximum limit of £50,000.

Insurance

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

Mortgages

Mortgage advising and arranging is covered up to a maximum limit of £50,000. Further information about compensation scheme arrangements is available from the FSCS.

Blackstone Moregate are Independent Financial Advisors and will act on your behalf advising you on life assurance, pensions and investment product offered by different companies. Please refer to the information above, which highlights the level of service we offer in relation to each product group.

We are authorised to conduct investment business under the Financial Services & Markets Act and are authorised and regulated by the Financial Services Authority. Our registration number is 459051.

Investment Services

We can act for you if you live in the UK. There may be restrictions on how we can advise you if any of the following apply:

- You don't live in the UK
- You are currently staying in the UK, but normally live abroad
- You are currently staying in the UK and plan to move abroad or return to another country

Please ask us for details if you think this may apply to you.

We are authorised to advise on and arrange life assurance, pensions, investments in authorised collective investment schemes, Unit Trust and ISA's and are bound by Financial Services Authority rules. Our services may also include advice on investments relating to or executing transactions in units in unregulated investment schemes.

With regard to investments that we have arranged for you, these will not be kept under review but we will advise you upon your request.

We may contact you in the future by means of an unsolicited promotion to discuss the relative merits of an investment or service, which we feel, may be of interest to you.

Client Classification

The FSA requires us to classify our clients as either 'retail' (personal) or 'professional' (business).

We classify all our customers as 'retail' so that you get the highest level of consumer protection and in some cases, access to the Financial Ombudsman Service.

Investment Objectives

Any advice or recommendation made to you will be based upon your stated objectives any restrictions relating to the type of investment or markets on which you wish transactions to be executed.

Any advice will take into account your attitude to investment risk.

Restrictions

Unless you advise us to the contrary, we will assume that you do not wish to place any restrictions on the advice that we may provide to you.

We will write to you to confirm the basis and reason for recommending any transaction made on your behalf including details of your investment objectives and any restrictions that you placed on the type of advice, investments or policies that you were willing to consider.

Client Risk

You are advised that because investments can fall as well as rise, you may not get back the full amount invested. Past performance is not necessarily a guide to future performance. Such fluctuations are outside the firm's control.

Conflict of Interest

We offer independent advice, but occasions can arise where we or one of our other clients will have some form of interest in business being transacted for a client. If this happens, we will write to you with details of our interest or those of our other clients and obtain your consent before we carry out your instructions.

Client Instruction

We require our clients to give us instructions in writing (including faxes & email) to avoid possible disputes. We will, however, accept oral instructions provided they are confirmed in writing.

Investor Compensation Scheme

If you make a valid claim against us in respect of the investments we arranged for you and we are unable to meet our liabilities in full you may be entitled to redress from the Investors Compensation Scheme. We shall be pleased to provide details of the scheme on request. Further information is available from the Financial Services Authority and the Investors Compensation Scheme.

Disclosure of Clients Personal Data

We treat all confidential information given to us by clients in accordance with the Data Protection Act. Where other companies authorised under the Financial Services & Markets Act provide investment business services to us, then circumstances may arise which warrant the disclosure of more than just your basic contact details. On these occasions such as obtaining compliance and regulatory advice, sensitive personal information held by us may be disclosed on a confidential basis to such authorised companies.

How we charge for our services

Full descriptions of the payment options we offer are included in section 2 of the Key Facts document.

If we charge you fees, we may increase our rates in the future. We will not do so unreasonably and we will tell you, in writing, one month in advance of any changes to our fees. If you do not agree to the increase, you or we may end this agreement.

We may also charge you for any disbursements we have agreed to pay on your behalf. We will notify you of these in writing, if they apply.

As part of this agreement we will provide you with our services for as long as you ask us to. If you decide to end this agreement and have paid fees in advance for future advice, we will refund a reasonable amount of those fees.

Indirect Benefits

We may receive non-monetary benefits from product providers. We will tell you before the transaction if we will receive some form of benefit that is above the level we would consider 'reasonable'.

Client Money

We **never** hold client money.

- 'Client money' is money that we receive and hold on your behalf. This can be in any currency, cash, a cheque or money in a bank account.

We cannot accept:

- A cheque payable to us (unless it is for payment of fees due to us); or
- a blank cheque

The following is **not** considered client money:

- Crossed cheques made payable to someone else, which you give to us to forward to them on your behalf;
- A cheque made payable to us as payment for our services to you. If we have agreed to be paid fees for our services, we may ask for the non-refundable portion of it ahead of delivering the service to you.

Client Documents

We will make arrangements for all your investments to be registered in your name unless you first instruct us otherwise in writing. We will forward to you all documents showing ownership of your investments as soon as practicable after we receive them; where a number of documents relating to a series of transactions is involved, we will normally hold each document until the series is complete and then forward them to you.

Termination of Authority

Both you and we may terminate the company's authority to act on your behalf at any time, without penalty. Notice of this termination must be given in writing and will take effect from the date of receipt. The client shall pay for any transactions made prior to termination (and any fees outstanding), which will be completed according to our terms of business without prejudice.

Policy Cancellation

If you cancel any policy recommended, we may be required to repay the commission that has been paid to us. We reserve the right to charge you a fee representing the amount that we repay. This does not apply to any policies cancelled in accordance with the cancellation notice sent to you by the Life Company.

Declaration

I understand and consent to the above terms, which are effective from the date of issue, and I hereby authorise the Company to pass information on a confidential basis when warranted to such authorised companies.

I agree that these terms are effective from the date that they are issued to me.

Commencement date

These Terms of Business come into effect on the date you receive them from us.

How we act for you

We prefer our clients to give us instructions in writing to avoid possible disputes. We will, however, accept oral instructions providing they are subsequently confirmed in writing.

Any advice we give you will normally be in writing, but if given orally will be recorded on your file. Where any recommendation we make, or transaction we undertake for you, results in a right to cancel the policy under certain conditions, we will advise you of these rights. We will also tell you if you do not have a right to cancel the arrangement.

Occasions can arise where we, or one of our other customers, will have some form of interest in business which we are transacting for you. If this happens, or we become aware that our interests, or those of one of our other customers, conflict with your interests, we will inform you and obtain your consent before we carry out your instructions.

When we arrange investments for you we will register these in your name unless otherwise agreed in writing. Additionally, we will ensure you receive either a contract note, documents of title, or certificates evidencing title. All such paperwork will be forwarded to you by post as soon as possible after we receive them. Where a number of documents relating to a series of transactions is involved, the documents will normally be retained until the series is completed.

Investment risk

All investments carry a degree of financial risk which will tend to increase in proportion to the potential rate of return on the investments. Any product which is directly or indirectly invested in assets which may fall in value (for example equities) may itself fall in value along with any decrease in value of those assets. Before entering into any investment agreement, you must ensure that you understand the risk associated with the product and are content to accept that level of risk.

We do not handle client monies

Crossed cheques for premiums or investment monies can only be made payable directly to the product provider. No premiums or investment monies of any kind should be paid or made payable to anyone else.

You should therefore decline to give any money to, or write cheques payable to Blackstone Moregate. Any receipt by them of such a payment from you will not be regarded by Blackstone Moregate as being a transaction for which Blackstone Moregate will have any responsibility.

Contact

Once we have acted upon your instructions we will not normally give you further advice. Where we are providing advice on an ongoing or retained basis, we will confirm the details to you separately and in writing.

However, we may review our record of your investments and policies periodically and contact you to suggest that we arrange a review meeting. We will, however, be pleased to advise you at any time should you require further assistance.

We like to keep our customers informed of products and services we offer which may be of interest to them, therefore, from time to time we may forward marketing material to you, or contact you by telephone.

Termination of this agreement

You, or we, may terminate our authority to act on your behalf at any time without penalty. Notice of this termination must be given in writing by first class post. It will be deemed to be received 2 business days after being posted.

Any business currently being completed will be completed unless we receive your instructions to the contrary.

Any fees outstanding at the date of termination will be due within four weeks of the termination date.

Law

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

Data Protection Act 1998 – Use Of Your Personal Information



As you may be aware, the UK is one of the most highly regulated financial centres in the world. This is to safeguard the interests of consumers and other persons purchasing and being advised about investments, insurance and other financial products and in use of their personal data. Against this backdrop, we are required to make certain regulatory and statutory declarations to you.

If instructed by you, we collect data during our initial and other meetings with you about you and your family. We will also be collecting data about you and your family from other persons. We collect the data through note-taking and filling in of questionnaires about you and your family's circumstances.

We may make checks with credit rating agencies to authenticate and verify your identity and credit status. We also make checks with Institutions with whom you have policies of insurance and investments and with your mortgage provider. These checks are to help us with our obligations at law and generally to ensure that we provide you with advice that suits your circumstances. The scope and extent of the gathering of information from third parties depends on what type of service you are taking from us.

It has been disclosed to you that we are directly regulated by the FSA. It is our responsibility to ensure that the sales we make to you and advice we provide to you is compliant with the regulatory regime in the United Kingdom.

How is your information used?

Primarily, we use your data and data about your family's circumstances to provide advice to you and complete transactions on your behalf. We analyse and assess your data to maintain and develop our relationships with you.

Depending on the instructions we receive from you, we may pass your data to other professional advisers to enable us to provide advice most suited to your circumstances. Usually, this would be referrals to local accountants, solicitors, tax advisers and sometimes to specialist advisers in the financial and insurance industry where we do not feel we have appropriate expertise. We, and any third party specialist advisers to whom we introduce you, will, of course, pass your data to Institutions if you agree to purchase or amend policies and products as part of the sales and advice process. Your data is held in our computer-based and paper-based filing systems.

New products

We have a wide portfolio of financial and insurance products available to us as and we believe these are some of the best and most appropriate in the marketplace. We would also like to be able to contact you so that we can further advise you of developments of new products that might be suited to you. We also might advise you of legal developments that might make it appropriate for us, or for third parties, to give you pro-active advice about the investments, insurance and other financial products of which we are aware. We stress that your information would only be used in this way to help us to provide a pro-active service to you. As we all know, time is precious and none of us want to be bombarded with information that is simply not relevant or which we do not require. Please tick below or alternatively contact us at our usual address if you do not wish your information to be used in this way.

Your right to a copy of your personal data

Under the Data Protection Act you have a right, upon payment of a fee, currently £10, to obtain a copy of the personal information that we hold about you. If you believe that any information held is incorrect

or incomplete, you should contact us at our usual address. Any information that is found to be incorrect or incomplete will be amended promptly.

Thank you for your time and I confirm that we are at all times committed to making sure that, as you are a customer of Blackstone Moregate, you receive the best service and products available in the marketplace.

*** I do not wish to receive information about the products or services of other carefully selected third parties from within the Financial Services and Insurance industry.**

Only tick the box above, sign below, date this notice and send it to us if you do not wish to receive details of third party products and services that may be of benefit to you financially.

Name _____

Date _____

Signature _____