

MORLEY FORDHAM

INDEPENDENT FINANCIAL PLANNING CONSULTANTS

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Important Information About Our Services

Who are we and what do we do?

Morley Fordham is a firm providing Independent advice on Financial Services.

We are 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 UK 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;
- 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 services are suitable for you. We will then undertake research in order to provide a personal 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, including any on-going services, the cost and how it can be paid for. A copy of our standard Client Agreement is available on request.

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 and Pensions Service via its website;

www.moneyandpensionsservice.org.uk

INFORMATION ABOUT OUR INVESTMENT & PENSION SERVICES

We offer a range of services to help you meet your investment and/or retirement objectives. We provide independent advice 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 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

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

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

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

For advice on using your pension funds to purchase an income at retirement (your retirement income options) we will charge the following:

On a **Conventional Lifetime Annuity purchase**: **1.5%** of the amount used to buy the Annuity if you go ahead with our recommendations. For example if the purchase price is £50,000 your adviser charge would be £750 (exc. VAT).

On a **Conventional Investment linked Lifetime Annuity (i.e. with-profit and unit linked annuities) and Flexible Lifetime Annuity Purchase**: **2%** of the amount used to buy the Annuity if you go ahead with our recommendations. For example if the purchase price is £100,000 your adviser charge would be £2,000 (exc. VAT).

On an **Uncrystallised funds pension lump sums (UFPLS) or Existing Capped Drawdown or Flexi-access drawdown**: **3%** of the amount you invest if you go ahead with our recommendations. For example if you invest £200,000 your adviser charge would be £6,000 (exc. VAT)

Payment due on acceptance of our recommendation and/or set up of a new investment/pension:

For advising on and arranging lump sum investments our charges are as follows:

We offer a tiered fee level

3% of the first £500,000 invested, plus **2%** of the next £500,000 invested, plus **1%** of anything over £1,000,000 invested, if you go ahead with our recommendations. For example; if you invest £50,000 your Adviser Charge would be £1,500 (exc. VAT)

For advising on and arranging regular premium investments we will charge the following:

An amount equivalent to **25%** of the first years premiums, if you go ahead with our recommendations. For example; if you invest £100 per month (£1,200 per annum) your Adviser Charge would be £300 (exc. VAT)

For providing a comprehensive Financial Planning Review Report, summarising your situation we will charge the following: £550 plus VAT

Payment due on acceptance of our recommendation and/or set up of a new investment/pension:

Ongoing Charge for periodic reviews and servicing work

We offer an on-going service package which we will recommend when we consider it suitable for your needs. 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.

For ongoing advice on using your pension funds to purchase an income at retirement (your retirement income options) we will charge the following:

On a **Conventional Lifetime Annuity**: N/A

Conventional Investment linked Lifetime Annuity (i.e. with-profit and unit linked annuities) and Flexible Lifetime Annuity: Service available for **0.25%** of your Annuity investment fund per year. The service provided at least once per year. For example, if your investment is worth £100,000 your Adviser Charge would be £250 (exc. VAT)

On an **Uncrystallised funds pension lump sums (UFPLS) or Existing Capped Drawdown or Flexi-access drawdown**: Service available for **0.5%** of your Annuity investment fund per year. The service provided at least once per year. For example, if your investment is worth £200,000 your Adviser Charge would be £1000 (exc. VAT)

For ongoing advice on lump sum investments our charges are as follows:

Service available for **0.5%** of your investment portfolio per year. The service provided at least once per year. For example, if your investment is worth £100,000 your Adviser Charge would be £500 (exc. VAT)

For ongoing advice on regular premium investments we will charge the following:

Service available for **0.5%** of your investment portfolio per year. The service provided at least once per year. For example, if your investment is worth £10,000 your Adviser Charge would be £50 (exc. VAT)

Our service levels are typically suitable for those who prefer regular involvement and contact with their adviser.

The service includes:

- **Review meeting/discussion twice per year;**
- **Statements and Performance Reports twice per year;**
- **On-line access for portfolio valuations where available;**
- **Access to your adviser should you need us in the meantime.**

Please note:

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.

Ad-Hoc Charges

If you require us to work on an ad-hoc basis then we will agree with you either an hourly rate or a one off payment.

This is generally work for you where there are no transactions taking place. It could be help or generic advice with information about financial service matters

For example if we agreed an hourly rate of £150 per hour and the work took 6 hours then the Adviser Charge would be £900 plus 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 4 monthly instalments over a maximum of 4 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.

For Example

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 also choose to pay the fee instalments due to us directly from your bank account by standing order. For example, a fee of £300 paid over 4 months would mean 4 monthly instalments of £75.00 are collected from your bank account. Standing order are normally collected on or around the 15th of the month.
- 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. These payments are 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 are insurance intermediaries who offer products from a range of insurers based on a fair and personal analysis of the market for, Buildings & Contents, Accident Sickness & Unemployment and Private Medical Insurance

How much do we charge for our insurance services?

We do not 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 are not limited in the range of mortgages we will consider for you. We offer both first and second charge mortgages.

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). For those seeking a 'Retirement Interest Only Mortgage', a 'Lifetime Mortgage' may be available and more appropriate for your needs.

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

For establishing your needs, undertaking research and making a recommendation, we typically charge a fee of £495. 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 a refund of £245

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 and the amount of any commission due to us from the mortgage lender.

INFORMATION ABOUT OUR EQUITY RELEASE SERVICES

Whose products do we offer?

Equity release products are either lifetime mortgages or home reversion plans. We are not limited in the range of equity release products we will consider for you.

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

For establishing your needs, undertaking research and making a recommendation, we typically charge a fee of £1495. Our fee becomes payable when we provide you with our recommendation(s).

If you choose to proceed with our recommendation and your lifetime mortgage / home reversion plan goes ahead, we will also be paid commission from the company that lends you money or buys your home.

If you apply for a mortgage that does not go ahead, you will receive a refund of £1245

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, (e.g. 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 with it 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 £85,000 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 £85,000 per person per firm.

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