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## **A - Introduction**

This document has been created for consumers considering buying certain financial products and services from Black Swan Financial Management Limited. We recommend you use this information to decide if our services are right for you.

The document is designed to provide you with an overview of our firm and to introduce our services to you in more detail, from which you may then agree the service and remuneration package that best suits your needs. We will discuss this with you so that you fully understand what is offered and how it will benefit you. Should you have any questions please do not hesitate to contact us or ask for further information.

## **B - Firm Background**

Located in Ascot, Berkshire, Black Swan Financial Management Limited is a firm of independent financial advisers. Through the application of our knowledge and expertise and by providing the very best level of service Black Swan Financial Management helps its clients meet their financial aspirations and objectives.

The inspiration for our company's name comes from the book 'Fooled by Randomness, The Role of Chance in Life and in the Markets' in which the author Nicholas Taleb uses the discovery of black swans as a metaphor for risk. By applying a disciplined financial planning process to the astute management of our clients' assets we seek to reduce risk and uncertainty.

We are able to act on your behalf in advising you on investments and non investment insurance contracts. We offer products and services as follows:

- We offer investment products from the whole market.
- We offer non investment products from a range of insurers.

We are authorised and regulated by the Financial Services Authority ('FSA'), 25 The North Colonnade, Canary Wharf, London, E14 5HS. Our FSA Register number is 466128. Our permitted business is advising on and arranging pensions, savings and investment products and non investment insurance contracts. You can check this on the FSA's Register by visiting the FSA's website [www.fsa.gov.uk/register](http://www.fsa.gov.uk/register) or by contacting the FSA on 0845 606 1234.

## **C - What services do we offer**

Our clients include private individuals, trustees and companies, to whom we offer holistic financial planning and wealth management services, including savings, investments, retirement planning, estate preservation and family & personal protection (life assurance, permanent health insurance, and critical illness cover).

Any advice or recommendation we offer will only be given after we have assessed your needs, considered your financial objectives and taken account of your attitude to any risks that may be involved. Our aim is to provide a co-ordinated plan that encompasses all aspects of your affairs and enables you to achieve your financial objectives. Because we provide personalised advice we will take into account any restrictions that you wish to place on the type of products you would be willing to consider.

Creating a financial plan and commencing arrangements is not an end in itself, for your financial plan to remain relevant and on course to achieve your objectives we provide ongoing reviews and advice.

The basis on which we will offer advice and/or services can be broadly described as:

1. Advice Based
  - a) Full Financial Review
  - b) Limited Advice
2. Transactional Based
  - a) Restricted
  - b) No Advice

### ***1. Advice Based***

Our Advice Based services require the completion of a financial questionnaire and include cashflow management. We will discuss your goals and motivations, obtain information relating to existing arrangements and provide advice based upon the information gathered.

#### **a) Full Financial Review**

The Full Financial Review is a holistic financial planning approach that will encompass all aspects of your financial situation; you will be provided with the advice process outlined in section E of this document.

#### **b) Limited Advice**

If you instruct us to limit the advice we give to a number of specific advice areas and limit the information you provide; we will consider this to be 'limited advice'. In this case, we will follow the standard advice process stages set out in section E but will offer advice only in relation to the areas on which you have requested.

If you place any limitation on our advice, we will confirm this fact to you during our discussions and in our subsequent suitability report.

### ***2. Transactional***

Please note that with transactional based services we will be providing this service only and not the service as detailed in section E of this document. As you will be requesting specific advice on specific areas of your financial affairs you will not benefit from an initial report. Our advice will be confirmed to you in a Suitability Report.

Any products we arrange for you, will not be kept under review. We will however provide further services to you upon your request and these may be subject to a new service agreed with you at that time.

However, we may contact you in the future by means of an unsolicited promotion (by telephone, email or post) should we wish to discuss the relative merits of a particular product or service which we feel may be of interest to you.

#### **a) Restricted**

If you instruct us that you wish to restrict the advice we provide to a single pre-determined aspect of your financial affairs and do not anticipate requiring advice in the future – for example: you wish to restrict advice to that of arranging a pension plan to which you wish to make a specified contribution, we will consider this to be ‘restricted advice’. In this case, we will only advise and collect information in relation to the area in which you have requested advice. You should be aware that if you limit the information you provide to us in any way, it may detract from the completeness of the advice we are able to give you. This is because, the information not disclosed could affect how appropriate the advice we give you is to your circumstances.

If you place any restrictions on our advice, we will confirm this fact to you during our discussions and in our subsequent suitability report.

#### **b) No Advice – execution only**

With this service we merely arrange a transaction at your specific request. No advice is given on the suitability of the product in relation to your specific circumstances. You will have made this decision yourself before you ask us to arrange it on your behalf.

If we act for you on an “execution only” basis, you will be provided with the relevant illustrations, product brochures and application form. But we will not provide any comment on the product or its suitability for you.

You will be asked to sign an ‘execution only’ form to confirm your decision. This will ask you to provide full details of the product you wish to purchase.

No review of your individual circumstances will take place to assess the suitability of the product for you. As such you will not have the right to refer any future advice related complaint to the Financial Ombudsman Service regarding the product. This is because no recommendation will have been made.

You should therefore ensure that you have sufficient knowledge and experience to make this decision for yourself. If you have any doubts about your selection, you may be better suited to receiving advice on this occasion. Please refer to the other services that are available.

In certain circumstances, we may need to assess whether the transaction is “appropriate” for you. Typically, this will happen if your request relates to a product linked to derivatives or warrants. We therefore reserve the right to decline to act for you on an execution only basis if we think it is in your best interests for us to do so.

## **D - General Standards**

### ***Best Execution***

In executing or transmitting orders on your behalf to third parties, we will take all reasonable steps to ensure that we obtain the best possible result for you in terms of best execution.

### ***Client classification***

Unless we notify you in writing to the contrary, we will be treating you as a “retail client”. This means that you are afforded the highest level of protection under the regulatory system and should have the right to take a complaint to the Financial Ombudsman Service. Details of our complaints procedure are available on request.

### ***Conflict of interest***

We will endeavour always to act in the best interests of our clients. However, circumstances can arise where we or one of our other customers may have some form of interest in business being transacted 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 write to you and obtain your consent before we carry out your instructions, and detail the steps we will take to ensure fair treatment.

We obtain professional support services from threesixty services LLP, who provide us with regulatory and business advice. threesixty are supported by product providers, fund managers and platforms, through the provision of training resources and occasionally through commission payments made direct to them, which can be used to offset our own fees to them. In the event that threesixty is remunerated through commission, this will be disclosed in the literature provided to you, and in no way will it affect the charges you pay.

### ***Communication***

We will issue any documentation/recommendations and any other communication to you in English (unless agreed otherwise).

### ***Documentation***

We will endeavour to make arrangements for all your investments to be registered in your name unless you first instruct us otherwise in writing. All Policy Documents or Lenders’ Offer Documents will be forwarded to you as soon as practicable after we receive them. If there are a number of documents relating to a series of transactions, we will normally hold each document until the series is complete and then forward them to you.

### ***Record keeping and data security***

Black Swan Financial Management takes its data security obligations seriously and operates a documented Security Policy, which is available upon request.

### ***Client money***

Black Swan Financial Management IS NOT permitted to handle client money and we cannot accept a cheque made out to us (unless it is in respect of an item for which we have sent you an invoice) or handle cash.

## **E - Advice Process**

We aim to provide all clients with clear financial direction. This is achieved by having a full understanding of your current financial position, your objectives and identified needs and enables us to provide suitable solutions for you in order to treat you fairly. Our aim is to reduce future barriers to these objectives and to maximise the opportunities for achieving your goals.

### ***Step 1 – Initial Meeting***

We have often been told by our clients that our approach is different from other financial advisors and we therefore may not be the right choice for everyone. For this reason we like to have a “no obligation” initial meeting to get to know each other, your adviser will introduce themselves and the firm to you and provide you with a business card with their contact details. At this meeting your adviser will describe our services more fully, offer an appraisal of how we would apply our expertise to your financial needs and objectives, explain the payment options and confirm at what stage in the advice process charges may apply.

If we both agree to take matters forward, a second ‘fact find’ meeting will commonly be arranged to complete a financial questionnaire and agree the structure of your financial plan. At any stage of the financial planning process you may wish to include other parties such as your spouse, partner, children or other professional advisers.

### ***Step 2 – Fact Find Meeting***

When completing a financial questionnaire we need to obtain full details about all of your financial affairs and arrangements including; pensions, investments, income, liabilities, itemised expenditure and employer sponsored benefits.

Many of us are intuitively aware that there may be conflict between our goals and our motivations. These situations are quite common. For example, we want high returns, but don’t want to take risk, one is not possible without the other. By discussing such issues and taking advantage of modern financial planning techniques we are able to develop and resolve such conflicts.

Ahead of completing a financial questionnaire our clients need to think about their financial goals, priorities and aspirations. There are no right or wrong answers and there is no definition of what makes a ‘good’ financial goal, ambition is as valid as rectitude, daring as worthy as caution. Importantly, your financial goals should be realistic in view of financial commitments and should be clearly identified and defined.

Financial plans should be aligned with personal and family values and this can raise questions one would rather not think about. For example the financial plan should consider financial provision in the event of a debilitating illness and how an estate would be passed on in the event of death.

Our financial questionnaire is concise and to the point. Its aim is to obtain relevant financial facts, personal preferences and financial objectives; the better the information we collect, the better our advice will be. Due to the importance placed on this stage of the financial planning process it may take more than one meeting to agree the framework of a financial plan.

The initial meeting will typically last thirty to forty minutes and depending on the complexity of your situation the fact find meeting may take between one and two hours.

## **Client responsibility**

An essential ingredient of financial planning is that of understanding and managing cash-flow. In order to achieve a future objective, some sacrifices may need to be made today, therefore in advance of the fact find meeting we ask you to complete a detailed expenditure summary and be able to forecast how this may change in the future.

We can only draw correct conclusions and employ effective strategies if our clients openly articulate the answers to our questions and provide relevant financial disclosures. It is important that we are provided with the information that we request in order for us to provide appropriate advice and suitable services. We therefore ask that clients do not unreasonably withhold relevant information. Please note that any advice we provide will be based on the information provided to us.

FSA rules require us to consider whether it is in your best interests for us to act for you if you refuse to provide us with what we believe to be the necessary information. We therefore reserve the right to decline to act for you if we believe you have not provided us with the requisite information.

## **Questions and next steps**

At the end of the fact find meeting the adviser will explain the next steps in the advice process. Should you have any questions at any stage of the advice process please do not hesitate to ask your adviser who will be happy to discuss any queries.

If any fees are due at outset these will be explained clearly to you. We may also ask you at this stage to sign a letter of authority to enable us to act on your behalf - for example to obtain current valuations on your existing investments.

## **Anti money laundering**

We are required by the anti-money laundering regulations to verify the identity of our clients, to obtain information as to the purpose and nature of the business which we conduct on their behalf, and to ensure that the information we hold is up-to-date. For this purpose we ask you to provide evidence of your identity and address (this would normally include either your passport or driving licence and a utility bill in your name) we may also use electronic identity verification systems similar those used for credit checks and we may conduct these checks from time to time throughout our relationship, not just at the beginning.

For more details with regards to proving your identity our regulator has prepared a leaflet on the subject this is available at [http://www.moneymadeclear.fsa.gov.uk/pdfs/proving\\_your\\_identity.pdf](http://www.moneymadeclear.fsa.gov.uk/pdfs/proving_your_identity.pdf) or ask your adviser who will be able to provide you with a copy.

## ***Step 3 – Research and Initial Report***

Where necessary, we will forward your letters of authority to product providers and other professional advisers (accountant, solicitor, investment managers etc). We will analyse any additional details issued by the provider in conjunction with the information gathered at our initial meeting.

Using internal and external technical research, we will prepare and create an initial report that confirms our provisional findings and recommendations, this generic document will outline your current position and detail our professional observations regarding the most suitable type of arrangements for you to consider. We will state the approximate cost or premium required for your objectives to be achieved and confirm how our advice suits your stated financial objectives.

We will endeavour, wherever possible, to consider tax planning opportunities and in this respect we will often wish to liaise with your other tax advisers. Please note that the Financial Services Authority does not regulate tax advice.

The research and report preparation can take two to six weeks to complete. We will liaise with you during the preparation process to inform you of any delays.

#### ***Step 4 – Report Presentation Meeting***

Prior to the presentation meeting, you will be sent the initial report for review. Depending upon any known or foreseeable events our proposals or recommendations may cover various time horizons (immediate implementations and considerations for the future).

Please note if we have misunderstood any of your objectives, or should you have any questions on any of the elements of the report, please contact us. It is important that we are working towards the same goals and that you understand the reasons for the recommendations and how the recommended product(s) work.

The second meeting will last between one and two hours, depending on the complexity of your situation. You may wish to include other parties such as spouse, partner, children or other professional advisers.

#### ***Step 5 – Implementation Meeting & Suitability Report***

Once the financial plan is defined and we have agreed the aspects you wish to proceed with we will make provider specific recommendations detailed within a Suitability Report. The Suitability Report will be presented and discussed with you (along with supporting documentation – key facts documents, personal illustrations and product brochures) at the implementation meeting.

The suitability report will state any restrictions that you have placed on the type of products you would be willing to consider and will build upon the information contained within the initial report. It will contain full details of the product(s) recommended to you including, for example, the agreed contribution and the minimum term or duration of the product(s).

We believe that debate is no substitution for action when you are happy with our recommendations; the next stage is to implement the agreed plans. Completed application forms and payment are forwarded to the relevant provider and details of any transactions undertaken through us will be recorded on our back office system.

Information regarding the right to cancel or whether no right to cancel arises (and any other early termination rights and penalties) will have been provided in the relevant product disclosure information before conclusion of any contract.

#### ***Step 6 – Following Completion***

The financial plan is not an end in itself. Instead it is usually just a means to an end; meeting a future objective, funding an important life-event, marking achievements, passing wealth to someone else – or simply opening up options that wouldn't otherwise be achievable.



A good financial plan should be flexible and able to adapt to changes in personal circumstances, for these reasons we offer the Black Swan Financial Management Financial Planning Retainer Service (FPRS), please refer to section G for further information.

Please note that if the FPRS is not selected, we will assume that you wish to be classified as a 'transactional' client and once the review and associated transaction(s) have been completed no further action will be taken by the firm unless otherwise agreed. Therefore any products we have arranged for you, will not be kept under review in future. We will however provide further services to you upon your request and these will be subject to a new service level agreed with you at that time.

## **F – Remuneration**

Whether you require a transactional based service or full advice based service, there is a cost for our expertise. We make no charge for an initial meeting or the completion of a financial questionnaire (steps 1 and 2 of the Advice Process), however should you wish us to provide you with advice and/or recommendations we may charge a fee.

### **Disclosure of charges/fees**

All charges/fees will be fully disclosed to you. These will be disclosed in summary form before we undertake any work for you. The precise charges relating to any recommendations we make will be confirmed in your suitability report or relevant product disclosure information that is provided to you.

There is no additional cost to you for using a means of distance communication.

### ***Financial Planning Fee***

A Financial Planning Fee is charged to clients requiring advice based services; steps 1 to 4 of the Advice Process. The fee is £1,000 (we will tell you if you have to pay VAT) and is applicable to new or existing clients who have not subscribed for our financial planning retainer service. The Financial Planning Fee is chargeable only after we have been instructed to provide advice and recommendations (from step 3 of the advice process) but is payable in respect of our advice and not dependent on you proceeding with our recommendations.

### ***Transactional Services Fee***

A Transactional Services Fee is charged to customers requiring transactional based services. The fee is £300 (we will tell you if you have to pay VAT) and is applicable to new or existing customers. The Transactional Services Fee is chargeable only after we have been instructed to provide product or provider specific information in writing. The fee is payable in respect of our time commitment for providing financial services in line with your instructions and is not dependent on you taking out a product.

### ***Remuneration options***

We offer a variety of payment methods by which we can be remunerated so that you can select the method that best suits your needs. The payment options are:

#### **1. Paying by fee.**

Whether you buy a product or not, you will pay us a fee for our advice and services. If we also receive 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; rebate it to you in the form of enhanced benefits or use it to reduce your regular premiums.

#### **2. Paying by commission (or product charges).**

If you buy a financial product, we will normally receive commission on the sale from the product provider and will offset it against our fees. If the commission is less than the fee relevant to the services you require, we will ask you to pay the difference, if the commission more than the relevant fee, you will have nothing more to pay.

**3. Paying by a combination of commission and fee.**

In some circumstances, you may wish us to work on a fee basis for some services and a commission basis for other services. Please refer to 1 & 2 above.

## 1. Paying by fee

### a) Fixed fee

We can provide our services and advice on a fixed fee basis, before commencing any chargeable work we will agree with you what work you wish us to undertake and how much you will pay. Should additional unbudgeted work be required, this will be agreed separately.

Financial Planning Fee – as detailed in section E ‘Advice Process’	£1,000.00
Transactional Services Fee	£300.00
Analysis and advice regarding existing investment assets	£200.00 per asset
Provider specific recommendations for life assurance arrangements	£500.00
Provider specific recommendations for pure protection contracts	£500.00 per need
Provider specific recommendations relating to personal pension plans	£500.00
Analysis of occupational pension scheme benefits	£1,000.00
Provider specific at retirement recommendations	£500.00
Estate planning and trust advice	TBA
Implementation fee per transaction	£200.00

### b) Investment Fee for Wealth Management Services

Our fees for investment business are based upon the size of your investment and comprise of an initial charge and annual charge. The investment fee only relates to advised assets (we will tell you if you have to pay VAT), we do not levy an initial charge for reregistering existing investments that you wish to place under our direction.

For investment business we charge an entry/initial fee of 3% for the first £100,000, 2% for the next £400,000 and 1% on anything over £500,000.

On an ongoing basis we charge 0.6% of the first £100,000, which is discounted by 33% for the next £400,000 and 66% for anything over £500,000.

The following table provides examples of our charges. We will confirm the actual charges relating to your investments in your suitability letter or they will be contained within the provider disclosure documentation.

Initial Investment (new money)	Initial Charge	Effective Initial Charge	Annual Portfolio Charge	Effective Annual Portfolio Charge
£100,000	£3,000	3.0%	£600	0.60%
£500,000	£11,000	2.2%	£2,200	0.44%
£1,000,000	£16,000	1.6%	£3,200	0.32%

Initial Investment (new money)	Re-registered assets	Initial Charge	Effective Initial Charge	Annual Portfolio Charge	Effective Annual Portfolio Charge
£100,000	£100,000	£3,000	1.5%	£1,000	0.50%
£500,000	£200,000	£11,000	1.6%	£2,200	0.44%
£1,000,000	£300,000	£16,000	1.2%	£3,200	0.29%

The Financial Planning Fee will be offset against the initial investment fee. If the initial investment fee for your portfolio exceeds £1,000.00 the Financial Planning Fee will not apply.

The annual charge is payment for the ongoing servicing and administration of your portfolio, when paid in conjunction with the Financial Planning Retainer Service, we will at your annual review meeting, review all the assets within your portfolio and for no additional advice charge make adjustments as necessary. For example this may include selling and repurchasing assets in order to take advantage of new tax year savings allowances.

Not all providers offer the ability to scale annual portfolio charges in relation to our fee structure, where this is the case, we will fix the annual charge once a year at our annual review meeting. The fixed charge will be in accordance the value of your portfolio at the time of the review.

## 2. Paying by commission (or 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 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 the provider may pay to us. 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 payable can vary and depends on a number of different factors – for example: the type of product, the amount you invest, and (sometimes) how long you invest for, or your age when you start the product. We will confirm the actual amount to you before you buy a product.

a) For example:

- If you invest £7,200 in an individual savings account (ISA) we would receive commission of 4.5% of the amount invested (£324) and 0.5% of the value of the fund (roughly £36 every year).
- If you pay £100.00 a month into a personal pension (with a term of 25 years) then we would receive commission of £276 initially plus £12.00 each year from month 1
- If you pay £30.00 towards a whole life policy then we would receive £576.

b) Tables 1 and 2 show examples of the amounts of commission we could receive (or the equivalent we earn through product charges).

Please find below the maximum we will take in relation to commission payments for different product types. We will however inform you of the actual amount prior to you commencing any policy.

Table 1 - Commission if you invest monthly			
Products	Example term or age	Costs	Example based on £100 per month
		<i>Our maximum</i>	<i>This shows the maximum costs of our sales and advice for a monthly investment or premium of £100, ignoring any changes in fund value</i>
Savings and investments			
Collective investments (e.g. unit trusts)	Any	4.5% of all payments	£54.00 each year

Endowments	10 year term	32% of the first 12 month's payments plus 2.5% of all payments from month 17	£384.00 initially plus £30.00 each year from month 17
Protection			
Whole of life assurance	Age 40	160% of the first 12 month's payments plus 2.5% of all payments from month 49	£1920.00 initially plus £30.00 each year from month 49
Saving for retirement			
Personal and Stakeholder pensions	25 year term	23% of the first 12 month's payments plus 1% of all payments from month 1	£276.00 initially plus £12.00 each year from month 1
	10 year term	30% of the first 12 month's payments plus 0.5% of your fund value each year from year 1	£360.00 initially plus £6.00 in year 1, £12.00 in year 2, and so on (The actual amount in later years will vary in line with your fund value)
<p><b>Personal Pension Schemes</b></p> <p>Not all types of personal pension scheme are included in the information above about commissions. Instead only the more common types are included, and schemes such as SIPP's are not. Before we start advising you, we will inform you of how much we could be paid if we do recommend one of these products to you.</p> <p>You can also ask us about commission we might receive on underlying investments we recommend you hold within a SIPP if not contained in the information above.</p>			

Table 2 - Commission if you invest a lump sum			
Products	Example term or age	Costs	Example based on £10 000 lump sum
		<i>Our maximum</i>	<i>This shows the maximum costs of our sales and advice for a lump sum investment of £10,000, ignoring any changes in fund value</i>
Savings and investments			
Collective investments (e.g. unit trusts)	Any	4.5% of the amount you invest plus 0.5% of your fund value each year from year 1	£450.00 plus £50.00 each year from year 1 (The actual amount in later years will vary in line with your fund value)
Investment bonds	Any	7.3% of the amount you invest	£730.00
Saving for retirement			
Personal and Stakeholder pensions	Any	3% of the amount you invest plus 0.5% of your fund value each year from year 1	£300.00 plus £50.00 each year from year 1 (The actual amount in later years will vary in line with your fund value)

Personal Pension Schemes

Not all types of personal pension scheme are included in the information above about commissions. Instead only the more common types are included, and schemes such as SIPP's are not. Before we start advising you, we will inform you of how much we could be paid if we do recommend one of these products to you.

You can also ask us about commission we might receive on underlying investments we recommend you hold within a SIPP if not contained in the information above.

At retirement

Annuities	Any	1.5% of the amount you invest	£150.00
Income drawdown	Any	4.5% of the amount you invest plus 0.5% of your fund value each year from year 1	£450.00 plus £50.00 each year from year 1 (The actual amount in later years will vary in line with your fund value)

Any reoccurring commission payments do not entitle clients to periodic or ongoing reviews. If clients wish to benefit from these services they will be required to subscribe to Black Swan Financial Management's Financial Planning Retainer Service, please refer to section G for further information.

### ***3. Paying by a combination of commission and fees***

Commission can be used to pay for our services or used to offset our fees. You can ask us to work on a fee basis for some services and a commission basis for other services (we reserve the right to charge a fee on top of any commission we might receive).

## **G – Ongoing Advice**

The Financial Planning Retainer Service (FPRS) entitles you to ongoing advice in the form of an annual review meeting (which if held at our offices in Ascot, or offsite by agreement, is provided at no additional charge). This review meeting provides the opportunity to reassess your financial plan and objectives, gauge progress and make adjustments to take account of budgetary considerations, changes in legislation and take advantage of tax planning opportunities.

The purpose of reviewing arrangements is thus to ensure your financial plan remains relevant and on target to meet your financial objectives. If as a result of the review meeting any transactions or additional advice are required additional fees or commissions may be liable, however this will not be subject to the £1,000 Financial Planning Fee.

If you subscribe to the FPRS we encourage you to contact us on an ad-hoc basis to discuss any aspect of your or your family's financial affairs. Examples of this could be this in response to the Budget, changes in investment market conditions, advise us of a change in your personal circumstances or simply to obtain the current value of your investments.

Your adviser will agree and document a schedule of annual review meetings with you (more frequent meetings can be agreed but may be subject to an additional charge). A proactive approach to arranging review meetings will be taken with contact made either by letter or telephone.

The charge for the FPRS is £25.00 per month per financial plan (set of financial arrangements for a family) and is payable monthly by standing order (we will tell you if you have to pay VAT). For clients with £200,000 or more invested through the Wealth Management Service we will waive the monthly fee.

Unless you wish to benefit from the FPRS, any products we arrange for you will not be kept under review and we will not contact you again following the implementation of an agreed transaction unless we feel that you would benefit from a product or service that we are offering.

## **H - Before proceeding please consider the following**

### ***Treating Customers Fairly***

We are committed to providing the highest possible levels of service to our clients. As part of this we wish to ensure you understand the services we provide and their associated costs. This should allow you to make an informed decision about the services you wish to purchase. This empowerment forms part of our ethos and culture.

This ethos carries over into our recommendations where we will provide you with the necessary information to enable you to make informed decisions as to the approach to take to achieve your objectives.

We have embraced the Financial Services Authorities 'Treating Customers Fairly' principle and would welcome any feedback you have on any element of our service that justifies comment, whether positive or negative. This will help us to ensure we are providing the services clients require and improve upon any areas about which you may have a concern. Although we have a complaints procedure, as detailed below, we would rather that clients are satisfied and raise any concerns prior to there being a problem.

### ***Risk warnings***

With the best will and intention unfortunately not everything is within our control. The financial markets and world events are notable matters that can impact on the recommended approach to your achieving your objectives. It should be noted that products are very rarely guaranteed and therefore there is an inherent risk in all products. By "risk", we mean the possibility that a product will not achieve the stated objective.

Please be aware that investments can fall as well as rise, and that you may not get back the full amount invested. The price of investments we may recommend may depend on fluctuations in the financial markets, or other economic factors, which are outside our control. Past performance is not necessarily a guide to future performance. Specific warnings relevant to the investments, or investment strategies, we recommend will be confirmed to you in your suitability report.

Although we will explain the risk of the product as part of our advice process (with the exception of execution only transactions) you should always ensure you have understood the risk associated with the product/service. If you are unsure about the way the product or recommendations works, or require any further clarification please ensure that you raise this with your adviser.

### ***Non regulated products***

We may also on occasion, advise on other financial products which are not regulated by the FSA under the Financial Services and Markets Act 2000. The Financial Services Compensation Scheme does not apply to any of these products. Accordingly, you should carefully consider whether such investments are suitable for you in light of your personal circumstances and the financial resources available to you.

### ***Limited liquidity assets***

Under the terms of this agreement, we may if appropriate advise you on investments which have limited liquidity and are not readily realisable. We would draw your attention to the risks associated with these investments as there is a restricted market for them. In some circumstances it may therefore not be possible to deal in the investment or obtain reliable information about its value.

## ***Cancellation rights – Changing your mind***

You should only proceed with a transaction once you are happy with all elements involved with it. As highlighted above, please ensure you are aware of the details of the product and that it matches your objective and attitude to investment risk.

In most cases you can exercise a right to cancel, by withdrawing from the contract recommended to you. In general terms you will normally have a 30 day cancellation period for a life, pure protection, payment protection or pension policy and a 14 day cancellation period for all other policies.

The start of the cancellation period will normally begin, for pure protection policies, when you are informed that the contract has been concluded or, if later, when you have received the contractual terms and conditions. In other cases, the cancellation period will begin on the day the contract is concluded or, if later, the day on which you receive the contractual terms and conditions. Instructions for exercising the right to cancel, if applicable, will be contained in the relevant product disclosure information which will be issued to you.

If you cancel a single premium contract, we may require you to pay for any loss you might reasonably incur in cancelling it which is caused by market movements. This means that, in certain circumstances, you might not get back the full amount you invested if you cancel the policy.

## ***Complaints***

In the event that you are dissatisfied with a recommendation we have made, you may be entitled to make a complaint. We have a complaints procedure that is available on request. If you wish to register a complaint, please contact us:

In writing: Write to           The Compliance Officer  
  Black Swan Financial Management Ltd  
  White Hart House  
  Ascot  
  SL5 0PY  
By phone:                   01344 873254

For your further protection if you cannot settle your complaint with us, you may be entitled to refer it to the Financial Ombudsman Service ('FOS').

Please be assured we treat complaints very seriously.

## ***Financial Services Compensation Scheme***

We are covered by the Financial Services Compensation Scheme ('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.

- Most types of **investment business** are covered for up to a maximum limit of £50,000.
- **Insurance** advising and arranging is covered for 90% of the claim, without any upper limit.
- **Mortgage** advising and arranging is covered for up to a maximum limit of £50,000.

Further information about compensation scheme arrangements is available from the FSCS. [www.fscs.org.uk/consumer](http://www.fscs.org.uk/consumer)

## **I – Other Matters**

### **1. *Obligations***

We will require you to provide up to date and accurate information of your personal circumstances and financial planning objectives.

We will report to you in writing clearly documenting our recommended course of action. Our recommendations will be made on the basis of the information provided by you and will take into account the objectives stated by you.

All the information given to us, and the recommendations and advice provided by us to you, will be kept confidential and will not be disclosed to anyone, except as we agree in writing, or to persons to whom we have a regulatory obligation. You may, however request that a copy of your details may be available to your accountant or solicitor.

When you receive your written report, it will be your decision alone to implement the recommendation(s). In order that there may be no future misunderstanding, it is for our financial planning services for which you will pay fees under this agreement.

### **2. *Trail/renewal commissions***

In certain circumstances we will be paid a trail or renewal commission in addition to our fee. If this is the case we will disclose the amount and frequency in writing at the point of recommendation. By signing this agreement, you are confirming your agreement to our receiving this trail or renewal commission.

### **3. *Invoices***

Our invoice where applicable will be issued following the completion of the agreed work and is payable within 30 days. The firm reserves the right to charge interest on invoices outstanding beyond the agreed payment period at a simple rate of 10% per annum.

### **4. *Data Protection***

Your personal information is very important to us. We endeavour to take all due to care to protect this information. We would like to highlight below a few matters relating to your information that you should be aware of.

Some services are provided to us by third parties such as processing business or obtaining compliance or regulatory advice, which warrant the disclosure of more than just your basic contact details. You agree that personal information held by us may be disclosed on a confidential basis, and in accordance with the Data Protection Act 1998, to any such third parties. You also agree that this information may be transferred electronically, e.g. email and you agree that ourselves, or any such third party, may contact you in future by any means of communication which we consider appropriate at the time.

Product Providers, Lenders and Investment Managers may administer your policy, any existing policies you may have with them and provide other services, from centres in countries outside Europe (such as India and the USA) that do not always have the same standard of data Protection laws as the UK. However, they are required to put

a contract in place to ensure that your information is adequately protected, and they will remain bound by their obligations under the Data Protection Act even when your personal information is processed outside Europe.

## **5. *Termination of 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 and will take effect from the date of receipt.

Termination is without prejudice to any transactions already initiated which will be completed according to these terms unless otherwise agreed in writing. You will be liable to pay for any transactions made prior to termination and any fees outstanding, if applicable.