

Letter of Engagement

The Barn
Hatch Farm
Mill Lane
Sindlesham
Reading
RG41 5DF
Tel: 0118 987 6655

Bluesky Chartered Financial Planners is a firm of independent financial advisers whose main business focus is helping clients plan their financial future to enable them to reach their goals and objectives in the most effective manner.

We charge fees for the work that we do which we will detail to you in full before you engage us to work for you.

1. Our Services

As part of our financial planning work, we may advise you on the following products and services: -

Financial Planning - We will analyse your current financial situation and how this relates to your future personal and financial objectives. Our financial planning reports will include recommendations to help you reach your objectives in the most effective and tax efficient manner.

Investments - We offer an independent advice service. We will recommend investments (including pension investments) based on a comprehensive and fair analysis of the market. We will place no restrictions on the retail investment products we will consider before providing investment recommendations unless you instruct us otherwise.

Protection Contracts - We offer advice on non-investment protection products such as term assurance, income protection and critical illness cover from the whole of market.

We will tell you when aspects of our advice or recommended products fall outside the jurisdiction of the FCA.

We do not advise on General Insurance Products, Home Reversion Schemes, mortgages or transferring out of defined benefit pension scheme.

We will include such benefits within any financial plan/ cashflow analysis that we may do for you, but this will be based upon an estimate of the benefits you are likely to receive – we will not obtain up to date information from the scheme each time we update the financial plan/cashflow forecast.

All communications, both verbal and in writing, will be in English.

Please note that if you reside outside of the UK, you may wish to seek further advice from a local adviser in your place of residence regarding the impact of our advice in relation to local taxation, practices, and law. This is because the advice we provide you with will be on the basis of being a UK Independent Financial Adviser and we do not have specialist knowledge of any legislation, taxation or financial practices outside of the UK.

The company and its representatives are not qualified to provide any legal advice and will not provide any opinion as to whether a client should complain about any previous advice received unless explicitly agreed.

Our Advice Process and Related Fees

Our typical advice process is: -

1.1 Initial meeting

We will normally offer you an initial meeting without charge during which we will gather any information required about your financial situation and your personal objectives and attitude to investment risk. This will normally be followed up with a letter confirming the scope of the work you have asked us to undertake for you, how we can help you to meet your objectives and the costs of doing so. At this stage you will be given the opportunity to ask us to act for you.

1.2 Research & Production of your Financial Planning Report

Once you have engaged us to work on your behalf (by signing a copy of this agreement) we will collate further information as necessary, conduct appropriate research and analysis of your existing arrangements and review your circumstances, in order to produce a written report for you detailing our findings and recommendations. Our reports may also include lifetime cashflow modelling where appropriate. Our fee for a full financial plan starts at £1,850 and covers the costs of further meetings as required to discuss and agree actions. This fee is payable on completion of our report.

1.3 Fees

Our fee for transacting an investment on your behalf is a maximum of 2.0% of the sum invested but will be discounted for larger investments as outlined in the table below. In all cases the exact fee will be agreed with you in writing before any action is taken.

Additional investments, if into the same product, will not typically result in a further implementation fee. However, if a significant change in circumstances results in the need to recommend a new investment this will be dealt with in the same manner as described above, albeit that the investment implementation tiered fees will include any existing investments held with Bluesky.

Bluesky will not levy a fee for withdrawals from the investments we have arranged.

Summary of our Initial Fees

Initial Meeting Charge	Normally no charge	
Financial Planning Report Fee	Minimum fee £1,850	
Investment implementation tiered fees (including pensions)	2% first £150,000	
	1.0% £150,001 - £350,000	
	0.0% over £350,000	
Typical Fees	Investment of £250,000	Investment of £500,000
	Fee £4,000	Fee £5,000

Please note that this is only a guide, as the complexity and administration requirements of each case will also be taken into consideration.

We will offer you the opportunity of paying the fee directly yourself or via Adviser Charging through the product provider recommended.

1.4 Non-investment Protection

When we arrange a protection or insurance contract we may charge you a fee, subject to a minimum of £500. You will be informed of the costs before any action is taken and any fees incurred.

1.5 Periodic Reviews – Keeping You Informed

We believe it is important to keep your financial affairs regularly monitored and updated. To facilitate this, we offer two client review service levels which we will discuss with you and agree which is most appropriate for your needs. The key elements of these services are shown below. Our fees for these services are normally paid directly from your investment. Typically, this is paid monthly in arrears and will commence shortly after your formal instruction and will cease shortly after your instruction to terminate our services.

SERVICE LEVEL	SELECT service	PRIME service
Annual face to face review meetings with your adviser which include: -	✓	
Invitation to annual review meeting – via Telephone / Video meeting		✓
Update of your financial circumstances	✓	
Review of Objectives	✓	✓ (By post)
Review of Risk Profile	✓	✓ (By post)
Fund switch recommendations	✓	
Review of Tax Changes	✓	
Valuations and performance review	✓	
Cashflow analysis and update	✓	
Full administration support	✓	✓
Income / Expenditure Review and Forecasting	✓	
Liaison with accountant / solicitor (if required)	✓	
Agree future actions	✓	
Unlimited access to our support team	✓	✓
Ad-hoc valuations on request without charge	✓	✓
Additional meetings as required	✓	✓*
Annual cost based on the total value of your investments – as at the time of your annual review	1.0%	0.5%

Minimum Annual Cost	£2,500	£1,000
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*Additional meetings under our PRIME service may be chargeable

Example 1: if your investments are valued at £200,000 and you have selected the PRIME service (0.5% p.a.) Bluesky's annual servicing fee is £1,000.

Example 2: if your investments are valued at £500,000 and you have selected the SELECT service (1.0% p.a.), Bluesky's annual servicing fee is £5,000.

Currently VAT is not added to our fees where the advice offered is described as intermediation by HMRC. We will inform you before we start work for you if your fees will be subject to VAT.

Annual Review Process: A letter and update questionnaire will be sent out 6 weeks prior to your review date.

- **SELECT service:** Valuations will be updated, and a report produced with appropriate recommendations. A mutually convenient Face to Face meeting will then be arranged, and the cashflow model updated as appropriate.
- **PRIME service:** At your request and upon receipt of your completed questionnaire, a telephone/video meeting will be arranged to review your circumstances.

2. Bluesky's Fees - Miscellaneous

2.1 Where applicable and agreed with you, disbursements and travelling expenses will be added to our fees.

2.2 We reserve the right to charge interest at 5% over base rate of Barclays Bank plc for any period in excess of 30 days that invoices remain unpaid.

2.3 Our fee levels are reviewed and set every January.

3. Our Ethical Policy

We are committed to providing the highest standard of financial advice and service possible and always acting in your best interests. The interest of our clients is paramount to us and to achieve this we have designed our systems and procedures to place you at the heart of our business. In doing so, we will:

- be open, honest and transparent in the way we deal with you.
- not place our interests above yours.
- communicate clearly, promptly and without jargon.
- seek your views and perception of our dealings with you to ensure it meets your expectations or to identify any improvements required.

4. Termination of Engagement

The authority to act on your behalf may be terminated at any time without penalty by either party giving seven days' notice in writing to that effect to the other, but without prejudice to the completion of transactions already initiated. Any transactions effected before termination and a due proportion of any periodic charges for services shall be settled at termination.

5. Client Money

Bluesky Chartered Financial Planners is not permitted to handle money on clients' behalf. Unless you are settling a fee for which you have been invoiced, you will always pay any investment monies directly to the recommended provider.

6. Money Laundering and Identity Checks

We are required by anti-money laundering regulations to verify the identity of our clients, to obtain information as to the purposes and nature of the business we conduct on their behalf and to ensure that the information we hold is up to date. For these purposes, we may use electronic identity verification systems and we may conduct these checks from time to time throughout our relationship, not just at the beginning.

We reserve the right to conduct an electronic money laundering check on each client. However, you should be aware that as a result of this, it will leave a 'soft footprint'. This means that there will be no impact on an individual's credit file and would not be seen by any company conducting a credit check on you. You must advise us if you do not wish this check to take place.

7. Disclosure of Clients' Personal Data (General Data Protection Regulation)

Please see attached 'Customer Privacy Notice'.

8. Cancellation Rights

We will inform you of any rights to withdraw or cancel that you may have, or that no such rights apply to a particular product.

9. Complaint Procedure and Your Protection

Unless we notify you in writing to the contrary, we will be treating you as a "retail client" for investment business and a "consumer" for insurance business. This means that you are afforded the highest level of protection under the regulatory system and have the right to take any complaint to the Financial Ombudsman Service.

Some of our services are not referable to the Financial Ombudsman in the event of an unresolved dispute. You will be informed if this is the case when you instruct us.

If you wish to register a complaint, please contact us in writing or by telephone on 0118 987 6655.

A summary of our internal complaints handling procedures for the reasonable and prompt handling of complaints is available on request and if you cannot settle your complaint with us, you may be entitled to refer it to the Financial Ombudsman Service at www.financial-ombudsman.org.uk or by contacting them on 0800 0234 567.

10. Compensation Scheme

If you make a complaint and we are unable to meet our liabilities, you may be entitled to compensation from the Financial Services Compensation Scheme.

Further information about these amounts and limits for all other product types is available from the FSCS at <http://www.fscs.org.uk/what-we-cover/products>

11. Authorisation Statement

Bluesky Chartered Financial Planners is a trading style of Bluesky Financial Planners Ltd. which is Authorised and Regulated by the Financial Conduct Authority (company number 914561). The Financial Conduct Authority (FCA) regulates financial services in the UK and you can check our authorisation and permitted activities on the Financial Services Register by visiting the FCA's website www.fca.org.uk/firms/systems-reporting/register or by contacting the FCA on 0800 111 6768.

Some of our services are not regulated by the Financial Conduct Authority. You will be informed if this is the case when you instruct us.

12. Law

This client agreement is governed and shall be construed in accordance with English Law and the parties shall submit to the exclusive jurisdiction of the English Courts. We are not authorised to practice law or accountancy and will not do so.

13. Force Majeure

Bluesky shall not be in breach of this Agreement and shall not incur any liability to you if there is any failure to perform its duties due to any circumstances reasonably beyond its control.

14. Recommendations, Buy, Sell or Switch Requests

Bluesky will confirm any recommendations in writing and will require your written authority to proceed prior to making any changes to your investments.

15. Continuity of Service on Death

In the event of your death, our advisory service will continue for the benefit of the survivor and/or your executors. This will include obtaining valuations for Confirmation/Probate, where possible (and if appropriate) raising funds from your investments to cover Inheritance Tax prior to the issue of Confirmation/Grant of Probate and assisting in the disposal or transfer of assets. Since any investments which we have arranged for you will continue to be managed and reviewed, the firm will continue to receive the agreed adviser charges, until the executors of the estate advise us otherwise.

16. Referrals to third parties

There may be occasions whereby we would refer you to a specialist for specific advice such as tax advice. Should you pursue our suggestion to use the third party introduced to you, you should note that we are **not** responsible for the advice that they give you. You will be subject to their terms and conditions. They will agree their charges for their advice directly with you.

17. Foreign Account Tax Compliance Act (FATCA)

The Foreign Account Tax Compliance Act (FATCA) requires US persons holding an interest in any specified foreign financial assets with an aggregate value exceeding \$50,000 to report related information to the IRS.

Please note that we are not responsible in any way for any reporting obligations that you may have in relation to FATCA. We may also share your FATCA status with other Financial Institutions, HMRC and/or the IRS if requested.

18. Acceptance of this Letter of Engagement

Please signify your acceptance of this Letter of Engagement by signing two copies, retaining one for your files and returning the other to Bluesky Chartered Financial Planners.

I/we understand and consent to the above Terms of Business and disclosure about Bluesky's services and costs.

Signed:

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Signed:

.....

Name:

.....

Name:

.....

Date:

.....

Date:

.....

Bluesky Chartered Financial Planners, The Barn, Hatch Farm, Mill Lane, Sindlesham, Reading RG41 5DF
 Bluesky Chartered Financial Planners is a trading style of Bluesky Financial Planners Ltd.
 which is authorised and Regulated by the Financial Conduct Authority

Client Privacy Notice

Why should you read this document?

During the course of dealing with us, we will ask you to provide us with detailed personal information relating to your existing circumstances, your financial situation and, in some cases, your health and family health history (**Your Personal Data**). This document is important as it allows us to explain to you what we will need to do with Your Personal Data, and the various rights you have in relation to Your Personal Data.

What do we mean by “Your Personal Data”?

Your Personal Data means any information that describes or relates to your personal circumstances. Your Personal Data may identify you directly, for example your name, address, date of birth or National Insurance number. Your Personal Data may also identify you indirectly, for example your employment situation, your physical and mental health history, or any other information that could be associated with your cultural or social identity.

In the context of providing you with assistance in relation to your Investment and Insurance requirements Your Personal Data may include:

- Title, name, date of birth, gender, nationality, civil/marital status, contact details, address and documents that are necessary to verify your identity.
- Employment and remuneration information (including salary/bonus schemes/overtime/sick pay/other benefits), and employment history.
- Bank account details, tax information, loans and credit commitments, personal credit history, sources of income and expenditure, family circumstances and details of dependants
- Health status and history, details of treatment and prognosis, medical reports (further details are provided below specifically with regard to the processing we may undertake in relation to this type of information)
- Any pre-existing Investment and Insurance products and the terms and conditions relating to these.

The basis upon which our Firm will deal with Your Personal Data

When we speak with you about your Investment and Insurance requirements, we do so on the basis that both parties are entering a contract for the supply of services.

In order to perform that contract, and to arrange the products you require, we have the right to use Your Personal Data for the purposes detailed below.

Alternatively, either in the course of initial discussions with you or when the contract between us has come to an end for whatever reason, we have the right to use Your Personal Data provided it is in our legitimate business interest to do so and your rights are not affected. For example, we may need to respond to requests from, Pension, Investment or Insurance providers and our Compliance Service Provider relating to the advice we have given to you, or to make contact with you to seek feedback on the service you have received.

On occasion, we will use Your Personal Data for contractual responsibilities we may owe our regulator The Financial Conduct Authority, or for wider compliance with any legal or regulatory obligation to which we might be subject. In such circumstances, we would be processing Your Personal Data in order to meet a legal, compliance or other regulatory obligation to which we are subject.

The basis upon which we will process certain parts of Your Personal Data

Where you ask us to assist you with, for example, your insurance needs, in particular life insurance and insurance that may assist you in the event of an accident or illness, we will ask you information about your ethnic origin, your health

and medical history (**Your Special Data**). We will record and use Your Special Data in order to make enquiries of insurance providers in relation to insurance products that may meet your needs and to provide you with advice regarding the suitability of any product that may be available to you.

If you have parental responsibility for children under the age of 13, it is also very likely that we will record information on our systems that relates to those children and potentially, to their Special Data.

The arrangement of certain types of insurance may involve disclosure by you to us of information relating to historic or current criminal convictions or offences (together "**Criminal Disclosures**"). This is relevant to insurance related activities such as underwriting, claims and fraud management.

We will use Your Special Data and any Criminal Disclosures in the same way as Your Personal Data generally, as set out in this Privacy Notice.

Information on Special Category Data and Criminal Disclosures must be capable of being exchanged freely between insurance intermediaries such as our Firm and insurance providers, to enable customers to secure the important insurance protection that their needs require.

How do we collect Your Personal Data?

We will collect and record Your Personal Data from a variety of sources, but mainly directly from you. You will usually provide information during the course of our initial meetings or conversations with you to establish your circumstances and needs and preferences in relation to investment and insurance. You will provide information to us verbally and in writing, including email.

We may also obtain some information from third parties, for example credit checks, information from your employer, and searches of information in the public domain such as the electoral roll. If we use technology solutions to assist in the collection of Your Personal Data, for example software that is able to verify your credit status, we will only do this if we have consent from you for us or our nominated processor to access your information in this manner. With regards to electronic ID checks we would not require your consent but will inform you of how such software operates and the purpose for which it is used.

What happens to Your Personal Data when it is disclosed to us?

In the course of handling Your Personal Data, we will:

- Record and store Your Personal Data in our paper files, mobile devices and on our computer systems (*websites, email, hard drives, and cloud facilities*). This information can only be accessed by employees and consultants within our Firm and only when it is necessary to provide our service to you and to perform any administration tasks associated with or incidental to that service.
- Submit Your Personal Data to Product Providers both in paper form and on-line via a secure portal. The provision of this information to a third party is essential in allowing us to progress any enquiry or application made on your behalf and to deal with any additional questions or administrative issues that lenders and providers may raise.
- Use Your Personal Data for the purposes of responding to any queries you may have in relation to any investment or Insurance policies you may take out, or to inform you of any developments in relation to those products and/or policies of which we might become aware.

Sharing Your Personal Data

From time to time Your Personal Data will be shared with:

- Investment and Insurance providers.
- Third parties who we believe will be able to assist us with your enquiry or application, or who are able to support your needs as identified. These third parties will include, but may not be limited to, our Compliance Advisers, Product specialists, Solicitors and Accountants.

In each case, Your Personal Data will only be shared for the purposes set out in this Customer Privacy Notice, i.e. to progress your investment or insurance enquiry and to provide you with our professional services.

Please note that this sharing of Your Personal Data does not entitle such third parties to send you marketing or promotional messages: it is shared to ensure we can adequately fulfil our responsibilities to you, and as otherwise set out in this Customer Privacy Notice.

We do not envisage that the performance by us of our service will involve Your Personal Data being transferred outside of the European Economic Area.

Security and retention of Your Personal Data

Your privacy is important to us, and we will keep Your Personal Data secure in accordance with our legal responsibilities. We will take reasonable steps to safeguard Your Personal Data against it being accessed unlawfully or maliciously by a third party.

We also expect you to take reasonable steps to safeguard your own privacy when transferring information to us, such as not sending confidential information over unprotected email, ensuring email attachments are password protected or encrypted and only using secure methods of postage when original documentation is being sent to us.

Your Personal Data will be retained by us either electronically or in paper format for a minimum of six years, or in instances whereby we have legal right to such information we will retain records indefinitely.

Your rights in relation to Your Personal Data

You can:

- request copies of Your Personal Data that is under our control.
- ask us to further explain how we use Your Personal Data
- ask us to correct, delete or require us to restrict or stop using Your Personal Data (details as to the extent to which we can do this will be provided at the time of any such request)
- ask us to send an electronic copy of Your Personal Data to another organisation should you wish.
- change the basis of any consent you may have provided to enable us to market to you in the future (including withdrawing any consent in its entirety)

Why we need your Data.

We need your data in order for us to:

Provide financial planning services to you in accordance with this agreement which may include, but not limited to, giving you financial advice and making recommendations as to investments and financial products which are suitable for you, taking into account current financial markets and economic conditions, availability of products and the providers of those products, as well as a detailed analysis of your personal circumstances and requirements.

Comply with our regulatory obligations imposed by the Financial Conduct Authority in regard to the relevant 'Know Your Client' obligations. In addition, to comply with the Regulator's requirements for record keeping for the purposes of audits and reviews, records of transactions undertaken and customer histories for prescribed periods of time as directed.

Respond to any legitimate legal requests for information about you to the Regulatory authority or pursuant to an order of any court or tribunal having relevant jurisdiction, or as required by law for the purposes of, but not limited to, combatting fraud, money-laundering and criminal activities.

Carry out our legitimate business and professional management responsibilities which include, but are not limited to, providing you with suitable advice, ensuring your portfolio and financial products continue to be suitable for you, adhering to anti-money laundering requirements and investigating and resolving complaints.

Holding your Data

We will hold data for a maximum of 50 years from the date we receive the data.

How to contact our Firm in relation to the use of Your Personal Data

If you have any questions or comments about this document, or wish to make contact in order to exercise any of your rights set out within it please contact:

Rob Starling

Bluesky Chartered Financial Planners
The Barn
Hatch Farm
Mill Lane
Sindlesham
Reading
RG41 5DF

robs@blueskyifas.co.uk

Tel: 0118 987 6655

If we feel we have a legal right not to deal with your request, or to action it in a different way to how you have requested, we will inform you of this at the time.

You should also make contact with us as soon as possible on you becoming aware of any unauthorised disclosure of Your Personal Data, so that we may investigate and fulfil our own regulatory obligations.

If you have any concerns or complaints as to how we have handled Your Personal Data you may lodge a complaint with the UK's data protection regulator, the ICO, who can be contacted through their website at <https://ico.org.uk/global/contact-us/> or by writing to Information Commissioner's Office, Wycliffe House, Water Lane, Wilmslow, Cheshire SK9 5AF.

Data Subject Consent Form

I hereby grant Bluesky Chartered Financial Planners permission to process my Personal Data for the purpose stated in the Privacy Statement above.

Signed	
Print Name	
Date	

Signed	
Print Name	
Date	

Important notes: Marketing by our Firm

If you do not indicate your agreement for us to make contact with you, we may be unable to provide you with details of products and/or services that may suit your needs and circumstances.

We would like to maintain a record of your express consent for us to contact you by post, telephone, SMS, email and/or instant messaging for marketing our products or services that we think may be of interest to you. Please indicate your consent to us contacting you by any of the means specified below:

Please tick.

Client 1

☐

Post

☐

Phone

☐

Email

Client 2

☐

Post

☐

Phone

☐

Email

Are you a Politically Exposed Person (PEP)?

PEPs are defined as 'an individual who is, or has at any time in the preceding year, been entrusted with prominent public functions and/or is an immediate family member or a known close associate of such person'.

PEPs are considered to be a higher risk to money laundering as their position may make them vulnerable to corruption.

Examples of a PEP can include: -

- Head of state/ government ministers/ deputy or assistant ministers
- Members of Parliament
- Members of supreme court of constitutional courts or of other high level judicial bodies whose decisions are not generally subject to further appeal, except in exceptional circumstances.
- Members of courts of auditors or of the Boards of Central banks
- Ambassadors, Charges D’Affaires and high-ranking officers in the armed forces
- Members of administrative management or supervisory boards of state-owned enterprises.

Are you, or any immediate family member such as your spouse/partner, children and their spouses/partners or parents a Politically Exposed Person?

Y ☐ N ☐

If yes, please provide details:

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Foreign Account Tax Compliance Act (FATCA)

The Foreign Account Tax Compliance Act (FATCA) requires US persons holding an interest in any specified foreign financial assets with an aggregate value exceeding \$50,000 to report related information to the IRS. It is your responsibility to inform us if you: -

- **Have US citizenship or lawful permanent resident (green card) status**
- **Were born in the US**
- **Have a US residence address or US correspondence address (including a US PO box)**
- **Have standing instructions to transfer funds to an account maintained in the United States**
- directions regularly received from a US address**
- **Have an ‘in care of’ address or a ‘hold mail’ address that is the sole address with respect to the client;**
- **Have a power of attorney or signatory authority granted to a person with a US address**

Are you a ‘US person’?

Y ☐ N ☐

If yes, please provide details:

.....

Client Signature:

Date:.....

Client Signature:.....

Date:.....