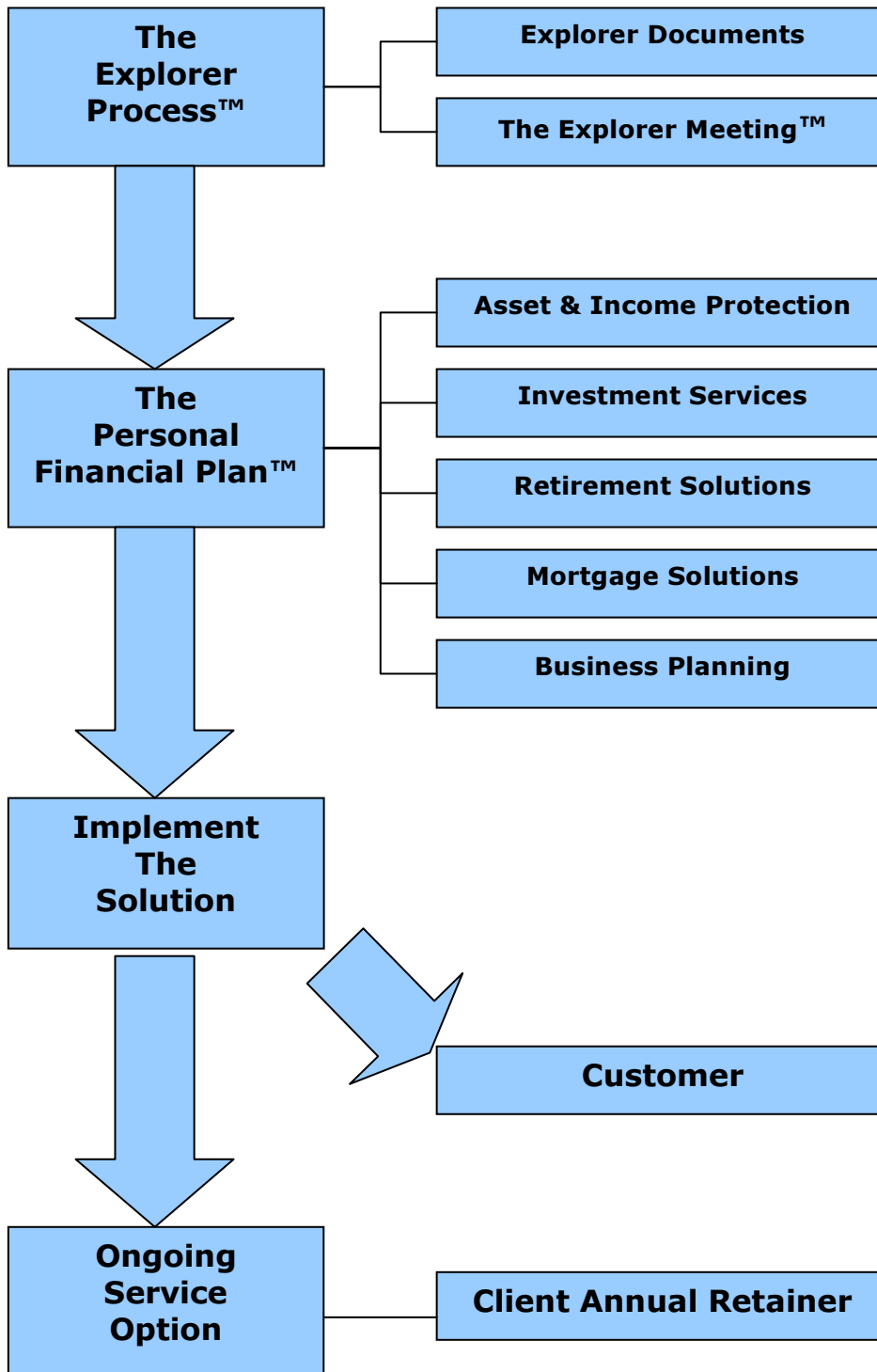


PENMOR FINANCIAL PLANNING SYSTEM™



The **Explorer Documents** are completed prior to the Explorer Meeting. It will help to clarify your thoughts, plans and objectives for the coming years.

The Explorer Meeting

To discuss your goals, worries and concerns and how we can help you.

The Explorer Process is at a fixed fee.

Identify Priorities, Recommendations and Implement Strategies.

The Personal Financial Plan will discuss your objectives. It will cover the alternatives open to you to meet your goals and remove your worries and concerns. It will recommend specific solutions and provide selected implementation strategies. Pre-arranged fee

Implement The Solution is a series of meetings to implement the recommendations within the Personal Financial Plan. Pre-arranged fee

Customer. Following implementation no further action is taken

Client Annual Retainer. Designed for clients who are building their wealth. Annual Fee.

PENMOR

GROUP

KEYFACTS DOCUMENT & CLIENT AGREEMENT

Clients Name: _____

Date Issued: _____

The Penmor group comprises:

Penmor
which is authorised and regulated by the Financial Services Authority
&
Penmor Financial Planning Ltd
35 Langley Avenue
Surbiton
Surrey
KT6 6QP

Telephone: 020 8399 5609 Fax: 0845 807 2830

www.penmor.co.uk

PENMOR

35 Langley Avenue, Surbiton, Surrey KT6 6QP

Telephone 020 8399 5609

Fax 0845 807 2830

Mobile 07831 694440

E Mail kevin@penmor.co.uk

Website www.penmor.co.uk



Keyfacts about our services

1. The Financial Services Authority (FSA)

The FSA is the independent watchdog that regulates financial services. It requires us to give you this document. Use this information to decide if our services are right for you.

2. Whose products do we offer?

Investment

- | | |
|-------------------------------------|---|
| <input checked="" type="checkbox"/> | We offer products from the whole market. |
| <input type="checkbox"/> | We only offer products from a limited number of companies.
Ask us for a list of the companies and products we offer. |
| <input type="checkbox"/> | We only offer product[s] from a single group of companies.
Ask us for a list of the companies and products we offer. |

Insurance

- | | |
|-------------------------------------|--|
| <input checked="" type="checkbox"/> | We offer products from a range of insurers for term life insurance, income protection insurance, critical illness insurance, private medical insurance, household, commercial, motor, legal expenses, accident sickness and unemployment, travel, pet. |
| <input type="checkbox"/> | We only offer products from a limited number of insurers for non-investment insurance contracts.
Ask us for a list of the insurers we offer insurance from. |
| <input type="checkbox"/> | We only offer products from a single insurer for non-investment insurance contracts. |

Mortgages

- | | |
|-------------------------------------|--|
| <input checked="" type="checkbox"/> | We offer mortgages from the whole market. |
| <input type="checkbox"/> | We only offer mortgages from a limited number of lenders. |
| <input type="checkbox"/> | We only offer a limited range of mortgage[s] from a single lender. |

3. Which service will we provide you with?

Investment

<input checked="" type="checkbox"/>	We will advise and make a recommendation for you after we have assessed your needs.
<input type="checkbox"/>	You will not receive advice or a recommendation from us. We may ask some questions to narrow down the selection of products that we will provide details on. You will then need to make your own choice about how to proceed.
<input type="checkbox"/>	We will provide basic advice on a limited range of stakeholder products and in order to do this we will ask some questions about your income, savings and other circumstances but we will not: <ul style="list-style-type: none"> • Conduct a full assessment of your needs; • Offer advice on whether a non-stakeholder product may be more suitable

Insurance

<input checked="" type="checkbox"/>	We will advise and make a recommendation for you after we have assessed your needs for term life insurance, income protection insurance, critical illness insurance, private medical insurance, household, commercial, motor, legal expenses, accident sickness and unemployment, travel, pet.
<input type="checkbox"/>	You will not receive advice or a recommendation from us for non-investment insurance contracts. We may ask some questions to narrow down the selection of products that we will provide details on. You will then need to make your own choice about how to proceed.

Mortgages

<input checked="" type="checkbox"/>	We will advise and make a recommendation for you after we have assessed your needs.
<input type="checkbox"/>	You will not receive advice or a recommendation from us. We may ask some questions to narrow down the selection of products that we will provide details on. You will then need to make your own choice about how to proceed.

4. What will you have to pay us for our services?

Investment

<input checked="" type="checkbox"/>	We will tell you how we get paid, and the amount, before we carry out any business for you.
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Insurance

<input checked="" type="checkbox"/>	You will receive a quotation, which will tell you about any fees relating to any particular insurance policy.
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Mortgages

<input checked="" type="checkbox"/>	You will receive a key facts illustration when considering a particular mortgage which will tell you about any fees relating to it.
-------------------------------------	---

5. Who regulates us?

Penmor of 35 Langley Avenue, Surbiton, Surrey, KT6 6QP is authorised and regulated by the Financial Services Authority. Penmor's Register number is 114943

Penmor's permitted business is giving advice on and arranging Investment & Insurance Contracts.

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

6. What to do if you have a complaint

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

In writing to: Penmor, 35 Langley Avenue, Surbiton, Surrey, KT6 6QP.

By Telephone: 020 8399 5609

If you cannot settle your complaint with us, you may be entitled to refer it to the Financial Ombudsman Service. The Financial Ombudsman Service does not consider complaints about home reversion schemes.

7. Are we covered by the Financial Services Compensation Scheme (FSCS)?

We are covered by the FSCS. You may be entitled to compensation from the scheme if we cannot meet our obligations. This depends on the type of business and the circumstances of the claim.

Investments

	Provision and mediation of investments: protection for 100% of the first £50,000.
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Home finance mediation

	Advising on or arranging house purchase finance: protection for 100% of £50,000
--	---

Insurance Business

	Non-compulsory insurance provision (both general and life insurance): protection for 90% of the claim, with no upper limit.
--	---

General Insurance intermediation

	Non-compulsory general insurance and pure protection contracts (e.g. term, critical illness and income protection insurance): protection for 90% of the claim, with no upper limit.
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Further information about compensation scheme arrangements is available from the FSCS.

<http://www.fscs.org.uk/>

Message from the Financial Services Authority

Think carefully about this information before deciding whether you want to go ahead.

If you are at all unsure about which lifetime mortgage or home reversion scheme is right for you, you should ask your adviser to make a recommendation.

Please remember that home reversion schemes are not regulated by the FSA.

The Penmor Group comprises of two separate companies:

Penmor
Penmor Financial Planning Ltd

All parts of this Client agreement refer to both Penmor and Penmor Financial Planning Ltd unless stated otherwise.

The Key Facts noted earlier in this document refers only to **Penmor**.

Commencement Date

This Client Agreement is effective from the date you receive it from us.

Client Monies

Penmor and Penmor Financial Planning Ltd do not handle Clients' money. We never accept a cheque made out to either company unless it is a cheque in settlement of our charges or disbursements for which we have sent you an invoice.

Regulatory Introduction

Penmor is authorised and regulated by the Financial Services Authority (FSA). Penmor is authorised to advise on and execute transactions related to life assurance cover, pensions and investments in authorised unit trusts, stocks and shares, gilts, personal equity plans, individual savings accounts and other investments.

The advice will be specifically geared to your personal requirements.

You will be informed if you do not have the right to cancel an arrangement.

Penmor Financial Planning Ltd is not regulated by the Financial Services Authority (FSA). It undertakes only those activities that are **not** regulated or authorised by the FSA. This would include Trust work, Research and other non-regulated activities.

Investment Objectives and Restrictions

Following the issue of this document, any subsequent advice or recommendation regarding regulated products or services offered to you will be through Penmor and will be based on your stated investment objectives, acceptable level of risk and any instruction you wish to make regarding the type of investments or policies you are willing to consider.

Details of your stated investment objectives will be included in the Personal Financial Plan or subsequent letters / e-mail we issue to you confirming our recommendations. Unless confirmed in writing to the contrary, we will assume that you do not wish to place any restrictions on the advice we give you.

Investment Risk

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

Client Relations

Penmor is bound by the rules of the Financial Services Authority and professional indemnity insurance is maintained for the protection of clients. When you have instructed us to arrange a specific contract or contracts, no further advice will be given unless requested by you. We will, however, be pleased to advise you at any time should you require further assistance.

Personal Interests

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

Contact

In addition to making calls at your express invitation, we may also call on you at intervals to review your financial planning requirements. We like to keep our customers informed of products and services we offer which may be of interest to them; therefore, from time to time we may forward marketing material to you. We undertake that we will never contact you at unsociable hours.

Advice and Instruction

Any advice given to you by us shall be in writing, (or if given verbally, will be recorded in writing in your client file). We prefer our clients to give us instructions in writing, to aid clarification and avoid future misunderstandings. We will, however, accept oral instructions provided they are confirmed in writing. We may, at our discretion, refuse to accept instructions, although such discretion shall not be exercised unreasonably.

You should be aware that if you speak with a member of our staff who is not an individual registered by the FSA no action may be taken or advice given. In this event a message will be taken for action by a registered individual.

Data Protection

Personal information supplied by you will be used for the purpose of completing transactions on your behalf. It may also be stored on paper or computer records and may be used for statistical purposes by the Penmor group. Whilst we treat all client records as confidential, details may have to be passed to our regulatory authorities and auditors for the purposes of compliance. In addition, information that you provide may be shared between different companies within the group. **At no time will your information be passed outside of the group without your express permission.**

We like to keep clients informed of products and services we offer which may be of interest to them. You have a choice of whether to receive any such marketing material from us. If you do not give us this permission (see the Declaration below in Fee Agreement), we will not issue any unsolicited material.

We will not undertake any other form of unsolicited contact with you.

We will supply on request to you or your appointed agent, contract notes, vouchers and copies of entries in our records, relating to your transactions. We undertake to maintain such records for six years from the date of transaction.

We do not retain the originals of anything that has been signed by you. In all cases, whether a document has been addressed to us, or passed on to an insurance or investment company, we will retain a scanned copy on our records. The scanned copy of your signature will be binding in the event of any future queries or disputes.

To assist us in providing you with a comprehensive service and to ensure our records remain as up to date as possible, we ask that you notify us of any change to your address or personal circumstances in writing as soon as possible.

UK Money Laundering Regulation 2007 and the Third EU Money Laundering Directive

We are obliged to conform with the above Acts and also adhere to the guidance notes issued from time to time from the Joint Money Laundering Steering Group which require financial institutions to verify the identity and place of residence of each investor. We will also request that you inform us how any monies being invested were obtained or accumulated. This process may require sight of certain documentation. If you provide false or inaccurate information and we suspect fraud or money laundering we will record this. We will **not** forward any applications or money to third parties or product providers until our verification requirements have been met. We take no responsibility for any delay in investing or instruction of protection cover where money laundering verification is outstanding. In circumstances where sufficient verification is not received in a timely manner after we have received completed applications, the application(s) and any monies may be returned to you uninvested or uninstructed.

Remuneration

The cost of services provided by Penmor will be notified to you in advance of any work being undertaken for your prior approval.

The following is provided to give additional clarity to our fee structure:

- i. **The Explorer Process** – A fixed fee is payable for the Explorer Process. Our Money back Guarantee, means that if you are not 100% satisfied with the “Discovery Process”, your fee will be refunded at your request.
- ii. **The Personal Financial Plan** - A fixed fee will be charged for developing and drafting your plan. The cost of this will be agreed during the Explorer Meeting. You will have 48 hours to change your mind and cancel development of your plan once you have signed and dated this agreement. The Personal Financial Plan is provided by Penmor.
- iii. **Plan Implementation** - A menu of fees will be included within your Personal Financial Plan. This will detail all fees involved in implementing your plan.
- iv. **On Going Service** - If you decide to become a client and are accepted by Penmor you will be charged an ongoing fee as noted in your Personal Financial Plan
- v. **Commission** - For the implementation of some contracts Penmor may receive indemnity or “initial” commission from the product provider. This commission will be disclosed to you in writing.

If you are using our fee-based service this commission will either be reinvested in the contract or product to increase the amount invested or reduce the product charges or will be rebated to you directly within 28 days of receipt. You will be required to indemnify Penmor for any reclaimed commission due to a lapse in the contract policy or policies.
- vi. **Payment Basis** - Implementation fees will be notified to you in the Fee Schedule of your Personal Financial Plan and subsequent letters / e-mail. Fees are payable upon receipt of our invoice. The date of receipt is deemed to be three days following posting.

Invoices will be issued by the company undertaking the work involved. This may mean that you will have to make different payments to different companies within the Penmor group. Once payment has been made, no refund will be made should you suspend or cease implementation

Registration of Investments

We will register all investments in your name unless otherwise agreed in writing. All contract notes and documents of title in respect of your investments will be forwarded to you as soon as possible after being received by us. Where a number of documents relating to a series of transactions are involved, they will normally be retained by us until the series is complete.

Business Continuity

PENMOR has one partner (Mr. Kevin Rhoades) who is engaged in the day-to-day conduct of investment business. If he were unable to conduct business (say through illness) PENMOR would not want your interests to suffer. We have therefore made a formal arrangement with Mr. J Knox of Strathayr Associates, No. 4 Audley Court, 18 The Avenue, Surbiton, Surrey KT5 8JH. Phone 020 8390 1001/ Fax 020 8390 5433/Mobile 07802 418181 to carry out our investment business obligations if we are unable to conduct investment business for more than fourteen days.

Termination

You, or we, may terminate our authority to act on your behalf at any time without penalty. Notice of this termination must be given in writing by first class post. It will be deemed to be received two business days after posted. Any business currently underway will be completed unless we received your instructions to the contrary. Any fees due to us from you at the date of termination will be due within four weeks of the termination date.

New instructions could be executed following the completion of a new Client Agreement.

Law

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

Fee Agreement

Personal Financial Plan

Following "The Explorer Process" we will compile a "Personal Financial Plan" with recommendations to cover those areas that you request as well as any additional areas that we think may be appropriate to your circumstances. The fee payable is in respect of the plan only and not for any subsequent meetings or implementations.

Plan Fee, including research and investigation -

£

Ongoing Service Options

Annual Retainer Service

You will receive the following as an "Annual Retainer Client"

- An "Annual Review" and meeting
- All telephone calls will be returned within three hours during our working week (9-5 Monday - Thurs & 9-2 Friday) +
- All correspondence replied to within 48 hours of receipt +
- All emails replied to within 24 hours +
- Action priority over "customers"

+ Subject to absence due to holidays.

The cost of this service will be noted in your Personal Financial Plan.

If you wish to use this Client Based Retainer Service please initial here

Customer Services

As a Customer you will receive no on going advice or service from the Penmor group. Any further service will be charged at the fee level in place at that time. As clients receive priority we can not guarantee further levels of service or advisor availability.

If you have not initialised the box above for the Annual Retainer Service you will be classified as a Customer.

Declaration

I/We acknowledge receipt of a copy of the Keyfacts document, Client Agreement and Fee Agreement and confirm that its content has been explained to me. I/We accept that the Client Agreement will become effective from the date I/We sign this document. I/We consent to the processing and storage of personal information and to the issue of marketing material.

Signed (Client) _____ (Print) _____ Date _____

Signed (Client) _____ (Print) _____ Date _____

Signed (Penmor) _____ (Print) _____ Date _____

One signed copy to be retained by the Client/Customer(s). One signed copy to be retained by Penmor group.