



Compliance Pack

Mark Young Dip PFS
Independent Financial Advisers
Padstone Financial Management Ltd

A: Unit 5, Whitestone Business Park, Hereford HR1 3SE **T:** 01432 820 710 **M:** 07977 820710 **E:** mark@padstone-fm.co.uk

www.padstone-fm.co.uk

INDEPENDENT FINANCIAL ADVISORS

Authorised and regulated by the Financial Conduct Authority

FCA No: 430531 Padstone Financial Management Ltd is registered in England No: 4366170 Registered address as above

Contents

Introduction & Client Agreement.....	3
Client Agreement.....	3
Data Privacy Notice & Data Protection Statement	6
See Appendix III - Data Privacy Notice	6
About our Services & Costs	7
THE COST OF OUR SERVICES - PAYMENT FOR INITIAL SERVICES	8
THE COST OF OUR SERVICES - PAYMENT FOR ONGOING SERVICE(S)	9
Appendix I Data Privacy Notice	11
GLOSSARY OF TERMS	18
Appendix II - Services & Payment Agreement.....	20
Appendix III: Receipt of Documents	25
DATA PROTECTION STATEMENT	25

All Appendices with this symbol require a signature upon completion and are to be returned to us



WELCOME TO PADSTONE FINANCIAL MANAGEMENT LTD

Padstone Financial Management Ltd. was established in Hereford in 2001.
We offer **unbiased, Independent Financial Advice.**

REGULATORY STATUS

Padstone Financial Management Ltd, Unit 5, Whitestone Business Park, Hereford HR1 3SE is authorised and regulated by the Financial Conduct Authority (FCA). Our FCA Register number is 430531.

Our permitted business is advising on, arranging (bringing about) and making arrangements with a view to investments.

You can check this on the FCA's Register by visiting the FCA's website – <https://register.fca.org.uk/> or by contacting the FCA on 0800 111 6768.

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

Most types of investment business are covered up to a maximum of £85,000 from 1st April 2019, for investments that have failed from 1st January 2010 – 31st March 2019, the cover will be up to a maximum of £50,000.

Investment based insurance/Long term insurance, e.g. pensions and investment bonds. The maximum level of compensation for claims against firms declared in default on or after the 3rd of July 2015 is 100% of the claim with no upper limit.

Further information about compensation scheme arrangements is available from the FSCS (www.fscs.org).

COMPANIES ACT DISCLOSURE

Registered in England No: 4366170. Registered with Companies House address Unit 5, Whitestone Business Park, Hereford HR1 3SE.

Introduction & Client Agreement

Client Agreement

INVESTMENT SERVICES

Padstone Financial Management Ltd. is permitted to advise on and arrange (bring about) deals in investments.

With regard to investments which we have arranged for you, these will be kept under review if a suitable servicing arrangement has been signed and agreed. Ongoing advice will be offered and provided if you agree to take these services. Ongoing services can be terminated at any time.

For any investment services provided we will be acting on your behalf unless otherwise stated.

We are also an insurance intermediary that acts on your behalf when delivering services to you in relation to insurance-based products and general insurance products.

Padstone Financial Management Ltd. does not handle clients' money. We never accept a cheque made payable to us or handle cash (unless it is payment in settlement of adviser charges or disbursements for which we have sent you an invoice). If you do send us money, this may delay your transaction as we may have to return this money to you.

Padstone Financial Management Ltd. is permitted to advise on and arrange (bring about) deals in investments.

With regard to investments which we have arranged for you, these will be kept under review if a suitable servicing arrangement has been signed and agreed. Ongoing advice will be offered and provided if you agree to take these services. Ongoing services can be terminated at any time.

For any investment services provided we will be acting on your behalf unless otherwise stated.

We are also an insurance intermediary that acts on your behalf when delivering services to you in relation to insurance-based products and general insurance products.

CLIENT CATEGORISATION

In providing investment services to you, we will categorise you as a retail client. The type of client category will determine the level of protections afforded to you under the regulatory system. As a retail client the regulatory protections available to you are determined by this category and will be the highest available. Where we have categorised you other than as a 'retail client' (see above), you may request re-categorisation under a client category which benefits from a higher degree of protection. However, we reserve the right to agree to such a re-categorisation on a case-by-case basis, and where we agree to do so it does not necessarily mean that you will have a right of access to the Financial Ombudsman Service. Further information in respect of The Financial Ombudsman Service is available on their website at the address: <http://www.financial-ombudsman.org.uk>.

CAPTURING YOUR NEEDS

We are committed to providing you with a service that meets with your individual needs. To enable us to achieve this objective it is important that you are open and frank with us and provide us with all the necessary information that we will need to deliver a service that reflects your needs. This will enable us to identify products and services that best meet with your personal circumstances. It will also help us to identify any specific needs regarding the methods by which we deliver our services to you. This may include additional ways of communication to those that we usually use as set out in the next section entitled "means of communication". For example, if you need information in large font due to sight difficulties, we can provide you with that.

Further information on how we collect and use your personal data is set out in the separate Data Privacy Notice that we have issued to you.

CONFLICTS OF INTEREST

Occasions may arise where the firm, an employee, or other associates of the firm has competing professional or personal interests which may prevent these services being provided to clients in an independent or impartial manner.

We will take all appropriate steps to prevent conflicts of interests from occurring in line with the firm's conflicts of interest policy. However, there may be occasions where a conflict of interest cannot be prevented. Where this is the case, we will disclose to you the nature of the conflict and the steps that we will take to mitigate the risks that you will be treated unfairly as a result of any conflicts identified.

We will make you aware of any conflicts of interest before the provision of services to enable you to choose whether you still wish to proceed with services. A copy of the firms' conflict of interest policy is available on request.

We may on occasion receive minor non-monetary benefits from third parties such as product providers e.g. food and drink provided at a provider training event. Where relevant, any minor non-monetary benefits received will not conflict with our duty to act in your best interests.

TERMINATION OF AUTHORITY

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 services already provided / transactions already initiated, which will be completed according to the Client Agreement unless otherwise agreed in writing. You will be liable to pay for any transactions made and / or services carried out prior to termination and any adviser charges or other fees which may be outstanding.

RIGHT TO WITHDRAW

In the case of many retail investment products – such as life assurance contracts, personal pension schemes, investment bonds, and collective investment arrangements (e.g., unit trusts), a right to withdraw or cancel the contract within a specified period is normally provided. Details of such rights are ordinarily contained in the product literature (e.g. Key Features document) and/or we may provide details of such rights in a separate communication.

In the case of any non-retail investment products e.g. an ISA wrapper, we will inform you in writing of any right to withdraw or cancel you may have or, if it is the case, we will inform you in writing that no such rights will apply.

CLIENT COMMUNICATION

We will enter communication with you through whatever means are convenient to you, including face-to-face, telephone, paper, e-mail and other acceptable electronic communication methods. This information will be provided free of charge.

Our communications will ordinarily be in English both in respect of oral and written communications.

You may at any time choose to request information in paper and free of charge that has previously been provided to you by means other than paper. For example, where a communication was originally sent by email.

You may at any time choose to change your preferences as to how we communicate with you. However, where you choose to do this, we will require you to confirm this change in writing to us.

RECORDS OF COMMUNICATIONS

We are required by our regulators (the FCA) to keep records of any telephone conversations or other electronic communications with our clients in relation to the arranging of transactions in investments that are categorised as financial instruments. Please note that for telephone conversations the records will be obtained by recording calls.

The term 'electronic communication' covers many categories of communications and includes (amongst others): video conferencing, fax, email, Bloomberg mail, SMS, business to business devices, chat, instant messaging and mobile devices applications.

The term 'financial instruments' covers services to clients to include shares, bonds, units in collective investment schemes and derivatives.

A copy of our call recording policy is available upon request.

HOW WE CHARGE YOU FOR OUR SERVICES

The method of paying for our services will depend on the type / level of service(s) provided. We will discuss your payment options with you and answer any questions you may have.

ADVISED SERVICES

For advised services, you will be charged an adviser charge. The actual amount will depend on the service(s) provided to you and the amount will be agreed with you before we carry out any chargeable work. We will inform you if you have to pay VAT.

Our 'Services and Payments Agreement' that we will issue to you, will contain details of how much you will be charged and how payment is to be made. Examples of the costs of our services are included within the 'Services and Costs Disclosure Document'.

ACCOUNTING TO YOU

We will confirm to you in writing the basis or our reason for recommending the transaction executed on your behalf. Where you agree to an ongoing service, we will provide regular valuations and reports (where necessary) to you regarding that service. We will agree and confirm the frequency and timing of those reports based on your needs. The extent of any ongoing review will be determined by your needs.

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

INVESTMENT OBJECTIVES & RESTRICTIONS

Following the issue of this document, any subsequent advice or recommendation offered to you will be based on your stated investment objectives, agreed level of risk you are prepared / able to take and any restrictions you wish to place on the type of investments or policies you are willing to consider. Details of your stated investment objectives will be identified during our discussions with you and confirmed within the suitability report that we will issue to you to confirm our recommendation(s). 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.

CLIENTS RISK

You are advised that because investments can fall as well as rise, you may not get back the full amount invested. Past performance is not a guide to future performance.

BEST EXECUTION POLICY

It is in the interests of our clients and Padstone Financial Management Ltd. that we obtain the best possible result when placing orders with other firms (e.g., third-party brokers) for the execution of client orders or when transmitting orders on behalf of clients for particular investments – e.g. shares. We are required under the Rules of the Financial Conduct Authority to take all sufficient steps to provide 'best execution' when carrying out such transactions.

Where we place or transmit orders for such investments on behalf of our clients, we may utilise the services of a third-party broker and base our decision to place or transmit an order on the price and cost of execution of the order. For orders in collective investment schemes (e.g. unit trust), however, the price of units or shares in the scheme is normally set by the scheme operator or manager and as such we have little influence over the price available.

Full details of our best execution arrangements are provided in our Best Execution Policy, a copy of which can be provided on request.

WHAT TO DO IF YOU HAVE A COMPLAINT

In the event you have a complaint about us or any of our products or services please contact:

In writing, write to Mark Young, Padstone Financial Management Ltd, Unit 5, Whitestone Business Park, Hereford HR1 3SE or by Phone: Telephone 01432 820710 OR Email us at: mark@padstone-fm.co.uk.

If you cannot settle your complaint with us, you may be entitled to refer it to the Financial Ombudsman Service; The Financial Ombudsman Service set up by the Government to resolve individual complaints that consumers and businesses aren't able to resolve themselves. To contact the Financial Ombudsman Service, please visit www.financial-ombudsman.org.UK or call them on 0800 023 4567.

CLIENT CONSENT

This is our standard client agreement upon which we intend to rely. For your own benefit and protection, you should read these terms carefully before signing the 'Receipt of Documents' at the back. By signing you consent to the terms contained within. If there are any terms within this agreement that you do not understand, please ask for further information. The Client Agreement will come into effect from the date of acceptance of this agreement.

Data Privacy Notice & Data Protection Statement

See Appendix III – Data Privacy Notice

We take your privacy very seriously and we ask that you read Appendix III - Data Privacy Notice Addendum at the end of this pack very carefully, as it contains important information on who we are, how and why we collect, store, use and share personal data, your rights in relation to your personal data and on how to contact us and supervisory authorities in the event you have a complaint.

Please note, we will always treat your personal details with the utmost care and will never sell them to third parties for marketing purposes. We do require a signature on this document.

About our Services & Costs

We are an intermediary that is acting on your behalf when delivering our services to you. You should use the information provided within this document to decide if our services are right for you.

WHAT TYPE OF SERVICE WILL WE PROVIDE YOU WITH?

Independent advice – We will advise and make a recommendation for you after we have assessed your needs. Our recommendation will be based on a sufficient range of retail investment products, financial instruments, and structured deposits.

A 'sufficient range' means that the products that we will advise on and recommend will be sufficiently diverse with regards to their type and issuers or product providers to ensure that our clients investment objectives can be suitably met.

WHAT WILL YOU HAVE TO PAY US FOR OUR INVESTMENT SERVICES?

You will pay for our services on the basis of an Initial advice fee. We will discuss your payment options with you and answer any questions you have. We will not charge you until we have agreed with you how we are to be paid.

We will discuss with you the basis of our charges, based on the types(s) of work we are asked to undertake for you. We will discuss with you when you have to pay our charges, both initial and ongoing. All charge amounts quoted below are exclusive of VAT, expenses and disbursements; these will be added to the invoice if applicable. Where the 'adviser charge' is based on a percentage of funds.

ADVISED SERVICES

For our advised services, you will pay us via an **initial adviser fee** and an annual **ongoing adviser fee**.

New Investment /
Pension agreed

Implementing
Recommendations (Initial Advice
Fee)

On-going Advice fee deducted
per annum

INITIAL ADVICE FEE

Our initial advice will be appropriate for you, based on your requirements and circumstances at that time. We will not ensure that any initial advice remains suitable for you at a later date, unless you select to receive ongoing services from us.

ONGOING ADVICE FEE

In addition to our initial advice services, you could ask us to undertake further services on an ongoing basis. Details of any ongoing services that we offer are detailed later within this document.

You may at any time cancel an Ongoing Advice Service by serving your notification of cancellation to us in writing. Upon receipt of your cancellation notice for an Ongoing Advice Service, we will arrange for any future payment of any associated charges to cease.

Our typical adviser charges are noted below. The exact amount may be more or less than this but will be specifically agreed with you based on the work you ask us to do for you. Please note that as the investment amount increases, your ongoing charge may also increase.

We will confirm the actual adviser charges in writing within a separate 'Services and Payment Agreement', before providing our services to you.

If we do not agree a fixed adviser charge with you at outset, you may ask us for an estimate of how much in total we might charge for any service(s) provided. You may also ask us not to exceed a given amount without checking with you first.

THE COST OF OUR SERVICES - PAYMENT FOR INITIAL SERVICES

The following table outlines the typical services we offer, what would be provided as part of each service, and an indication of the costs.

Where you require advice or services that falls outside the list of services outlined below, please contact us to discuss your requirements and for details of indicative costs.

Service		Our Charges
Initial Meeting		No Charge - at firms cost
Lump Sum investments & pension income products Investment amount	Maximum Charge	For example
£1 to £50,000	2%	If you invest £10,000, we will charge you £200 (£10,000 x 2% = £200)
£50,000.01 to £200,000	1.5%	If you invest £100,000, we will charge you £1,500 (£100,000 x 1.5% = £1,500)
£200,000.01 to £500,000	1%	If you invest £300,000, we will charge you £3,000 (£300,000 x 1% = £3,000)
£500,000.01 +	0.75%	If you invest £500,000, we will charge you £3,750 (£500,000 x 0.75% = £3,750)
Regular contribution products - Investments	Fixed Fee	A fixed fee of £500 will be charged for a regular premium ISA. If this is combined with a lump sum, the percentage fees above will apply.
Regular contribution products - Pensions	Fixed Fee	A fixed fee of £500 will be charged for a regular premium pension. If this is combined with a lump sum, the percentage fees above will apply.
Arranging an annuity on the open market Investment amount	There is a minimum charge of £500	For example If you invest £23,000, we will charge you £500 (£23,000 x 2% = £460) Therefore the minimum charge applies
£1 to £50,000	2%	If you invest £50,000, we will charge you £1,000 (£50,000 x 2% = £1,000)
£50,000.01 to £100,000	1.75%	If you invest £100,000, we will charge you £1,750 (£100,000 x 1.75% = £1,750)
£100,000 +	1.5%	If you invest £200,000, we will charge you £3,000 (£200,000 x 1.5% = £3,000)

Once agreed, the 'adviser charge' amount will not change, except where your needs or circumstances differ from our initial expectations.

We will tell you how much the total initial 'adviser charge' will be before you complete an investment, but you may ask for this information earlier.

THE COST OF OUR SERVICES - PAYMENT FOR ONGOING SERVICE(S)

There will be an additional charge for any ongoing work, such as periodic or ongoing reviews we carry out on your behalf. We will confirm the rate, frequency and length of any ongoing service(s) before commencing the ongoing service.

Transactional Service – 0%
 Standard Service – 0.75%
 Enhanced Service – 0.60%
 Enhanced Plus Service – 0.35%

Ongoing service(s) offered include ongoing meetings, reporting, investment monitoring and review, contact and administration.

INVESTMENT REVIEW

Please note that an ongoing adviser charge does not include any new investments, please refer to the table below for further information.

Here are some examples of the costs of our transactional, standard, enhanced and enhanced plus services:

Service Type	Annual Ongoing Adviser Fee	Value of funds under review with us	Example of costs to you**
Transactional Service	0%	£0	£0 per annum
Standard Service	0.75%	£0 – £500,000	(Based on £100,000) £100,000 x 0.75% = £750pa (Based on £450,000) £450,000 x 0.75% = £3,375pa
Enhanced Service	0.60%	£500,000 – £2 million	(Based on £600,000) £600,000 x 0.6% = £3,600 (Based on £1.5 million) £1.5 million x 0.6% = £9,000
Enhanced Plus Service	0.35%	£2 million +	(Based on £2.5 million) £2.5 million x 0.35% = £8,750

** You should be aware that the pound cost of the service will increase as the funds grow, the percentage will not change.

Our commitment to you under each of these services is outlined below

Services*	Service Level			
	Transactional Service	Standard Service	Enhanced Service	Enhanced Plus Service
Meetings				
Review meeting (2-4 per year)	x	x	✓	✓
Review meeting (1 per year)	x	✓	x	x
Reporting				
Access to client portal	x	✓	✓	✓
Performance summary, including index benchmark comparisons (annually)	x	✓	✓	✓
Valuation History (annually)	x	x	✓	✓
Valuation of platform / wrap portfolios (half yearly)	x	✓	✓	✓
Newsletter (quarterly)*	✓	✓	✓	✓
Asset / geographical portfolio medium scan performance data (annually)	x	✓	✓	✓
Portfolio reports (annual meeting)	x	✓	✓	✓
Portfolio reports (on request and unlimited)	x	x	✓	✓
Annual Review Report**	x	✓	✓	✓
Investment Review				
Bespoke portfolio construction (design of specific asset allocations / use of model portfolios) upon initial review	x	x	✓	✓
Portfolio re-balancing (agreed in advance)	x	✓	✓	✓

Investment adjustment review	x	✓	✓	✓
Contact				
Telephone/email direct access to adviser	x	✓	✓	✓
Telephone/email assistance from administrative support	x	✓	✓	✓
Professional Services				
Liaising with third party professionals (e.g. Solicitors & Accountants)	x	✓	✓	✓
End of tax year service, at your request	x	✓	✓	✓
Other				
Client file retention and maintenance	✓	✓	✓	✓
Forward provider correspondence	✓	✓	✓	✓

- ongoing services related to those products / services arranged by Padstone Financial Management Ltd only

- ongoing services are provided over the calendar year.

*Although a newsletter is provided as part of the service proposition, you may ask us to cease sending this at any time by telephoning, emailing or writing to us and by making your preferences known to our adviser.

**where required by regulation such as MIFID II requirements.

OTHER SERVICES

You may ask us to provide a specific service outside of our ongoing services (for example, to attend a meeting with your other professional advisers) and we will agree the charges for any such services in advance with you. We can agree a charge on a time / cost basis and our charges are as follows:

Adviser charge - £200 per hour

Administration charge* - £ 75 per hour

For example, we would charge you £200 to attend a one-hour meeting with you and your Accountant.

* As a one-off service, not included within an ongoing service.

YOUR PAYMENT OPTIONS - INITIAL ADVICE SERVICE

Following on from our non-chargeable initial meeting, if you request additional services or accept any recommendations, we have made then you will pay us an adviser charge which will become payable on completion of our work.

You will be required to settle the payment of your adviser charge on completion of our work within 14 business days. We accept cheques and BACS payment. We do not accept payment by cash. You will be provided with a receipt upon payment.

The frequency of the ongoing charge will depend on the service(s) you choose and is either made by direct debit / standing order on the 1st of every month or paid via the provider directly.

We will agree what will be charged before any service(s) provided and the amount will be confirmed within our 'Services and Payment Agreement'. More details on the services we offer will be provided separately.

YOUR PAYMENT OPTIONS - ONGOING SERVICES

We offer a range of ongoing services, as outlined earlier in this document. The charge for these services can either be deducted from your investment or paid directly to us by cheque or BACS. These services can be cancelled at any time by either writing to us or telephoning us. Please ask us for more details.

KEEPING UP WITH YOUR PAYMENTS

If you choose to pay for the advice you receive via instalments, the full amount of the adviser charge will need to be paid irrespective of whether:

- the recommended product(s) is /are cancelled before the full amount is paid; and/or
- you subsequently decide to transfer your business to another firm / financial adviser.

INFORMATION ABOUT OTHER COSTS AND ASSOCIATED CHARGES

There may be other costs, including taxes, that are payable through other parties (such as the product provider) that we may not be party to. Such charges are normally disclosed in relevant third-party documentation, for example a Key Features Document.

OTHER BENEFITS WE MAY RECEIVE

We advise and arrange on a range of products from a variety of firms; we may receive certain support from these firms, which is used to enhance the quality of service we provide to you. For example, access to technical services, information technology support or the supply of product literature. Further information regarding any of these arrangements is available on request.

AGGREGATED COSTS AND CHARGES

We will also provide you with an Aggregated Costs document in relation to certain investment types. This will provide you with information on the total costs to you of the financial products and services that have been recommended for these investment types and illustrate the impact of those costs on your investment returns. This will include all third-party product and service costs as well as our own adviser charges at Padstone. This will be provided to you before any investment transactions take place and on an ongoing basis where you have selected to take ongoing services.

OTHER THIRD-PARTY COSTS

There may be other costs, including taxes, that are payable through other parties (such as the product provider) that we may not be party to. Such charges are normally disclosed in relevant third-party documentation, for example a Key Features Document.

REBALANCE

Rebalancing refers to the process of returning the values of a portfolios asset allocations to the levels defined by an investment plan. Those levels are intended to match an investors tolerance for risk and desire for reward.

Appendix I Data Privacy Notice

We take your privacy very seriously and we ask that you read this privacy notice carefully as it contains important information on who we are, how and why we collect, store, use and share personal data, your rights in relation to your personal data and on how to contact us and supervisory authorities in the event you have a complaint. Italicised words in this privacy notice have the meaning set out in the Glossary of Terms at the end of this document.

WHO WE ARE

Padstone Financial Management Limited collects, processes and stores certain personal data about you. When we do so we are required to comply with data protection regulation, and we are responsible as a data controller for that personal data for the purposes of compliance with those laws.

When we mention "Padstone", "we", "us" or "our" we are referring to Padstone Financial Management Limited, Unit 5 Whitestone Business Park, Hereford HR1 3SE.

Padstone is a company registered in England and Wales, Padstone Financial Management Limited company number 04366170 whose registered office is at Unit 5, Whitestone Business Park, Hereford HR1 3SE. Padstone Financial Management Limited is authorised and regulated by the Financial Conduct Authority (FCA). Padstone Financial Management Limited Financial Services Register number is 430531.

We provide:

INDEPENDENT ADVICE – We will advise and make a recommendation for you after we have assessed your needs. Our recommendation will be based on a sufficient range of retail investment products, financial instruments, and structured deposits.

A 'sufficient range' means that the products that we will advise on and recommend will be sufficiently diverse with regards to their type and issuers or product providers to ensure that our clients investment objectives can be suitably met.

ONGOING SERVICES - We may also provide you with an ongoing service, if we have agreed this with you up front.

THE PERSONAL DATA WE COLLECT AND USE

In the course of providing our services to you we may collect the following types of personal data when you provide it to us:

- Contact information, including your name, address, telephone, and mobile numbers
- Identity information, which may include copies of documents such as your passport
- Proof of address, for example, a copy of your driving licence or utility bills
- Financial information, including information about your bank / building society
- Employment status, for example what work you do, who you work for and for how long
- Information regarding inheritance tax and whether you hold a valid Will and your wishes on death
- Lifestyle information, for example, whether you have recently smoked (to make the necessary disclosures to providers), what your intended retirement age is
- Information regarding any vulnerability you may have which allows us to provide our services to you in the best way in which we can
- Information regarding existing products you have with providers
- Information regarding any complaints you make or concerns you may raise
- Contractual information.

RECORDS OF CALLS AND ELECTRONIC COMMUNICATIONS

We also make records of conversations that take place with you and retain copies of electronic communications that take place in relation to some types of investment products. We explain this prior to providing those investment services.

INFORMATION REGARDING DEPENDENTS, BENEFICIARIES AND OTHER THIRD PARTIES

We collect information about you and your family during our initial and other meetings with you. We collect the data through notetaking and filling in of fact-finds and questionnaires about you and your family's circumstances.

We collect this information to enable us to provide our services to you. For example, we may collect information about children and grandchildren, for example, for school fees planning and to invest for their future. We take care to minimise the amount of data we collect for these purposes.

Please note that, if you are providing information about another person, for example a spouse, you should ensure they know that you are doing this and are content for their information being provided to us. We would suggest that you show them this Data Privacy Notice and if they have any concerns, please contact us in one of the ways described in this notice.

INFORMATION COLLECTED FROM OTHER SOURCES

We also obtain personal data from other sources while providing our advice and, where appropriate, intermediary services. Where we obtain this information from another party it is their responsibility to make sure they explain that they will be sharing personal data with us and, where necessary, ask permission before sharing information with us.

We may also make checks with organisations with whom you have policies of insurance and investments and with your mortgage provider. These checks are to help us with our legal obligations and to ensure that we provide you with advice that suits your circumstances.

The scope and extent of the gathering of information from third parties depends on what type of service you are being provided with.

The personal data we obtain from other sources may include the following:

- From product providers:
 - product details; for example, valuations, terms, exit charges
- From identification and verification checking agencies:

- sanction check information
- From companies that may introduce you to us such as Solicitors, Mortgage Advisors or Accountants
- From your employer; for example, to obtain information about your employment while providing pension advice
- From other Advisors, for example, if you have sought our services having previously been given advice elsewhere.

Information which is available publicly:

Your personal information may be available to us from external publicly available sources: for example, information from public registers such as listed directorships, information from HM Treasury's financial sanctions targets lists.

HOW WE USE YOUR PERSONAL DATA

This section explains in more detail how we use your information and in particular the legal grounds on which we rely when doing so.

We use the information we collect about you for a number of purposes, including:

- To deliver our financial advice services to you
- To identify you and verify your identity
- To manage our relationship with you and to communicate with you
- To respond to any concerns or complaints you may have and to seek to resolve them
- To communicate with our regulators and other law enforcement bodies
- To train our staff and measure the quality of the advice and services we give to you
- To comply with laws and regulations that apply to us.

The Legal grounds we rely on to process your information The legal grounds on which we rely are:

- To fulfil our contractual obligations (for example to provide you with the financial advice service requested and to contact you if a problem arises)
- To pursue our legitimate interests (for example, please see list below)
- Your consent
- To fulfil a legal duty.

Legitimate interests We rely on our legitimate interests for the purpose of:

- Keeping our records up to date
- Charging for our services
- Administering our website and keeping it safe and secure
- Complying with legal and / or regulatory requirements.

SHARING YOUR DATA

We, or one of the individuals or companies working on our behalf, may share your personal information with third parties. We have described below the specific categories of third party and given examples, however, due to the nature of our business, there are many third parties we may share data with. For example, we regularly share data with many different product providers. If you require more information about who we share data with, please ask us.

DATA PROCESSORS

To help us to fulfil our obligations to you and to pursue our legitimate interests, we may share your information with third parties who provide services to Padstone Financial Management Ltd. Or who act on our behalf. This includes, for example, IT service providers, payment processors, financial institutions, compliance consultants, paraplanners and other experts such as accountants.

We do not authorise these processors to use or disclose your personal information except for the purpose of providing the service we request of them. All our data processors are based in the European Economic Area (EEA).

JOINT CONTROLLERS

We may share your information with third parties who are defined as joint controllers these are usually product providers (for example, investment institutions and investment platform providers; insurance companies; banks and building societies; credit institutions; employers and pension providers.

OTHER

We may also share information with local and foreign regulators (for example, the Financial Conduct Authority and Information Commissioner), government and law enforcement bodies, courts and arbitrators (for example the Financial Ombudsman Service) when we have a legal obligation to do so or when we believe our compliance with the request to be fair, reasonable and lawful (for example to detect, prevent or investigate security breaches, fraud, money laundering or other crimes).

We may also disclose information to establish, exercise or defend legal claims (for example, to enforce our terms and conditions).

SPECIAL CATEGORY DATA

Certain types of personal data are considered more sensitive and so are subject to additional levels of protection under data protection legislation. These are known as 'special categories of data' and include data concerning your health, racial or ethnic origin, genetic data and sexual orientation. Data relating to criminal convictions or offences is also subject to additional levels of protection.

We may also collect, process and store special category data, such as:

- Health information, for example, whether you have any health conditions that may impact on the advice we give you or that must be disclosed to providers.

In addition to the legal basis for processing this information set out above table, we will be processing it either (i) with your consent or (ii) for the establishment, exercise or defence of legal claims.

MARKETING

We may use personal data we hold about you to help us identify, tailor and provide you with details of products and services from us that may be of interest to you. Please note, we will always treat your personal details with the utmost care and will never sell them to third parties for marketing purposes.

Enhanced and Standard Service Clients (see service status)

We will only do so where we have a legitimate business reason to do this and will do so in accordance with any marketing preferences you have provided to us. This means that we will send you material (normally a regular newsletter) as part of the service agreement you originally signed up to. However, you may opt out of receiving our newsletter at any time – see below.

Transactional Clients (see service status) and Other Parties

We will only do so where we have obtained your direct consent and will do so in accordance with any marketing preferences you have provided to us.

HOW TO OPT-OUT

You can opt-out of receiving marketing / newsletters at any time. If you wish to opt-out or amend your marketing preferences (for example, asking us to send information by post rather than email) please contact us:

By phone: 01432 820710

By email: mark@padstone-fm.co.uk

By Post: Padstone Financial Management Ltd., Unit 5, Whitestone Business Park, Hereford HR1 3SE

WHETHER INFORMATION HAS TO BE PROVIDED BY YOU AND, IF SO, WHY

We will tell you if providing some personal data is optional, including if we ask for your consent to process it. In all other cases you must provide your personal data for us to provide you with our services.

HOW LONG WILL YOUR PERSONAL DATA BE KEPT?

Whenever we collect or process your personal data, we will only keep information about you for as long as we need to fulfil the purposes for which we are processing your information. At the end of that retention period, your data will either be deleted or anonymised.

We use the following criteria to determine how long to retain your data:

- The nature and duration of our relationship with you
- The nature, type and duration of products and services we have supplied, or recommended, or arranged and administered for you
- Any regulatory or legal obligations imposed upon us
- Any legitimate interests we may have (for example, to defend any claims or complaints).

TRANSFER OF YOUR INFORMATION OUTSIDE OF THE EEA

We will not transfer your personal data outside of the European Economic Area or to any organisation (or subordinate bodies) governed by public international law or which is set up under any agreement between two or more countries.

YOUR RIGHTS

You have legal rights under data protection regulation in relation to your personal data. These are set out under the below headings:

- To access personal data
- To correct / erase personal data
- To restrict how we use personal data
- To object to how we use personal data
- To ask us to transfer personal data to another organisation
- To find out more about how we use personal data.

We may ask you for proof of identity when making a request to exercise any of these rights. We do this to ensure we only disclose information or change your details where we know we are dealing with the right individual.

We will not ask for a fee, unless we think your request is unfounded, repetitive or excessive. Where a fee is necessary, we will inform you before proceeding with your request. We aim to respond to all valid requests within one month. It may however take us longer if the request is particularly complicated or you have made several requests. We will always let you know if we think a response will take longer than one month. To speed up our response, we may ask you to provide more detail about what you want to receive or are concerned about.

We may not always be able to fully address your request, for example if it would impact the duty of confidentiality we owe to others, or if we are otherwise legally entitled to deal with the request in a different way.

TO ACCESS PERSONAL DATA

You can ask us to confirm whether we have and are using your personal data. You can also ask to get a copy of your personal data from us and for information on how we process it.

TO RECTIFY / ERASE PERSONAL DATA

You can ask that we rectify any information about you which is incorrect. We will be happy to rectify such information, but we may need to verify the accuracy of the information first.

You can ask that we erase your personal data if you think we no longer need to use it for the purpose we collected it from you.

You can also ask that we erase your personal data if you have either withdrawn your consent to us using your information (if we originally asked for your consent to use your information) or exercised your right to object to further legitimate use of your information, or where we have used it unlawfully or where we are subject to a legal obligation to erase your personal data.

We may not always be able to comply with your request, for example where we need to keep using your personal data to comply with our legal obligation with our regulator, the FCA or where we need to use your personal data to establish, exercise or defend legal claims.

To restrict our use of personal data

You can ask that we restrict our use of your personal data in certain circumstances, for example

- where you think the information is inaccurate and we need to verify it
- where our use of your personal data is not lawful, but you do not want us to erase it

- where the information is no longer required for the purposes for which it was collected but we need it to establish, exercise or defend legal claims or
- where you have objected to our use of your personal data, but we still need to verify if we have overriding grounds to use it.

We can continue to use your personal data following a request for restriction where we have your consent to use it; or we need to use it to establish, exercise or defend legal claims, or we need to use it to protect the rights of another individual or a company.

TO OBJECT TO USE OF PERSONAL DATA

You can object to any use of your personal data which we have justified based on our legitimate interest, if you believe your fundamental rights and freedoms to data protection outweigh our legitimate interest in using the information. If you raise an objection, we may continue to use the personal data if we can demonstrate that we have compelling legitimate interests to use the information.

TO REQUEST A TRANSFER OF PERSONAL DATA

You can ask us to provide your personal data to you in a structured, commonly used, machine-readable format, or you can ask to have it transferred directly to another data controller (e.g. another company).

You may only exercise this right where we use your personal data to perform a contract with you, or where we asked for your consent to use your personal data. This right does not apply to any personal data which we hold or process outside automated means.

YOU CAN CONTACT US FOR MORE INFORMATION

If you are not satisfied with the level of information provided in this privacy notice, you can ask us about what personal data we have about you, what we use your information for, who we disclose your information to, how we protect it, how long we keep it for, what rights you have, how you can make a complaint and where we got your data from.

If you would like to exercise any of the above rights, please:

- Email or write to Mark Young at mark@padstone-fm.co.uk or write to us at Padstone Financial Management Limited, Unit 5, Whitestone Business Park, Hereford HR1 3SE
- let us have enough information to identify you, e.g. name, address, date of birth
- let us have proof of your identity and address (a copy of your driving licence or passport and a recent utility or credit card bill); and
- let us know the information to which your request relates.

KEEPING YOUR PERSONAL DATA SECURE

We have appropriate security measures in place to prevent personal data from being accidentally lost or used or accessed in an unauthorised way. We limit access to your personal data to those who have a genuine business need to know it. Those processing your information will do so only in an authorised manner and are subject to a duty of confidentiality.

We also have procedures in place to deal with any suspected data security breach. We will notify you and any applicable regulator of a suspected data security breach where we are legally required to do so.

OUR SUPERVISORY AUTHORITY

If you are not happy with the way we are handling your information, you have a right to lodge a complaint with the **Information Commissioners Office**. It has enforcement powers and can investigate compliance with data protection regulation (www.ico.org.uk). **We ask that you please attempt to resolve any issues with us before the ICO.**

HOW TO CONTACT US

Please contact Mark Young if you have any questions about this privacy notice or the information, we hold about you. If you wish to contact Mark Young, please send an email to mark@padstone-fm.co.uk or write to us at Padstone Financial Management Limited, Unit 5, Whitestone Business Park, Hereford HR1 3SE.

We, Us or Our	Padstone Financial Management Limited is a company registered in England and Wales (04366170) and having its registered office at Unit 5, Whitestone Business Park, Hereford HR1 3SE
Beneficiaries	Any person who gains an advantage and/or profits from something. In the financial world, a beneficiary typically refers to someone who is eligible to receive distributions from a trust, will or insurance policy. Beneficiaries are usually named specifically in these documents or have met the stipulations that make them eligible
Complaints	As defined by the FCA is 'any expression of dissatisfaction, whether oral or written, and whether justified or not, from or on behalf of an eligible complainant about the firm's provision of, or failure to provide, a financial service'
Contact Information	These are details that can be used to contact a person, including title, first name, surname, personal telephone number, fax, email address, home address, country, postcode or city of residence. This may also include work contact information such as work telephone number, fax, work email and work address
Contractual Information	Details about the products and services we provide to you including service status and fee models
Data Controller	Means a natural or legal person (such as a company) which determines the means and purposes of processing of personal data. For example, we are your data controller as we determine how we will collect personal data from you, the scope of data which will be collected, and the purposes for which it will be used in the course of <i>us</i> providing you with <i>intermediary services</i>
Data Protection Regulation Dependents	Applicable data privacy and protection laws is an individual who relies on another individual as a primary source of income. For example, minors (children who are under the age of majority) are dependants of their parents or legal guardians.
Employment Status	This is information about your work, if you are employed, self-employed, unemployed, a student, retired, in education or on job seeker allowance. This may include start date, end date and salary information
FCA	The Financial Conduct Authority, being the independent watchdog that regulates financial services
Financial Information	This is information relating to your financial status, including salary/income, outgoings/expenditure, tax rate and P60, bank and Building Society information
Health Information	This is information relating to your medical history, including symptoms, diagnoses, procedures and outcomes, as well as information about your height and weight. This could include previous and current or persistent medical conditions and family medical history
Identity Information	This is any information that can be used to distinguish a person or verify their identity, such as name, date of birth, place of birth, gender, marital status, national identity card/number, passport, drivers' licence and national insurance number, social security number and tax identifier numbers
Inheritance Tax	Inheritance Tax is a tax on the estate (the property, money and possessions) of someone who's died. This will form part of estate planning and will be concluded on a case-by-case basis
Lifestyle Information	This includes both work and leisure behaviour patterns. Most relevant to your <i>products</i> may be your smoker status, alcohol consumption, health, and retirement age and exercise habits

Product	This is an investment, pension, mortgage, protection and/or general insurance product in respect of which we provide advice to you. This could also include details of any existing products you may have
Product Provider	A company which provides investment, pension, protection and/or general insurance products (for a list of product providers which we work with, please contact <i>us</i> – see <i>How to contact us</i> above)
Service Status	A client's service status is defined in relation to their individual requirements and circumstances.
Sanctions Check Information Vulnerability	This is information relating to your politically exposed persons (PEPs) status and Her Majesty's Treasury financial sanctions status, which is recorded to prevent fraud and money laundering A vulnerable consumer is someone who, due to their personal circumstances, is especially susceptible to detriment. Details of vulnerability fall into the following categories: health; resilience (financial); life events; and capability (financial knowledge/ confidence)
Will (valid)	A will is a legal document that sets out your wishes regarding distribution of your property and care of your dependants when you die. A will must be voluntarily entered into and signed by the testator. A will must properly dispose of the testator's property
TCF	Treating customers fairly
CD	Consumer Duty
OAC	Ongoing Adviser Charge
Platform / WRAP	An online facility to hold investment and pension assets
TER	Total expense ratio. This is the total cost of a fund manager charge
OCF	Ongoing charges figure – The annual fund charge of an individual fund
ISA	Individual Savings Account
GIA	General Investment Account
SIPP	Self-Invested Personal Pension
Rebalance	A review of your fund holdings and an adjustment of your percentage holdings
Rebalancing	Rebalancing refers to the process of returning the values of a portfolios asset allocations to the levels defined by an investment plan. Those levels are intended to match an investors tolerance for risk and desire for reward.

Unit 5, Whitestone Business Park, Hereford HR1 3SE

Appendix II – Services & Payment Agreement

This is an agreement between

Padstone Financial Management Ltd

Firm and

Client (s)

Client Address:

This agreement will be in force from the date of this agreement until the date that you or we end it, in accordance with our Client Agreement.

This agreement should be read in conjunction with our Client Agreement and our Services and Costs Disclosure Document (SCDD), which have already been supplied to you and form part of this Services and Payment agreement. In the event of ambiguity between the Client Agreement, SCDD and this agreement, this agreement will take precedence.

We agree to provide you with services and in return you agree to pay us for our services, as detailed below. In addition to payment for our services, we may incur additional costs, for example travel expenses, which we will include on our invoices, only where expressly agreed by you in advance.

THE SERVICES AND PAYMENT AMOUNT

INITIAL SERVICE(S) - ADVISED SERVICE

You have asked us to advise you on **Investments / Pensions / IHT Planning / Annuity**

Our initial advice will be appropriate for you based on your requirements and circumstances at that time. We will not ensure that any initial advice is still suitable for you at a later date unless you specifically ask us to do so; you can ask us to do this at any time. Details of the exact amount of fee agreed are shown on the table overleaf.

We agree to provide you with the following services:

INFORMATION ABOUT OTHER COSTS AND ASSOCIATED CHARGES

We will also provide you with an Aggregated Costs document in relation to certain investment types. This will provide you with information on the total costs to you of the financial products and services that have been recommended for these investment types and illustrate the impact of those costs on your investment returns. This will include all third-party product and service costs as well as our firms' own adviser charges. This will be provided to you before the transaction takes place. The ongoing adviser charge quoted is exclusive of VAT and no VAT will be added to your invoice.

ONGOING SERVICE(S) - ADVISED SERVICE

Following our initial services, you have asked us to provide ongoing services as part of our advised service offering on a Standard/Enhanced basis.

You have selected to receive the following ongoing service level: **Enhanced Plus / Enhanced / Standard**

Exact details of our ongoing service proposition can be found within our Services and Costs Disclosure Document (SCDD).

For providing the level of ongoing service, as agreed above, we will charge you as per the table overleaf.

AGREED FEES

Client	Provider	Product	Amount / Value	Initial charge %/£	Payment Method	Ongoing charge Pa

PAYMENT INSTRUCTIONS

ADVISED SERVICE

If the initial advice charge is paid directly, we are able to receive payment by bank transfer or cheque (but only when made payable to the firm). You will be provided with a receipt upon payment.

We do not accept payments by cash in any circumstances.

If we agree for your adviser charges to be deducted from your investments, we will confirm separately the exact details.

You must pay our adviser charges in accordance with the payment terms stated on our invoices. In the absence of payment terms on our invoices, payment will be due within 14 days of the invoice date. If you fail to pay our adviser charges when they are due, you will be in breach of this Agreement, and we may enforce our rights against you.

Cheques should be payable to Padstone Financial Management Ltd and sent to
Unit 5, Whitestone Business Park, Hereford HR1 3SE
unless payment is arranged via the provider.

Bank transfers are also possible to Santander. Account Name:
Padstone Financial Management Ltd
Sort Code: 09-06-66, Account Number: 40938941.
Please use your name as a reference.

INFORMATION ABOUT OTHER COSTS AND ASSOCIATED CHARGES

There may be other costs, including taxes, that are payable through other parties (such as the product provider) that we may not be party to. Such charges are normally disclosed in relevant third-party documentation, for example a Key Information Document (KID) or Key Investor Information Document (KIID).

PERIODIC REPORTING

Where you have agreed to an ongoing advice service, we will provide you with a report on the ongoing suitability of those services to your needs including coverage for any further recommendations that have been made. These reports will be provided to you on an annual basis. These reports will be provided to you before any further investment transactions are recommended.

EFFECTS OF CANCELLATION

We may decide to stop providing services to you at any time; if we do so we will write to you to confirm this.

You can ask us to stop providing any services to you at any time, without penalty, but you must do so in writing.

We will keep a copy of this agreement on our files so that we have a copy of the terms on which we acted for you. Notices given by you under this agreement must be sent in writing by post or email. Notices will be treated as having been received by us on the second business day after you posted the notice to us.

We will have no authority to act for you after this agreement has ended.

If the agreement is ended while we are providing services to you, we will finish providing the agreed services unless you ask us not to.

You will have to pay any outstanding charges for our services already provided, even if this agreement has ended. Any fees outstanding at the date of termination will be due within 14 days of the termination date.

Upon receipt of your instructions to cancel an ongoing service, we will, if relevant:

- Arrange for the refund of any payments made in advance for ongoing services that are no longer to be provided; and
- Arrange for any future payment of any associated charges to cease.

Any refund of payments already made in advance will be refunded to you via cheque. This payment will be forwarded to you within 30 business days of receiving your written instructions.

WHAT HAPPENS IF YOU DECIDE TO CANCEL YOUR INVESTMENT EARLY?

If you have paid the initial adviser charge directly, then no further action is required.

If we do take our charges via your investment product(s) and you subsequently cease to pay the premiums or cancel the investment, we may not have been able to take our total adviser charges from your investment(s). In such cases, we may exercise our right to charge you the amount we have been unable to recover. If we exercise this right, you agree to pay us the amount due on demand. The maximum amount you have to repay will not exceed the total adviser charge agreed.

Please turn over to sign the declaration.

DECLARATION

This document and our Client Agreement and SCDD set out the legal relationship between us. For your own benefit and protection you should read these terms carefully before signing. If there are any terms within this agreement that you do not understand, please ask for further information.

This agreement will be interpreted and construed in accordance with English law and is subject to the exclusive jurisdiction of the English courts, except if your address is in Scotland, when the courts of Scotland shall have non-exclusive jurisdiction.

Client Signature:		Client Signature:	
Print Name:		Print Name:	
Date of Signature:		Date of Signature:	
Date Issued by PFM:		Date Issued by PFM:	

Appendix III: Receipt of Documents

It is confirmed that we wish to retain the services of Padstone Financial Management Ltd. We also confirm that we have received, reviewed, and understood a copy of Padstone Financial Management Limited's:

- a) Client Agreement stating our Terms of Business ✓
- b) Information about our Services and Costs ✓
- c) Service & Payment Agreement ✓
- d) Data Privacy Notice and Statement (below) ✓

Client Signature:		Client Signature:	
Print Name:		Print Name:	
Date of Signature:		Date of Signature:	
Date Issued by PFM:		Date Issues by PFM:	

DATA PROTECTION STATEMENT

Please note, we will always treat your personal details with the utmost care and will never sell them to third parties for marketing purposes.

MARKETING & COMMUNICATION PREFERENCES

There may be times when we feel that a service or product may be of interest to you. In order to make you aware of these services or products, we may wish to contact you so that you can make informed choices about your finances. Please tick either one or both boxes so that we can advise you of products and services from time to time.

☐ **Yes please**, I would like details about other products or services that you think I may be interested in. Please indicate your preferred methods of contact, if all methods tick all boxes. *

☐ Via Telephone ☐ Via Post ☐ Via Email ☐ Via SMS

☐ **No thank you**, I do not want to receive details about other products or services.

*You may inform us at any time if you want to change your options by contacting us : by phone (01432) 820710, by email: mark@padstone-fm.co.uk or by post at Padstone Financial Management Ltd, Unit 5, Whitestone Business Park, Hereford HR1 3SE.