
1. The purpose of this document

You need to read this important document. It explains the service you are being offered and how you will pay for it.

2. Whose products do we offer?

Investment

Please refer to section 3 of this document.

Insurance

- We offer products from a range of Life, Health, Mortgage Payment Protection, Buildings and Contents insurers.
- We only offer products from a limited number of insurers.
- We only offer products from a single insurer.

Mortgages, Lifetime and Home Equity Release Mortgages

- We offer independent advice on a comprehensive range of mortgages from across the market. However, there are some mortgages which are only offered direct from the lenders, which we are unable to offer.
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3. Which service will we provide you with?

Investment

- Independent advice – We will advise and make a recommendation for you after we have assessed your needs. Our recommendation will be based on a comprehensive and fair analysis of the market.
- Restricted advice – We will advise and make a recommendation for you after we have assessed your needs, but we only offer advice on limited types of products, or products from one company or a limited number of companies.
- No advice – 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.

Insurance

- We will advise and make a recommendation for you after we have assessed your needs for Life & Health Insurance, Payment Protection and Buildings & Contents Insurance.
- 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, Lifetime and Home Equity Release Mortgages

- We will advise and make a recommendation for you on mortgages after we have assessed your needs.
- You will not receive advice or a recommendation from us. We may ask some questions to narrow down the selection of mortgages 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 advised services?

Investment

Our services can be paid for through adviser charges, a fee, or a combination of both adviser charges and fees. We will discuss your payment options with you and answer any questions you may have. We will not charge you until we have agreed with you how we are to be paid and we will tell you how much the cost of our services will be before you complete an investment. We will notify you if you have any VAT to pay in addition to our charges.

In addition to our fees you may be charged by platform providers, for setting up and administering investments on their platform and fund charges, these are taken by the fund managers and are reflected in the changing daily prices of funds. For new business, a breakdown will be provided in the Cost & Charges Statement.

All of our fees for investment advice will be clearly stated in our suitability letters, Key Information Documents and Costs & Charges breakdowns.

Initial Consultation and Setting of your Objectives: We do not charge for an initial meeting. Once the initial meeting is held, we will provide a clear idea on how the fees will be set out, this will be agreed before we provide any services to you.

1. The cost of our adviser charges for investment services, initial and ongoing advice

Initial Advice:

Our Initial advice will be appropriate based on your requirements and circumstances at that time. We cannot ensure that any initial advice will remain suitable for you, at a later date, unless you engage in an ongoing service from us. Whether you buy a product or not, you may be required to pay us a fee for our advice and services.

Ongoing Service:

Our ongoing service provides you with a continual personalised professional relationship with:

- An unrestricted, open channel to our advisers e.g. through phone or email with a prompt response;
- An understanding of your personal circumstances and goals, your changing needs and requirements;
- Timely communications and reviews to determine if you are on track to meet your objectives and that your investments meet with your attitude to risk;
- Ongoing advice and assistance from an experienced, qualified adviser, as and when required.

Although you pay nothing to us upfront, that does not mean that our service is free. You still pay us indirectly through deductions from the amount you pay into your product and a percentage of your funds under management. These deductions will pay towards settling the advisers initial and ongoing charge. These deductions could reduce the amount left for investment.

▪ Lump Sum Investments / Pension Transfers Service

Our initial and ongoing service fees form part of the same service.

Initial Advice Fee:

When lump sum investments are recommended your initial adviser charge will be facilitated through your retail investment product. Our initial adviser charge is 3% of the investment, subject to a minimum fee of £750 and a maximum fee of £3,000 per transaction. Our fee will be deducted from your lump sum. If the initial sum due is lower than our minimum threshold the difference will be charged to you by invoice in the form of a single payment. If you decide not to pay our fee, via the investment product, we will invoice you directly, based on the same calculation.

Ongoing Service Fee:

You will be charged 0.5% of the fund value every year for our ongoing service fee.

Example: If you invested a lump sum of £100,000 in an Investment Bond, Collective Investment or ISA we would charge 3% of the amount invested (£3,000) and 0.5% of the value of the fund every year for our ongoing service. Our ongoing fee remains at 0.5% per annum regardless of the fund performance.

▪ Regular Investments

Our initial and ongoing service fees form part of the same service.

Initial Advice Fee:

Where regular premium products are recommended your adviser charge will be facilitated through your retail investment product. Our initial adviser charge is a £750, which can either be paid upfront, and an invoice will be sent to you from Harrington & Horne, or it can be collected equally from the first 24 payments received. If you elect to may over the 24-month period, and payments cease, you will be invoiced for the balance due.

Ongoing Service Fee:

You will be charged 0.5% of the fund value every year for our ongoing service fee.

Example: If you pay £300 a month into a Personal Pension or a Regular Savings Plan, we would charge you £750 at inception or you can choose to pay £31.25 per month from the contributions for the first 24 months for the setting up of the plan. Our ongoing fee remains at 0.5% per annum regardless of the fund performance.

2. Ad-hoc/Hourly Rates/Where no ongoing service in place

▪ Meeting to Review your Financial Planning

When you have chosen not to take our ongoing service the cost of a review of your Pension, Retirement, Savings or Investment is £750.

▪ Advice & Recommendation

To address an agreed area of need/concern e.g. retirement planning, estate planning, investment solutions subject to a minimum charge of £750, should the recommendations not result in the purchase of a product via Harrington & Horne Financial Services Ltd.

▪ Initial Advice Only

If no ongoing service is required the charge is 5% of the amount invested subject to a minimum fee of £2,000 and a maximum fee of £5,000.

▪ Annuity Advice

1% if the value of the fund subject to a minimum charge of £750.

Please note that these services on their own may attract Value Added Tax (VAT), in accordance with current HMRC (Her Majesty's Revenue & Customs) guidelines.

Insurance

A fee.

No fee, we will be paid commission by the company. However, if you cancel your health or life cover during the first four years and you are not taking out replacement cover with us, you will be charged our minimum fee of £750.

You will receive a quotation which will tell you about any other fees relating to any particular insurance policy.

Mortgages, Lifetime and Home Equity Release Mortgages

No fee.

A Mortgage Advisor Fee is payable once a mortgage application has been submitted on your behalf regardless of whether you are later unable, or choose not, to proceed with the mortgage application. Our Mortgage Advisor Fee is subject to a minimum charge of £1,000. For the majority of mortgage lenders we receive a commission of 0.3% of the mortgage advance e.g. for a mortgage for £300,000 we would receive a commission fee of 0.3%, £900. Thus:

- If the fee received from the lender is equal to or greater than £1,000 our Mortgage Advisor Fee is waived
- If the fee received from the lender is less than £1,000 the difference will be charged to you.
- If no fee is payable from the lender then a fee of 0.3% of the mortgage advance will be charged, subject to a minimum charge of £1,000

Our Advisor Fee for Home Equity Release or Lifetime Mortgages is subject to a minimum charge of £1,500.

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?

Harrington & Horne Financial Services Ltd, 31 Southdown Avenue, London, W7 2AG is authorised and regulated by the Financial Conduct Authority (FCA) FRN 575251. You can check this on the FCA Register at www.fca.org.uk or call on 0800 0111 6768.

Our permitted business is advising and arranging Investments, Pension, Mortgages and Non Investment Insurance Services.

6. What to do if you have a complaint

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

...**in writing**: Write to Harrington & Horne Financial Services Ltd, 31 Southdown Avenue, London, W7 2AG.

...**by phone**: 020 8840 6060.

If you cannot settle your complaint with us, you may be entitled to refer it to the Financial Ombudsman Service.

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.

Investment

Most types of investment business are covered up to a maximum limit of £50,000 per person, per firm.

Deposits

£85,000* per person per firm (for claims against firms declared in default from 30 January 2017).

*From 3 July 2015 the FSCS will provide a £1 million protection limit for temporary high balances held with your bank, building society or credit union if it fails. Further information is available from the FSCS.

Pension & Life Insurance (Long Term Insurance)

The maximum level of compensation for claims against firms declared in default is 100% of the claim with no upper limit.

Buildings, Contents & Mortgage Payment Protection (General Insurance)

The maximum level of compensation for claims against firms declared in default is 90% of the claim with no upper limit.

Mortgages*, Lifetime and Home Equity Release Mortgages

Mortgage advising and arranging is covered up to a maximum limit of £50,000 per person per firm.

*Business Buy to let Credit Agreements (Mortgages) and commercial mortgages are not offered the protection of the FSCS

Further information about compensation scheme arrangements and cover for Lifetime & Home Equity Release Mortgages is available from the FSCS.