

## Important Information about our Services

### Who we are

As Financial Advisers and will act on your behalf for the purposes of arranging and advising on mortgages, pure protection, investments, and pensions. GMT Financial Solutions Ltd is authorised and regulated by the Financial Conduct Authority (FCA). The FCA is the independent regulator of financial services in the United Kingdom. GMT Financial Solutions Ltd is entered on the Financial Services Register ([www.fca.org.uk/register](http://www.fca.org.uk/register)) under reference 457963.

### Our Services

Our mainstream service is to act on your behalf for the purpose of arranging and advising on the following:

- **Investments & Pensions, for example an ISA or Personal Pension Plan;**
- **Personal & Family Protection, for example a Life Assurance or Critical Illness Plan;**
- **Mortgages, including Buy-to Let (most but not all BTL mortgages are not regulated by the FCA);**
- **Releasing equity from your home (Equity Release);**
- **General Insurance, for example Buildings, Contents or Private Medical.**

We offer a **Restricted Advice** Service with regards to Pensions and Investment advice. Our advice is restricted to recommending the following retail investment providers.

- **Onshore Investment Bonds. (Note: 'With-Profits' Investment solutions via 'Prudential Assurance Company Ltd')**
- **Units in a Regulated Collective Investment Scheme, such as OEIC's, and tax efficient Investment ISA's via the 'Aegon Cofunds Ltd' Platform and Standard Life Investment Fund Supermarket. (Note: 'With-Profits' Investment ISA solutions via 'Prudential' via Link Financial Investments Ltd).**

For all the services described above we will complete a detailed fact find so we can understand your circumstances, specific needs and objectives. Following our research, we will provide a personal recommendation(s) for you to consider. With your agreement we will then implement our recommendation(s) and arrange any products on your behalf. Once your financial plans are in place it is important to keep them under review. Subject to the type of services you require from us, we can continue to act on your behalf through one of our service packages. Alternatively, for those who prefer a more transactional or ad-hoc 'pay as you go' service, we are also happy to provide our services as and when you need them. Ultimately, whichever type or level of service you require from us we will act in your best interests at all times.

**Further details about these and other related services we provide are contained in the pages below. This also confirms the typical cost and how you can pay us for them.**

## **IMPORTANT INFORMATION**

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Before you consider our services in more detail we would like to draw your attention to the following important information:

Before we undertake any work on your behalf we will set out, and agree with you, the terms and conditions of our engagement in a written Client Agreement. This will confirm the scope and specific services to be provided, including any on-going services, their associated costs and method of payment. It will also confirm how we use and store personal information we collect from you in the course of providing our services. A copy of our standard Client Agreement is available on request.

Under the terms of Financial Conduct Authority (FCA) regulations we will classify you as a retail client for investment and pensions business. As a retail client you have the right to request re-classification as an elective professional client. This may be generally or in respect of a particular service, type of transaction or product, and is subject to the following:

- All requests for re-classification must be made in writing;
- We will consider such requests on a case by case basis against the criteria set out in FCA rules.
- We will confirm the scope of any re-categorisation along with the consumer protections you will lose as a result.
- You must keep us informed of any change to your circumstances that could affect your classification

We will not advise you if you are experiencing difficulties managing debts.

Free help and advice about managing your debts is available by contacting the Money and Pensions Service via its website; [www.moneyandpensionsservice.org.uk](http://www.moneyandpensionsservice.org.uk).

### **Information about our Investment & Pension Services**

We offer a range of services to help you meet your investment and retirement objectives. We provide restricted advice which means that our recommendations to you will be based on a fully researched range of investments and pensions products from a carefully selected range of providers, as followings:

#### **Personal and Stakeholder Pension Plans**

We offer Personal Pensions from Royal London, AVIVA and AEGON. We offer Stakeholder Pensions from AVIVA.

#### **Self-Invested Personal Pension Plans (SIPPs)**

We offer SIPPs from Royal London.

#### **Investment Funds (OEICs & Unit Trusts) including Individual Savings Accounts (ISAs)**

We offer a wide range of Investment Funds from some of the most experienced fund management groups in the market. We access these on your behalf through the Standard Life Investment Fund Supermarket, known as 'FundZone'. Most of these funds may be held in a tax efficient ISA. This also includes a range of risk targeted funds and ready-made investment solutions.

#### **Capital Investment Bonds**

We offer Capital Investment Bonds from Prudential.

#### **Pension Annuities and Income Drawdown Products**

We consider a broad range of different providers of these products from a fully researched panel that is representative of the whole of the market available to financial advisers and which we review on a regular basis using factors such as the risks, costs, complexity and their competitiveness in the market place.

**Related Service Providers:** In addition, where we consider it suitable for you to hold and trade some, or all of your investment and/or pension arrangements in one place via a platform service, we will recommend a selection of Aegon and Standard Life, Platform Services for this purpose.

We may recommend products or services related to your investment and pension needs which are not regulated by the Financial Conduct Authority. For example, cash deposits, National Savings & Investment Products (NS & I) or Inheritance Tax Planning (IHT).

## What can you expect to pay for our investment and pension advice?

A description of our initial and ongoing services, their associated costs and payment terms, is provided below. The amount we charge and the basis of the payment will depend on the service you choose and your individual circumstances.

We will discuss your payment options with you and answer any questions that you may have. We will let you know if you have to pay VAT on the cost of our service.

It is possible that other costs, including taxes related to the business we conduct and products we arrange for you, may arise. These costs will not be paid by our firm but borne by you.

Our typical fees for advice and arranging an investment or pension on your behalf are set out below. Where hourly rates are stated, these are the actual hourly rates that will apply. There is an additional charge should you purchase one of our on-going service packages. The typical cost of our ongoing services and what they include is also set out below. You can cancel our on-going services at any time.

Service	Initial Charge	On-going charge for periodic reviews and servicing work
Review of your current pension and / or investment arrangements (Pre-retirement)	Charged at £100 per hour (exc. VAT) – Approx. 4-6 hours  For example: if we spend 5 hours reviewing your current pension and / or investment arrangements our charge for producing your financial planning report would be £500 (exc. VAT)	Service available for 0.6% of your investment fund value per year:  For example, if your plan is worth £100,000, our charge would be £600 (exc. VAT); deducted monthly at £50/mth  £50,000< Annual <u>telephone</u> review £50,000> Annual review <u>meeting</u>
Advice on using your pension funds to purchase an income AT RETIREMENT (your retirement income options)	Guaranteed Annuity – 2% up to £50,000, 1.5% above £50,000; this being the amount used to buy the Annuity.  If you proceed with our recommendations and the purchase price is £60,000 your Adviser charge would be £1,150 (exc. VAT) We levy a minimum charge of £750  Investment Linked Flexible Annuity –	N/A

	<p>2% of the amount used to buy the Annuity. If you proceed with our recommendations and the purchase price is £100,000 your Adviser charge would be £2,000 (exc. VAT).</p> <p>Capped and Flex-Access Drawdown – 3% of the amount you invest. If you proceed with our recommendations and you invest £200,000 your adviser charge would be £6,000 (exc. VAT)</p>	<p>Service available for 0.6% of your Annuity investment fund value per year:</p> <p>For example, if your plan is worth £100,000, our charge would be £600 (exc. VAT); deducted monthly at £50/mth</p> <p>Service available for 0.6% of your Drawdown Investment fund value per year:</p> <p>For example, if your investment is worth £200,000 your on-going Adviser Charge would be £1,200 (exc. VAT); deducted monthly at £100/mth</p> <p>£50,000&lt; Annual <u>telephone</u> review £50,000&gt; Annual review <u>meeting</u></p>										
<p>Investment/Pension Advice  (Minimum investment £5000)</p>	<table border="1" data-bbox="443 689 914 857"> <thead> <tr> <th>Investment</th> <th>Our Charge</th> </tr> </thead> <tbody> <tr> <td>£5000 +</td> <td>3.0%</td> </tr> <tr> <td>£100,000 +</td> <td>2.5%</td> </tr> <tr> <td>£200,000 +</td> <td>2.0%</td> </tr> <tr> <td>£400,000 +</td> <td>1.5%</td> </tr> </tbody> </table> <p>For example, if you proceed with our recommendations and you invest £25,000 your Adviser Charge would be £750 (exc. VAT)</p> <p>If you invest £125,000 your Adviser Charge would be £3625 (exc. VAT)</p> <p>If you invest £250,000 your Adviser Charge would be £6,500 (exc. VAT)</p> <p>If you invest £500,000 your Adviser Charge would be £11,000 (exc. VAT)</p>	Investment	Our Charge	£5000 +	3.0%	£100,000 +	2.5%	£200,000 +	2.0%	£400,000 +	1.5%	<p>Service available for 0.6% of your Investment/Pension fund value per year:</p> <p>For example , if your investment is worth £100,000, your on-going Adviser Charge would be £600 (exc. VAT); deducted monthly at £50/mth</p> <p>£50,000&lt; Annual <u>telephone</u> review £50,000&gt; Annual review <u>meeting</u></p>
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<p>Advice on where to save your money on a regular basis  (for those with more than £250 per month to invest)</p>	<p>20% of the first year's premium if you proceed with our recommendations</p> <p>For example, if you invest £400 per month (£4,800 per annum) your Adviser Charge would be £960</p>	<p>Service available for 0.6% of your investment per year:</p> <p>For example , if your investment is worth £25,000 your on-going Adviser Charge would be £150 (exc. VAT); deducted monthly at £12.50/mth £50,000&lt; Annual <u>telephone</u> review £50,000&gt; Annual review <u>meeting</u></p>										
<p>Advice on where to save your money on a regular basis  (for those with up to £250 per month to invest, but a minimum of £100)</p>	<p>25% of the first years premium if you proceed with our recommendations</p> <p>For example if you invest £150 per month (£1,800 per annum) your Adviser Charge would be £450</p>	<p>Service available for 0.6% of your investment per year:</p> <p>For example , if your investment is worth £25,000 your on-going Adviser Charge would be £150 (exc. VAT); deducted monthly at £12.50/mth £50,000&lt; Annual <u>telephone</u> review £50,000&gt; Annual review <u>meeting</u></p>										

## What are your payment options?

- We accept direct payment by cheque or bank transfer.
- We do not accept cash.
- If you cancel your investment product within a statutory cooling off period, any agreed Adviser charge will be retained by GM.
- We will tell you if it is possible to settle our fees through a deduction from your investment/pension.
- For new investments and pension plans funded by regular contributions only (e.g. monthly by direct debit), you can choose to pay our fees by instalments. Instalments can be paid in equal instalments over up to 12 months.
- We will allow you to settle our fee in up to 4 equal monthly instalments deducted from your first 4 monthly payments. If you choose this option we will not provide you with any further services until all the instalments have been paid in full.
- If you choose to pay instalments as a deduction from your investment/pension, although you pay us nothing up front this does not mean our service is free. You are still paying us indirectly through deductions from the amount you pay into the product.
- These deductions will go towards settling our fee and will reduce the amount left for investment. An example of how this payment plan works in practice is set out below.

Your payment	Adviser Charge	Investment amount
Month 1 £350	£210	£140
Month 2 £350	£210	£140
Month 3 £350	£210	£140
Month 4 £350	£210	£140
Month 5+£350	N/A	£350

- You can also choose to pay the fee instalments due to us directly from your bank account by standing order. For example, a fee of £840 paid over 4 months would mean 4 instalments of £210 are collected from your bank account. Standing orders are normally collected on or around the 1st of the month.
- Please note that if you cancel your investment or pension product before our fee is settled in full, including cancellation during a statutory cooling off period, you will need to make alternative arrangements to pay our fee.

If we take over the servicing rights of your existing arrangements that were arranged by another firm, we may be entitled to receive an on-going payment as a result. These payments are commonly referred to as 'trail commission'. Where this is the case we will offset the amounts received against our on-going service fees. For example, if our on-going service fee based on the value of the acquired business is to be £600, and we receive £200 trail commission from the existing arrangement retained as part of your portfolio, the net additional on-going service fee due to us would be £400 (exc. VAT).

Some of the firms, whose products we recommend, provide us with access to training and software which allows us to offer you a better service. Some of the costs of these benefits may be passed onto you as part of the total charges you pay, should you choose to purchase a product from one of these firms. Further information regarding these arrangements is available on request.

## Information about our Insurance Services

### Personal and Family Protection

- We are insurance intermediaries who arrange products from a range of insurers for Life Assurance, Critical Illness Cover, Permanent Health Insurance and Premium Protection Insurance, via a fair and personal analysis of the market.

### General Insurance

- We are insurance intermediaries who arrange products from a range of insurers for Buildings & Contents Insurance, Private Medical Insurance, and Accident, Sickness and Unemployment Cover via a fair and personal analysis of the market, via a number of insurance packagers/platforms.

## How much do we charge for our insurance services?

We do not usually charge a fee for advice and arranging an insurance product. We will receive commission from the insurer and this is reflected in the premium amount you pay to them. The amount of commission we receive will vary depending on the type of contract, term of the cover and the premium amount. The commission payable via a General Insurance product is based upon a percentage of the total annual premium.

We will tell you how much commission we expect to receive before we transact business for you. You will receive a quotation, which will tell you about any other fees relating to any particular insurance policy we arrange for you.

## Information about our Mortgage Services

### Whose products do we offer?

- We offer a comprehensive range of mortgage products from across the market but not deal's that you can only obtain by going direct to a lender.

### How much will you have to pay for our mortgage services?

For establishing your needs, undertaking research and making a recommendation, we charge a fee of £300.

Our fee becomes payable when we apply for a mortgage.

If you choose to proceed with our recommendation and the mortgage goes ahead, we will also be paid commission from the lender for arranging the mortgage on your behalf.

If we charge you a fee and you apply for a mortgage that does not go ahead, you will receive no refund of our fee.

You will receive a personalised illustration when considering a particular mortgage. This will highlight the key facts about the mortgage product including any fees relating to it.

## Information about our Equity Release Services

### Whose products do we offer?

- Equity release products are either lifetime mortgages or home reversion plans. We offer a comprehensive range of lifetime mortgage products only. We do not offer lifetime mortgage deals that you can only obtain by going direct to a product provider.

### How much will you have to pay for our equity release services?

For establishing your needs, undertaking research and making a recommendation, we charge a fee of £500.

Our fee becomes payable when we apply for a lifetime mortgage.

If you choose to proceed with our recommendation and your lifetime mortgage goes ahead, we will also be paid commission from the company that lends you money or buys your home.

If you apply for a lifetime mortgage that does not go ahead, you will receive no refund of our fee.

You will receive a personalised illustration when considering a particular equity release product. This will highlight the key facts about the lifetime mortgage or home reversion plan including any fees relating to it

## **Information about our Other Related Services**

### **Non-Advised Services**

We will tell you how we get paid and the amount before we carry out any business for you.

### **Credit Broking**

We are also Credit Brokers. This means that if you require a loan other than a mortgage, (whether secured or unsecured, e.g. a personal loan) we can refer you to a specialist third party who can discuss your specific needs with you. We will not advise you on this type of borrowing and you will need to make up your own mind whether to go ahead with it or not.

## **Your Protection & Risk Warnings**

We prefer instructions to be in writing. If instructions are given orally they should also be confirmed in writing. We may refuse at our discretion to accept certain instructions, although such discretion will not be exercised unreasonably.

**Except in respect to settlement of our invoices for agreed fees, cheques should be made payable to the product providers only. We do not accept cash payments.**

We will normally register all products and/or investments in your name unless otherwise instructed in writing. In certain circumstances products and/or investments may be registered in the name of a nominee company, for ease of administration; although you will remain the beneficial owner of those products and/or investments.

If we become aware that our interests, or those of another client, conflict with your interests, we will inform you in writing and obtain your consent prior to proceeding with your instructions.

We will communicate appropriate risk warnings prior to providing products or services. These are for your benefit and you should understand the risks before making any investment.

## **What happens if you have a Complaint?**

If you are unhappy with the service you have received or a product we have arranged on your behalf, a copy of our complaints procedure, which sets out how we will handle your complaint, is available upon request.

Our clients value the service we provide and often recommend us to others, however if you wish to make a complaint, please contact us either:

In writing to: The Complaints Department, GMT Financial Solutions Ltd, The Corn Barn, Upton End Business Park, Meppershall Road, Shillington, Herts, SG5 3PF or by email to: [info@gmtfs.co.uk](mailto:info@gmtfs.co.uk), or by telephone: 01707662228

If we are unable to settle your complaint, or you are unhappy with our response, the Financial Ombudsman Service (FOS) may be able to help. Further information about the FOS is available from their website [www.financial-ombudsman.org.uk](http://www.financial-ombudsman.org.uk). Tele: 0800 0234567

## **Are we covered by the Financial Services Compensation Scheme (FSCS)?**

Yes, we are covered by the FSCS. You may be entitled to compensation from the Scheme if we are unable to meet our obligations. This depends on the type of business and the circumstances of the claim. The FSCS only pays compensation for financial loss and the limits are per person per firm, and per claim category, as listed below:

- Advising on and arranging deposits, is covered up to a maximum limit of £85,000.

### **Investments:**

- Arranging and advising on most types of investment (e.g. an ISA) is covered up to a maximum limit of £85,000 per person per provider.

### **Long Term Insurance Contracts:**

The Corn Barn, Unit 2, Upton End business Park, Meppershall Road, Shillington, Hitchin, Herts, SG5 3PF  
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- Arranging and advising on long term insurance contracts (e.g. a life insurance policy, personal pension or annuity) is covered for 100% of the claim, without upper limit.

**General Insurance Contracts:**

- Arranging and advising on compulsory classes of insurance (e.g. employers liability), professional indemnity insurance, and general insurance contracts that pay out on death or incapacity due to injury, sickness, or infirmity (e.g. an accident & sickness policy) is covered for 100% of the claim, without upper limit.
- Arranging and advising on other types of general insurance contracts (e.g. Building and Contents) is covered for 90% of the claim, without upper limit.

**Mortgages & Equity Release Products:**

- Arranging and advising on mortgages and equity release products is covered up to a maximum limit of £85,000 per person per provider.

**Further information about the FSCS is available from their website [www.fscs.org.uk](http://www.fscs.org.uk).**