

1. The Financial Services Authority (FSA)

The FSA is the independent watchdog that regulates financial services. This document has been designed by the FSA to be given to consumers considering buying certain financial products. 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

- ✓ We offer products from the whole market.
- We only offer products from a limited number of companies. Ask us for a list of the companies and products we offer.
- We only offer products from a single company.

Insurance

- ✓ We offer products from a range of insurers for life, critical illness, income protection, payment protection and buildings & contents insurance.
- We only offer products from a limited number of insurers. Ask us for a list of the insurers we offer insurance from.
- We only offer products from a single company.

Mortgages

- ✓ We offer mortgages from the whole market.
- We only offer mortgages from a limited number of lenders/companies. Ask us for a list of the lenders/companies we offer mortgages from.
- We only offer mortgages from a single lender.

3. Which service will we provide you with?

Investment

- ✓ We will advise and make a recommendation for you 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 products that we will provide details on. You will then need to make your own choice about how to proceed.
- We will provide basic advice on a limited range of stakeholder products and in order to do this we will ask some questions about your income, savings and other circumstances but we will not:
 - Conduct a full assessment of your needs;
 - Offer advice on whether a non-stakeholder product may be more suitable

Insurance

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- 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.

Mortgages

- ✓ We will advise and make a recommendation for you 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 products that we will provide details on. You will then need to make your own choice about how to proceed.

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

Investment

You will pay for our services on the basis of a fee, commission and/or a combination of both fee and commission. 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.

Paying by fee. Whether you buy a product or not, you will pay us a fee for our advice and services, which will become payable on completion of our work. If we also receive commission from the product provider when you buy a product, we will pass on the full value of that commission to you in one or more ways. For example, we could reduce our fee; or reduce your product charges; or increase your investment amount; or refund the commission to you.

Hourly Rate. We will confirm the rate we will charge in writing before beginning work. Our typical charge is £150 per hour. We will tell you if you have to pay VAT.

Lump Sum. We will confirm what we will charge you in writing before beginning work. Our typical charges are:

Investments up to £500,000 : 3% (so for an investment of £100,000, the fee would be £3,000)

Investments above £500,000 : By negotiation

We will tell you if you have to pay VAT.

Reviews. We will confirm what we will charge you in writing before beginning work. Our typical charge is £150 per hour. We will tell you if you have to pay VAT.

You may ask us for an estimate of how much in total we might charge. You may also ask us not to exceed a given amount without checking with you first.

Paying by commission (through product charges). If you buy a financial product, we will normally receive commission on the sale from the product provider. Although you pay nothing to us up front, that does not mean that our service is free. You still pay us indirectly through product charges. Product charges pay for the product provider's own costs and any commission. These charges reduce the amount left for investment. If you buy direct, the product charges could be the same as when buying through an adviser, or they could be higher or lower.

The amount of commission we receive will vary depending on the amount you invest and (sometimes) how long you invest or your age.

If you invest a lump sum of £7200 in an individual savings account (ISA) we would receive commission of 3% of the amount invested (£216) and 0.5% of the value of the fund (roughly £36 every year).

If you invest a lump sum of £50000 in an Investment Bond we would receive commission of 3% of the amount invested (£1,500) and 0.5% of the value of the fund (roughly £250 every year).

If you pay £100 a month into a personal pension (with a term of 25 years) then we would receive commission of £674.

If you pay £50 a month towards a whole of life policy, then we would receive £900.

We will tell you how much the commission will be before you complete an investment, but you may ask for this information earlier.

Paying by a combination of fee and commission (through product charges). We will charge you a combination of fees and commission. The actual amounts will depend on the service provided to you, but will be in line with the arrangements set out in the sections headed 'Paying by fee' and 'Paying by commission (through product charges)'.

Insurance

✓ No fee.

A fee for arranging each contract of insurance.

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

Mortgages

✓ No fee, we will be paid by commission from the lender.

✓ A fee, the amount of which will be discussed and agreed with you prior to any commitment. The fee will be payable on completion of the mortgage. If you choose this option, our typical fee is 0.5% of the loan amount, so for a mortgage of £100,000, the fee would be £500. We will also be paid commission from the lender, which we will pass to you.

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?

Wells Financial, Christ Church Centre, High Street, Tunbridge Wells, Kent TN1 1UT is authorised and regulated by the Financial Services Authority. Our FSA Register number is 302503.

Our permitted business is to advise or arrange on investments, mortgages and general insurance.

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

6. What to do if you have a complaint

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

...in writing Write to: Wells Financial, Christ Church Centre, High Street, Tunbridge Wells, Kent TN1 1UT

...by phone Telephone: 01892 517171

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 for 100% of the first £30,000 and 90% of the next £20,000 so maximum compensation is £48,000.

Insurance

Insurance advising and arranging is covered for 100% of the first £2,000 and 90% of the remainder of the claim, without any upper limit.

Mortgages

Mortgage advising and arranging is covered for 100% of the first £30,000 and 90% of the next £20,000 so the maximum compensation is £48,000.

Further information about compensation scheme arrangements is available from the FSCS.