

Combined Initial disclosure document for:

**Merlin Financial Services Limited
Camelot House
60, Barbourne Road
Worcester
WR1 1JA**

01905 731315

You should use the information provided within this document to decide if our services are right for you.

WHOSE PRODUCTS DO WE OFFER?

INVESTMENT

Please refer to the '*Which services will we provide you with?*' section of this document.

INSURANCE

We offer products from a range of insurers for Term Assurance, Critical Illness Insurance, Permanent Health Insurance and Private Medical Insurance.

Ask us for a list of products we offer.

We only offer products from a limited number of insurers Buildings & Contents Insurance, Accident, Sickness & Unemployment Insurance and Mortgage Payment Protection Insurance
Ask us for a list of the insurers we offer insurance from.

We only offer products from a single insurer

MORTGAGES

We offer products in the following 'relevant market':

- Regulated mortgage contracts that are used for a non-business purpose;

We are not limited in the range of mortgages we will consider for you for first charge and second charge residential mortgages. We offer a comprehensive range of mortgages from across the market, but not all deals that you can only obtain by going direct to a lender.

Please note that, where you are increasing your existing mortgage borrowing although we may be unable to advise on some of the following finance options these may be available to you and be more appropriate:-

- A further advance from your existing lender
- An unsecured loan

We will discuss these options with you where appropriate.

WHICH SERVICE(S) 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 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.

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 all non-investment insurance products that we deal with, ask us for a list of products we offer.

MORTGAGES

We offer an 'advised' sales service.

This means we will provide advice and make a recommendation for you after we have assessed your specific needs and circumstances.

WHAT WILL YOU HAVE TO PAY US FOR OUR SERVICES?

INVESTMENT

You will pay for our services on the basis of an adviser charge /a 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 will have to pay our fees, both initial and ongoing.

All fee amounts quoted below are exclusive of VAT, expenses and disbursements; these will be added to the invoice if applicable.

Advised services

For our advised services, you will pay us via an adviser charge.

Initial advice service

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 services

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.

We will confirm the actual adviser charges in writing within our separate 'Services & 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 advice services

Our typical charges are:

We will charge you an initial 'adviser charge' of £500 for gathering information about your circumstances and needs. This fee may increase due to the complexity of an individual case.

AND

After this we will charge you:

A one-off 'adviser charge' as a percentage of the initial investment amount as follows:	
£1 - £100,000	3 % of the amount invested- subject to a minimum of £500 and a maximum of £3000
£100,000 and above	By negotiation depending on the complexity of the investment subject to the minimum of £3000

Example:

If you invest a lump sum of £ 100,000 into a personal pension plan, we would charge an 'adviser charge' of 3 % of the amount invested, which would mean an initial 'adviser charge' of £3000 ($£100,000 \times 3 \% = £3000$).

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.

OR

An initial adviser charge based on 30% of each regular premium for 12 months, subject to a minimum adviser charge of £500

For example

If you contribute £200 per month into a personal pension our adviser charge will be £720.00 ($£200 \times 30\% = £60 \times 12 + £720.00$)

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.

OR

An 'adviser charge' based on the amount of time spent, as per the following hourly rates:

Specialist Advice	£250
Advice	£200
Administration	£100
Research	£200
Travel	£100

Example:

If the amount of time taken to advise on or arrange a suitable product for you is 4 hours Advice, 2 hours administration and 2 hours research, this would mean a total initial 'adviser charge' of £1400 would be payable (4 hours advice x £200 + 2 hours administration x £100 + 4 hours spent on research x £200).

The above example is an indicative cost, 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.

Payment for ongoing services

Our typical charges are:

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 that ongoing service.

Ongoing services offered:

- Ongoing meetings
- Reporting
- Investment monitoring and review
- Contact
- Administration
- Professional services [If applicable- if not, please remove]

The services we offer are detailed in the Advisory & Planning Service document provided separately.

How much our ongoing charges might cost if based on a percentage of fund value:

Our ongoing charge is 1% per annum of the fund value fund value:

Example:

Based on a fund value of £100,000, an ongoing charge of 1% of this amount would mean that it would cost £1000 per annum to provide an ongoing service ($£100,000 \times 1\% = £10000$). If the fund value increases over time, the ongoing charge then increases accordingly. Conversely, if the fund value decreases over time, then the ongoing charge will reduce.

OR

We offer an ongoing service where we review your account and inform you of new recommendations or changes that may be relevant to your circumstances. This service is provided at a charge of upto £500 per month and can be either deducted from your investment or paid by [direct debit / standing order]. This service can be cancelled at any time. Please ask your adviser for more details.

We will agree what will be charged before any service(s) provided and the amount will be confirmed within our 'Service & Payment Agreement'.

Your payment options

Independent advice service

Settling your adviser charge in a single payment

Following on from our non-chargeable [remove if you charge a fee for this] 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 [28] business days. We accept cheques. We do not accept payment by cash. You will be provided with a receipt upon payment.

OR

Settling your adviser charge by instalments

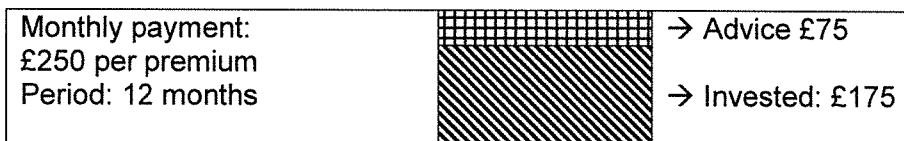
The option to pay by instalments is only available for the payment of the adviser charge on regular premium products. Payment by instalments does not relate to any ongoing charges payment which we may charge for providing an ongoing service.

Paying by instalments through your recommended product

If you buy a financial product, you can choose to have your adviser charge deducted from the product through instalments. Although you pay nothing to us up front, that does not mean that our service is free. You still pay us indirectly through deductions from the amount you pay into your product. These deductions will pay towards settling the adviser charge. These deductions could reduce the amount left for investment.

How your payment plan works:

Total monthly premium payable	£250
Total cost of advice	£900
Monthly payment for advice	£75
Length of repayment period	12 months



If you choose to pay for the advice you receive through instalments, these instalments will be deducted from the premium you pay each month and allocated towards settling the adviser charge. For example, the total cost of advice is £900. You have been recommended a regular premium product of which £250 will be paid each month. £75 will be taken from this amount to pay off your adviser charge over 12 months. The remaining £175 will be invested during this time. At the end of this period the adviser charge would have been settled in full. From month 13 the full £250 will be invested.

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.

Any outstanding amounts, as at the date of cancelling the recommended product / transferring to another firm or adviser, will be due to be paid in full within [28] business days of the termination / transfer date. An invoice will be raised for the full outstanding amount.

'Non advised' services

The cost of our services

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

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.

INSURANCE

You will pay for our services on the basis of:

No fee. For advising on and arranging all non investment insurance contracts we deal with

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

MORTGAGES

You will pay for our services on the basis of:

No Fee. We will be paid by commission from the lender.

OR

A flat fee of £500 will become payable at outset, we will refund any commission we receive from the lender to you

OR

A flat fee of £500 will become payable at outset, we will also receive commission from the lender which we will retain.

We will tell you how much the total fee will be before you apply for a mortgage, but you may ask for this information earlier.

You will receive a key facts illustration / ESIS when considering a particular mortgage, which will tell you about any fees relating to that mortgage.

You also have the right to request an illustration / ESIS for any mortgage we offer.

REFUND OF FEES

- No refund will be made

WHO REGULATES US?

We are authorised and regulated by the Financial Conduct Authority (FCA). Our Financial Services Register number is 220125.

Our permitted business is: advising on, arranging and making arrangements with a view to investments, non-investment insurance contracts and mortgages'.

You can check this on the Financial Services Register by visiting the FCA's website <http://www.fca.org.uk/register> or by contacting the FCA on 0800 111 6768 (freephone) from 8am and 6pm, Monday to Friday (except public holidays) and 9am to 1pm, Saturdays.

