

## Terms of Business

### Introduction

This agreement sets out the terms under which our services are to be provided, including details of the specific services and a summary of our charges for those services.

Jonathan Davis Wealth Management Ltd is a financial planning business, focussed on helping you understand and plan for your financial future. We are also able to act on your behalf in advising you on investments and non-investment insurance contracts. We offer you an initial discussion (without charge) at which we will describe our services more fully and explain the payment options. Following our initial discussion, should you decide to go ahead, there is a cost for our advice and services.

### Our Service

The services that you have selected and the charges for those services are confirmed at the end of this agreement. We agree to provide the services selected and you agree to pay us for those services.

We offer both **initial** and **ongoing** services. Any products we have arranged for you will only be kept under review as part of an agreed ongoing service for which you agree to pay. Our ongoing services are optional, however where you agree to purchase an ongoing service, unless otherwise agreed, the ongoing service will be provided as a follow up to the initial service.

### Commencement

This agreement shall commence on the date of signature and shall remain in force until terminated in accordance with your cancellation rights (see below).

Before providing advice we will assess your needs, consider your financial objectives and assess your attitude to any risks that may be involved, so that we are able to act in your best interests. If you do not want to discuss a particular area of financial planning and that area should not form part of the advice given, we can exclude it, if you instruct us to do so. This might of course have a bearing on the advice that might have been given.

We will confirm any recommendations we make in writing along with details of any special risks that may be associated with the products or investment strategies we have recommended.

We will issue any documentation / recommendations and any other communication to you in English (unless agreed otherwise). We will communicate with you by email, telephone, text message, post, skype or in person.

In executing or transmitting applications on your behalf to third parties, we will take all sufficient steps to ensure that we obtain the best possible result for you. This is referred to as 'best execution'. Further details of our best execution arrangements are available on request.

We may also, on occasion, advise on other financial products which are not regulated by the Financial Conduct Authority (FCA) under the Financial Services and Markets Act 2012. The Financial Services Compensation Scheme does not apply to any of these products.

Under the terms of this agreement, we may, if appropriate, advise you on investments which are not readily realisable.

We would draw your attention to the risks associated with these investments as there is a restricted market for them. In some circumstances it may therefore not be possible to deal in the investment or obtain reliable information about its value.

Our services may also include advice on investments relating to, or executing transactions in, unregulated financial products including non-mainstream pooled investments such as unregulated collective investment schemes (UCIS). Accordingly, you should carefully consider whether such investments are suitable for you in light of your personal circumstances and the financial resources available to you.

Please note that any products we have arranged for you will only be kept under review as part of an agreed ongoing service for which you agree to pay. We shall carry out this review at least annually. To do this we shall need to make contact with you to assess whether the information we hold about you remains accurate and up-to-date. We shall issue you with a report setting out the results of our assessment and, if relevant, any updated recommendations.

Any ongoing service will be agreed with you and confirmed at the end of this document.

Please be aware that investments can fall as well as rise, and that you may not get back the full amount invested.

The price of investments we may recommend may depend on fluctuations in the financial markets, or other economic factors, which are outside our control. Past performance is not necessarily a guide to future performance. Specific warnings relevant to the investments, investment strategies or other products we recommend will be confirmed to you in your suitability report.

## **Jurisdiction**

This agreement is governed by and should be interpreted in accordance with English Law and you agree to submit to the non-exclusive jurisdiction of the English Courts.

## **Legal and accounting advice**

Neither our firm nor our employees are qualified to render legal or accounting advice or to prepare any legal or accounting documents. It is hereby understood and agreed that the onus is on you, the client, to refer to a solicitor or accountant any point of law or accountancy that may arise during the course of discussions with us.

## **Documentation**

We will endeavour to make arrangements for all your investments to be registered in your name unless you first instruct us otherwise in writing. All policy documents will be forwarded to you as soon as practicable after we receive them.

## **Conflict of interests**

We will endeavour always to act in the best interests of you, our client. However, circumstances can arise where we, or one of our other clients, may have some form of interest in business being transacted for you. If this happens or we become aware that our interests or those of one of our other clients conflict with your interests, we will write to you and obtain your consent before we carry out your instructions, and detail the steps we will take to ensure fair treatment.

## **Benefits we may receive**

Under the rules of our regulator, the FCA, as a firm providing independent advice we are unable to accept or retain payments or benefits from other firms (e.g. product providers) as this would conflict with our independent status.

From time to time we may attend training events funded and / or delivered by product providers, fund managers and investment platforms. These events are designed to enhance our knowledge and ultimately therefore enhance the quality of service we provide to our clients. As such this does not affect our obligation to act in your best interests. Please ask us if you want further details.

## **Termination of this agreement**

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 transactions already initiated which will be completed according to these terms of business unless otherwise agreed in writing. You will be liable to pay for any transactions made prior to termination and any fees outstanding, if applicable.

## **Procedure for Amendments of this agreement**

From time to time it may be necessary to amend the terms set out in this agreement where it is not necessary to issue a new agreement. If this is the case, we shall write to you with details of the changes at least 28 days before they are due to take effect.

## **Product cancellation rights**

Full details of the products we recommend to you including, for example, the minimum duration of the product, information on your right to cancel or whether no right to cancel exists, and any other early termination rights and penalties, will be covered in the relevant product disclosure information you will receive before the conclusion of any contract.

In most cases you can exercise a right to cancel by withdrawing from the contract. In general terms you will normally have a 30 day cancellation period for a life protection, payment protection or pension policy and a 14 day cancellation period for all other policies.

Instructions for exercising the right to cancel, if applicable, will be contained in the relevant product disclosure information which will be provided to you.

If you cancel a single premium contract, you may be required to pay for any loss you might reasonably incur in cancelling it which is caused by market movements. This means that, in certain circumstances, you might not get back the full amount you invested if you cancel the policy.

## **Anti-money laundering**

We are required by the anti-money laundering regulations to verify the identity of our clients, to obtain information as to the purpose and nature of the business which we conduct on their behalf, and to ensure that the information we hold is up-to-date.

For this purpose, we may use electronic identity verification systems and we may conduct these checks from time to time throughout our relationship, not just at the beginning. This may leave a 'footprint' on the credit file but it will not affect your rating.

## **Disclosure of charges/fees**

All charges/fees will be fully disclosed to you. These will be disclosed in summary form before we undertake any work for you. The precise charges relating to any work or recommendations we make will be confirmed in your suitability report or relevant product disclosure information that is provided to you.

In respect of any regular premium protection policy which we have arranged for you, should you subsequently cease to pay premiums on the policy and in consequence we are obliged to refund the commission that has been paid to us, we reserve the right to charge you a fee representing the amount we have to repay, for a period of up to four years after commencement of the policy. We will confirm the exact amount that will need to be repaid by you and the timescale over which it will need to be repaid in the suitability report we will send you when a recommendation is made. We will not charge any such fee if you exercise your right to cancel in accordance with any cancellation notice sent to you by the life insurance company.

There is no additional cost to you for using a means of distance communication.

## **Advice on Investment**

We offer **independent** advice. This means that we consider a wide range of financial strategies and products. We are constantly reviewing the market to ensure that the services and products we offer are appropriate for our clients.

Where we recommend particular investment strategies and products to you, these will be selected based on your personal circumstances, financial goals and objectives.

We will consider a number of factors, including the services you need, the cost of investing, how much risk you are prepared to accept in an investment product and how much of a drop in its value you could withstand.

The areas we can advise on include:

- Open-ended investment companies (OEICs)
- Unit trusts
- Investment trusts
- ISAs / JISAs / LISAs
- Investment bonds
- Exchange traded funds
- Enterprise investment scheme
- Venture capital trusts
- Pensions
- Annuities
- Phased retirement & income drawdown
- Term life assurance
- Critical illness cover
- Income protection

We do not provide advice in relation to individual share holdings.

We do not provide advice on options, futures and other derivative contracts as we believe that these are unlikely to be suitable for our clients

## **Advice on Insurance**

We offer products from a range of providers. We will advise and make a recommendation for you after we have assessed your needs. Where we provide protection planning services we are an insurance intermediary and will provide advice which is based on a fair and personal analysis of the market.

## Payment for our services

### Investments

We offer a variety of methods by which we can be remunerated so that you can select the method that best suits your needs. 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 also tell you if you have to pay VAT and if there are other costs that might arise in connection with the services we provide to you.

#### Advised services

You will pay for our services on the basis of a fee, adviser charging or a combination of the two. 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. Following a no-obligation Discovery Meeting, we shall write to you detailing all the proposed bespoke costs to you for the stated proposed services and we will detail the charges payable so that you are able to understand the overall costs of our services and recommendations. This is referred to as aggregated costs and charges information.

Details of our typical initial fees are as follows:

Initial Service	Initial Fee	
<b>Initial Discovery meeting</b>	Free, no-obligation	
Comprehensive financial review with Cash Flow Forecasting and Wealth Management Report  With a view to you becoming an ongoing client (i.e. subscribing to an ongoing service)	Amount of funds to invest	Level of fee
	Above £5m	0.0%
	up to £5m	0.1%
	up to £2m	0.25%
	up to £1m	0.35%
	£400k to £500k	0.5%
	£300k to £400k	1.0%
	Up to £300k	2.0%
For example, if you were to invest £1,000,000 our fee would be £3,500		
Comprehensive Financial Planning Report (one off, no products nor ongoing service)	£2,000	

### Paying for ongoing service

We will charge an annual fee for providing an ongoing service. The service will include (but not be limited to) monitoring your investment portfolio and making recommendations throughout the existence of the investment, an annual review meeting and ad hoc advice (on a reasonable basis) upon request.

A typical fee for this service is 1% per annum of the value of your investments. This will usually be paid for by the product providers and deducted from your investments. You may also pay for this service by cheque or electronic bank transfer. Details of our ongoing fees are as follows:

<b>Amount Invested</b>	<b>Level of ongoing fee (per annum) <sup>1</sup></b>
Above £10m	0.5%
Above £7m to £10m	0.7%
Above £4m to £7m	0.85%
Above £300k to £4m	1%
Up to £300k	2%
For example, if you invested £500,000 our ongoing fee would be £5,000 per annum	

## **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 issue of our written recommendations. We will only charge a fee and issue written recommendations upon receipt of a signed Terms of Business.

You may also pay our adviser charges via deductions from the financial product(s) that you might invest in, where the product provider allows this. Please note that if you choose to pay by deduction from a financial product this will reduce the amount left for investment and may, depending on your circumstances, have other consequences. If you select this option we will discuss the implications of using this payment method with you prior to putting it in place.

If our initial fee is not covered by adviser charges paid by product providers, you may also settle this fee by cheque or electronic bank transfer.

## **Insurance**

For protection planning, we will receive commission from a product provider in relation to an insurance product we have arranged for you. The amount of commission is a percentage of the total annual premium and we will tell you the amount before we carry out business for you.

## **Who authorises us to advise you?**

- We are authorised and regulated by the Financial Conduct Authority (FCA), 12 Endeavour Square, London E20 1JN. [www.fca.org.uk](http://www.fca.org.uk). Our firm reference number is 458630.
- Our permitted business is advising on and arranging OEICs, unit trusts, pensions, savings and investment products, and non-investment insurance contracts.
- You can check our details on the Financial Services Register by visiting the FCA's website [www.fca.org.uk/firms/systems-reporting/register](http://www.fca.org.uk/firms/systems-reporting/register) or by contacting the FCA on 0800 111 6768.
- Unless we tell you otherwise, we will treat you as a **retail client** for investment business. This means that you are given the highest level of protection available under the UK's regulatory system.

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<sup>1</sup> Where our charges are based on a % of your investments, the amount of our **ongoing** charges will increase or decrease as the size of your fund fluctuates.

## What if things go wrong?

- If you are unhappy with our advice or any aspect of our services, we encourage you to contact us as soon as possible. We shall do our best to resolve your concerns.
  - **Telephone:** 0345 862 2919
  - **Email:** [jdavis@jonathandaviswm.com](mailto:jdavis@jonathandaviswm.com)
  - **In writing:** The Compliance Officer,  
Jonathan Davis Wealth Management Ltd,  
20 Glenwood, Broxbourne EN10 7LP
- We have a complaints procedure and we can provide further details on request. If you do have a complaint, and you are not happy with our response, the Financial Ombudsman Service (FOS) may be able to help. The FOS settles disputes between financial services businesses and their clients. Full details are available at [www.financial-ombudsman.org.uk](http://www.financial-ombudsman.org.uk).

## Additional peace of mind

- The Financial Services Compensation Scheme (FSCS) is the UK's statutory compensation fund for customers of authorised financial services firms who are unable to pay claims against them, usually because they have gone out of business.
- You may be able to claim compensation from the FSCS if we cannot meet our obligations. The amount of compensation available will depend on the type of business and the circumstances of the claim. We can provide more specific information on request, but as a guide:
  - Investments** - eligible claims for most types of investment business are covered for up to a maximum of £50,000.
  - Insurance** - in the majority of cases, eligible claims about the advising and arranging of protection products are covered for 90% of the claim, without any upper limit.
- Further information is available from the FSCS at [www.fscs.org.uk](http://www.fscs.org.uk).

## Your consent

This is our standard terms of business upon which we intend to rely. For your own benefit and protection, you should read these terms carefully before signing them. Please sign both copies of this agreement and return one copy to us. If you do not understand any point please ask for further information. This client agreement replaces any previous agreements and understandings we have with you and will only be modified where confirmed in writing.

I/We acknowledge that the client agreement will come into effect from the date of issue.

We normally ask our clients to give us instructions in writing, to avoid possible disputes. However, we will accept oral instructions provided they are followed up in writing. When we have arranged any investments for which you have given us instructions, we will not give you further advice unless otherwise agreed but will be glad to advise you at any time you wish us to do so.

Initial Service	Tick to confirm	Details of agreed fee	
Full holistic Wealth Management Report including Long Term Cash Flow Forecast Analyses (with a view to becoming an ongoing client)	Y		
Full holistic Wealth Management Report (with a view to becoming an ongoing client)			
Other – specify details of work:			
Advice relating to non-investment protection contracts		Pay by commission	Y
		Agreed fee (if applicable)	£

Ongoing Services	Tick to confirm	Details of agreed fee	
Above £4m		Sliding scale from 0.85% to 0.5%	
Up to £4m		1% per annum	
Up to £300k		2% per annum	

Please signify your acceptance of these terms by signing and returning to us.

**Client name:**

**Client name:**

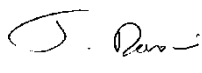
**Signed** .....

**Signed** .....

**Date** .....

**Date** .....

**Wealth and Later Life Finance Adviser: Jonathan Davis**



**Signed** .....

**Date** ... 2021.....

Last updated: 10/20