

# Terms of Engagement

**AWC Wealth Management trading as**



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## **Terms of Engagement**

Regent Financial Management is a trading name of AWC Wealth Management Limited. Financial Conduct Authority (FCA) number 577422 is an Appointed Representative of Network Direct Limited, Hilton Hall, Hilton Lane, Essington, Wolverhampton, Staffordshire, WV11 2BQ, which is authorised and regulated by the Financial Conduct Authority. Their Financial Conduct Authority number is 501761.

Network Direct Limited's permitted business is Investments, Pensions, Protection, including General Insurance and Home Finance products.

This document represents our standard Terms of Engagement to give you an idea of the types of service we offer and how we charge for those services. We will provide you with a bespoke Fee & Service Agreement which sets out the specific terms upon which we have been engaged and which will include the costs for initial advice and any ongoing advice services agreed.

For the purposes of this Terms of Engagement: I, We, Us, Our means Regent Wealth Management or Regent Wealth Management, and Network Direct Limited. You, Your means the client.

This document should be read in conjunction with your Fee & Servicing Agreement.

### **Introduction**

This document is aimed at providing you with a brief overview of our firm and to introduce our services to you in more detail, from which you may then select the service and remuneration package that best suits your needs. We will discuss this with you so that you fully understand what is offered and how it will benefit you. Should you have any questions on any element of this, please do not hesitate to ask us.

### **Our Services**

It is important that you know what to expect in terms of the services we provide, and that you understand our commitment to you in the provision of those services. We intend to be professional, clear, and fair in our dealings with you, and will always ensure that any service or advice provided is in your best interests.

### **Initial Consultation**

We will meet with you face-to-face, via a Web meeting or telephone conference in order to capture important information about your current circumstances, your financial history, and your aspirations, priorities and objectives in terms of your financial future. We will also discuss your attitude toward "investment risk", and your understanding of how such risks may affect you.

The consultation will close with a summary of our findings, and our suggested next steps toward a tailored, yet realistic, solution to your needs. There is no obligation to proceed at this stage, and no costs will have been incurred.

### **Advice Services**

Regent Financial Management is a trading name of AWC Wealth Management Limited is authorised to advise on and arrange Life Assurance, Pensions, Collective Investments, Individual Savings Accounts, Equity Release and General Insurance. We are bound by the rules of the FCA.

### **Insurance**

We offer products from a range of insurers for non-investment life insurance, critical illness, permanent health insurance, waiver of premium cover, private medical insurance, buildings and contents and accident, sickness and unemployment insurance.

We will advise and make a recommendation for you after we have assessed your needs for non-investment life insurance, critical illness, permanent health insurance, waiver of premium cover, private medical insurance, buildings and contents and accident, sickness and unemployment insurance.

### **Equity Release**

We offer advice on Equity Release products from the whole market

We will advise and make a recommendation for you on Equity Release products after we have assessed your needs.

## **Investment & Personal Pension Planning**

We offer advice on an **Independent** advice basis. We will advise, make recommendation and arrange any suitable product for you after we have assessed your needs. Our recommendation will be based on a comprehensive and fair analysis of the relevant market. Network Direct and Wellian Investment Solutions are part of the Harwood Group. As an Appointed Representative of Network Direct Limited Regent Wealth Management may recommend that you invest in a Portfolio managed by Wellian Investment Solutions which include the following portfolios, Wellian Blended Portfolios, Wellian Model Portfolios, and Discovery Funds.

We do not make recommendations, advise or provide the servicing of any Unregulated Collective Investment Schemes (UCIS) or make recommendations, advise or provide the servicing of unregulated investment products or funds, a list of the type of products which we do not offer advice may be provided on request.

All individuals employed by or contracted to Regent Financial Management to provide investment advice are approved by the FCA.

When providing an advisory service and making detailed investment recommendations, we will confirm your investment objectives and ensure that recommendations are suitable for your individual circumstances.

Your objectives will be set out and summarised within a personalised report, which will be issued to you as a result of your personal consultation with us to document and explain the advice we have given and the product(s) recommended to meet your needs as requested. This will be based on:

- Your stated objectives,
- Your agreed level of risk and
- Any restrictions you wish to place on the type of investments or policies you are willing to purchase.

Unless confirmed in writing to the contrary, we will assume that you do not wish to place any restrictions on the products recommended.

All individuals employed by or contracted to us to provide investment advice are approved by the FCA.

When providing an advisory service and making detailed investment recommendations, we will confirm your investment objectives and ensure that recommendations are suitable for your individual circumstances.

Your objectives will be set out and summarised within a personalised report, which will be issued to you as a result of your personal consultation with us to document and explain the advice we have given and the product(s) recommended to meet your needs as requested. This will be based on:

- Your stated objectives,
- Your agreed level of risk and
- Any restrictions you wish to place on the type of investments or policies you are willing to purchase.

## **How we charge**

You will always know our fees before you make a decision to proceed. We don't hide our costs and have a transparent charging structure, so you can be sure we are working efficiently for your benefit.

Our fees are based wholly upon the provision of our qualified and professional expertise; the time taken to analyse your circumstances and devise an appropriate strategy going forward; the design of an appropriate summary report to communicate this strategy to you; and also takes into account our firms exposure to regulatory, commercial and financial risk.

Should we undertake initial research towards your goals, but you subsequently do not proceed with our recommendations; we will raise an invoice for an agreed fee in order to recoup our costs. This payment will need to be made by an agreed payment method.

Should you agree to proceed and we go ahead with the implementation of your strategy, it can be arranged for your total fees to be deducted from the investment amount at outset or by instalments from the premium you pay each month, via the product provider. Alternatively, you may prefer to make your payment

to us by an agreed payment method. Your choice can be made in the personalised Fee & Service Agreement we will provide.

If you choose to have your adviser charge deducted from the product you will pay nothing to us up front, this does not mean that our service is free. You still pay us indirectly through the 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.

### **Cost of Initial Advice**

The initial consultation is free of charge.

### **Insurance**

No fee is payable for non-investment life insurance, critical illness, income protection, private medical insurance, buildings insurance, contents insurance and mortgage payment protection insurance. We will be paid by commission from the company.

### **Example**

If you pay £30 per month for a life insurance policy, we would receive approx £725

### **Equity Release Products**

A fee of £995 will be payable on completion of the Equity Release product. In addition, we will also be paid commission from the provider.

You will receive a Key Facts illustration when considering a particular Equity Release product which will tell you about any fees relating to it.

### **Example**

If you take out a loan for £70,000, we will charge a fee of £995 and receive commission from the provider (the commission varies with each provide, but this example is based on 2% of the loan amount) so approx £1,400, giving a total of approximately £2,395.

### **Refund of Fees**

If we charge you a fee and your Equity Release product does not go ahead you will not receive a refund if you decide not to proceed once the offer has been issued.

### **Investment and Personal Pension Planning**

We will agree a Fee for initial financial planning advice (including research, analysis and implementation). We will agree the fee with you before commencing any chargeable work. For most work this will be a set rate. For more complex or niche work, it may be necessary for us to set cost limits.

Our set rate charges for lump sum investments are 5%. However, we will never charge more than £20,000.

**This is subject to a minimum initial fee of £500 and £950 on more complicated cases such as annuities purchase, income withdrawal and pension switches**

### **Example:**

If we charged our standard 5% fee for lump sum investments and pensions, then the following monetary charges would apply:

If you invest a lump sum of £100,000 into an investment or pension, we would charge an advice fee of 5% of the amount invested, which would mean an initial adviser charge of £5000.

This is subject to a minimum initial fee of £500 and £950 on more complicated cases such as annuities purchase, income withdrawal and pension switches.

### Minimum Charge Example:

If you invest a lump sum of £9,000 into an investment or pension, we would charge an advice fee of 5% of the amount invested, which would mean an initial adviser charge of £450, however this would then be subject to our minimum fee of £500.

Or

We estimate the hours it will take. We then apply standard hourly rates, being: £200 per hour (Financial Planners) and £75 per hour (Administration). This is subject to a minimum initial fee of £500 and £950 on more complicated cases such as annuities purchase, income withdrawal and pension switches

### Example

If the amount of time taken to advise and arrange a suitable product for you takes 8 hours made up of 5 hours Financial Planning time and 3 hours administration time the charge would be £1,225 made up as follows: -

Financial Planning	£200 x 5 hrs = £1,000
Administration	£75 x 3 hrs = £ <u>225</u>
	£1,225

For pension switches, income withdrawals and annuities we have a minimum fee of £950 due to the time taken to carry out research, analysis, implementation and liability involved in carrying out this type of work. This fee may be a large percentage on small plan values less than £16,000 and so you have to decide if it is cost effective, as it may represent more than 5% of the total fund value.

### Regular Contributions

Should you invest in a regular premium contribution, we will charge an adviser charge of typically £500.

### Example

If you contribute £50 per month into a personal pension plan, we would charge typically £500 payable over 5 to 12 months, which would mean an initial adviser charge of

£50 x 10 months = £500 or £100 over 5 months =£500 whichever is preferred.

If you contribute £200 per month into an Individual Savings plan, we would charge £500 payable over 10 months, which would mean an initial adviser charge of £50 x 10 months = £500

We will tell you if you have to pay VAT.

Invoices are issued within 10 days of your product(s) being issued.

### Aggregated costs and charges for Investments

For investments we want you to understand the various costs and charges that are associated with your investment and recommended solutions, along with the effect that these may have on what your investments return to you.

We will provide prior to you making an investment information on all costs and charges that may be applied to your investments. We will also include an indication on the overall effect of these costs and charges on the return of your investments

## Non-Advised Sales Remuneration

We will agree a fee for non-advised sales. However, it may sometimes be the case that whilst arranging a 'Non-Advised Sale' (i.e. on an Execution Only or Direct Offer basis), we still receive an amount of remuneration from the product provider. If this happens, the amount will be disclosed to you by the product provider concerned.

## Cost of On-going Advice and Review Service

Depending on the size and complexity of your portfolio once in place, you may or may not require on-going management services.

Should you decide not to have our on-going services and choose to conduct your business with us on a Transactional basis, it is important to be aware that, in the absence of a specific on-going service agreement with you, your portfolio will not be monitored unless you contact us to ask for a specific service.

Should you wish us to monitor your on-going position and ensure the products recommended continue to meet your requirements, we will agree an appropriate service offering outlined in the Services Offering and Costs section in this agreement.

We can provide an on-going service designed to expertly maintain and monitor your portfolio. The benefit of this is to ensure that your objectives and attitude to risk are correctly aligned with your holdings over an extended period of time. In addition, on-going advice services ensure that developing and future financial objectives are taken into account. Furthermore, aspects of your financial arrangements can change over time, including your goals and risk profile as well as the underlying asset's risk characteristics. On-going service can help adapt and position your arrangements to manage such changes and influencing factors.

The availability of some services is dependent upon the type of financial plan we implement for you. Our typical fees are shown below.

## Ongoing Service Offerings and Costs

We offer our clients one of 3 Service Offerings, Basic, Standard and Enhanced based on the size of the investments and product types within their portfolio. This service offering will be agreed at outset. Fees are due monthly and can be paid by direct payment, by deduction from your portfolio or a combination of both.

	Basic **	Standard	Enhanced
Half Yearly Review Meeting - Monitoring & Maintaining the plan (Face to Face or by phone)			Y
Annual Review Report - Monitoring & Maintaining the plan (Face to Face or by phone)	Y (By Phone only)	Y	
Annual Assessment of Suitability	Y	Y	Y
Annual Portfolio Review	Y	Y	Y
Legislation Update and Review of Personal Circumstances (Part of Annual Review Report)	Y	Y	Y
Attitude to Risk Assessment (Every 2 years)	Y	Y	Y
Assessment of Policy Suitability		Y	Y
Fund Switches		Y (Maximum of 2*)	Y

Ongoing Valuation Updates (Face to Face or by phone)			<b>Y</b>
Unlimited Contact at no additional cost			<b>Y</b>
Service Charge	0.50%	0.75%	1.00%

\* If deemed necessary

\*\* Certain products, such as Income Drawdown are subject to a minimum review service of Standard due to the complexity and monitoring required throughout the term of the plan.

#### **Basic**

**Service Charge; 0.5% per annum**, based upon the prevailing value of your portfolio and subject to a minimum charge of £300 pa.

#### **Standard**

**Service Charge; 0.75% per annum**, based upon the prevailing value of your portfolio and subject to a minimum charge of £400 pa.

#### **Enhanced**

**Service Charge; 1% per annum**, based upon the prevailing value of your portfolio and subject to a minimum charge of £1,500 pa.

#### **BASIC**

#### **Reviews and on-going service**

I intend to review this plan on an annual basis to ensure the fund still meets with your requirements, we usually check your risk profile every 2 years unless you make clear your circumstances have changed. Please note it is your responsibility to ensure you keep me up to date if for example you move house or change phone numbers and to ensure reviews actually take place. I may also contact you for a midyear discussion if I deem it necessary for valuations, updates on funds, legislation changes and market turmoil and so on.

Typically, our Basic review will comprise the following services:

- Annual Review Report - Monitoring & Maintaining the plan (by post) – We will monitor your ongoing position on an annual basis to ensure your products continue to meet your requirements. Included in this is an assessment of fund performance against the sector or benchmark, valuation compared to the previous review, plan details all set out in plain English for your convenience.
- Legislation Updates - A summary of the impact of any legislative or statutory changes that might impact on your investment strategy, for example, Budget changes – This will normally be newsletters usually 2 per year.
- Personal Circumstances – It is your responsibility to return a review and to update us with any changes.
- Attitude to Risk - A review of your attitude toward investment risk and volatility linked specifically to the performance of your investment, to ensure continued appropriateness. This will help ensure that your risk tolerance continues to match the recommended investment funds. A new risk profiler is completed every 2 years unless your circumstances change, then it may be completed earlier. It is your responsibility to return a review and to update us with any changes.

The service option you have chosen is the Basic service option. The costs of the Regular Review Service will be met by way of a deduction from your pension/investment. For the services described above, the Basic Service, an annual charge of 0.50% will be deducted each year. You should note that the rate is charged as a percentage of the value of your investment and as such the actual amounts payable will vary as the value of your investment fluctuates. Please refer to your illustrations for full details.

## **STANDARD**

### **Reviews and on-going service**

I intend to review this plan on an annual basis to ensure the fund still meets with your requirements, we usually check your risk profile every 2 years unless you make clear your circumstances have changed. Please note it is your responsibility to ensure you keep me up to date if for example you move house or change phone numbers and to ensure reviews actually take place. I may also contact you for a midyear discussion if I deem it necessary for valuations, updates on funds, legislation changes and market turmoil and so on.

Typically, our Standard review will comprise the following services:

- Annual Review Report - Monitoring & Maintaining the plan (Face to face or by phone) – We will monitor your ongoing position on an annual basis to ensure your products continue to meet your requirements. Included in this is an assessment of fund performance against the sector or benchmark, valuation compared to the previous review, plan details all set out in plain English for your convenience.
- Legislation Updates - A summary of the impact of any legislative or statutory changes that might impact on your investment strategy, for example, Budget changes
- Personal Circumstances - An update and appraisal of your financial and personal situation if you inform us that there have been any significant changes to your circumstances.
- Attitude to Risk - A review of your attitude toward investment risk and volatility linked specifically to the performance of your investment, to ensure continued appropriateness. This will help ensure that your risk tolerance continues to match the recommended investment funds. A new risk profiler is completed every 2 years unless your circumstances change, then it may be completed earlier. It is your responsibility to return a review and to update us with any changes.
- Policy Suitability – A full assessment of the plan to check that it still meets your requirements such as on Income Drawdown the income may be eroding the capital or your attitude to risk has changed and the product may no longer meet your needs.
- A review and appraisal of comparable annuity and GAD rate as this may be applicable to your circumstances at that time.
- Fund Switches – if deemed necessary, for example if a fund is underperforming, if a fund manager leaves a particular fund and it affects the performance or if your attitude to risk has changed and your fund no longer matches your requirements (maximum of 2 switches per year).

The service option you have chosen is the Standard service option. The costs of the Regular Review Service will be met by way of a deduction from your pension/investment. For the services described above, the Standard Service, an annual charge of 0.75% will be deducted each year. You should note that the rate is charged as a percentage of the value of your investment and as such the actual amounts payable will vary as the value of your investment fluctuates. Please refer to your illustrations for full details.

## **ENHANCED**

### **Reviews and on-going service**

I intend to review this plan on a 6 monthly basis to ensure the fund still meets with your requirements, we usually check your risk profile every 2 years unless you make clear your circumstances have changed. Please note it is your responsibility to ensure you keep me up to date if for example you move to a new house or change phone numbers and to ensure reviews actually take place. I may also contact you for a midyear discussion if I deem it necessary for valuations, updates on funds, legislation changes and market turmoil and so on.

Typically, our Enhanced review will comprise the following services:

- Half Yearly Review Report - Monitoring & Maintaining the plan (Face to face or by phone) – We will monitor your ongoing position on a 6 monthly basis to ensure your products continue to meet your requirements. Included in this is an assessment of fund performance against the sector or benchmark, valuation compared to the previous review, plan details all set out in plain English for your convenience.
- Legislation Updates - A summary of the impact of any legislative or statutory changes that might impact on your investment strategy, for example, Budget changes
- Personal Circumstances - An update and appraisal of your financial and personal situation if you inform us that there have been any significant changes to your circumstances.
- Attitude to Risk - A review of your attitude toward investment risk and volatility linked specifically to the performance of your investment, to ensure continued appropriateness. This will help ensure that your risk tolerance continues to match the recommended investment funds. A new risk profiler is completed every 2 years unless your circumstances change, then it may be completed earlier. It is your responsibility to return a review and to update us with any changes.
- Policy Suitability – A full assessment of the plan to check that it still meets your requirements such as on Income Drawdown the income may be eroding the capital or your attitude to risk has changed and the product may no longer meet your needs.
- Fund Switches – if deemed necessary, for example if a fund is underperforming, if a fund manager leaves a particular fund and it affects the performance or if your attitude to risk has changed and your fund no longer matches your requirements (with no restrictions).
- A review and appraisal of comparable annuity and GAD rate as this may be applicable to your circumstances at that time
- Ongoing Valuations – We will produce a document to keep track of the value of your plan during the year and we will contact you to update you on the progress when necessary. Changes may be made if we feel your plan is under performing.

Typically this will involve a call (or further visit if required) with updates and discussions about specifically how your investment is performing and why.

- Unlimited Contact – You will have unlimited contact with your financial adviser and support staff to deal with any questions or queries you have concerning your plans at no additional cost.

The service option you have chosen is the Enhanced service option. The costs of the Regular Review Service will be met by way of a deduction from your pension/investment. For the services described above, the Enhanced Service, an annual charge of 1.00% will be deducted each year. You should note that the rate is charged as a percentage of the value of your investment and as such the actual amounts payable will vary as the value of your investment fluctuates. Please refer to your illustrations for full details.

### **Transactional Business**

Should you decide not to have our on-going services and choose to conduct your business with us on a Transactional basis, it is important to be aware that, in the absence of a specific on-going service agreement with you, your portfolio will not be monitored unless you contact us to ask for a specific service. We will also not undertake an annual assessment of suitability.

### **Value Added Tax**

As we act on your behalf as an intermediary with a view to the arrangement of a transaction our fees are presently exempt from VAT which means we do not usually have to make an additional charge of 20%. If we do have to charge you for a service which is subject to VAT we will inform you in advance.

## Termination of Fee & Servicing Agreement

This Fee and Servicing agreement may be cancelled by either party at any time.

- We may terminate this agreement by giving you at least 20 business days' written notice.
- You may terminate this agreement at any time, without penalty. Notice of termination must be given in writing and will take effect from the date of receipt.
- Any transactions already initiated will be completed according to this agreement unless otherwise agreed in writing.
- You will be liable to pay for any services we have provided before cancellation and any outstanding fees, if applicable.

If you have elected to pay for the advice you have received 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 amount is fully paid, and/or
- You subsequently decide to transfer your business to another financial adviser or firm

Any amounts, as at the date of cancellation of the recommended product or transfer to another financial adviser/firm, will be due to be paid within 30 days of the termination or transfer date. An invoice will be raised and sent to you directly for payment.

**Example:** Initial adviser fee of £600 payable via 12 monthly instalments of £50 pm, cancelled after 6 months, will result in an invoice being raised for £300 which would become payable within 30 days from cancellation

Where a product provider is facilitating payment of your agreed initial adviser charge, in the event of you cancelling this contract, the product provider may choose to refund the investment 'net' or 'gross' of any agreed adviser charge. If the refund is paid to you gross, we will invoice you directly for any amount owed for payment within 30 days

## Refunds and Cancellation Policy

Fees are payable subsequent to our Professional Advice Services being provided, and therefore refunds are not available in normal circumstances. Fees paid in respect of regular or annual services are not refundable: however, any on-going service may be cancelled upon request.

## Protection Business

Where you have paid our fee by commission from the product provider or have received a commission rebate on a product and you cease to pay the premiums due on this product, it is our policy to claim a refund. You understand the maximum amount of this refund will be the amount of commission reclaimed by the Provider which shall never exceed the amount of commission which will have previously been disclosed to you in writing. The maximum time under which we may enforce this paragraph is 4 years from the commencement of the product.

## Opting Out

You may decide to "opt-out" of any ongoing advice and review service. You are free to do so. However, please take note of the following:

- If your financial circumstances, objectives and attitude to risk change over time, the structure of your investment portfolio may no longer be in your best interests.
- As financial markets fluctuate, the way your assets are allocated in your portfolio may become unbalanced and ultimately expose you to more investment risk than you wish to accept.

You may opt back in to ongoing services at any time.

## Communicating with You

We prefer our clients to give us instructions in writing by completing the relevant application form and signing the appropriate declaration to avoid possible disputes. We will accept oral instructions if they are subsequently confirmed in a letter. When we have arranged any transaction for which you have given instructions we will not give you any further advice unless you request it, but will be glad to advise you at any

time you ask us to do so. The only exception to this will be if we arrange (*on your behalf*) a pension fund withdrawal plan, where it is our practice to routinely review such arrangements throughout their duration. However, at our discretion and unless we hear from you to the contrary, we may telephone you from time to time between the hours of 9am to 9pm without your further prior consent to such contact.

We will enter into communication with you through whatever means is convenient to you and us, including face-to-face, telephone, email and other acceptable electronic communication methods.

We like to keep clients informed of products and services we offer which may be of interest to them. If you would prefer to be excluded from these services, please contact us.

We act as your agent in arranging investment transactions. We never own the investments you buy or transact through us. All investments will be registered in the name(s) of the client(s) unless otherwise agreed in writing. We will forward to you all documents showing ownership of your investments as soon as it is practical after we receive them. Where a number of documents relating to a series of transactions are involved, we may retain each document until the series is completed and then forward them to you. In some cases the documentation will be sent to you direct from the provider. We may not lend to a third party the documents of title held by us or borrow any money on your behalf against the security of those documents. Where we provide advice on a non-packaged product, such as an Enterprise Investment Scheme (EIS) or Venture Capital Trust (VCT), you will not have post sale cancellation rights.

We cannot accept responsibility for taxation advice. Clients must be responsible for their own taxation position and we strongly recommend that clients take advice on taxation matters from a qualified accountant.

English law will be the basis of this contract and the language in which this contract will be interpreted. All communications will be conducted in English.

The Contracts (Rights of Third Parties) Act 1999 shall not apply to this client agreement.

### **Client Classification – Retail Client**

In providing investment services to you, we will categorise you as a ‘retail client’ unless you have instructed us to treat you otherwise and such instruction has been agreed by Network Direct Limited. Separate disclosure documentation will be provided should you qualify to be treated other than a retail client.

The type of client category will determine the level of protections afforded to you under the regulatory system. As a ‘retail client’ the regulatory protections available to you are determined by this category and will be “the highest available”.

Where we have categorised you other than as a ‘retail client’ (see above), you may request re-categorisation under a client category which benefits from a higher degree of protection. However, we reserve the right to agree to such a re-categorisation on a case-by-case basis, and where we agree to do so it does not necessarily mean that you will have a right of access to the Financial Ombudsman Service.

### **Discretionary Portfolio Management**

We may suggest to you that responsibility for the management of your investments should be delegated to an external portfolio manager operating on a discretionary basis, that is to say pursuing an agreed objective based on an agreed time span and an agreed level of risk with you, but not seeking your instructions before making changes to the portfolio. In this situation we will liaise between you and the discretionary manager and will ensure that regular reports are produced. It is important to make you aware we will not be responsible for the consequences of any acts or omissions on the part of the discretionary manager.

### **Conflicts of Interest**

Network Direct Limited and Wellian Investment Solutions are part of the Harwood Group. If any product or services of Wellian Investment Solutions or any other business within the Harwood Group are recommended, we will inform you to obtain your consent prior to completing any business.

We offer whole of market advice, but occasions may arise where the company or any of its Directors or employees or one of our other clients has some form of interest in business which we are transacting for you. If this happens or we become aware that our interest or those of one of our other clients conflicts with your interests we will inform you in writing and obtain consent before we carry out the instructions. This

undertaking shall not apply to personal holdings in unit trusts, insurance contracts, gilts and shares of publicly quoted companies.

Network Direct Limited has in place procedures to identify and manage conflicts of interest. Where conflicts of interest arise, these are managed through policies and procedures believed to be appropriate to ensure that such transactions are effected on normal commercial terms negotiated at arm's length and on terms which are not materially less favorable to the client than if the potential conflict had not existed; shall ensure that such transactions do not adversely affect the performance of the company's duties and responsibilities to the client; and shall take reasonable steps to ensure fair treatment for the client in accordance with the requirements of the FCA.

## **Material Changes**

In accepting this client service agreement, you agree that we may update the Terms without receiving your prior consent to do so where there is a regulatory obligation to implement these changes but we will not conduct any investment business for you following any change unless we have given you at least 10 business days' notice.

## **Client's Best Interests**

We require our clients to give us instructions in writing. We will accept oral instructions at our discretion, which must be confirmed in writing. We can refuse your instructions at our discretion where it is deemed the instruction is, including but not limited to; incomplete, unclear, fraudulent or non-compliant with regulations. We will inform you the instruction has not been completed promptly and advise what is required to amend or complete the instruction, while ensuring we are complying with our own regulatory obligations.

We maintain professional indemnity insurance to enable us to meet any liability that may arise in respect of our obligations to you for services performed on your behalf.

## **Treating Customers Fairly (TCF)**

Network Direct Limited and its Appointed Representatives, recognises the importance of treating clients, staff, advisers and professional partners fairly and with respect at all times. Strategies and approaches adopted by Network Direct Limited ensure TCF is implemented and fully incorporated into its business.

Network Direct Limited is committed to ensuring that all developments and initiatives are taken forward in an environment that supports their mission statement, vision and core values

## **Client Money**

**WE DO NOT HANDLE CLIENT MONIES.**

Cheques for premiums or investments can only be made payable to the product provider. We never handle cash or accept a cheque made payable to us (unless it is in settlement of charges or disbursements for which we have sent you an invoice). No premiums or investment monies of any kind should be paid or be made payable to anyone else.

## **Data Protection and Information Held about You**

We operate in accordance with General Data Protection Regulation. Information provided by you may be held, processed, disclosed and used by ourselves, professional advisers and any associated companies in servicing our relationship with you. However, strict confidentiality will be maintained at all times. It is understood that, unless you notify us otherwise, you agree to the storage, use and disclosure of such information.

This information may be disclosed to third party product providers in the course of providing our analysis and servicing of our relationship with you. No information will be passed to another party without your prior consent unless we are legally obliged to do so. You also agree that for the purposes described above your data may be transferred to countries outside the European Economic Area (EEA).

## **Privacy Policy**

We collect information about you when you engage with us for the services we provide. This information will relate to your personal and financial circumstances. It may also include special categories of personal data such as data about your health, if this is necessary for the provision of our services.

We may also collect information when you voluntarily complete client surveys or provide feedback to us.

We may need to gather personal information about your close family members and dependants in order to provide our service to you effectively. In such cases it will be your responsibility to ensure you have the consent of the people concerned to pass their information on to us. We'll provide a copy of our Privacy Notice for them or, where appropriate, ask you to pass the privacy information to them.

The primary legal basis we intend to use for the processing of your data is for the performance of our contract with you. The information we collect about you is essential for us to be able to carry out the services you require from us effectively. Without collecting your personal data we'd also be unable to fulfil our legal and regulatory obligations.

Where special category data is required we'll obtain your explicit consent in order to collect and process this information.

We collect information about you in order to provide you with the services for which you engage us.

If you agree, we may email you about other products or services we think may be of interest to you.

We won't share your information for marketing purposes with other companies.

In order to deliver our services to you effectively, we may send your details to third parties such as those we engage for professional compliance, accountancy or legal services, as well as product and platform providers we use to arrange financial products for you.

Where third parties are involved in processing your data we'll have a contract in place with them to ensure the nature and purpose of the processing is clear, that they are subject to a duty of confidence in processing your data and that they'll only act in accordance with our written instructions.

Where it's necessary for your personal data to be forwarded to a third party we'll use appropriate security measures to protect your personal data in transit.

To fulfil our obligations in respect of prevention of money-laundering and other financial crime, we may send your details to third party agencies for identity verification purposes.

During the course of our relationship with you, we'll retain personal data which is necessary to provide services to you. We'll take all reasonable steps to keep your personal data up to date throughout our relationship.

We're also subject to regulatory requirements to retain your data for specified minimum periods. These are, generally:

- Five years for investment business
- Three years for mortgage business
- Indefinitely for pension transfers and opt-out business
- Three years for insurance business

These are **minimum** periods, during which we have a legal obligation to retain your records.

We reserve the right to retain data for longer where we believe it's in our legitimate interests to do so. In any case, we'll not keep your personal data for longer than the regulatory requirements after our relationship with you has ended.

You have the right to request deletion of your personal data. We'll comply with this request, subject to the restrictions of our regulatory obligations and legitimate interests as noted above.

You have the right to request a copy of the information we hold about you. If you'd like a copy of some or all of your personal information, please contact us by email or post.

When your personal data is processed by automated means, you have the right to ask us to move your personal data to another organisation for their use.

We have an obligation to ensure your personal information is accurate and up to date. Please ask us to correct or remove any information you think is incorrect.

## **Marketing**

We'd like to send you information about our products and services which may be of interest to you. If you've agreed to receive marketing information, you may opt out at a later date.

You have a right at any time to stop us from contacting you for marketing purposes. If you no longer wish to be contacted for marketing purposes, please contact us by email or post.

## Identity & Address Verification

We are required to verify your identity in accordance with the Anti Money Laundering and Proceeds of Crime Regulation. No application will be made until such verification has been obtained. In the absence of such evidence, we may be unable to act for you.

This process involves obtaining verification of your identity using documents such as your Passport or Driving License and your address (e.g. utility bill, bank statement). In addition, where applicable, we reserve the right to make further enquiries into the source of your funds or wealth to ensure we meet our regulatory obligations.

We may check the details you supply against those held on a number of specific databases. Online verification credit reference agencies have access to, for example information from the Electoral Register and fraud prevention agencies. Scoring methods can be used in the verification process as this gives a more thorough check of the available data. A record of this process will be kept and may be used to help other companies to verify your identity. We may also pass information to organizations involved in fraud prevention to protect ourselves and our customers from theft and fraud. If you supply false or inaccurate information and we suspect fraud, we may make the appropriate search using a reputable online credit reference agency and will keep a record of this search in line with the anti-money laundering rules and General data Protection Regulation.

In fulfilling our obligations under the Proceeds of Crime Act 2002 and other anti-money laundering legislation, where knowledge or suspicion of money laundering arises, we may pass certain information known to, or suspected by us to the appropriate authorities. This may result in a delay to a transaction and/or a decision that we will cease acting for you.

By signing the Declaration at the end of your Fee & Service Agreement, you consent to us carrying out the appropriate verification checks. Depending on the level of verification generated, we may need to contact you for additional information or documentation. Therefore, we cannot accept responsibility in instances where investments are delayed due to these regulations.

Claims payments will ordinarily be made to you, unless we make payment to a third party with an interest in your policy. If you require a payment to be made to a third party, we may ask for evidence of the third party's identity and ask you to provide a brief explanation for your request.

## Complaints

If you should have any complaint about the advice you receive or product which you have bought, please write to:

- Network Direct Limited, Hilton Hall, Hilton Lane, Essington, Wolverhampton, Staffordshire, WV11 2BQ
- Tel: 01902 736173

They will acknowledge your complaint and send you a copy of the internal complaints procedure. The matter will be investigated in line with procedures and findings reported to you. If you are still not happy with the outcome, you then have the right to forward any eligible complaint to the Financial Ombudsman Service. The details on how to do so will be provided to you.

If you make a valid claim against us in respect of any of the listed investments we arrange for you and we are unable to meet our liabilities in full, you may be entitled to redress from the Financial Services Compensation Scheme. Details of the cover are given in a leaflet, which we will send to you at your request. Further information is available from the Financial Conduct Authority at 12 Endeavour Square, London, E20 1JN. In addition we are also insured for negligence by way of our Professional Indemnity Insurance.

## Compensation Scheme

We are covered by the Financial Services Compensation scheme (FSCS) if we cannot meet our obligations. This is dependent upon the type of business and the circumstances of the claim. Most types of investment business is covered by 100% of the first £50,000, with deposit accounts benefiting from protection of £85,000. Mortgage business is covered up to 100% of the first £50,000 and insurance business is covered up to 90% of the claim with no upper limit. Further information about the compensation scheme arrangement is available from the FSCS.

## **Research and Analysis**

Should you decide to proceed, further to our initial meeting, we will ask you to formalise your permission for us to commence chargeable work for you by signing the Fee & Service Agreement. At this stage, we will begin to undertake the process of thoroughly analysing your current position based on our extensive knowledge of financial markets, and diligently researching potential solutions for your needs.

Should we need to consult with any professional advisers or financial services providers with whom you have an agreement, we will ask for your express consent to do so.

## **Report Preparation**

When we have all the information we require, a full Financial Planning Report will be devised to paint a clear picture of your current position and outline a clear and thoroughly researched recommendation for the solution we believe to be in your best interests. We will arrange to meet with you to discuss our product recommendations in full and take you through our Report step-by-step. You are free to take the report away and give it due consideration before agreeing to move forward to the next stage.

## **Implementation**

Once you feel that you are in a position to make a fully informed decision to proceed, and you have given us your consent to do so, we will begin the process of acting between yourself and the product provider with a view to arrange the purchase of the investment products recommended and implement our recommendations. We will assist you in completing all of the relevant forms and ensuring your applications are processed by the relevant investment houses and providers in a timely manner.