



ELLIS DAVIES

FINANCIAL PLANNING LTD

Ellis Davies Financial Planning Ltd is a firm of independent financial planners and an Appointed Representative of Best Practice IFA Group Limited. Best Practice IFA Group is a network that promotes a high level of market standards through the provision of support services, technology, training and support. It is authorised and regulated by the Financial Conduct Authority (FCA). The registration number is 223112 and a full list of Appointed Representatives can be found on the FCA register.

<https://register.fca.org.uk>

Introduction

The aim of this document is to provide you with a brief overview of our firm and to introduce our services to you in more detail. We will discuss our services with you so that you fully understand what is offered and how it can benefit you. Should you have any questions on any element of this please do not hesitate to ask us.

Why we exist

We believe that professional financial planning enables you to live your life to the full by making your money work for you. Loving life, and enjoying the lifestyle you want, can be facilitated through having a plan which puts you in control and gives you the confidence to make those big decisions in life. We relish our work and are inspired to help our clients identify and realise the life they want to live. As a partner-led firm, with financial planning at the core, we are passionate about putting our clients first so that they can focus on the important things in life to them; be it family, relationships, health, travel or hobbies.

Advice Services

We are authorised to advise on and arrange Life Assurance, Pensions and Investments. We are bound by the rules of the FCA.

We offer advice on an “Independent” basis. This means that we provide unbiased, unrestricted advice based on a comprehensive and fair analysis of the applicable market, giving due consideration to the full range of retail investment, pension and life products available in the marketplace which may be suitable for you.

Advice options

We offer a variety of advice options including:

- ✓ Execution only (for one-off transactions instructed by you)
- ✓ Limited Advice (approaching limited aspects of financial planning only)
- ✓ Full Advice (Full Financial Review based on all aspects of financial planning)

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 hold the initial consultation either face-to-face, via a Web meeting or a telephone conference. The aim will be 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 towards “investment risk”, and your understanding of the possible outcomes of risk. An initial meeting will typically take a couple of hours.

The consultation will close with a summary of what we believe to be your main objectives, an explanation of how we can help and an indication of our advice fees. There is no obligation to proceed at this stage, and no costs will have been incurred.

Research and Analysis

Following our initial meeting, should you decide to proceed, we will ask you to formalise your permission for us to commence chargeable work for you by signing this 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 recommendations in full, and take you through our Report step-by-step. You are welcome 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 able to make a fully informed decision to proceed, and you have given us your consent to do so, we will begin the process of implementing our recommendations. We will assist you in completing all the relevant forms and ensuring your applications are processed by the relevant investment houses and providers in a timely manner.

Ongoing Advice Service

Our primary service involves an agreement to meet at least annually for a forward planning meeting to ensure that we remain on track to meet your objectives. We will contact you each year to arrange a meeting.

Discretionary Management Facility

Where suitable, we will offer you the opportunity to run your investments on a discretionary basis, this means that your portfolio will run in real time as there is no need to advise you every time an underlying change needs to be made. The obvious benefit of this approach is that trading can be done easily and efficiently and dealing charges will, in most cases be reduced. Where you would like to apply for this service you will need to sign a discretionary agreement and we will inform you if there are any additional fees to pay.

How we charge

You will always know our fees before you decide to proceed. We don't hide our costs and we 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 considers our firm's 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 to recoup our costs. This payment will need to be made by cheque or bank transfer.

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, via the product provider if the recommended provider will facilitate this. Alternatively, you may prefer to make your payment to us by cheque or bank transfer. Your choice can be made in the Client Declaration section of this document.

Cost of Initial Services

Planning & Advice

Advice Scenarios		
£500 - £1,000	£1,000 – £2,500	£2,500 - £4,000
Transactional investment from cash ISA contributions One off Pension contributions Family or business protection Regular premium contracts	Review of existing products Assessment of existing investments Consolidation of tax wrappers Retirement Planning	Financial Planning & Modelling Ancillary Trust & Tax Planning Review or recommendation of complex financial products and investments

Implementation

Capital Invested*				
£0 - £100,000	£100,000 - £250,000	£250,001 - £500,000	£500,000 - £1m	£1m and over
Up to 2%	Up to 1.5%	Up to 0.75%	Up to 0.5%	Up to 0.2%
*The above charges are not tiered and the implementation fee in each tier is based on the full amount invested				
Example 1; Portfolio value of £100k 2% fee = £2,000 implementation fee	Example 2; Portfolio value of £500k 0.5% fee = £2,500 implementation fee	Example 3; Portfolio value of £1.4m 0.2% fee = £2,800 implementation fee		

Working on an hourly rate or where ‘advice only’ is required

If we agree to work on a strict time/cost basis (typical for more transactional work) our fees will be based on the time required to deliver the advice. Such work will always be undertaken by the appropriate person to ensure that our fees are as efficient as possible. For example, a financial adviser would not invoice for time completed on administration work which would be undertaken by an administrator and charged accordingly.

We charge time as follows for such work: Financial Adviser £215 per hour, Technical Analyst £95 per hour, Administrator £65 per hour.

The time taken to complete a full analysis, collate necessary information, formulate our advice and draft an appropriate report, may take anything up to 14 hours, which could incur a fee of £1,750. We will estimate the total cost for you in advance of commencing work if you wish. You may ask us not to exceed a specified amount.

Should we undertake research and analysis work on your behalf, but you decide not to take up our recommendations, we reserve the right to charge you a fee to cover our time with a minimum fee of £500.

Invoice Procedure

Invoices are issued within 10 days of either an advice service being finalised and/or presented, or in the case of Implementation fees, within 10 days of your product/s being commenced.

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 ongoing services may be cancelled upon request. Please also see “Rights to Cancel” above, in respect of cancelling individual products or policies.

Commission for Insurance Related Products

In some instances, it may be possible for us to work on commission basis. Where commission can be paid on insurance related arrangements such as life insurance we will discuss this with you and confirm if you would prefer to pay for our services by commission. If this option is possible and is selected please indicate this in the 'notes' section on the final page of this document.

Cost of Ongoing Financial Planning and Guardian Services

Our primary services involve meeting regularly to ensure your plan reflects how your objectives and attitude to risk might change over time. Ongoing advice 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 Ongoing Fee will depend on the complexity of your affairs and the level of service required. It is agreed and expressed in either percentage or monetary terms. Examples as follows;

Portfolio Value*		
Tier 1	Tier 2	Tier 3
Portfolio value £0 - £500,000 = Up to 1% per annum fee	Portfolio value of between £500,001 - 1,500,000 = Up to 0.85% per annum fee	Portfolio value in excess of £1,500,000 = up to 0.5% per annum fee
*The fee levied is not tiered. If your funds fall in a particular tier all of your funds are charged at the rate applicable to the tier.		
For example, a portfolio of £300,000 = £3,000 ongoing advice fee per year	For example, a portfolio of 700,000 = £5,950 ongoing advice fee per year	For example, a portfolio of £2,000,000 = £10,000 ongoing advice fee per year

Please note, if we agree to cover the cost of ongoing advice by charging a percentage of funds under management, as the funds grow and the value of your investment increases, so will the charge applicable. Alternatively, we can opt for a fixed monetary fee.

What is Included in our ongoing services

We have two ongoing service levels; 'Financial Planning Service' and 'Guardian Service'. A description of what you will receive for each service is detailed below. We will discuss and confirm which service we believe to be appropriate to your needs. The service offered will be indicated on the final page of this document.

Financial Planning Service

As a minimum this service will include at least one face to face, web, or telephone forward planning meeting each year which we will contact you to arrange. The agenda will include:

- Life Planning – Discussion and thought-provoking questions to identify what is important to you so your finances can be aligned accordingly.
- Financial Modelling – Where appropriate we will use financial modelling to help you achieve your personal and financial objectives.
- Investment Strategies – we will review your needs and investment risk to ensure your investment strategy/portfolio remains appropriate, make any changes necessary and review the performance against your objectives and financial model/life plan.
- Tax Planning – We will use tax incentivised savings vehicles to ensure you pay as little tax as necessary.

Guardian Service

You are entitled to periodic reviews either face to face, via web conference or by telephone. Our meetings will typically include a review of current situation, your objectives and an update of our fact find. The agenda will include:

- Investment Strategies – we will review your needs and investment risk to ensure your investment strategy/portfolio remains suitable and make any changes necessary.
- Tax Planning – We will use tax incentivised savings vehicles to ensure you pay as little tax as necessary.

All face to face meetings will need to be conducted whilst you are in the UK

Using a Wrap Platform or Custodian

With the advance in technology it is possible to notionally combine products and hold them together on what is called a Wrap Platform. A Wrap Platform is merely a benign structure for holding your pension and investment plans in one place and it is not a plan in its own right.

Holding your investments in this way will give you greater functionality and much wider choice of funds, structured products, direct equities and gilts. One of the main attractions is the ability to negotiate discounts on the purchase of funds which can be passed back to your account to improve growth or buy funds at an institutional rate. A simple example of this is a share dealing account where a nominee will hold the shares on your behalf rather than holding all the paper certificates yourself.

A platform is not suitable in all cases especially if your existing contracts have penalties or a tax charge would apply on surrender.

Value added Tax

If we carry out work which results in intermediation (recommendation of a product) our fees are exempt from VAT. If our status changes and we require you to add VAT to our fee we will inform you in advance.

Transacting business

By signing these terms of business, you are giving your adviser permission to accept paper, electronic and verbal instructions to transact business on your behalf. This will be especially relevant to switching investment funds. Any instruction received will be considered genuinely given and duly authorised.

Termination

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. The termination will be without prejudice to the completion of transactions already initiated, if this is the case. Any transactions effected before termination are due a proportion of any charges for services accrued and shall be settled to the date of notification. Once signed, this agreement shall apply until it is superseded, replaced or terminated.

Client Money

The firm does not handle client's money. We never handle cash or accept a cheque made out to us (unless it is a cheque in settlement of fees, charges or disbursements for which we have sent you an invoice, which would be made payable to Best Practice IFA Group Ltd).

Customer Classification

Each client is categorised to identify the level of regulatory protection applied. We believe in providing our clients with full regulatory protection and we propose to classify you as a 'Retail Client' for investment purposes. Where you have been classified as anything other than Retail, this may affect the level of protection available to yourself from the Financial Ombudsman Service, though these restrictions will be highlighted to you at the time of classification.

Investment Objectives and Restrictions

Following the issue of this document, any subsequent advice or recommendation offered to you will be based on your stated objectives, acceptable level of risk and any restrictions you wish to place on the type of investments, policies or companies you are willing to consider. Details of your stated restrictions and objectives will be included in the Suitability Report we will issue to you to confirm our recommendation. Unless confirmed in our initial discussion, to the contrary, we will assume that you do not wish to place any restrictions on the advice we give you.

Data Protection

We collect and process your personal data (as such term is defined in the EU General Data Protection Regulation 2016/679 ("GDPR")) in the course of providing our services. We are a data controller (as the term is defined in the GDPR) of such personal data. Full details of how we process personal data can be found in our Privacy Notice, at www.ellisdaviesfp.co.uk or on request.

From time to time we send our clients information promoting our services, or other similar services in which we believe you might be interested. If you would prefer not to receive this information, please tick the box below. Alternatively, please contact The Data Protection Officer on 01403 334455 or in writing at Sussex House, North Street, Horsham, West Sussex, RH12 1RQ.

PLEASE TICK THIS BOX IF YOU DO NOT WISH FOR US OR ANY COMPANY ASSOCIATED WITH US TO CONTACT YOU FOR MARKETING PURPOSES BY E-MAIL, TELEPHONE, POST OR SMS.*

***where client is under the age of 16 consent must be given by either the parent or legal guardian for this data to be processed.**

Law

These Terms of Business are governed and shall be construed in accordance with English Law and the parties shall submit to the exclusive jurisdiction of the English Courts.

Regulation

MIFID II has introduced the requirement for Legal Entity Identifier's (LEIs) to be obtained for clients who are companies, charities or trusts. If you are a client who is a legal entity or structure, including a company, charity or trust, you will need to make arrangements to obtain an LEI code if you want the firm to continue to act on your instructions or make a decision to trade on your behalf from 3 January 2018 onwards. Your adviser will be able to provide further guidance on the application process.

Call recording

All telephone calls are recorded for regulatory and training purposes and these will be referred to as part of our advice records. All call recordings will be used to minimise ambiguity in our discussions or instructions received and are encrypted for security and integrity purposes. These records will be kept in line with regulatory and statutory requirements, and will be retained for a period of at least 6 years.

In order to meet our regulatory obligations; calls concerning advice and transactions may not be carried out via our adviser's mobile phone number, and any such calls will need to be conducted through the recorded office number stipulated.

Material Interest

Occasions can arise on which we, or one of our customers, will have some form of interest in business that we are transacting for you. If this happens, or we become aware that our interests or those of one of our other customers conflict with your interests, we will inform you in writing and obtain your consent before we carry out your instructions and detail the steps we will take to ensure fair treatment. We have arrangements in place to ensure our clients are treated fairly, and we have a conflict of interest policy in place to help us manage the risks. You may ask for a copy of this policy at any time.

Rights to Cancel

We will inform you of your statutory right to cancel and the timeframes applicable in which to cancel, for life or pension contracts this is usually 30 days. However, there will be occasions where no statutory rights are granted, although this will be explained before any contract is concluded.

Benchmark Capital

Best Practice IFA Group, of which we are a member, is part of Benchmark Capital Limited, which is part-owned by Schroders plc. In the interest of disclosure, the companies that fall under Benchmark Capital Limited include Fusion Wealth Platform and Fusion Funds, which may feature in recommendations made to you. Additionally, as Benchmark Capital is associated with Schroders, you may receive independent advice recommendations for funds that are managed by Schroders (including Cazenove Capital Management). For clarity the use of Fusion Wealth, Fusion Funds, Schroders or Cazenove funds is not mandated and would only be used where it is a suitable solution to your financial objectives. All recommendations are made for the best interest of our clients, not the business, and Benchmark Capital group aims to create cost effective solutions and efficiencies which can benefit both consumers and our members. A board of directors have been appointed to maintain oversight and control of the companies within Benchmark Capital, and procedures are in place to monitor and safeguard our consumer's best interests.

Complaints

Our complaints procedures are available on request. If you wish to register a complaint, please contact us in writing to The Compliance Director, Best Practice IFA Group Limited, Sussex House, North Street, Horsham, West Sussex, RH12 1RQ. Alternatively, you can telephone 01403 334455. If you cannot settle your complaint with us, you may be entitled to refer it to the Financial Ombudsman Service (FOS) further details of the FOS can be found at www.financial-ombudsman.org.uk or by contacting them on 0300 123 9 123.

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, the circumstances of the claim and the eligibility of the claimant. Most types of investment, insurance, pension business and mortgages are covered by the FSCS up to specific limits, generally these limits are:

- Investments – most types of investment business are covered for up to a maximum of £50,000.
- Pensions – most types of pension business are covered for up to a maximum of £50,000.
- Insurance – most types of insurance contracts are covered for 90% of the claim, without any upper limit.
- Mortgages – advising and arranging is covered up to a maximum of £50,000.

Further information about this compensation scheme arrangement and limits that apply to the various types of business can be found on the FSCS website - www.fscs.org.uk or by contacting them on 0800 678 1100.

Client Declaration

This document represents our standard Terms of Engagement, upon which we intend to rely. For your own benefit and protection, you should read these terms carefully before signing below. If you do not understand any point please ask for further information.

Our typical charges are based on the Scale of Fees outlined above. This Agreement is designed to confirm and formalise our discussion regarding the services we provide.

Where our charges are based upon a percentage of initial investment amount and/or ongoing portfolio value, we will confirm the fee in specific monetary terms. For funds under management with an agreed percentage based charge, please be aware that as the fund grows the charge will increase.

Where our charges are defined by an hourly rate, we will provide an estimate of the overall cost to you before proceeding.

Where paying a direct fee for our services, an invoice will be raised upon completion of the initial service, or upon completion of any associated transaction/s or product/s, to meet the cost of our services to you.

Initial fees

We/I agree to an initial fee of £_____ / _____% of the value of invested capital

by deduction from my investment

by cheque/bank transfer

Notes if charge is varied

Ongoing Management Services

Financial Planning Service

Guardian Service

We/I agree to an ongoing advice fee of £_____ / _____% per annum based on the value of our investments

Notes if charge is varied

Communications

Tick this box if you would like to use our 'Go Green' paperless service (you will need to maintain an email address)	<input type="checkbox"/>
--	--------------------------

Customer Name(s)		
Customer signature(s)		
Date of issue		
Authority to share personal data with Third Party (i.e. Accountant or Solicitor – please name firm)		