

Matthew Douglas

Forward Thinking Independent Financial Advice

Terms of Business & Fees

Introduction

When we meet with you, we will explain how we work on your behalf. This will include discussing your current situation, your financial and personal objectives, and obtaining relevant information from you to enable us to then proceed to making a recommendation to meet your objectives. We will also discuss with you the options for payment.

Authorisation Statement

Matthew Douglas Ltd is Authorised and regulated by the Financial Conduct Authority. The Financial Conduct Authority is the independent watchdog that regulates the financial services industry in the UK. Our registration number is 226918. You can check this on the Financial Services Register by visiting the FCA's Website <https://register.fca.org.uk/s/> or by contacting the FCA on **0800 111 6768**.

Independence:

We are independent for Investments and pension business. This means that we will assess a sufficient range of relevant products available on the market which is diverse in terms of product type and provider to ensure that your investment objectives can be suitably met. We are not limited in the type of product or provider in terms of having any close links with any firms or any contractual relationship with a third party that may impair the independent basis of our advice to you.

We will offer you the opportunity of paying by fee directly yourself or via Adviser Charging through the product provider recommended.

When looking to address your protection needs, we will provide advice based on a fair and personal analysis of the market.

Client Classification:

As a client of Matthew Douglas Limited, we will classify you as a 'retail client' for investment and pension advice and as a 'consumer' for protection advice. This will provide you with the maximum regulatory protections available to you. Should your classification change in the future, we will advise you accordingly in writing and obtain your agreement before proceeding with any financial planning advice.

Our Fees:

We charge fees for the advice and assistance in implementing any recommendation provided by Matthew Douglas Limited only. We do not include custodian fees or provider charges. Following the initial meeting we will confirm the next steps of our advice process and provide an estimate of the fees payable. Where VAT is applicable, we will highlight this to you before any fee is charged, however as the intent is intermediation, it is unlikely that VAT will be chargeable.

Initial Fee

This is charged when we arrange or implement a pension or investment contract on your behalf.

Investment Value	Percentage
Below £250,000	3.00%
Over £250,001	2.00%

The minimum Initial Fee we charge is £250.00.

For protection advice, you will be advised of the commission that we will receive from the product provider prior to the application form being submitted to the provider.

For mortgage advice, we will provide you with our separate 'Key Facts about Our Costs and Services' document for details regarding our costs.

Ongoing Service and Fees

T: 01473 927 072 | E: info@matthewdouglas.co.uk | W: matthewdouglas.co.uk

Head Office, Wheatsheaf House,
4 High Street, Hadleigh, Suffolk, IP7 5AP

We offer an Ongoing Advice Service or a Transactional Service. The table below shows the services we provide for these:

Service Level	Ongoing Advice Service	Transactional
Online Access to Portfolio Valuations	✓	✓
Annual Provider Statements	✓	✓
Review Meeting with your Adviser		
~ Upon request (Less than £100,000)		
~ At your home, work, or our offices (More than £100,000)	✓	✓
~ Actively monitor your investment performance.		
~ Review your objectives.		
~ Review your tax status.		
Telephone, Email & Face to Face access to your Adviser	✓	
The Model Portfolio Service		
~ Up to £200,000 - Access to our Discretionary Model Portfolios		
~ Up to £400,000 - Access to both our Discretionary & Advisory Model Portfolios		
~ Over £400,000 - Access to our Advisory & Discretionary models. Flexible fund choice should you wish to use a particular fund or strategy.	✓	
~ Access to the Matthew Douglas designed Model Portfolios.		
~ Recommending a Suitable Model Portfolio for your risk profile.		
~ Quarterly Model Portfolio Reviews (In-house)		
Remove the Hassle Service		
~ Taking the complexity and hassle out of administering your financial life	✓	
The Second Opinion Service		
~ Making ourselves available to consider new ideas	✓	
The inheritance & Estate Planning Service		
~ Advice on strategies to preserve your family's wealth	✓	
Tax Efficient Strategies		
~ Utilising ISA allowances	✓	
~ Advice on making the most of various tax allowances		
The Pension Service		
~ Advice on using Self Invested Personal Pensions (SIPPs)		
~ Specialist advice on owning business premises.	✓	
~ Specialist advice on Company Pensions		
~ Advice on how to take benefits in retirement		
Regular Newsletters		
~ Covering a range of topical financial subjects (More than £100,000)	✓	
Family Wealth Planning		
~ Advising your family e.g., Educating children on their financial needs.	✓	
~ Supporting your family with administration of assets we advise upon after your passing		
Annual cost deducted monthly based on the value of advised assets	0.75%	NIL

In addition to the ongoing service fee of 0.75%, you could have charges to pay for the funds & product provider we recommend. The table below illustrates these costs assuming a combined £100,000 being invested into Personal Pension, Stocks & Shares ISA, General Investment Account, Onshore Bond and/or an Offshore Bond using our Aggressive portfolio.

Type of Charge	Charge as a %
Ongoing Adviser Charge	0.75%
Model Portfolio Fund Costs	0.68%
Provider Charge (wrap)	0.35%
TOTAL	1.78%

For investments of higher amounts, the Provider Charge could be lower. For investments into more Cautious portfolios, the fund costs could be lower. If using our discretionary model portfolios, the fund costs are typically lower but there is an additional 0.25% charge which brings the total investment cost to no higher than the Model Portfolio Fund Costs figure noted above.

The annual cost of the Ongoing Advice Service & Provider Charge is deducted monthly. 1/12th is deducted each month to give a fairer charge which is in line with the varying portfolio value through the year. This starts one month after your investment is made and is taken in arrears.

The costs associated with the funds used in your model portfolio are taken by the fund managers adjusting the unit prices of their funds on a monthly basis.

Initial Fee & Ongoing Service

Where a client agrees to an ongoing service and is paying an ongoing service fee, the initial fee will not be charged on monies where it has been previously taken.

Initial Fee & Transactional Service

Where a client has requested a transactional service for their pension and investment arrangements, initial fees will be charged for each piece of advice provided. You will be provided with details of our fees and be asked to confirm these are acceptable, prior to us commencing work for you.

Based on a proposed investment of £ 100,000.00 our fees could be as follows:

Type of Charge	Charge as a %	Charge in £
Initial Fee	3.00%	£3,000.00
Ongoing Adviser Charge	0.75%	£750.00
Model Portfolio Fund Costs	0.68%	£680.00
Provider Charge (wrap)	0.35%	£350.00
TOTAL	1.78%	£1,780.00

- The figures quoted are not guaranteed and are to be used as an indication. Confirmation of the fees to implement our advice will be provided in writing within our Client Report, following this meeting.
- We do not charge for an initial meeting or written report. There is no cost for not accepting our recommendation.

Fees & Refunds

We will refund initial fees where you cancel an investment within the 'Cooling off' or cancellation period. Ongoing fees may be refunded where we are in breach of our level of service detailed above.

Contact:

The amount of contact that we provide to you is dependent on the service proposition that you agree to (see above) and we are not obliged to contact you over and above the agreed proposition.

Please make sure you are aware and comfortable of the amount of contact you will receive and you are aware of the limitations of the proposition chosen by yourself. You need to be happy that the proposition selected meets your needs.

How We Act for You:

The company will exercise due care and diligence in conducting their business but will not be liable for any depreciation of investments arranged by them.

We will work to process instructions you give to us within 5-7 working days. There may be circumstances where a delay in processing takes place due to factors outside of our control. Where this applies, we will inform you and make suitable arrangements to act in a timely manner. The company will not be held responsible for any delay beyond its control, or as a result of a failure by any party (including the client) to complete all the necessary steps to process a transaction.

As we act on an advisory basis only, certain transactions may require us to meet with you or advise you over the phone before processing can take place. We require written instructions to enable us to begin processing and some providers reserve the right to have their own documents completed. We will inform you of this where it is applicable. Please note that most investments will take at least 2 weeks to release funds to clients. You should confirm with us the timescale of a withdrawal before acting on the proceeds.

Where any recommendation we make, or transaction we undertake for you, results in a right to cancel the policy under certain conditions, we will advise you of these rights. We will also tell you if you do not have a right to cancel the arrangement.

Any advice that we give will be based on your financial objectives and your attitude to investment risk. We will endeavour to ensure that any recommendation made is suitable for you. Any recommendation made will be confirmed in writing to you. Should you decline to provide the information requested about your circumstances then we may decline to continue with the business relationship since we would not be able to demonstrate that the recommendation is suitable given your financial circumstances.

When we arrange investment for you, we will register these in your name unless otherwise agreed in writing.

Some investments are considered non-readily realisable assets. This means that it could take longer for these investments to be sold and the subsequent value paid to you. Where this is the case, we will make you aware before proceeding with the investment.

All documents, cheques, and paperwork may be sent by post at the client's risk as soon as we receive the documents from the product provider concerned. We shall at the clients request and expense, send documents by registered post. In the absence of such a request, the client shall pay all charges incurred for the recovery or replacement of lost documents.

All communications, both verbal and in writing, will be in English.

Occupational Pension Advice:

If we provide you with advice on any occupation pension schemes, we will provide you with a separate client agreement confirming our fees. You will be asked to review and sign this agreement prior to us commencing work for you.

Investment Risk:

All investments carry a degree of financial risk which will tend to increase in proportion to the potential rate of return on the investments. Any product which is directly or indirectly invested in assets which may fall in value (for example equities) may itself fall in value along with any decrease in value of those assets. Before entering into any investment agreement, you must ensure that you understand the risk associated with the product and are content to accept that level of risk.

Investments can go down in value as well as up and you could get back less than you invest. The past is not a guide to future performance.

Discretionary Investment Manager (DIM)

We may, where appropriate, recommend holding some, or all, of your investments with discretionary investment manager (DIM), a professional investment manager appointed to monitor your portfolio and make investment decisions on your behalf. In such cases we will explain the respective responsibilities of ourselves and the DIM in relation to your investments.

In some circumstances, we may need to act as your 'agent' in relation to the part of your portfolio held with a DIM. This means that you won't have a direct contractual relationship with the DIM and the DIM will instead treat us (the firm) as its client.

Before setting up this type of arrangement we will explain the implications to you. Fundamentally though, the implications will be that you will have no recourse to the Financial Ombudsman Service in the event of a complaint regarding their service nor would you be able to refer to the Financial Services Compensation Scheme in the unlikely event that the firm becomes insolvent.

Further details would be confirmed in the Key Features Document supplied by the DIM.

Furthermore, there will be no cancellation rights for any contracts that we recommend be placed with a DIM as the firm is effectively acting as the client on your behalf. This does not apply to our model portfolio service.

Client money

Matthew Douglas Ltd is not permitted to handle client money and we cannot accept a cheque made out to us (unless it is in respect of an item for which we have sent you an invoice) or handle cash.

Data Protection

We take our responsibilities in handling your data very seriously. The way in which we handle your data and other key information is detailed in our Data Retention Agreement which should be provided alongside this document.

Taxation

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.

Please note that if you reside outside of the UK, you may wish to seek further advice from a local adviser in your place of residence regarding the impact of our advice in relation to local taxation, practices, and law. This is because the advice we provide you will be on the basis of being a UK Independent Financial Adviser and we do not have specialist knowledge of any legislation, taxation, or financial practices outside of the UK.

Foreign Account Tax Compliance Act (FATCA)

The Foreign Account Tax Compliance Act (FATCA) requires US persons holding an interest in any specified foreign financial assets with an aggregate value exceeding \$50,000 to report related information to the IRS.

It is your responsibility to inform us if you: -

- ~ Have US citizenship or lawful permanent resident (green card) status.

- ~ Born in the US.
- ~ Have a US residence address or US correspondence address (including a US PO box)
- ~ Standing instructions to transfer funds to an account maintained in the United States or directions regularly received from a US address.
- ~ Have a 'in care of' address or a 'hold mail' address that is the sole address with respect to the client.
- ~ Have a power of attorney or signatory authority granted to a person with a US address.

Please note that we are not responsible in any way for any reporting obligations that you may have in relation to FATCA. We may also share your FATCA status with other Financial Institutions, HMRC and/or the IRS if requested.

Legal Advice:

The company and its representatives are not qualified to provide any legal advice and will not provide any opinion as to whether a client should complain about any previous advice received unless explicitly agreed.

Complaints

If you wish to register a complaint, please write to Matthew Douglas Ltd, Wheatsheaf House, 4 High Street, Hadleigh, Suffolk, IP7 5AP or telephone 01473 927072.

If you cannot settle your complaint with us, you may be entitled to refer it to the Financial Ombudsman Service. Their website is www.financial-ombudsman.org.uk

The company and its representatives are not qualified to provide any legal advice and will not provide any opinion as to whether a client should complain about any previous advice received unless explicitly agreed.

Compensation Scheme

We are covered by the FSCS. You may be entitled to compensation from the scheme if we can not meet our obligations. This depends on the type of business and the circumstances of the claim. Most types of Investment business are covered for 100% of the first £85,000.00.

Compensation for non-compulsory insurance (Term assurance, critical illness) will be paid at 90%, with no upper limit. Cover for compulsory insurance will be paid at 100% protection with no upper limit.

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

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. However, you should be aware that as a result of this, it will leave a 'soft footprint'. This means that there will be no impact on an individual's credit file and would not be seen by any company conducting a credit check on you. You must advise us if you do not wish this check to take place'

Law

This client agreement is governed and shall be construed in accordance with English Law and the parties shall submit to the exclusive jurisdiction of the English Courts.

Termination

The authority to act on your behalf may be terminated at any time without penalty by either party giving seven days' notice in writing to that effect to the other, but without prejudice to the completion of

transactions already initiated. Any transactions effected before termination and a due proportion of any period charges for services shall be settled to that date.

Material Interest

There may be occasions where 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. If we can continue to act for you, we will tell you how we will ensure your interests are protected. On occasions we may have to cease acting for you, but we will help you find advice from elsewhere if you want us to.

You should be aware that Matthew Pescott Frost & Rebecca Pescott Frost have a direct shareholding in the firm which represents more than 10% of the voting rights and/or capital in the firm.

In accordance with the rules of our regulator, The Financial Conduct Authority, we are prohibited from accepting any payment (commission or other non-monetary benefits) which is likely to conflict with the duty of the firm to its clients.

Conflicts of Interest

There may be occasions where 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 conflicts with your interests, we will inform you in writing and obtain your consent before we carry out your instructions. If we can continue to act for you, we will tell you how we will ensure your interests are protected. On occasions we may have to cease acting for you, but we will help you find advice from elsewhere if you want us to. Should you require further information in relation to our conflicts of interest policy then please contact us at the address shown.

Introductions & Referrals

There may be occasions whereby we would refer you to a specialist for specific advice such as tax advice. Should you pursue our suggestion to use the third party introduced to you, you should note that we are not responsible for the advice that they give you. You will be subject to their terms and conditions. They will agree their charges for their advice direct with you.

Continuity of Service on Death

In the event of your death, our advisory service will continue for the benefit of the survivor and/or your executors. This will include obtaining valuations for Confirmation/Probate, where possible (and if appropriate) raise funds from your investments to cover Inheritance Tax prior to the issue of Confirmation/Grant of Probate and assisting in the disposal of transfer of assets. Since any investments which we have arranged for you will continue to be managed and reviewed, the firm will continue to receive the agreed adviser charges, until the executors of the estate advise us otherwise.

Declaration

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

This document is provided alongside our company brochure and your advisers business card. Should you not receive these supporting documents, please contact us as soon as possible to obtain a copy.

Client Name	
Client Signature	
Date	
Adviser Name (On behalf of Matthew Douglas Ltd)	
Adviser Signature	
Date	

Celebrating 8 Consecutive Years as a Top 100 IFA Business

