



# TERMS OF BUSINESS

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Pettecrew Financial Planning Ltd  
76 Gloucester Road  
Urmston  
Manchester  
M41 9AE

Tel: 0161 393 8430

These Terms of Business take effect immediately and continue until cancelled or replaced.

### **Authorisation and Regulation**

Pettecrew Financial Planning is authorised and regulated by the Financial Conduct Authority (FCA), the independent watchdog that regulates financial services.

The company's Financial Services Register number is 525421. You can check this by visiting the FCA's website [www.fca.org.uk/firms/systems-reporting/register](http://www.fca.org.uk/firms/systems-reporting/register); or by contacting the FCA on 0800 111 6768; or by post writing to 25 The North Colonnade, Canary Wharf, London, E14 5HS. You can also obtain further information from the FCA at [www.fca.org.uk/consumer](http://www.fca.org.uk/consumer).

We will act on your behalf for the purposes of advising on and arranging the following:

- Investments;
- Pensions;
- Insurance (non-investment protection contracts e.g. term assurance)

We are authorised to carry out such activities. This can be verified on the FCA website. We may also advise on products and services which are not regulated by the FCA, and will tell you where this is the case.

### **Client Classification**

We have categorised you as a 'retail client', which provides the highest level of protection under the regulatory system with the right to take any complaint about our service to the Financial Ombudsman Service.

### **Investment Products**

We offer an unbiased, independent advice service based on a comprehensive and fair analysis of the full range of possible investments available, taking into account any restrictions you wish to impose. We will place no restrictions on the investment we will consider before providing investment recommendations, unless you instruct us otherwise. We only make a recommendation when we know it is suitable for you.

### **Our Services**

Our service is advising on and arranging Retail Investment Products, as defined by the FCA (see [fshandbook.info/FS/glossaryhtml/handbook/Glossary](http://fshandbook.info/FS/glossaryhtml/handbook/Glossary)).

Detailed information about each of the products we recommend will be included in the product disclosure information we send before contract confirmation. This may include the minimum duration of the product, information on your right to cancel and any other early termination rights and penalties.

Pettecrew Financial Planning guarantees the suitability of the advice given by our advisers but does not accept responsibility for advice given to you by other advisers or firms. It is not part of our

service to review the suitability of any advice given previously, unless we have specifically agreed to do this.

The services we provide are set out in our Letter of Engagement, which you should read in conjunction with these Terms of Business.

We provide bespoke advice based on your needs and requirements and an ongoing review service to ensure certainty that your Financial Plan remains suitable for your longer-term needs.

Our service includes the following key stages:

1. An initial Discovery Meeting;
2. Research to find suitable investment option(s);
3. Providing reports, financial health checks and forecasts;
4. Recommending specific investment products, including confirmation of cost(s);
5. Implementation;
6. Ongoing review.

### **1. Initial Discovery Meeting**

We offer an initial meeting at our expense at our offices/your home/other place of convenience to discuss your situation and how we might work together. At the meeting, we start gathering information about you including articulating your financial aspirations, confirming your attitude to risk and loss, and appreciating any existing financial products you may have. We may ask for your authority to contact product providers for more details about these investments and policies.

You are not obliged after this meeting to proceed to any of the further steps below.

### **2. Researching Suitable Investment Options**

Following the “Discovery” meeting, we begin researching the market to identify solutions that address your aims and objectives within your stated and agreed tolerance for risk. This research takes into consideration your personal situation, your existing arrangements, your tax status and any other relevant issues.

We consider all types of retail investment products that are capable of meeting your needs and objectives. The FCA defines a retail investment product as:

- A life policy (includes personal pensions).
- A unit in a collective investment scheme.
- A Stakeholder Pension Scheme (including a Group Stakeholder Pension Scheme).
- A security in an investment trust.
- Any other designated investment with exposure to underlying financial assets in a packaged form which modifies that exposure when compared with a direct holding in the financial asset.
- A structured capital at risk product.

### **3. Providing Reports, Financial Health Checks and Forecasts**

For most clients, we prepare a financial report that provides an overview of your current financial situation. It identifies how likely you are to realise your financial goals, and illustrates how our recommendations could improve your position. It might be necessary to prepare additional specific reports providing detailed advice about areas such as pensions, inheritance tax planning, asset protection and investments. The cost(s) of any additional specialist reports will be outlined and agreed with you in advance.

### **4. Recommending Specific Investment Products and Cost(s)**

We identify specific products that meet your individual needs, making recommendations for both investment products and providers. We may also recommend an appropriate platform service for arranging, safeguarding and administering your investments. We provide detailed illustrations explaining the cost(s) of these products as part of our Suitability Report.

The Suitability Report is the culmination of key stages 2, 3 and 4.

### **5. Implementation**

Once you have agreed our recommendations, we arrange and register your chosen investments, services and/or policies.

### **6. Ongoing Planning**

We provide periodic reviews as an integral part of our ongoing planning service. Planning meetings are held annually to ensure that both the underlying investment strategy and the recommended products continue to meet your requirements. We will contact you to arrange these meetings.

Our ongoing planning service will normally be charged as a percentage of portfolio value. The fee will be based on all cash and investments that are being used to satisfy your capital and income requirements.

A key component of our ongoing review service is continued analysis to ensure that both the underlying investment strategy and product wrappers continue to be the most appropriate and cost effective in assisting you to meet your objectives. Where appropriate, we may make recommendations to change or identify further products or services, but such recommendations will only be acted upon with your prior approval.

You may cancel the ongoing planning service at any time without penalty. The notice period is one month from the date of receiving the request in writing. This will provide us with sufficient time to carry out your instructions and deal with any outstanding actions.

## Levels of Service

We provide five different levels of service as follows:

- **Premier Wealth Planning Service** – Stages 1-6 above form a single service that includes our ongoing planning service. This is a bespoke Wealth Planning service designed for clients with complex financial arrangements, working in partnership with other professional advisers to create, protect and distribute wealth to future generations.
- **Comprehensive Wealth Planning Service** – Stages 1-6 above form a single service that includes our ongoing planning service. This is a tailored Wealth Planning service designed around clients' unique goals to help individuals and families achieve and maintain their desired lifestyle without the fear of running out of money.
- **Generations** – This service was created specifically for the children and grandchildren of our existing clients. It provides access to Independent Wealth Planning normally reserved for wealthy clients.
- **Lite Wealth Planning Service** – Our ongoing service for existing clients with investable assets below £75k who still desire regular monitoring of their financial circumstances and investment portfolio. This service is a reduced version of our standard services above with a reduced ongoing fee as a result.
- **Transactional** – Our one-off service suitable for clients who do not require or desire the benefit of our ongoing support. This service is relevant for our implementation of protection contracts which are set up with the foreseeable future in mind. Furthermore, clients can choose to receive advice on their pensions/investments on a one-off basis – whilst we will strive to ensure our recommendations will remain suitable for the foreseeable future, this is not guaranteed and the responsibility will therefore lie with the policy holder(s).

Further details of each level of service are provided in our Letter of Engagement.

## Chargeable Services

We charge a fee for our services and confirm our charges in writing before any charges are incurred. The fees set out in our Letter of Engagement (excluding our Commitment Fee) relate only to investment based products including pensions.

We quote separate fees or commission for advice on and the arrangement of insurance policies, subject to our Commitment Fee.

The fees listed in our Letter of Engagement can be deducted from your investments (where the provider allows), or paid directly by you. When the fee is paid through the investments, it may result in a reduction of your personal tax thresholds and/or exemption levels and will also reduce the amount used for investment. Where this happens, we will discuss it with you, and confirm it in your personal Suitability Report.

Where you have agreed for a platform or product provider to pay our fees, either by deduction from the amount you invest with them or by other means, we reserve the right to invoice you if, for any reason, they fail to make the required payments. Regardless of any arrangements made with providers, the agreement to pay our fees is between you and us.

### **Additional Chargeable Services**

Should your circumstances change to the point that a significant amount of work is required, those additional services are likely to be subject to a new agreement.

We will discuss your payment options with you, confirm whether VAT will be applicable to our fees, and answer any questions you may have. The additional services will be provided once we have agreed how we will be remunerated for these additional services.

### **Payment of Fees**

Our fees become payable in three stages as follows:

- Your Commitment Fee – this fee covers steps 2, 3 and 4 above and becomes due on presentation of the Suitability Report. Your Commitment Fee applies from the date you instruct us to begin stage 2, and is payable in full even if you cancel this agreement prior to the completion of stage 4. Should you proceed to the Implementation stage, this fee will be offset against the Implementation Fee.
- Our Implementation Fee – this fee covers stage 5 and becomes due once steps 2, 3 and 4 have been completed and you instruct us to carry out stage 5. Our Implementation Fee applies from the date you instruct us to carry out the agreed actions and is payable in full even if you cancel this agreement prior to the completion of stage 5.

The Implementation Fee is based on a percentage of the total investment amount covered by our service. If you add further funds to your portfolio at a future date based on our advice, an Implementation Fee will be payable on those additional funds, calculated on the same basis as the Implementation Fee that you paid at the outset with any existing assets under management taken into account.

- Ongoing Service Fee – this fee covers stage 6 and becomes due when you agree to take this service. This will be calculated as a percentage of the value of your portfolio. Your portfolio value will be based on all cash and investments that are being used to satisfy your capital and income requirements.

As our implementation fees are based on a banding structure, the banding will be applied to the known values at the time of our Suitability Report. This provides you with a monetary amount which will be applied once the implementation of your recommended plan is complete. We will ensure that our fees are taken in the most tax-efficient way possible according to your personal circumstances.

Our ongoing fees are usually paid monthly via your plan(s) in arrears. If our fees cannot be paid via your plan(s), we will provide instructions on how these can be paid directly via an invoice.

They are guaranteed not to increase within the first 12 months of your contract with us. Should we need to increase our charges after this period, you will be given notice of this fact and the opportunity to decide whether to continue with the revised level of charges.

### **Treating Customers Fairly**

We are committed to providing the highest possible levels of service to our clients and have embraced the Financial Conduct Authority 'Treating Customers Fairly' principle. To this end, we welcome your feedback on any element of our service to help us provide the right services and make improvements.

Although we have a complaints procedure, we would prefer that you raise any areas of concern before it becomes a problem. Please feel free to speak to your adviser at any time.

### **Best Execution**

In carrying out your requests or delivering instructions on your behalf to third parties, we will take all reasonable steps to obtain the best possible result for you in terms of best execution.

### **Risk Warnings**

The value of investments can fall as well as rise, and you may not get back the full amount invested. The price of investments we recommend may depend on fluctuations in the financial markets, or other economic factors, which are outside our control. Past performance is not necessarily a guide to future performance. Specific warnings relevant to the investments will be confirmed to you in our Suitability Report.

### **Cancellation Rights**

In most cases, you can exercise your right to cancel an investment product by withdrawing from the contract recommended to you. In general terms, you will normally have a 30-day cancellation period for a pension policy and a 14-day cancellation period for all other policies.

The cancellation period will begin on the day the contract is concluded or, if later, the day on which you receive the contractual terms and conditions. Instructions for exercising the right to cancel will be detailed, if applicable, in the relevant product disclosure documents we provide.

If you cancel a lump sum investment, the value of your lump sum may have reduced as a result of market movements. This means you might not get back the full amount you invested if you cancel the policy.

### **The Financial Services Compensation Scheme (FSCS)**

We are covered by the FSCS. You may be entitled to compensation from the scheme if we cannot meet our obligations. This depends on the type of business and the circumstances of the claim.

Advice on investments is subject to a maximum level of compensation of £50,000. Advice on protection contracts is covered for 90% of the claim with no upper limit.

Further information about compensation scheme arrangements is available from the FSCS. The FSCS can be contacted by visiting their website [www.fscs.org.uk](http://www.fscs.org.uk). Or at the following address: Financial Services Compensation Scheme, 10th Floor, Beaufort House, 15, St Botolph Street, London, EC3A 7QU.

### **Documentation**

Your investments will be registered in your name unless you instruct us otherwise in writing. Where a platform service is used, your investments may be held in the nominee name of the platform service provider for your beneficial ownership under its terms of service. All Policy Documents will be forwarded to you as soon as practicable after we receive them. If there are a number of documents relating to a series of transactions, we will normally hold each document until the series is complete and then forward them to you.

We will issue any documentation, recommendations and any other communication to you in English (unless agreed otherwise).

### **VAT**

In most cases, our services are exempt from VAT. The following services may carry VAT at the standard rate:

- If you agree at the outset of our instruction that you wish to receive an advice-only service that does not require your adviser to arrange or implement any investment products. This includes the provision of general financial advice, tax planning, financial health checks, reviews and reports.
- If we introduce you to a discretionary fund manager for a bespoke investment management service, the discretionary fund manager's charges will carry VAT.

### **Instructions**

We prefer our clients to give us instructions in writing in order to aid clarification and avoid misunderstandings.

### **What to do if you have a Complaint**

Our clients value the service we provide and often recommend us to others. In the unlikely event that you are not satisfied and wish to register a complaint, please contact the Compliance Officer on 0161 393 8430 or in writing at: FAO Compliance Officer, Pettecrew Financial Planning Ltd, 76 Gloucester Road, Urmston, Manchester, M41 9AE. Our written complaints procedure is available upon request. If you cannot settle your complaint with us, you may be entitled to refer it to the Financial Ombudsman Service (FOS). Further information about the FOS is available from their website: <http://www.financial-ombudsman.org.uk>.

**Conflicts of Interest**

We always act in the best interests of our clients. We recognise that circumstances could arise where we, or one of our other customers, may have some form of interest in business being transacted for you. If this happens, or we become aware that our interests or those of one of our other customer's conflict with your interests, we will write to you and obtain your consent before we carry out your instructions, detailing the steps we will take to ensure fair treatment. A copy of our conflicts of interest policy is available on request.

**Anti-Money Laundering**

We are legally obliged to verify the identity of our clients and retain these records. We may verify your identity by carrying out an electronic check with an independent agency. This will involve an electronic search of information, including access to databases and credit data. By accepting these terms, you consent to us undertaking this check of your identity. We may well need to verify your identity on an ongoing basis.

**Amendment**

We reserve the right to make material changes to this agreement with 30 days written notice. If you are unhappy with any change, you will be permitted to terminate this agreement in accordance with the 'Termination of this Agreement' section below.

**Rights of Third Parties**

This agreement excludes any rights which may be conferred upon third parties by the Contracts (Rights of Third Parties) Act 1999.

**Termination of this Agreement**

You or we may terminate our authority to act on your behalf at any time, without penalty. Notice of this termination must be given in writing and will take effect one calendar month from the date of receipt of the written instruction.

Termination is without prejudice to any transactions already initiated. These will be completed according to these terms of business, unless otherwise agreed in writing. You will be liable to pay for any transactions made prior to termination and any fees outstanding as outlined in any fee agreement in place, if applicable.

**Data Processing**

Pettecrew Financial Planning (the controller), or any third party associated with us, will only process your personal data for the purpose of fulfilling our contractual obligations to you as detailed in our Letter of Engagement and Terms of Business, or to meet a pre-contractual request e.g. providing a quotation. This lawful basis is referred to as 'Contract'. Please refer to the Pettecrew Financial Planning Privacy Policy held on our website, a copy of which is available upon request.

In order to provide our services, we are generally reliant upon collating sufficient information about your personal circumstances and your needs and objectives to allow us to, for example, check your identity, assess the suitability of a portfolio, provide you with specific and personal

recommendations and, where necessary, arrange transactions on your behalf. This may involve transferring personal information to third parties who have a legitimate interest in processing your data. In many cases, we will not be able to provide services or recommend products if we do not have all of the personal information we need.

In certain circumstances, we may also need to process special categories of personal data. This will only be processed with your explicit consent when, for example, researching products where terms are reliant upon your medical history and lifestyle such as providing a quote or submitting a life assurance or an annuity application on your behalf. In certain circumstances, a third party may use automated processes to make decisions about you.

In order to prepare suitable recommendations and ensure that we are providing the best service we can, we record all meetings and telephone calls held with our clients. This data is used solely for the purposes of engaged services with Pettecrew Financial Planning Ltd. Any recording of meetings/telephone calls will be disclosed to you verbally prior to any recording. By engaging with us, you are consenting to these recordings and the retention of this information for as long as is necessary and no longer.

If at any time you wish us, or any company associated with us, to cease processing your personal data or sensitive personal data, or contacting you for marketing purposes, please contact the Pettecrew Financial Planning Data Protection Officer on 0161 393 8430 or in writing at FAO Data Protection Officer, Pettecrew Financial Planning Ltd, 76 Gloucester Road, Urmston, Manchester, M41 9AE.