

# TERMS OF BUSINESS



## 1. AUTHORISATION STATEMENT

**Clairville York** is Authorised and Regulated by the Financial Conduct Authority (FCA). The FCA regulates financial services in the UK and you can check our authorisation and permitted activities on the Financial Services Register by visiting the FCA's website [www.register.fca.org.uk](http://www.register.fca.org.uk). Our Firm Reference number is 207474.

## 2. WHAT WE DO

**Clairville York provides independent investment and tax planning advice.** We will consider a range of regulated products from the available market that can meet the investment objectives of a retail client, but we will only provide a recommendation to you when we know the product is suitable for your personal circumstances.

***You should be aware that investments carry varying degrees of risk and as their underlying value can fall as well as rise you may not get back the full amount invested.***

For **Non-investment protection contracts and mortgages**, we are an intermediary and will act on your behalf when providing advice and making our personal recommendation(s) to you. We will do this based on a fair and personal analysis of insurers for life assurance, income protection, critical illness, private medical insurance, and lenders for mortgages.

Advice **Process Documents** which set out what we do in more detail are available on request.

## 3. OUR ETHICAL POLICY

We are committed to providing the highest standard of financial advice and service possible. The interest of our clients is paramount to us and to achieve this we have designed our systems and procedures to place you at the heart of our business. In doing so, we will:

- be open, honest and transparent in the way we deal with you;
- not place our interests above yours;
- communicate clearly, promptly and without jargon;
- Seek your views and perception of our dealings with you to ensure it meets your expectations or to identify any improvements required.

## 4. INVESTMENT SERVICES & COST

### INITIAL CONSULTATION

Clairville York Limited will bear the cost of an initial consultation to help us understand your financial objectives. During the initial consultation we will:

- Explain our services and how we can support you in working towards your goals.
- Discuss the cost, and levels, of our services both initially and throughout our relationship with you.
- Obtain your agreement to work with us via a signed Terms of Business.

### OUR FEES

We charge fees for our initial and ongoing advice and services. These vary according to the type of work, complexity and scale:

- For the initial arrangement of a lump sum investment we typically charge a tiered fee based on the amount to be invested. The **maximum** fees are as follows:

• £1 -- £100,000	3.0%
• Next £200,000	2.0%
• Next £300,000	1.5%
• Next £400,000	1.0%
• Excess over £1m	0.5%

This payment can either be facilitated by the product provider when they receive your funds or paid directly by you.

- For some types of specialist complex advice, we charge a fixed fee plus a proportion of the above fee scale – for example advice relating to Defined Benefit Pension Transfers.

- For subsequent portfolio reviews, tax planning and other on-going work we charge a tiered fee based on your portfolio value. The ongoing fees are as follows:

• £1 - £75,000	1.00% pa. *
• Next £75,000	0.75% pa.
• Next £150,000	0.65% pa.
• Next £700,000	0.50% pa.
• Next £2,000,000	0.35% pa.
• Next £4,000,000	0.25% pa.
• Thereafter	0.15% pa.

\* Once the investment has exceeded £75,000 the charge in respect of this first tier reduces to 0.75%.

- For Mortgage advice and implementation, we charge an initial non-refundable fee of £395. For arranging protection policies, we may charge a flat fee depending on the size and complexity of the case
- For specific assignments, reports, complex advice and technical issues, we can alternatively charge fees on an hourly basis using the following scale:
 

• Director	£225 – £300 per hour
• Senior/Specialist Adviser	£200 – £275 per hour
• Financial Adviser	£150 – £225 per hour
• Paraplanner	£100 – £150 per hour
• Administrators	£ 70 – £ 90 per hour

Our fees are not currently subject to VAT.

You may ask us for an initial estimate of how much in total we might charge. You may also ask us not to exceed a given amount without checking with you first. We will provide confirmation of our charges as soon as we are able to understand and quantify the amount of work required.

We will discuss your payment options with you and answer any questions you have. We will not charge you anything until you have agreed our fees and how we are to be paid.

Certain transactions which we arrange may result in our being paid commissions, which we will apply wholly to your benefit, either to reduce our fees or to enhance the value of your investments and/or policies.

Commissions may sometimes be paid at the outset of a transaction and may sometimes take the form of on-going payments. For convenience we may accrue such on-going payments, but in all cases we will account to you for all sums received. In some cases, the commissions will satisfy our fee bill, and in others an additional fee may be required to reflect the time, the sums of money and the expertise involved. In either case we will obtain your consent before proceeding.

#### FEE EXAMPLES

**Example 1;** if we arrange an investment ISA on your behalf for **£20,000** our initial arrangement fee would typically be no more than **£600**. If you require ongoing advice and this was the only investment we advised you on, the ongoing fee, ignoring any investment growth, would be 1% per annum, so **£200** per annum.

**Example 2;** if we arrange investments on your behalf totalling **£200,000** our initial arrangement fee would be a maximum of £5,000 (3% of the first £100,000 (£3,000) plus 2% of the next £100,000 (£2,000) = £5,000). If you require ongoing advice and this was the only investment we advised you on, the ongoing fee, ignoring any investment growth, would be **£1,450** per annum (0.75% of the first £150,000 (£1,125) plus 0.65% of the next £50,000 (£325) = £1,450).

**Example 3;** if we arrange investments on your behalf totalling **£500,000** our initial arrangement fee would be a maximum of £10,000 (3% of the first £100,000 (£3,000) plus 2% of the next £200,000 (£4,000) plus 1.5% of the next £200,000 (£3,000) = £10,000). If you require ongoing advice and this was the only investment we advised you on, the ongoing fee, ignoring any investment growth, would be **£3,100** per annum (0.75% of the first £150,000 (£1,125) plus 0.65% of the next £150,000 (£975) plus 0.50% of the next £200,000 (£1,000) = £3,100).

#### TRIVIAL RECEIPTS

In accordance with the requirements of the Financial Conduct Authority we ask you to confirm, by signing our Terms of Business, that we may receive and retain sums of trail or renewal commission which are so small, that it would be manifestly inappropriate for us to be required to account to you.

#### INSTRUCTIONS

To avoid future misunderstandings and aid clarity, we only accept instructions in writing (paper or electronic means).

## 5. CLASSIFICATION OF CLIENTS

For the purposes of compliance with the requirements of the Financial Conduct Authority, we treat our professional (corporate & sophisticated) clients as if they were retail (private) clients. This means that we undertake a greater obligation of disclosure and communication of risk than would otherwise be necessary, but it does not necessarily mean that professional clients will benefit from the Financial Ombudsman Service.

## 6. CANCELLATION RIGHTS

In most cases you can exercise a right to cancel by withdrawing from the contract. In general terms you will normally have a 30 day cancellation period for a life, pure protection or pension policy and a 14 day cancellation period for all other policies. For investments this will typically start when funds are invested and for pure protection policies this will normally begin when you are informed that the contract has been put on risk or, if later, when you have received the contractual terms and conditions.

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

If you cancel a single premium contract, you may incur a loss due to market movements. This means that, in certain circumstances, you might not get back the full amount you invested if you cancel the policy.

## 7. CLIENT MONEY, INVESTMENT CERTIFICATES AND POLICY DOCUMENTS

Clairville York is not authorised to handle client investment money. Therefore, all sums to be invested should be made out to, or directed to the payee investment or insurance company.

We arrange for all investments (certificated and un-certificated) to be registered in your name, or such nominees as you may instruct. Any investment certificates or other evidence of title to investments which we may receive will be forwarded to you immediately or, if so instructed, your legal advisers for safe keeping.

If there are a number of policy documents relating to a series of transactions, we will normally hold each document until the series is complete and then forward them to you or your legal advisers as instructed.

## 8. CONFLICT OF INTEREST

We will act honestly, fairly and professionally and conduct business in accordance with the 'Client's best interest' regulations. Occasionally, situations may arise where we or one of our other clients have some form of interest in business transacted for you. If this happens or we become aware that our interests or those of one of our other clients conflict with your interest, we will write to you and obtain your consent before we carry out your instructions, and detail the steps we will take to ensure fair treatment. Where this cannot be achieved, we will not conduct the business.

## 9. COMPLAINTS

A copy of the firm's complaint handling procedure is available on request. Complaints should be addressed in the first place to the responsible financial adviser. If your complaint cannot be resolved immediately it will be referred to the Client Care Director, Leslie Sharpe. If you cannot settle your complaint with us, you may be entitled to refer it to the Financial Ombudsman Service at [www.financial-ombudsman.org.uk](http://www.financial-ombudsman.org.uk) or by contacting them on 0800 023 4567.

However, the firm reserves the right to reclaim costs and expenses reasonably incurred in defending any complaints which are of a frivolous or vexatious nature.

## 10. COMPENSATION

As a responsible business we are covered by our own Professional Indemnity Insurance and by the Financial Services Compensation Scheme (FSCS). If we cannot meet our liabilities, you may be entitled to compensation from the FSCS. Typically, this would mean we were already out of business.

Further information about compensation limits for the various product types are available from the FSCS at <http://www.fscs.org.uk/what-we-cover/products>

## 11. GENERAL DATA PROTECTION REGULATION

GDPR (General Data Protection Regulation) is European Legislation introduced on 25<sup>th</sup> May 2018. It harmonises and strengthens previous Data Protection legislation. Our full Customer Privacy Notice is available on request.

## 12. VERIFICATION OF IDENTITY

For the purposes of anti-money laundering regulations we are required to verify your identity and obtain information as to the purpose and the nature of the business which we conduct on your behalf, and to ensure that the information we hold is kept up-to-date. For this purpose, we may, from time to time, use electronic systems to verify your identity.

## 13. DISCLAIMER

No responsibility can be accepted by this firm for:

- Any action taken without its professional advice in reliance on the contents of any Report submitted by the firm or,
- Any advice given by referring solicitors or accountants, whether in a joint meeting with advisers from the firm or otherwise.

## 14. TERMINATION

The relationship between Clairville York Limited and you may be terminated by either party giving to the other not less than 28 days' written notice. However, termination will not affect instructions which have been actioned or liabilities which have been incurred.

## CLIENT/S ACCEPTANCE

Please delete and instruct as appropriate

A.	I/we agree the above terms and basis of charging, which has been explained to me/us.
B. i	I/we do not wish to restrict the advice I/we receive and require comprehensive advice; or
B. ii	I/we wish the advice I/we receive to be restricted or limited. I/we understand that restricted or limited advice is exactly that and does not take account of wider issues or the wider picture nor the implications of such limited advice on that wider picture. <b>Scope of advice limited to:</b>
C.	I/we agree to Clairville York Limited communicating with me/us using email which may contain personal details.
D.	I/we consent in accordance with the General Data Protection Regulations 2018 to my personal data being processed and when necessary disclosed to third parties in carrying out my/our instructions.

CLIENT	Signed	CLIENT	Signed
	Print name		Print name
	Date		Date

ADVISER	<b>Geoffrey Baker</b>	STATUS	<b>Financial Adviser</b>
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