

Matthew Douglas

Forward Thinking Independent Financial Advice

Terms of Business & Fees

Prepared By (Adviser)	
Prepared For (Client)	
On The	

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. Matthew Douglas Ltd's Financial Services Registration number is 226918. You can check this on the Financial Services Register by visiting the FCA's Website www.fca.org.uk/firms/systems-reporting/register or by contacting the FCA on 0800 111 6768.

Permitted Business

Our permitted business is advising on and arranging investments such as bonds, unit trusts, investment trusts, individual savings accounts, pensions, insurance such as term assurance, mortgage protection assurance, critical illness, private medical insurance, permanent health insurance, buildings and/or contents insurance and accident, sickness and unemployment insurance and mortgages.

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.

Scope of Service

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 (please refer to details on our charging structure).

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

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.

Paying for Services & Your Payment Options

We believe that fee-based advice is the best way to ensure you receive unbiased financial advice. We have designed a fee structure that we believe is open and transparent, so you can be clear on what we charge. **We do not charge for an initial meeting or written report.**

Servicing Fee - 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 ~ Access to the Matthew Douglas designed Model Portfolios ~ Recommending a Suitable Model Portfolio for your risk profile ~ Quarterly Model Portfolio Reviews (In-house) ~ Flexible fund choice should you wish to use a particular fund or strategy ~ Re-weighting of asset allocation to benchmark at review	✓	
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 in to 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)	0.40%
TOTAL	1.83%

For investments of higher amounts, the Provider Charge could be lower. For investments in to more Cautious portfolios, the fund costs could be lower.

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 - This is charged when we arrange or bring in to be an insurance, pension, mortgage or investment contract on your behalf. Our Initial Fee is 3% of your contributions whether they are single or regular. We will not charge more than £20,000 for any one amount invested. The minimum Initial Fee we charge is £250.00.

Where a client is paying the 0.75% ongoing service fee, the initial fee will not be charged on monies where it has been previously taken. Clients under the Transactional service will be charged initial fees for each piece of business undertaken.

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 on page 1.

We are not VAT registered and so VAT is not currently included in our fees.

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.

Based on a proposed investment of £_____. our fees could be as follows:

Type of Charge	Charge as a %	Charge in £
Initial Fee	3%	
Ongoing Adviser Charge	0.75%	
Model Portfolio Fund Costs	0.68%	
Provider Charge (wrap)	0.40%	
TOTAL	1.83%	£

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.

There is no cost for not accepting our recommendation.

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.

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 £50,000.00.

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.

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.

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 please be assured that these checks will not leave an electronic 'footprint' and will not affect your credit rating.

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.

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

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

How We Act for You

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.

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.

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

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.

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 824054.

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

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.

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.

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

