



# SOMERSET WEALTH MANAGEMENT

**Terms of Business**





# Introduction

This document details our services, how we charge, and the terms under which we'll provide our services to you, so it's important you read it fully. If there's something you don't understand, please ask us to explain it.

The information in this document is designed to explain:



**What we do and how we do it (our services)**



**What our services are likely to cost**

## Our Services

We offer a wealth planning service, designed to identify and then deliver your plan for Sustainable Wealth. This starts with understanding who you are, what's important to you, and why. We work with you to identify your objectives, create a growth strategy, and implement an action plan for **Sustainable Wealth**.

This broadly covers the following areas:



**Wealth Planning**



**Retirement Planning**



**Investment Planning**



**Protection Planning**



We'll only start work once you have agreed to these Terms of Business and our separate Fee Agreement which details our specific services and charges.



# Our Process

We follow a clear and consistent process with our clients.

Once you have agreed to our services, paid our up-front charge, and supplied basic financial information, we will *Explore* your challenges, understand what Sustainable Wealth means to you, and start work *Designing* your personal **Sustainable Wealth Blueprint™** and action plan.

Your Blueprint will describe the charges to optionally *Execute* your action plan, and the optional service to *Adapt* your plan as life evolves.



# Our Charges



## 1. Discover

Free of charge



## 2 & 3. Explore & Design - Unregulated

The charge to create your **Sustainable Wealth Blueprint**<sup>1</sup> and action plan is on a non-refundable fixed fee basis payable in advance.



We will provide you with the cost of your Sustainable Wealth Blueprint during or shortly after Discovery. The charge reflects the complexity of your personal, family, and business wealth planning needs.

The Sustainable Wealth Blueprint is an **unregulated** financial planning service which means regulated elements of this Terms of Business, such as recourse to the Financial Ombudsman Service, will not apply.



## 4. Execute - Regulated

Our charges for your personal financial recommendation and implementation of specified regulated financial products and services:

**Lump Sum Investments or Transfers:** up to **3%** of any lump sum invested and/or transferred, subject to a minimum charge of **£1,500**

**Regular Contributions:** up to **3%** of the aggregate amount of the regular investment over the first 5 years, subject to a minimum charge of **£1,500**

**Protection:** Our fee is paid by way of commission from the product provider in relation to an insurance product arranged for you based on a percentage of the premium. We'll tell you the amount before we carry out business for you.



## 5. Adapt – Regulated and/or Unregulated

Our annual ongoing advice (regulated) and financial planning (unregulated) charge is up to **1%** of the total market value of the investment funds we advise you on, subject to a minimum fee of **£1,500** per annum. The level of charge will depend on a combination of value added, complexity, and time.



# Our Advice

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We provide **independent financial advice** for our regulated **Execute** and **Adapt** services. 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 when we know the product is suitable for your personal circumstances.

We'll consider a range of factors, including the services you need, the cost of investing, how much risk you are prepared to accept, and how much of a drop in value you could withstand.

Non-investment protection contracts - 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 term assurance, income protection, and critical illness.

## Typical Execute and Adapt Charges

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**Lump Sum Investments or Transfers.** Up to 3% of any lump sum invested and/or transferred, subject to a minimum charge of £1,500

- If you made a lump sum investment of £10,000, our fee would be our minimum charge of £1,500
- If you made a lump sum investment of £100,000, our fee would be 3% of £100,000 = £3,000

**Regular Investment Contributions.** Up to 3% of the aggregate amount of the regular investment over the first 5 years, subject to a minimum charge of £1,500

- If you made a monthly contribution of £100, our initial charge would be £100 x 60 months x 3% = £180. This is less than our minimum charge so you would be charged £1,500. This charge would be spread over the first 12 months of regular contributions, so £41.66 per month for the first 12 monthly contributions
- If you made a monthly contribution of £1,000 our initial charge would be £1,000 x 60 months x 3% = £1,800. This is more than our minimum charge so you would be charged £1,800. This charge would be spread over the first 12 months of regular contributions, so £150 per month for the first 12 monthly contributions

**Referral to a Discretionary Fund Manager.** 1% of any funds invested subject to a minimum fee of £1,500.

- If you invested £150,000, our fee would be our minimum fee = £1,500
- If you invested £250,000, our fee would be 1% of £250,000 = £2,500

**Adapt.** Our annual ongoing advice (regulated) and financial planning (unregulated) charge is up to 1% of the total market value of the investment funds we advise you on subject to a minimum fee of £1,500 per annum.

- For a fund of £50,000, our fee would be our minimum of £1,500 per annum
- For a fund of £500,000, our fee would be up to 1% of £500,000 = £5,000 per annum

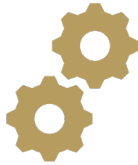


Our actual charges (in percent, and pounds and pence) for regulated advice will be set out in our separate Fee Agreement and agreed with you before we do any work, and we'll explain your payment options too

## Other Charges

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Depending on the **regulated** services we provide, there may be costs and charges (including taxes), not charged by us, but related to the financial products we arrange for you. These charges may be one-off charges (payable up-front) or charges payable on an ongoing basis. For example:



### Service Costs

If your investments are held on a platform (an online investment administration service) or held with a Discretionary Fund Manager (DFM), the platform provider/DFM will make a charge for administering/managing your investments



### Investment Costs

These are the costs related to the manufacturing and managing of your investments – for example, fees charged by the investment fund manager, costs relating to investment transactions

We'll always disclose any third-party costs as part of making our recommendations

### Aggregated Costs and Charges



Before we provide you with our **regulated** advice, we will add together all the costs and charges payable so that you are able to understand the overall cost of our services and any recommendations. This is referred to as aggregated costs and charges information.



# Regulatory Information

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## Who Authorizes Us?

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Somerset WM Limited is Authorised and Regulated by the Financial Conduct Authority (FCA), 12 Endeavour Square, Stratford, London, E20 1JN. [www.fca.org.uk](http://www.fca.org.uk). Our firm reference number is 936859.

Somerset Wealth Management is a trading name of Somerset WM Limited. Somerset WM Limited is registered in England. Registered address: Unit 12, Westway Business Centre, Marksbury, Bath, BA2 9HN. Company number: 11107709.

You can check our details on the Financial Services Register by visiting the FCA's website [www.fca.org.uk/firms/systems-reporting/register](http://www.fca.org.uk/firms/systems-reporting/register).

Unless we tell you otherwise, we'll treat you as a **retail client** for recommending regulated investment business. This means you are given the highest level of protection available under the UK's regulatory system for regulated advice..

## Complaints: What If Things Go Wrong?

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If you are unhappy with our regulated advice or any aspect of our unregulated services, we encourage you to contact us as soon as possible. We'll do our best to resolve your concerns.

**In writing:** Somerset WM Ltd, The Old Stables, Parsonage Lane, Chilcompton, BA3 4HD

**By telephone:** 01761 202 855

**By email:** [admin@somersetwm.co.uk](mailto:admin@somersetwm.co.uk)

We have a complaints procedure, and we can provide further details on request. If you have a complaint about our **regulated** services, and you are not happy with our response, the Financial Ombudsman Service (FOS) may be able to help. The FOS settles disputes between financial services business **regulated** services and their clients. Full details are available at [www.financial-ombudsman.org.uk](http://www.financial-ombudsman.org.uk). You have no recourse to the FOS for any **unregulated** service.

## Additional Peace Of Mind

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If you make a regulated complaint and we are unable to meet our liabilities, you may be entitled to compensation from the Financial Services Compensation Scheme. For investment business you will be covered up to a maximum of £85,000.

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



## Our Recommendations

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After creating your unregulated Sustainable Wealth Blueprint and subject to us agreeing to continue working together, we may offer our regulated **Execute** service to recommend and implement specific financial products and services. In doing so, we'll assess your needs, consider your financial objectives, and assess your attitude to any risks that may be involved. If you don't want to discuss a particular area of financial planning and that area should not form part of the advice given, we can exclude it, if you instruct us to do so. This could of course have a bearing on the advice that might have been given. We may, at our sole discretion, decline to continue to offer a service where information material to the quality of our advice is withheld.

We will confirm any recommendations we make in writing (our suitability report) along with details of any special risks that may be associated with the products or investment strategies we may recommend.

Where we agree to provide you with our regulated **Adapt** service which includes an ongoing review of the suitability of the investments we have recommended, we'll carry out this review at least annually. To do this we will need to make contact with you to assess whether the information we hold about you remains accurate and up to date. We'll issue you with a report setting out the results of our assessment and, if relevant, any updated recommendations.

Specific warnings relevant to the investments, investment strategies or other products we arrange are provided in the relevant product literature provided.

We may, where appropriate, recommend holding some, or all, of your investments with a Discretionary Fund Manager (DFM), a professional investment manager appointed to monitor your portfolio and make investment decisions on your behalf. In such cases we'll explain the respective responsibilities of ourselves and the DFM 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 DFM. This means you won't have a direct contractual relationship with the DFM and the DFM will instead treat our firm as its client. Before setting up this type of arrangement we'll explain the implications to you.

## Recording

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We record all telephone calls and client meetings for compliance and risk monitoring purposes.

## Client Money

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We are not permitted to handle client money and we cannot accept a payment for your investments made out to us (unless it is in respect of an item for which we have sent you an invoice) or handle cash.





## Financial Crime

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We are required by the anti-money laundering regulations to verify the identity of all our clients, to obtain information as to the purpose and nature of the business which we may recommend and **Execute** on their behalf, and to ensure 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.

## Conflicts of Interest

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Although we'll always act in your best interests there may be situations where we or one of our other clients has some form of interest in the business being transacted for you. If this happens or we become aware that our interests or those of one of our other client's conflict with your own interests, we'll write to you and ask for your consent to proceed before we carry out any business for you. We'll also let you know the steps we'll take to make sure you are treated fairly.

## Our Ethical Policy

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We are committed to providing the highest standard of both unregulated wealth planning (your Sustainable Wealth Blueprint) and regulated financial advice and services in respect of specific financial product recommendations. The interests of our clients are paramount and to achieve this we have designed our systems and procedures to place your financial well-being 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 your own;
- communicate clearly, promptly, and without jargon;
- seek your views and feedback on our dealings with you to ensure it meets your expectations, and to identify where we can make improvements.

## VAT

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Under current legislation our services are not subject to VAT. Should this change in future and VAT becomes payable, we will notify you before conducting any further work.

## Force Majeure

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Somerset Wealth Management shall not be in breach of this Agreement and shall not incur any liability to you if there is any failure to perform its duties due to any circumstances reasonably beyond its control.



# Legal And Accounting Advice

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We are not qualified to provide legal or accounting advice or to prepare any legal or accounting documents. This means that the onus is on you to refer any point of law or accountancy that may arise during discussions with us, to a solicitor or accountant.

## Information About Your Circumstances

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Our regulated **Execute** and **Adapt** advices are based on the information you give so it's important you provide us with accurate and up-to-date information when we request details about your circumstances and objectives. This will allow us to provide you with suitable advice. If the information you provide is inaccurate or if you limit the information provided, this could affect the suitability of the personal recommendation we give.

The quality of our advice is wholly dependent on the quality of information you provide.

### Amendments

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From time to time, it may be necessary to amend the terms set out in this agreement where it's not necessary to issue a new agreement. If this is the case, we'll write to you with details of the changes, providing at least 21 business days' notice.

### Product Cancellation

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Full details of any regulated financial products we recommend will be provided in the relevant product information. This will include information about any product cancellation rights along with any other early termination rights and penalties.

## Ending This Agreement

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We may terminate this agreement by giving you at least 21 calendar days' written notice.

You may terminate this agreement at any time, without penalty. Notice of termination must be given in writing and will take effect from the date of receipt.

Any regulated **Execute** and/or **Adapt** transactions already initiated will be completed according to our separate Fee Agreement unless otherwise agreed in writing. You will be liable to pay for any services we have provided prior to cancellation and any outstanding fees, if applicable.



# Client Signature

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I/We acknowledge this Terms of Business will come into effect once signed by all parties and will remain in force until terminated in accordance with this Terms of Business.

I/We understand the charging structure and understand I am not agreeing to pay any charges by signing this Terms of Business.

A separate Fee Agreement will be issued clearly stating any charges as and when charges become due.

Name:

Name:

Signature:

Signature:

Date:

Date:

# Firm Signature

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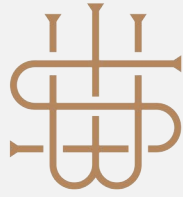
Name:

Nick Smith

Signature:

*Nick Smith*  
CHIEF WEALTH PLANNER

Date:



## SOMERSET WEALTH MANAGEMENT



[admin@somersetwm.co.uk](mailto:admin@somersetwm.co.uk)



[www.somersetwm.co.uk](http://www.somersetwm.co.uk)



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