



## Service Choice – Investment Management

You also have 3 levels of service under Investment Management from which you can select for portfolio management. Please select the appropriate level and sign this agreement.

### clarityINVEST

This level of service provides you with the facility to transact unit trust, OEIC, ISA Investments, and ISA and PEP Transfers at nil initial commission rates (both in and out of Self Invest Pension Plans). We also provide help with switches and an online valuation service.

*We fund the costs for transactions, switches and online valuations through the trail income available (usually for active funds 0.5%, bond funds 0.25% and tracker funds 0% - average 0.35-0.4%). This service does not come with any regular review of funds or asset allocation so this type of service is good for someone who manages their own portfolio or only wants investments reviewed at trigger points provoked by them.*

### clarityPORTFOLIO

This level of service provides an addition to the clarityINVEST service, whereby our Specialist Investment Team implements a more frequent portfolio review.

The service includes;

- Annual portfolio re- balancing
- Annual review of funds
- Year-Round access to our Specialist Investment Team (website/phone)

*The clarityPORTFOLIO service has a fee option of 0.5% p.a of the portfolio amount, which will be taken on a monthly basis, as per the original remuneration agreement provided. Please note that any trail income we receive is credited against this service charge such that, in most cases there is very little, if any, additional charge over the clarityINVEST charges illustrated above. This type of service is designed for someone who likes their investments managed, both in terms of fund selection and asset allocation, but they are happy that this takes place once a year at an annual review.*

**Please note that we will run the portfolio on the service agreed subject to a separate description of your attitude to risk and asset allocation.**

### clarityPORTFOLIO+

The services are the same as for clarityPORTFOLIO above, but the portfolio re- balancing and funds review is implemented on a **quarterly** basis.

*The clarityPORTFOLIO service has a fee option of 0.75% p.a of the portfolio amount, which will be taken on a monthly basis, as per the original remuneration agreement. Please note that any trail income we receive is credited against this service charge such that, in most cases there is only a small additional charge over the clarityINVEST charges illustrated above. This type of service is designed for someone who likes their investments managed, both in terms of fund selection and asset allocation, and they prefer more regular reviews to take advantage of weaker asset classes through regular asset allocation rebalancing. In this service level you will also want your investment funds review on a quarterly basis to prune and sort.*

**Please note that we will run the portfolio on the service agreed subject to a separate description of your attitude to risk and asset allocation.**

**Declaration**

At any stage should you wish to withdraw from either the clarityPORTFOLIO or clarityPORTFOLIO+ services, then your service will automatically be switched back to the clarityINVEST service level. Please note that we will require a 3-month written notice period for the withdrawal from the clarityPORTFOLIO or clarityPORTFOLIO+ services.

clarity will continue to "look after" you and your financial affairs on an indefinite basis and we will take this agreement to apply year on year. At any stage either you or clarity are able to confirm that clarity will no longer act as your adviser; this is to be in writing. Please note that our invoice terms are 30 days and interest is charged at 1% per month from then.

The Terms of Business below sets out the contractual relationship between you and clarity. The services above are subject at all times to the availability of both the client and the adviser and the timely provision of accurate information from the client and third parties.

**Until this time, clarity will charge the fee appropriate to the service level indicated below on a continuous basis. All fees are subject to annual review and any increases will be applied automatically.**

I should be grateful if you would countersign this letter, thereby agreeing to these terms and conditions having made your selection regarding services below. Please indicate BOTH your required service under Strategic Advice **AND** Investment Management, where applicable.

Yours faithfully

A G G Jones  
Managing Director

**Service Selection – please choose ONE option under EACH heading**

**Strategic Advice**

clarityADVICE  
clarityONE-TO-ONE  
clarityONE-TO-ONE+

**Investment Management**

<input type="checkbox"/>	clarityINVEST	<input type="checkbox"/>
<input type="checkbox"/>	clarityPORTFOLIO	<input type="checkbox"/>
<input type="checkbox"/>	clarityPORTFOLIO+	<input type="checkbox"/>

Your Signature/s .....

Name (please print) .....

Date .....

**PLEASE PRINT OFF AND SIGN A HARD COPY AND SEND TO CLARITY @ OUR ADMINISTRATION CENTRE:  
1 CROWN SQUARE, WOKING, SURREY GU21 6HR**

## Introduction

Our Terms of Business (also known as “client agreement”) explain the main aspects of the way we operate, and how this affects you, the client. This Terms of Business Letter will be effective from the date of receipt but may be amended by us following any initial interview intended to ascertain your current financial situation, objectives, and attitude to financial risk. Any such amended Terms of Business Letter will be sent to you within 10 working days of that interview. However, irrespective of any amendments arising from such interviews, we reserve the right to amend the terms of this letter without your consent but we will give at least 10 business days notice before conducting relevant business, unless we consider it to be impracticable to do so under the circumstances existent at that time.

## Our status

clarity Ltd, of 1 Crown Square, Woking, Surrey GU21 6HR, is authorised and regulated by the Financial Services Authority. Our FSA number is 185468. Our permitted business includes advising on and arranging investments, mortgage and general insurance transactions, including life and health insurances. You can check this on the FSA’s Register by visiting the FSA’s website [www.fsa.gov.uk/register/](http://www.fsa.gov.uk/register/) or by contacting the FSA on 0845 606 1234.

## Our Services

Our firm is independent and we offer products from the whole market. Our range of packaged products includes life policies, personal pensions, stakeholder pensions, unit trusts and open-ended collective investment schemes. When advising on investment, mortgage and general insurance transactions, including life and health insurances, details of the services that we provide are set out in our “**Key Facts**” Initial Disclosure Document or Combined Initial disclosure Document. This explains the products we are able to recommend, our status and charging methods.

## Client Categorisation

Unless you receive confirmation in writing to the contrary, in all our dealings on investment matters you will be treated as a Retail Client. On insurance matters you will be treated as a Commercial Customer or a Consumer, depending on whether you are acting for business purposes or not.

## Objectives

When making a detailed investment or mortgage recommendation, we will confirm your objectives and any restrictions on the types of product that you wish to buy, and explain in our “suitability report” why, having assessed your needs, we consider that our recommendations are suitable for your individual circumstances.

When arranging an insurance contract, including life and health insurances, we will confirm your demands and needs and any restrictions on the types of product you wish to buy in a “statement of demands and needs”.

## Fact Find Information

You are encouraged to provide as much information as possible about your financial situation, investment objectives, and knowledge and experience in the field of investments. Without such information we may not be able to provide advice, or the validity of our recommendations may be impeded by the lack of information. We are entitled to rely on the information provided by you unless we are aware that the information is manifestly out of date, inaccurate or incomplete.

Where you ask us to effect a transaction without receiving financial advice from us, it is important for you to understand that you are responsible for deciding whether the policy chosen meets your demands and needs. We may need to seek information from you to establish whether you have the necessary knowledge and experience to understand the risks involved in the particular transaction.

For the avoidance of doubt, please be aware that when you become a client of clarity Ltd, we do not accept any responsibility for advice previously given to you by other firms. Nor is it part of our brief to review the suitability of advice previously given to you, unless we have specifically agreed to do so.

## Instructions

Normally, we ask clients to give instructions in writing by completing the relevant application form and signing the appropriate declaration. However, where appropriate the use of e-mail and fax will be acceptable. Where you have a right to cancel your purchase, the product provider will give you notice of this in writing. You will be informed of any taxes or costs that may exist other than our fees, the period for which any illustrations are valid, and of the minimum duration of the contract. Our authority to act on a client’s behalf in accordance with these Terms of Business can be terminated at any time by either side in writing, without prior notice and without penalty. This will be effective from the date the notification is

received. However, if transactions already initiated remain outstanding, the notification will only be effected once these have been completed.

## **Fees and Commissions**

Not all firms charge for advice in the same way. We offer an initial discussion (without charge) when we will describe our services, discuss your payment options with you and answer any questions you have. We will not charge you anything until you have agreed how we are to be paid. We offer the following options.

- Payment by fee, in accordance with our fee schedule (which is attached). In this case we will pass on to you the full value of any initial commission that we receive.
- Payment by commission from the product provider (which may reduce the amount left for investment). We will tell you how much the commission will be before you complete an investment, but you may ask for this information earlier.
- Payment by a combination of commission and fee.

The attached “**Key Facts**” Disclosure Document gives details of our fee and commission arrangements.

## **Cancellation Rights**

You have the right to cancel most investment and insurance contracts, provided that you notify the provider of your wish to cancel the contract within 30 days (for most investment and protection contracts) or 14 days (for unit trusts and most general insurance contracts). Where you have a right to cancel your purchase, the product provider will give you notice of this in writing. For certain products where cancellation is not feasible, you will instead have an opportunity to withdraw from the contract before it is put into effect.

## **Review**

When we have arranged a contract for which you have given instructions we will not give you any further advice unless you request it, but will contact you shortly before the contract expires to discuss its renewal, if appropriate. Alternatively, we will be glad to advise you, at any time you ask us to.

## **Ownership**

As intermediaries we never own any products you buy or transact through us. All purchases will be registered in the name(s) of the client(s) unless otherwise agreed in writing. We will forward to you all documents showing ownership of your purchases as soon as it is practical after we receive them. Where a number of documents relating to a series of transactions are involved, we may retain each document until the series is completed and then forward them to you. In some cases the documentation will be sent to you direct from the product provider.

## **Records**

We will, if required by you or your agent, supply copies of contract notes, vouchers and copies of entries in books, records and computerised records relating to you. We undertake to maintain such records for a period of at least six years from the date of each transaction.

## **Personal Interests**

We undertake not to transact business which we are prohibited from entering into, or which involves misuse of confidential information, or which conflicts with our obligations towards our customers. We will not transact for you any business in which our firm, a member of staff, or another customer has an interest, unless that interest has first been disclosed to you in writing and your consent has been obtained.

A copy of our “Personal Dealings and Conflicts of Interest” policy is available on request.

## **UK Money Laundering Regulations**

We are obliged to conform to the UK Money Laundering Regulations and also adhere to the guidance notes from the Joint Money Laundering Steering Group. This process may require sight of certain documentation to verify the identity and place of residence of each client. We may also request that you inform us how any monies being invested were obtained/accumulated. If you provide false or inaccurate information and we suspect fraud or money laundering we will record this. We will not forward any applications or money to third parties/product providers until our verification requirements have been met. We take no responsibility for any delay where money laundering verification is outstanding. In circumstances where sufficient verification is not received in a timely manner after we have received completed applications, the application(s) and any monies may be returned to you.

## Data Protection

For your protection, clarity Ltd is registered under the Data Protection Act. Information provided by you may be held, processed, disclosed and used by ourselves, professional advisers and any associated companies in servicing our relationship with you. However, strict confidentiality will be maintained at all times. It is understood that, unless you notify us otherwise, you agree to the storage, use and disclosure of such information. This information may be disclosed to third party product providers in the course of providing our analysis and servicing of our relationship with you. No information will be passed to another party without your prior consent unless we are legally obliged to do so. You also agree that for the purposes described above your data may be transferred to countries outside the European Economic Area (EEA). We may use and analyse your data, including the nature of your transactions, to provide you with information by post, telephone fax or e-mail to service and update you, as well as informing you of new opportunities. If you would prefer to be excluded from these services, please write to us at clarity Ltd., One Crown Square, Woking, Surrey. GU21 6HR. [Please be aware that telephone calls may be recorded and possibly monitored].

## What to do if you have a complaint

If you wish to register a complaint, please contact Angus Jones in writing at the address above or by telephone on 0870 242 2043. We will acknowledge the issue and send you a copy of our internal complaints procedure. The matter will be investigated in line with our procedures and our findings reported to you. If you cannot settle your complaint with us, you may be entitled to refer it to the Financial Ombudsman Service, subject to certain time limits, unless the complainant is a business, charity or trust with turnover/assets over €2 million or at least ten employees.

## Client Money

**We do not handle clients' money.** We never accept a cheque made out to us (unless it is settlement of charges for which we have sent you a bill) nor handle cash.

All commission to be rebated to the client, in respect of any transaction arranged, is and will remain the property of this firm, until such time as, if previously agreed, all or part of that commission is refunded to the client. Interest on any such sums will not be payable unless agreed otherwise.

## Compensation and Professional Indemnity

We are covered by the Financial Services Compensation Scheme. Unless you are a corporate client and the company is not a "small company" as defined in the Companies Act, you may be entitled to compensation from the scheme if we cannot meet our obligations. This depends on the type of transaction:

- Deposits are covered for 100% of the first £85,000.
- Compulsory classes of insurance (e.g. motor insurance, employer's liability etc) are covered for 100% of the claim.
- Non-compulsory insurance transactions are covered for 90% of the claim, without any upper limit.
- Investment and home finance transactions are covered for 100% of the first £50,000.

Different compensation arrangements could apply if a product provider was unable to meet its obligations. Further information about compensation arrangements is available from the Financial Services Compensation Scheme (Customer Services – 020 7892 7300).

In addition to the scheme we are also insured for negligence, by any member of staff.

## Law and language

Where applicable, our dealings with you shall be governed by the law of England and Wales. All information, terms and conditions, and communications shall be in English.

## Treating Customers Fairly

We are committed to supporting the "Treating Customers Fairly" initiative sponsored by the Financial Services Authority. We have reviewed the advice and information that we provide to our customers, and the standards of service that we offer. If you have any suggestions on how we might improve our treatment of customers, please let us know.