

# Client Engagement & Services Document

*The purpose of the document is:*

- To provide information about our business and services so that you know what to expect when working with us
- To give reassurance about how we are regulated, and what security and peace of mind you can expect to receive during our relationship
- To form the basis of the agreement between us when working together

*We aim to do this by helping you understand:*

- More about us
- The areas of advice we can help you with
- Our processes for working with you
- The range of solutions that we can consider when delivering our advice
- The value we can add now and in the future
- The security and protection you will benefit from during the process

## **About Us**

Ethical Money is an Appointed Representative of New Leaf Distribution Ltd. which is authorised and regulated by the Financial Conduct Authority. Our Firm Registration number is 607976.

## **About Our Principal Firm**

Our firm is supervised by New Leaf Distribution Ltd. Together we adhere to the principles for business as set out by our regulator the Financial Conduct Authority. The Regulator expects that we act with integrity; operate with due skill, care and diligence and build trust with our clients by putting their interests first.

New Leaf Distribution Ltd is authorised and regulated by the Financial Conduct Authority. The firm registration number is 460421.

You can find information relating to our firm on the Financial Services register, accessible online via [www.fca.org.uk](http://www.fca.org.uk)

New Leaf provides a high level of ongoing training to ensure that any individual you deal with maintains their skills and knowledge to the highest level. The training is accredited by the National Skills Academy for Financial Services and the London Institute of Banking & Finance.

New Leaf also have a keen commitment to charitable causes. Their "Streets of Success" programme helps purchase vital equipment for hospitals and provided support to the homeless in various cities throughout the UK.



## **What is Financial Planning?**

Financial Planning is a professional service for individuals, their families, and businesses, that helps them to organise and optimise their financial affairs to achieve their financial and lifestyle objectives.

Our Financial Planning service can add value for many different types of people and at various stages in their lives. We can assist clients to:

- Increase their Financial awareness
- Build an achievable Financial Plan
- Invest effectively
- Fund future expenditure
- Maximise tax efficiency
- Navigate complex financial situations
- Invest business assets
- Build up a Retirement Pot
- Generate regular income from capital
- Use Pension or Investments to Retire
- Plan for the Next Generation
- Protect Loved Ones Financially

## **Our proven process that we will use to deliver advice**

### ***1) Engagement***

We will find out what you want and gain an understanding of your hopes, goals and objectives. This first step is all about you, not just your finances.

### ***2) Discovery***

We'll then establish your current financial position. This will include working out your assets and liabilities, income and expenses and understanding your overall situation.

### ***3) Research, Analysis & Plan Creation***

At this stage, your adviser will assess all the information they've gathered and consider what is working for you, what can be improved and create your Financial Plan.

### ***4) Presentation***

We'll deliver a detailed report, including justifications for the recommendations we have made. You'll then agree with us how you wish to proceed.

### ***5) Implementation***

Your adviser will take on the responsibility of putting any changes into action. This will be undertaken with great care and attention. After this, you will be on the right track.

### ***6) Ongoing Review***

The process doesn't stop at implementation. The best results happen when your adviser revisits your plan regularly to make sure it continues to work for you.

## **Keeping on Track**

We offer ongoing service options to suit your specific needs in the areas you have identified as being important to you. When recommending the service level best suited to your needs we take in to consideration are the nature of the strategies we have helped you put in place, the size of the funds we are looking after for you, how much you wish us to do for you, how frequently you would like us to contact you and how you would like to meet to review your financial plan.

## **Independence**

We provide independent advice. Being independent means that our recommendations are always based on having completed a comprehensive and fair analysis of that market.

## **Your Investment or Pension Provider**

We will consider a broad range of different providers of financial products from a fully researched offering that is representative of the whole of the market available to independent financial advisers. We review this proposition on a regular basis using factors such as the features available, service levels, risks, costs, complexity and their competitiveness in the market place.

Subject to your individual needs and objectives, we may also recommend that you hold your investments and/or pensions in one place via a Platform Service.

## **Your Investment Portfolio**

When we arrange an investment for you it will typically be made into a multi-asset fund or managed portfolio service. These funds and portfolios have a range of different investment strategies. We will only recommend those that align with your attitude to risk, your personal investment objectives, and the period of time you wish to invest for.

We may also recommend that some or all of your investments and/or pensions are managed by a Discretionary Fund Manager (DFM).

## **Existing Investments**

If you already have arrangements in place we will first conduct an analysis of what you have. This will help us to advise you on how likely you may be to achieve your long-term goals in your current position.

If we feel that they are suitable we may recommend that these are retained. However, should we find clear indicators that your interests will be better served elsewhere we may recommend that you take action.

## **Your Peace of Mind**

We subscribe to, and abide by a number of laws and regulations that exist for your protection, confidentiality and security.

The **Financial Conduct Authority (FCA)** – our regulator

The **Financial Services Compensation Scheme (FSCS)** – for your financial security

The **General Data Protection Regulation (GDPR)** – for the protection of your data

The **Financial Ombudsman Service (FOS)** – an independent and impartial body to help resolve complaints between financial businesses and their customers.

We are committed to providing the highest standards of financial advice and service. The interest of our clients is our primary concern.

When working with you we will:

- Be open, honest and transparent in our dealings with you
- Communicate clearly, promptly and without jargon
- Seek your views and perception of our dealings with you to ensure they meet your expectations or to identify any improvements required

## Adding & Delivering Value

We have considered where the value of our advice might best be demonstrated below:

Initial Advice		
Feature	What We Do	Benefit to You
Help work out your financial goals	We ask you questions in a relaxed but structured way; we help you understand risks and opportunities and we build a clear plan for your future	<b>Without a long-term plan your finances are unlikely to head in the right direction. Our job is to give you confidence in the future</b>
Assess your risk profile	Risk is a complex subject with many dimensions – we will help you navigate and understand risk to ensure the solutions we recommend meet your needs	<b>We use our expertise, structured questions and a conversation to guide you to a solution that meets your needs and objectives in a way you understand</b>
Make the complex simple	While we are experienced and well qualified, we never forget whose money we are looking after	<b>The simpler we can make your plan the more likely you are to stick to it – and that's a key measure of our success</b>
Cash flow modelling	People find it hard (or impossible) to project returns, costs, inflation and their income needs into the future – we use powerful but simple tools that will illustrate this for you	<b>Seeing a picture of your future "money in and out" can really put into perspective how your plan is progressing</b>
Select a cost-effective platform	Platforms can add real value and make portfolio management easier – we make sure we select one that meets your needs	<b>We make sure the platform is cost effective and reliable – making your life easier</b>
Conduct rigorous due diligence	We conduct thorough and robust due diligence and research on all the funds and products that we use	<b>With many thousands of instruments in the UK we save your time while giving you peace of mind</b>

Increase investor protection	Look at how best to maximise your protection under the Financial Services Compensation Scheme (FSCS)	<b>Your investments are “safer”</b>
The next generation	Using trusts and other strategies we can make sure your money ends up in the hands of the people you want when you want	<b>Gives you confidence that your wishes are met, your loved ones protected, and / or your business secured</b>

We believe the real value in working with us is realised during the long-term journey of Financial Planning. Successful planning involves ongoing monitoring and regular review of your circumstances and financial situation. With this information we can recommend adaptations and changes to keep you track to meet your goals.

Ongoing Services		
Feature	What We Do	Benefit to You
Keep your investments on track	Once we have established your risk profile we manage and review your investments to make sure you stay on track over the months and years	<b>We assess your risk profile regularly and the risk of your portfolio to make sure they are in tune</b>
Reduce your paperwork	We will help you understand what you need to file, will manage application forms and service enquiries, provide valuations and updates	<b>Make sure you keep the important things and bin the spam!</b>
Tax efficiency	We seek to use all applicable tax reliefs and allowances each year	<b>Your money grows faster</b>
Hold your hand through difficult times	Divorce, death, business transition are stressful times – good to have our experience and expertise to assist and guide you through them	<b>We are here when you need us most</b>
Help you avoid common mistakes	Sticking to a plan can be hard when markets are up or down substantially – and humans are proven to be poor at making good decisions. Our process is designed to help manage the best way through these times	<b>Research shows that investors may be losing up to 2% per year by falling into common traps – we assist in avoiding these</b>

Spot opportunities	Understanding your objectives allows us to be alert to opportunities – new products, new tax freedoms, better strategies	<b>We are your eyes and ears in the ever-changing tax, legal and product markets</b>
Manage your income in retirement	Pensions freedoms are a great opportunity – but you need to understand all the risks (many of which are hidden)	<b>We will help coach you through the options and could add many years of income from your funds</b>
Liaise with accountant / solicitor	Work in conjunction with your accountant both personal and corporate	<b>Tax can really erode savings and investments – tax reliefs and allowances can really boost them</b>

## Initial Costs for Our Services

We operate a tiered charging model which takes into account the value of the investments we are advising you on.

Tiers	Fee Applied to the Tier
The first £50,000	<b>3.0%</b>
£50,001 to £150,000	<b>1.5%</b>
£150,001 to £300,000	<b>1.0%</b>
£300,001 to £500,000	<b>0.75%</b>
£500,000 +	<b>0.50%</b>

The above fees are based on us providing a complete service and undertaking all the required work involved. Where we may be able to save time based on your input and level of understanding of investments, an hourly fee-based model could be applied and reduce the total fee charged.

Or, if your case is particularly complex, an hourly fee may be applied to cater for any additional work required.

Existing clients benefit from a 0.5% discount on the above fees and clients over the age of 75 with limited funds to invest are also eligible for reduced fees to be agreed in advance.

You may ask us to undertake other work not directly linked to a particular investment. For this we will agree a fee, based on our hourly rates, before we undertake this work.

## Limits

So that we can properly resource our business, which in turn ensures we can continually provide services to our clients, any initial work we do on your behalf is subject to our minimum charge of £750. In practice this means that investable amounts under £25,000 including regular premium investments will be charged at this rate. Our maximum charge is £7,500.

## Examples of Initial Costs

A monthly amount of £350 to both Pensions & ISAs. The cost for advice is calculated as follows:

This work falls under our minimum fee of £750.

---

A £50,000 investment. The cost for advice is calculated as follows:

As the amount is under £50,001 the full amount is charged at the starting rate of 3%

£50,000 @ 3% = £1,500

---

A portfolio of £175,000.

The cost for advice is calculated as follows:

The first £50,000 @ 3% = £1,500

The next £100,000 @ 1.5% = £1,500

The next £25,000 @ 1.0% = £250

Total = £3250 which is equivalent to 1.86%

---

A portfolio of £790,000.

The cost for advice is calculated as follows:

The first £50,000 @ 3% = £1,500

The next £100,000 @ 1.5% = £1,500

The next £150,000 @ 1.0% = £1,500

The next £200,000 @ 0.75% = £1,500

The remaining £290,000 @ 0.50% = £1450

Total = £7,450 which is equivalent to 0.94%

---

Hourly fees are based on the following:

Role	Hourly Rate
Adviser	£200
Paraplanner	£150
Administrator	£75

## Annual Ongoing Services & Costs

Service	Lite	Core	Wealth
<b>Keeping You Informed</b>			
Online Portal Access	✓	✓	✓
Online Document Library	✓	✓	✓
Quarterly Market Commentary	✓	✓	✓
Quarterly Newsletter	✓	✓	✓
Annual Statement of Holdings	✓	✓	✓
Confirm Receipt of Provider Statements	✓	✓	✓
Ad hoc Valuation Reports		✓	✓
Access to your adviser by Phone & Email		✓	✓
<b>Reviewing Your Position</b>			
Digital Gap Analysis	✓	✓	✓
Review of Your Objectives & Plan		✓	✓
Review of Your Approach to Risk		✓	✓
Review of Your Investment Strategy		✓	✓
Review of Your Tax Efficiency		✓	✓
Review Meeting – Digitally Delivered		✓	✓
Review Meeting – Face to Face			✓
Cash Flow Planning*			✓
Ad hoc Meetings at Your Request			✓
<b>Taking Action</b>			
Introduction to Legal Services	✓	✓	✓
Introduction to Accountancy Services	✓	✓	✓
Asset Allocation Changes / Fund Switches		✓	✓
Liaising with your Tax & Legal Advisers*			✓
Annual ISA Allowance Provision*			✓
Annual Pension Allowance Provision*			✓
Additional Investments / Top Ups*			✓
Increasing / Amending Regular Payments*			✓
Arranging Regular Withdrawals*			✓
<b>Cost</b>	<b>£250 p.a.</b>	<b>0.5%</b>	<b>1%</b>
<b>Subject to a minimum of</b>	<b>n/a</b>	<b>£750</b>	<b>£1,500</b>
<b>Subject to a maximum of</b>	<b>n/a</b>	<b>£3,750</b>	<b>£7,500</b>

\*Available at an additional cost to be agreed in advance.



## **Our Insurance Services**

To help protect your financial plans against insurable events we will advise and make a product recommendation based on your needs for the following areas:

- Life assurance
- Critical illness
- Income protection
- Accident, sickness and unemployment
- Home insurance
- Private medical insurance

For these areas we offer products from the whole of the market based on a fair and personal analysis of the market.

## **How to Pay for our Services**

You will receive full details on what the total costs are, the advice or service it relates to, how they have been calculated and when they are due to be paid.

### *Paying us Directly*

We will agree with you a suitable payment method, typically by cheque or bank transfer.

### *Paying via the Provider*

If you decide to follow our recommendation and invest, you may authorise the provider to deduct our fee for advice from your investment. You may also pay any ongoing service charges from your investment.

### *Via Commission*

If we arrange a policy on your behalf, we will receive commission from the insurance company selected. This will be clearly disclosed to you on a document known as an illustration.

## **What to do if you are unhappy**

If you wish to register a complaint, please contact us:

In writing to: New Leaf Distribution Ltd, Complaints Department, 165-167 High Street, Rayleigh, Essex, SS6 7QA Or by phone on 01702 431130 or by email at [complaints@newleafgroup.co.uk](mailto:complaints@newleafgroup.co.uk)

If you cannot settle your complaint with us, you may be entitled to refer it to the Financial Ombudsman Service by email at [complaint.info@financial-ombudsman.org.uk](mailto:complaint.info@financial-ombudsman.org.uk) or by phone on 0800 023 4567 or 0300 123 9 123.



## **Other Important Information**

### *Client Categorisation*

For regulated purposes you will be classed as a retail client which offers you the highest level of protection under the regulatory rules. If you are not categorised as a retail client, we will make you aware of this before continuing.

### *Discretionary Fund Management*

Where we recommend the use of a discretionary fund manager (DFM), we will, acting as your agent, arrange for the investment management to be carried out by the DFM. By signing this Agreement you are confirming to us that you agree that we can act as your agent to appoint the DFM and be bound by the terms of the DFM agreement.

### *Anti Money Laundering*

We are required by the anti-money laundering regulations to verify the identity of our clients 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.

### *VAT*

We provide an intermediation service which normally means no VAT is payable, but there may be times when it is and we will advise you of this.

### *Client Money*

We do not handle client money. Where we have recommended an investment, cheques or payments will be made to the relevant provider directly.

## Your Privacy

Full information about how we process your data and our approach to marketing can be viewed online: <http://www.newleafdistribution.co.uk/privacy.asp>

A brochure version of our privacy notice is also available and can be sent to you electronically or in print by request.

### *Consent to Gather Special Category Data*

It might be necessary for us to collect more sensitive information (such as health or lifestyle information) to allow us to provide our services to you.

Please confirm your consent by ticking below:

Client 1	Client 2
X	

### *Electronic Marketing*

We may want to send you relevant marketing information about products or services that we feel may benefit you in connection with our advice.

Please tick the box below to allow this.

Client 1	Client 2
X	



## Client Agreement

This "Client Engagement and Services Agreement" explains the basis under which we will supply our services to you. We refer to this document as the "Agreement" between us. For your benefit and protection please read this Agreement carefully and ask for clarification if you do not understand anything.

- This Agreement supersedes all previous written agreements between us in respect of the agreed Services and may not be modified except in writing and signed by both parties.
- This Agreement is governed and construed in accordance with the laws of England and Wales.
- You agree to appoint us for the purpose(s) of; advising, arranging and bringing about contracts in Investments, Savings and Pensions.
- We will confirm our advice in writing to you to confirm we have correctly understood your personal circumstances and the information you have provided to us. It is very important that you provide all material information and that it is true and correct to the best of your knowledge.
- If you do not understand any point please ask for further information before signing. Please retain a copy of this Agreement for your records.
- This Agreement will come into effect from the date you sign this Agreement and continue until terminated by either party by giving notice in writing.
- You accept responsibility to pay our Fees and any agreed costs and agree to reimburse us for all reasonable losses, costs, or other liabilities incurred by us which result from any wilful or negligent breach by you of your obligations in this Agreement.

By signing this Agreement you are confirming to us that you agree to all the terms and conditions in this Agreement.

Client 1 Name	Signature	Date
Client 2 Name	Signature	Date

## Fee Agreement

You agree to pay us the following for the Services:

Initial Advice	Selection	Amount %	Amount £
% of Amount Invested			
Our Minimum Fee			
Other (Detail Below)			
Method of Payment			
Via the Investment		By Direct Payment	

Ongoing Services	Selection	Amount %	Amount £
Lite			
Core			
Wealth			
Method of Payment			
Via the Investment		By Direct Payment	

Notes

By signing this Agreement you are confirming to us that you agree to all the terms and conditions in this Agreement.

Client 1 Name	Signature	Date
Client 2 Name	Signature	Date