

Terms of Engagement

Clarulus Wealth Ltd

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Date of Issue:	
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TERMS OF ENGAGEMENT

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PROTECTION ONLY

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1. Terms of Engagement

Clarus Wealth Ltd (we, our or us) is a firm of financial planners and an Appointed Representative of Best Practice IFA Group Limited, a network that promotes a high level of market standards through the provision of resources, technology, training, and support. Best Practice IFA Group Limited is authorised and regulated by the Financial Conduct Authority. The registration number is 223112 and a full list of Appointed Representatives can be found on the FCA register www.fca.org.uk/firms/systems-reporting/register.

Introduction

This document and the terms in it (the “Agreement”), give you an overview of our services, how we will deliver these services to you and how we can help you. It covers how we will work together and the work we will carry out on your behalf, along with an explanation of the fees we charge and the legal and regulatory information we need to disclose to you.

With the following information, you may select the service package that best suits your needs. We will discuss your options with you so that you fully understand what is offered and how it will benefit you. If you have any questions about our services or this Agreement, please do not hesitate to ask us.

Advice Services

Clarus Wealth Ltd is authorised to advise on and arrange Life Assurance, Pensions, Investments, and General Insurance and Mortgages (covered by a separate agreement). We are bound by the rules of the Financial Conduct Authority (FCA).

Our regulatory permissions allow us to provide products and services to UK residents, when they are physically in the UK.

A UK resident means an individual who has been in the United Kingdom for 183 or more days in the previous 12 months.

We offer **independent** investment advice. This means that we consider a wide range of financial strategies and products. We are constantly reviewing the market to ensure that the services and products we offer are appropriate for our clients.

Where we recommend particular investment strategies and products to you, these will be selected based on your personal circumstances, financial goals, and objectives. We’ll consider a number of factors, including the services you need, your investment experience, the cost of investing, how much risk you are prepared to accept, how much risk you need to take in an investment product and how much of a drop in its value you could withstand. We have a clear process to create your financial plan.

The areas we can advise on are:










- Pensions
- Long Term Care
- Mortgages
- Investments
- Annuities
- Protection

For further details please refer to our brochure and website (www.claruswealth.co.uk).

Whatever financial decisions you have to make, the first step towards making the right decisions is to establish a clear understanding of your financial needs.

People seek financial advice for many different reasons so it’s important that we understand exactly who you are and what you want to achieve. At our first meeting we’ll gather information about you to help define your needs and priorities.

Our services include:

 <p>Financial planning: It's important to identify what you might want to achieve and how you can do this. We can help you to identify your goals and create a plan for your finances to help you achieve them.</p>	 <p>Retirement planning: It's important to know whether the money you are saving towards retirement will provide you with sufficient funds to meet your retirement objectives. We can work with you to proactively plan for your retirement and help you decide on the options available once at retirement.</p>	 <p>Protection planning: Most of us want to protect the things that are important to us, our family, business, and quality of life. Protection planning can help to provide peace of mind in the event of your income changing due to unexpected events. We can help you plan for the best way to protect you, your family, or your business.</p>
 <p>Income Generation: During retirement it continues to be important to make use of tax allowances available to you in order to create the most tax efficient income possible.</p> <p>As Chartered Financial Planners we have the expertise to consider how your assets can be maximised to produce the most tax efficient income for you in retirement.</p>	 <p>Pension Withdrawal Management: With pensions freedom legislation it is possible to take an income from pensions that can be flexible and changed as often as you need it to over the course of your retirement. At Clarus Wealth we help you map out and forecast your desired withdrawals so that you can make informed decisions regarding your withdrawal strategy and how to invest your pension assets appropriately.</p>	 <p>Mortgages: Obtaining a loan to finance the purchase of a property, be it your first home or onward purchase, can be a strategic part of a financial plan. Securing the most appropriate finance, taking into account the term of the loan and the interest payable is something that we can help with as we can source mortgages from the whole of the market.</p>
 <p>Legacy: With increased longevity and social change, many people are now considering ways of using their wealth to support their family during their lifetimes.</p> <p>Intergenerational planning is about ensuring the right amount of money goes to the right people at the right time. We can help you understand your options, prioritise, and to see how you might spread your wealth throughout your family in the best way possible and protect your assets for the right people at the right time.</p>	 <p>Long Term Care: The cost of care continues to rise, as does the average length of time that care is needed. It is a difficult and emotional subject and often hard decisions will need to be made quickly. As Independent Financial Planners we can help you navigate you through this sea of decision making, using experts to make sure that you have all the information available to you in order to make the best decisions for you and your family.</p>	 <p>Investment Strategies: We help you to understand investment risk and your capacity for loss and align your investment strategy to your goals, balancing risk, cost, investment preferences and overall strategy to help you make wise choices</p>

What we cannot advise on?

We do not provide advice in relation to individual share holdings. If this is something you need assistance with, we can refer you to a stockbroker.

We don't provide advice on options, futures, and other derivative contracts as we believe that these are unlikely to be suitable for our clients.

We do not refer or provide advice about debt arrangement plans.

For further details please refer to our brochure and website (www.claruswealth.co.uk).

Client classification

We will classify you as a 'retail client', which will provide you with the highest degree of regulatory protection. If you believe a different classification may be more appropriate for you, please discuss this with us, but please note that this may affect the level of regulatory protection available to you.

Legal Entity Identifiers ('LEI') and registration of UK trusts

For clients other than individuals (for example if you are a company, charity, or trust) you will need to make arrangements to obtain and maintain a LEI code in order for us to act on your behalf. Your adviser will be able to provide further guidance on the application process.

If you are a trust established in the United Kingdom, you must also be registered with HM Revenue and Customs.

Investment objectives and restrictions

Once you have signed this Agreement, any subsequent advice or recommendation offered to you will be based on your stated objectives, your agreed level of risk tolerance and any restrictions you wish to place on the type of investments, policies, or companies you are willing to consider. Details of any stated restrictions and your objectives will be included in a suitability report that we will issue to confirm our recommendations. We will assume that you do not wish to place any restrictions on the advice we give you unless these are confirmed during our initial discussions.

Client money

We do not handle clients' money. We cannot accept a cheque made out to us or handle cash.

Where you wish to use a cheque to pay any fees, charges, or disbursements where we have sent you an invoice, this should be made payable to Best Practice IFA Group Limited.

Transacting business

By signing this Agreement, you give us and your adviser permission to accept paper, electronic and verbal instructions to transact business on your behalf. This will be especially relevant to switching investment funds. Any instruction received will be considered genuinely given and duly authorised.

Verbal instructions will only be taken where call recording is in place and a copy of the call recording must be retained for record keeping purposes.

Call recording

All telephone calls are recorded for regulatory and training purposes, and these will be referred to as part of our advice records. All call recordings will be used to minimise ambiguity in our discussions or instructions received and are encrypted for security and integrity purposes. These records will be kept in line with regulatory and statutory requirements, which means they will be securely retained for a period of at least 6 years.

In order to meet our regulatory obligations, calls concerning advice and transactions may not be carried out via our adviser's mobile phone number, and any such calls will need to be conducted through the recorded office number stipulated.

Advice options

We offer the following advice options:

- Full Advice (this involves a comprehensive Financial Review based on all aspects of financial planning)
- Focused Advice (this involves certain aspects of financial planning only, as specified and agreed with you)
- Execution only (for one-off transactions instructed by you)

We will confirm which of these advice options will be provided before we start providing our services to you.

Where you have chosen a full advice service, we aim to provide full and comprehensive advice rather than limiting it to one area of financial planning. This means that we will consider how all your plans and investments overlap and interact with one another in order to formulate the most efficient strategy for your needs. In order to construct an all-encompassing financial plan for you, we would consider Mortgages, Income Protection, Protection, Pensions, Savings, Investment, Taxation and Trusts.

If you have elected for a focused advice service, we will provide you with information on the types of product and areas of advice that we recommend for you.

Termination

You may terminate this agreement at any time for any reason. Notice of this termination must be given in writing.

You may terminate our appointment at any time without penalty. Please bear in mind that if you give us notice to end these terms with immediate effect and ask us to sell your investments this could result in losses and tax consequences, for which you are responsible, and it may take some time to realise certain assets.

Any pending transactions when notice has been given may not be able to be cancelled and will need to be complete and settled even if this occurs after the date of the notice of termination.

You will need to pay any outstanding amounts owed to us including our fees and any additional expenses incurred by us as a result of the termination up to the date of termination.

We may terminate this agreement on 14 calendar days' notice to you without having to give you a reason.

We may also terminate this agreement or suspend the services being provided to you, immediately by written notice in the following circumstances:

- i. if you fail to respond to our demands for payment or you do not pay us any money you owe us within 7 calendar days of our reminder;
- ii. if you breach any terms of this Agreement and you do not correct this within 5 calendar days notice to do so or such breach cannot be corrected;
- iii. you are unable to pay your debts as they become due, or you undergo an insolvency process (or similar process) that affects you or your property;
- iv. if we need to do so for legal, regulatory or operational reasons or where we suspect fraud, money laundering or other crime;
- v. you do not provide, when requested by us, information which we may reasonably request under this Agreement or if you provide us with false, incomplete, inaccurate or misleading information;
- vi. we reasonably believe that providing services to you might expose us to action or censure from any government, regulator or law enforcement agency;
- vii. we reasonably believe that providing services to you might damage our reputation.

Please note that we may give you the reason for ending this Agreement immediately, but we do not have to.

Termination will not affect accrued rights, responsibilities, existing commitments or any contractual provisions intended to survive termination. This Agreement will continue to govern the legal rights and obligations that arose under this Agreement, or which arise due to the ending of this Agreement.

Right to Cancel for third party products

We will inform you of any statutory right to cancel that may apply and the timeframes applicable. For life or pension products, this is usually 30 calendar days. However, there may be occasions where no statutory rights are granted, and we will inform you of this before any contract is initiated and completed.

Material Interest

Occasions can arise where we, or one of our clients, 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 clients conflict with your interests, we will inform you in writing and obtain your consent before we carry out your instructions and detail the steps, we will take to ensure fair treatment.

We have arrangements in place to ensure our clients are treated fairly, and we have a conflict of interest policy in place to help us manage any risks that may arise. This is intended to ensure that effective organisational and administrative arrangements are always in place so that we can take all reasonable steps to prevent conflicts of interest. You may ask for a copy of this policy at any time.

Benchmark Capital

We are an appointed representative of Best Practice IFA Group, which is a subsidiary of Benchmark Capital Limited (Benchmark). Clarus Wealth Ltd is not owned by Benchmark in any capacity. In turn, Benchmark is wholly owned by Schroders plc (and together with its affiliates, the Schroders Group). In the interests of disclosure, the companies that fall under Benchmark also include Fusion Wealth Limited and Bright Square Pensions Limited which may feature in recommendations made to you. Additionally, as Benchmark is associated with the Schroders Group, you may receive advice recommendations for funds that are managed by the Schroders Group. Benchmark also has investments in other financial services firms, such as Rayner Spencer Mills Research (RSMR) which may be used by us or the Schroders Group. RSMR is a specialist investment fund rating agency that provides impartial, whole of market fund recommendations.

Companies within the Schroders Group provide discretionary fund management investment solutions which may contain funds managed by the Schroders Group. These solutions may be recommended to you if these are suitable to meet your financial objectives.

None of the connections disclosed above has an influence on our recommendations or advice. Any product or services will only feature in recommendations made to you if they are suitable to meet your needs and objectives. A board of

directors has been appointed to maintain oversight and control of the companies within Benchmark and their procedures are in place to monitor and safeguard our clients' best interests.

Consumer Duty and Fair Value

Our recommendations will be made after completing the appropriate due diligence in relation to the target market of the products and services involved and will be in line with your attitude to risk, investment objectives and your current circumstances, and we will clearly present the value of the products and services recommended to you.

We will discuss our 'Fair Value Statement' with you and provide you with a copy – it gives you a brief overview of our firm and introduces our services, explaining the value we add and benefits you can expect by engaging with us.

Financial crime and fraud prevention

We are committed to upholding the highest standards to identify and prevent money laundering, fraud, corruption, and all other financial crime from occurring. We adhere to the standards required by the UK Bribery Act 2010, Money Laundering, Terrorist Financing and Transfer of Funds Regulations 2017 and Proceeds of Crime Act 2002. To achieve this, we have developed and will maintain effective controls to prevent financial crime and will take all such matters extremely seriously.

Sophisticated fraud attempts via email are notoriously hard to detect and ever-increasing in complexity. We will always remain vigilant and exercise caution whilst communicating with you and will never send bank details or payment instructions via email, as it is not a secure medium. Should you ever receive such a request or instruction, please notify us immediately via telephone on 01483 600995.

We will verify your identity before undertaking any business with you. To do this 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. These checks may leave a 'footprint' on your credit file, but it will not affect your credit rating.

Complaints

In the first instance we would encourage you to contact us should you feel able to do so, with regards to any concerns that you have.

Our complaints procedures are available on request and if you wish to register a complaint, please contact Benchmark Capital:

By telephone on 01403 334455

By email to complaints@benchmarkcapital.co.uk

By post to The Complaints Manager, Benchmark Capital, Broadlands Business Campus, Langhurst Wood Road, Horsham, West Sussex, RH12 4QP

If you cannot settle your complaint with us, you may be entitled to refer it to the Financial Ombudsman Service (FOS). Further details of the FOS can be found at www.financial-ombudsman.org.uk or by contacting them on 0800 023 4567.

Compensation Scheme

We are covered by the Financial Services Compensation Scheme (FSCS) if we cannot meet our obligations. The extent of cover may be dependent upon the type of business, the circumstances of the claim and the eligibility of the claimant. Most types of investment, insurance, pension business and mortgages are covered by the FSCS up to specific limits. Generally, these limits are:

- Investments** – most types of investment business are covered for up to a maximum of £85,000.
- Pensions** – most types of pension business are covered for up to a maximum of £85,000.
- Insurance** – most types of insurance contracts are covered for 90% of the claim, without any upper limit.
- Mortgages** – advising and arranging is covered up to a maximum of £85,000.

Further information about the FSCS and the limits that apply to the various types of business, can be found on the FSCS website or by contacting them on 0800 678 1100.

Data Protection

We collect and process your personal data (as defined in the UK General Data Protection Regulation (UK GDPR)) in the course of providing our services. We are a data controller (as defined in the UK GDPR) of such personal data, which means we decide the purposes and means of the processing of personal data. Full details of how we process personal data can be found in our privacy notice, at:

<https://claruswealth.co.uk/wp-content/uploads/2021/09/Privacy-and-Cookies-Policy-AR-Privacy-Policy-Template-final-Google-Docs.pdf>

In particular, we draw your attention to the fact that we may collect and process personal data in relation to your health where you provide this either in a written application or by speaking with an adviser. This data will be collected and processed in accordance with our privacy notice and used solely for the purpose of researching and advising on one or more products to suit your needs and assisting you with the application for and ongoing management of such products. We may therefore have to pass your health data to third party organisations such as Best Practice IFA Group Limited, financial service providers and/or financial product providers in relation to your application or ongoing management of such services or products (as applicable).

We may also have to share your health data with relevant regulators as required by law or regulation.

Any such sharing of health data is expressly for the aim of providing you with the best possible advice and financial outcomes. We do not pass your data to third party organisations for marketing purposes.

In 'Your declaration' below, you provide us with your consent to the above processing and sharing of your health data.

We may not be able to provide a full range of services without such consent, and withdrawal of consent may require us to stop providing our services to you.

Governing Law

This agreement and any dispute or claim will be governed and shall be construed in accordance with English law and the parties shall submit to the exclusive jurisdiction of the English courts to settle any disputes or claims which may arise out of (or in connection with) this Agreement between us and you.

Protection Only:

Right to Cancel

In most cases you can exercise a right to cancel, by withdrawing from the contract recommended to you. In general terms you will normally have a 30-day cancellation period for a pure protection policy and payment protection contracts and a 14-day cancellation period for all other policies. Finally, any contracts arranged at your explicit consent (normally referred to as 'execution only') do not provide cancellation rights. The start of the cancellation period will normally begin, for pure protection policies, when you are informed that the contract has been concluded or, if later, when you have received the contractual terms and conditions. In other cases, the cancellation period will begin on the day the contract is concluded or, if later, the day on which you receive the contractual terms and conditions. Instructions for exercising the right to cancel, if applicable, will be contained in the relevant product disclosure information which will be issued to you.

Documentation

All Policy Documents or Lender's Offer Documents will be forwarded to you as soon as practicable after we receive them. If there are a number of documents relating to a series of transactions, we will normally hold each document until the series is complete and then forward them to you.

Providing information to your insurer

Your protection cover offer is based upon the information you provide to the insurance company. All clients must disclose all 'material facts' (any information that may influence the insurer's decision over cover or terms) prior to inception and up to the commencement of the policy. Where you are buying insurance as an individual, this means that you must take 'reasonable care' to answer all questions asked by the insurer fully and accurately. Failure to provide accurate and up to date information may invalidate your cover and mean that a claim may not be paid.