



Clearwater Wealth Management LLP

Client Agreement 2023

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Comprehensive Financial Planning

Introduction to the Client Agreement

This agreement is made between: **Clearwater Wealth Management LLP** of 42 Wycombe Road, Holmer Green, Bucks. HP15 6RY. We can be contacted at planning@clearwaterwealth.co.uk or by telephoning 01494 717000.

And:

Your Correspondence Address is:

We recognise that all our clients have different financial needs and objectives and we will build a plan appropriate to the needs of each client.

In order to clarify the expectations of all parties and to provide transparency of charges we set out in this document the services we provide and associated costs. Please feel free to contact us if you wish to discuss any aspect of these terms.

At Clearwater Wealth Management we provide the following one service:

Comprehensive Financial Planning – Covered by this Agreement



The Comprehensive Financial Planning Process

The Comprehensive Financial Planning Process

The Financial Planning Process

There are six stages to the Financial Planning Process:

1. Initial Consultation
2. Gathering of Data – Financial Information *plus* your specific Goals, Needs and Objectives
3. Analysis & evaluation of your financial status
4. Development of your plan
5. Implementation of your plan
6. Monitoring the progress of your plan and making necessary adjustments by review

Each aspect of the Financial Planning Process is explained below.

Stage 1 – Initial Consultation

The initial consultation, which is conducted at our expense, will comprise:

- Initial meeting with Graham Ponting, a Chartered Financial Planner and Managing Partner of Clearwater;
- A chance to ask questions and understand better what we do;
- Opportunity for us to find out what help you require and to determine if we can assist you;
- Information about our charges and ongoing review service.

Stage 2 – Gathering of Data

We will carry out an extensive assessment of your financial circumstances at the outset to establish your financial planning requirements. This will include:

- Gathering of information about your existing financial arrangements and personal circumstances;
- Gaining a detailed understanding of your personal Goals, Needs and Objectives;
- Gaining an understanding of your investment knowledge and attitude and tolerance towards investment risk and loss;
- Gaining an understanding of your attitudes towards family wealth protection and legacy planning;
- Understanding your views on the importance of providing funding for the costs of long-term care.

Stage 3 – Analysis & evaluation of your financial status

We will conduct a full analysis of your current financial position and undertake an assessment of the likelihood of you achieving your stated objectives. This process will include:

- Building a Lifelong Cashflow Forecast which will show, based on assumptions agreed between us, whether you are likely to achieve your objectives or run out of money in the future;
- Considering a number of catastrophe scenarios to determine whether your family will be financially secure in the event of death, disability or the need for long-term care;
- Following a detailed assessment of your Investment Risk Profile, determine the suitability of your existing investments (for example, are you exposed to too much risk?)

Stage 4 – Development of your Financial Plan

Armed with information from the previous two exercises we will develop your Financial Plan with you. This process includes:

- Presentation of your Draft Financial Plan at a highly interactive meeting where we will be able to consider a number of ‘what if’ scenarios together. You will see the effects of different options immediately!
- Consideration of recommendations for improvements to your existing arrangements, where appropriate;
- Recommendation of possible new investments and financial strategies;
- Agreement to involve other professionals (solicitors and/or accountants), where appropriate;
- Agreement to a plan of action for the achievement of your objectives with realistic target dates.

Stage 5 – Implementation of your Financial Plan

The implementation of our recommendations includes where appropriate:

- Management and administration of your portfolio, covering investments, insurance and pensions on your behalf;
- Regular updates to keep you informed of progress;
- Ensuring the accuracy of your documents from third parties and that they meet your requirements;
- Written confirmation of all actions taken on your behalf with copy documentation, if required;
- Agreement to review your portfolio and objectives at least annually;

When you receive your report/financial plan it will be your decision whether to implement our recommendations either completely or in part. A clear breakdown of our Adviser Charges can be found later in this Client Agreement.

Stage 6 – Monitoring your plan and making necessary adjustments by review

Your financial objectives are likely to change over time due to changes in your lifestyle or circumstances. We believe it is essential to ensure that your Financial Plan remains on track to meet your objectives. Our ongoing review and management service delivers:

- Structured reviews to give you confidence and peace of mind;
- An assessment of your current circumstances and any changes to your plan that are needed;
- Periodic changes to your portfolio asset allocation rebalancing of your investments;
- Advice on amendments to your existing pensions/investments, as appropriate;
- Regular updates and information regarding your portfolio holdings in the light of new legislation and changes in taxation;
- Ongoing support and assistance with correspondence and administration issues.

Further details of our comprehensive service can be found in the Appendix.



Adviser Charges

Clearwater Adviser Charges

How we are paid

We are remunerated by adviser charges. We will receive no remuneration other than the adviser charges agreed with you as part of this Client Agreement. Our typical charges are:

Initial Charge

Stages 1 to 5 of the Financial Planning Process above:

1.0% of Assets placed under our advice (excluding cash). This charge is payable on completion of the arrangement of investments by us on your behalf or when you formally engage us following Stage 4. This charge can be taken from the investments before they are placed in various tax wrappers or they may be invoiced directly to you. It will be for you to decide which method of payment you prefer.

Example: If we arrange and advise on a portfolio of investments on your behalf of £375,000, the initial charge would be £3,750.

Annual Charge

Stage 6 of the Financial Planning Process above:

1.0% of Assets under our advice. The annual adviser charge can be taken from the product wrapper within which the investments are held at the rate of 1/12th of 1% per month but may be invoiced directly to you. It will be for you to decide which method of payment you prefer.

Example: If we arrange and advise on a portfolio of investments on your behalf of £375,000, the annual charge would be £3,750, payable at the rate of £312.50 per month, from the end of month one. This annual adviser charge will rise and fall in line with the value of your investments.

There is a minimum initial adviser charge of £2,500 which is payable immediately post implementation and a minimum annual adviser charge of £2,500, payable as described above. If the total investments we arrange on your behalf is less than £250,000 and you have elected to pay our charges by way of deductions from your investments, the balance of charges due can be invoiced directly to you.

Example: If we arrange and advise on a portfolio of investments on your behalf of £100,000, the initial charge would be £2,500. 1% of £100,000 would provide the first £1,000 due, with the balance of £1,500 to be invoiced directly to you. Similarly, the annual charge would be £2,500 payable at the rate of £208.33 per month, from the end of month one. 1% of £100,000 would provide the first £1,000 (£83.33 per month), with the balance of £1,500 per year to be paid by Standing Order at the rate of £125.00 per month, payable from the end of month one. This annual adviser charge will rise and fall in line with the value of your investments.

There may be tax advantages in paying our charges directly from your investments and we will discuss this with you before agreeing which method of adviser charging you prefer.

Please see our separate Adviser Charging Schedule for details of how our charges are reduced for larger portfolios.

In addition to the above we may make a charge on a different basis for a specific transaction or project but we will agree this with you in advance.

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.



Additional Important Information

Authorisation Statement

Clearwater Wealth Management LLP is Authorised and Regulated by the Financial Conduct Authority; our authorisation number is 471974. The Financial Conduct Authority (FCA) regulates the financial services industry in the UK and their address is 25 The North Colonnade, Canary Wharf, London, E14 5HS. You can check this on the FCA's Register by visiting the FCA's website www.fca.gov.uk/register FCA No. 471974 or by contacting the FCA on 0845 606 1234.

Our services

Clearwater Wealth Management LLP is able to act on your behalf in advising you on investments and non-investment insurance contracts. We offer products and services as follows:

- **Investments** - we offer an Independent advice service. We will recommend investments based on a comprehensive and fair analysis of the market. We will place no restrictions on the Investment Markets we will consider before providing investment recommendations, unless you instruct us otherwise. We will however only make a recommendation when we know it is suitable for you.
- **Non-investment protection contracts** - we offer non-investment protection products e.g. term assurance, income protection and critical illness from a range of insurers.

Your aims and objectives

Unless we notify you in writing to the contrary, we will be treating you as a "retail client". This means that you are afforded the highest level of protection under the regulatory system and should have the right to take any complaint to the Financial Ombudsman Service.

Any advice or recommendation that we offer to you, will only be given after we have assessed your needs and considered your financial objectives and attitude to any risks that may be involved. We will also take into account any restrictions that you wish to place on the type of products you would be willing to consider.

With very few exceptions, we will confirm to you in writing the basis of our recommendations along with details of any special risks associated with the products recommended.

Full details of the products we recommend to you including, for example, the minimum duration of the product, information on your right to cancel or whether no right to cancel exists, and any other early termination rights and penalties, will be covered in the relevant product disclosure information you will receive before conclusion of any contract.

We will issue any documentation/recommendations and any other communication to you in English (unless agreed otherwise).

In executing or transmitting applications on your behalf to third parties, we will take all reasonable steps to ensure that we obtain the best possible result for you.

We may also, on occasion, advise on other financial products which are not regulated by the FCA under the Financial Services and Markets Act 2000. The Financial Services Compensation Scheme does not apply to any of these products.

Our Ethical Policy

We are committed to providing the highest standard of financial advice and service possible. The interest of our clients is paramount to us and to achieve this we have designed our systems and procedures to place you 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 yours;
- communicate clearly, promptly and without jargon;
- Seek your views and perception of our dealings with you to ensure it meets your expectations or to identify any improvements required.

Our Insurance and Protection Services and Costs

Similar to our investment services above, we will provide you with a personal and financial review prior to making our recommendation(s) to you. Should you accept our recommendation(s) we will arrange the implementation of this/these for you. The reasons for our recommendations will also be provided to you in a written report.

We do not charge a fee for our insurance and protection services as we will normally receive commission from the policy provider. You will not be subject to VAT for this service.

VAT

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

Cancellation rights

In most cases you can exercise a right to cancel by withdrawing from the contract. In general terms you will normally have a 30-day cancellation period for a life, pure protection, payment protection or pension policy and a 14 day cancellation period for all other policies.

For pure protection policies the start of the cancellation period will normally begin 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.

If you cancel a single premium contract, you may be required to pay for any loss you might reasonably incur in cancelling it which is caused by market movements. This means that, in certain circumstances, you might not get back the full amount you invested if you cancel the policy.

Client Money

Clearwater Wealth Management LLP 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.

Documentation

We will endeavour to make arrangements for all your investments to be registered in your name unless you first instruct us otherwise in writing. All policy 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.

Instructions

We prefer our clients to give us instructions in writing, to aid clarification and avoid future misunderstandings. We will, however, accept oral instructions provided they are confirmed in writing.

Material Interest

We will act honestly, fairly and professionally known as conducting business in 'Client's best interest' regulations. Occasionally situations may arise where we or one of our other clients have some form of interest in business transacted for you. If this happens or we become aware that our interests or those of one of our other clients conflict with your interest, we will write to you and obtain your consent before we carry out your instructions, and detail the steps we will take to ensure fair treatment.

Complaints

If you wish to register a complaint, please write to or telephone Clearwater Wealth Management LLP, 42 Wycombe Road, Holmer Green, Bucks. HP15 6RY or telephone 01494 717000.

A summary of our internal complaints handling procedures for the reasonable and prompt handling of complaints is available on request and if you cannot settle your complaint with us, you may be entitled to refer it to the Financial Ombudsman Service 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. This is dependent upon the type of business and the circumstances of the claim. Most types of investment business are covered up to a maximum limit of £50,000, whereas Insurance business is covered for 90% of the claim, without any upper limit. The limits for advising on and arranging annuities is 100% of the claim, without any upper limit.

For deposits the limit is £85,000 (£170,000 for Joint Accounts).

Further information about this compensation scheme arrangement is available from the FSCS.

General Data Protection Regulation (GDPR)

Please see our separate document entitled Customer Privacy Notice for full details on how we handle client data in compliance with the GDPR.

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.



WEALTH MANAGEMENT LLP

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.

Force Majeure

Clearwater Wealth Management LLP 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.



WEALTH MANAGEMENT LLP

Client Declaration

Client Consent

This is our standard client agreement upon which we intend to rely. 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

I/We are aware of the costs of the Comprehensive Financial Planning Service and agree to the method and timing of these charges.

I/We confirm that we agree to Clearwater Wealth Management LLP being remunerated on the basis selected below;

Direct payment of Adviser Charges.

Payment of Adviser Charges by deduction from my/our investments and/or policies.

Payment by a combination of direct Adviser Charges and deductions from my/our investments and/or policies.

Client Name(s)		
Client signature(s)		
Date of Signature		
Issued by	Clearwater Wealth Management LLP	



Appendix

Comprehensive Financial Planning & Wealth Management Service

Access:

- Unlimited telephone and email access to our team during office hours.
- Access to a Chartered Financial Planner.
- Priority response service.
- Online access to your investment portfolio.

Holistic Financial Planning:

- Holistic 'big picture' view of your finances.
- Centred on your financial goals and lifestyle objectives.
- Lifetime cashflow and asset analysis.
- Lifetime planning calculations and solutions.

Portfolio Design:

- Scientific personal risk profiling.
- Diversification through multi-asset investing.
- Based on academic research and robust investment processes and methodology.
- 'Smarter Investment Strategies' to manage risk and enhance returns.
- Designed to meet your financial goals and lifestyle objectives.

Portfolio Management & Review:

- Portfolio rebalancing to maintain agreed investment strategy.
- Ongoing risk and return performance monitoring.
- Agreed and formalised review structure to suit you.
- Tracking of progress towards your goals and objectives.

Tax Planning:

- Ensure tax efficiency.
- Discuss specialist tax planning strategies where appropriate.

Administration:

- Remove the administrative burden from you in dealing with your financial affairs.
- Process all transactions on your behalf.
- Ensure your files are safe and updated.

Strategic Partners:

- On request, we will liaise with your other professional advisers.

Fee Transparency & Impartiality:

- Our charges, as outlined in this Client Agreement, are the only amounts that we will receive.
- Our Financial Planning & Wealth Management Service is fee based and any other amount received, in excess of agreed charges, will be rebated to you.

Mutual Commitments

Relationships work best when we know what to expect from each other. To this end, we are very happy to make some commitments to you but in return, we ask you to make some to us – nothing too onerous we hope!

Our Commitments to You

- To have integrity and work in your best interests
- To care about you, your assets and your financial security
- To bring a sense of control to your financial situation
- To help you feel more confident about your future
- To understand you by asking you questions and listening well to your responses
- To challenge you where we feel it necessary and in your best interests
- To respect your confidentiality at all times
- To keep adequate records that might allow another adviser to look after you in our absence
- To provide our financial expertise and experience and to stay current with issues which affect you
- To help keep you level headed and help you to avoid knee jerk reactions which may be detrimental to your long term financial security
- To return your phone calls as soon as possible
- To act on the assumption that we will work well together for the long term

Your Commitments to Us

- That you laugh at our jokes (even if they are the same each year!)
- That you treat your annual planning meeting as an important commitment
- That you give us as much notice as possible of any changes to your circumstances
- That you return paperwork, emails and calls as soon as possible
- That (provided we meet all of your expectations), you think about people you know who may benefit from our service, and at least recommend they have an initial conversation with us
- That you'll help us to improve by letting us know what you think of our services and the way we deal with you