

# Terms of Business

True Potential Wealth Management

## 1. The Financial Conduct Authority (FCA)

The FCA is the independent watchdog that regulates financial services.

This document is designed by the FCA to be given to consumers considering buying certain financial products. You need to read this important document. It explains the services you are being offered and how you will pay for them.

## 2. Client Classification

We treat all clients as “Retail Clients”, unless you request otherwise. This means you are provided with the highest level of protection under the regulatory system and should have the right to take any complaint to the Financial Ombudsman Service. Please note clients who undertake Business Buy to Let or Commercial Borrowing do not enjoy this level of regulatory protection.

## 3. Which service will we provide you with?

True Potential Wealth Management LLP can act on your behalf advising you on the products and services shown in this document to enable you to achieve the financial goals you desire.

We are committed to providing the highest standard of financial advice and service. Your interests are very important to us and for any advice or service we provide, we will:

- Be open, honest and transparent in the way we deal with you;
- Not place our interests above yours; and
- Communicate clearly, promptly and without jargon.

### Our Service Proposition

We offer you an initial consultation free of charge, at which we will describe our services and costs, in relation to both our initial advice and, if agreed with you, the ongoing services we will provide throughout our relationship with you.

During our initial meeting, we will explore with you in detail how our approach allows you as a client to be better informed and empowered to reach your financial goals. We will also discuss your payment options with you, including agreeing at which point in the advice process the charges we agree will commence. We will not charge you until we have agreed with you how we are to be paid. Any advice or recommendation that we offer you will only be given after we have assessed your needs and considered your attitude to any risks that may be involved.

This helps us to understand your financial goals and will confirm how we can support you in both establishing and achieving those goals.

As a client, if you decide you wish to receive ongoing service then the following will form part of our ongoing service proposition to you:

- As a client, you are supported and empowered 24 hours a day, 7 days a week through your personalised client website.
- We will also store a copy of our recommendations, supporting information and any other important documents you provide on this site.
- Our advisers will ensure that they review your financial affairs at least once a year to assess the ongoing suitability of all products where an ongoing service fee is being paid to your adviser, by offering you phone or webinar meetings when required. These can be arranged at a time, location and frequency that best suits your needs.
- If you have any questions, want to make any adjustments or if your personal situation changes, you can use the secure messaging system on your site to contact your adviser. Alternatively, you can reach a member of our True Potential team by phone or in writing.

We will arrange for all your policies 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 possible after we receive them.

If there are several documents relating to a series of transactions, we will normally hold each document until the series is complete and then forward them to you.

## **4. Whose products do we offer?**

### **Investment and Pensions**

We offer advice on limited types of products. Primarily, we will advise you on True Potential Portfolios and tax wrappers held on the True Potential Wealth Platform. In circumstances where these products do not meet your needs, we will broaden our research to companies with other products and funds.

### **Insurance**

As an intermediary we act on behalf of you, the customer and we offer advice on limited types of pure protection, non-investment insurance products such as term assurance, income protection and critical illness from a panel of insurers comprised of AIG, Aviva, Legal & General, Royal London, The Exeter and Vitality. In circumstances where these products do not meet your needs, we will broaden our research to other insurers - ask us for the full list of the insurers we offer insurance from.

## **Mortgages**

We offer mortgages from the whole market, but not deals that you can only obtain by going direct to a lender.

## **Occupational Pension Transfer Business**

True Potential Portfolios and tax wrappers held on the True Potential Wealth Platform. For Occupational Pension Transfer business, we may decline to offer advice in the following circumstances:

- On assessment of your current and future circumstances, needs and goals or
- if we do not receive sufficient information requested from the scheme trustees within a reasonable timescale in which to make a suitable recommendation.

## **5. What will you have to pay us for our services?**

### **Advised Investment and Pensions (excluding Occupational Pension Transfers)**

Our advised services are charged based on:

- an initial advice fee;
- an ongoing advice fee;
- or both of the above.

Advice fees may be a fixed fee or a percentage of your investment:

### **Option 1: An agreed fixed charge**

We will agree the total charge payable by you for each piece of work, including ongoing service, before we commence chargeable work and we will not exceed this amount without agreeing this with you first.

As examples, our agreed fixed charge for advising on a £15,000 ISA investment could be £450 and if we were to advise you on a pension investment of £25,000 our fixed charge could be £750. The maximum fee is restricted to the percentage terms documented below.

This payment is paid directly by you (a fee agreement and an invoice will be provided for this payment, and all payments must be made payable to True Potential Wealth Management LLP).

## **Option 2: A percentage of your investment**

We will agree a charge of a maximum of either:

- a) 4% of the investment arranged. There will be no ongoing service provided or ongoing charge taken, or;
- b) 1% of the ongoing investment value for the ongoing service (detailed in section 3 above) provided based on the value of your investment(s) daily and are paid monthly in arrears. or;
- c) 4% of the investment arranged. There will also be a charge of a maximum of 1% of the ongoing investment value for the on-going service provided.

Fees can be paid by cheque or standing order or deducted from your investment. If the ongoing fee is based on a percentage of the investment, the fee may vary depending on the valuation.

## **Non-Advised Investments and Pensions**

Our non-advised services are charged based on:

- an initial fee\*;
- an ongoing advice fee;
- or both of the above.

\*An initial fee will only be levied for a self-service transaction initiated by you through your Client Site or via impulseSave. Any Direct Marketing Offer, either by post or online, which was initiated by True Potential Wealth Management sending you an offer, will only have an ongoing advice fee.

Non-advised initial fees are a percentage of your investment, and ongoing fees may be a fixed fee or a percentage of your investment. If the ongoing fee is based on a percentage of the investment, the fee may vary depending on the valuation.

## **Percentage Charges**

We will agree a charge of a maximum of either:

- a) 1% of the investment arranged (for self-service transactions). There will be no on-going service provided or on-going charge taken, or;
- b) 1% of the ongoing investment value for the on-going service (detailed in section 3 above) provided based on the value of your investment(s) daily and are paid monthly in arrears. or;
- c) 1% of the investment arranged (for self-service transactions). There will also be a charge of a maximum of 1% of the on-going investment value for the on-going service provided.

**Typical advised charges example**

The average initial advice charge levied by True Potential Wealth Management on True Potential Investment products is 1.09%, and the average ongoing advice charge is 0.57%. If we arrange an investment on your behalf for £100,000, with a monthly contribution of £100, and you pay for our ongoing advice service, our typical charges for the first year invested will be:

Total first year charges	
Initial advice fee on £100,000 invested	£1,090
Initial advice fee on £100 monthly investment	£13
Ongoing advice charge	£574
Total for first year	£1,677

For subsequent years, the typical total annual advice charge would be estimated at **£581**. This example shows typical fees charged and is for illustrative purposes only. Actual charges applying to you may differ. All charges will be agreed with you in advance and set out in your Personal Illustration, Suitability Report and Application Form.

You should note that when our charges are deducted from your investment it may reduce your personal tax thresholds and/or exemption levels.

**Occupational Pension Transfer Business**

Occupational Pension Transfer advice, where we commenced work on or after 1st October 2020 will be charged on a non-contingent charge basis. This means that where we provide advice, the initial charge will be payable regardless of whether we advise you to transfer your pension or remain in the scheme, and regardless of whether or not you accept the advice.

The initial advice charge for Occupational Pension Transfer advice is 1%, subject to a maximum charge of £3,000. The maximum charge is applied per advice report, even if multiple pension schemes are advised upon within it.

The initial advice fee will be disclosed to you via email which you must accept prior to commencing any work.

## **Insurance - Non-Investment Protection**

We do not charge a fee for our General Insurance and Protection services as we will normally receive commission from the product provider. You will not be subject to VAT for this service.

## **Mortgages**

A fee may be payable for the administration involved in researching your application. Where we agree to charge you a fee this will be paid directly by you (a fee agreement and an invoice will be provided for this payment, all payments must be made payable to True Potential Wealth Management LLP). We may also be paid a procurement fee from the lender on completion. If we charge you a fee and your mortgage does not go ahead, you will not receive a refund in any circumstances.

The fee will be:

- Up to £500 for a regulated mortgage
- Up to £750 for an adverse credit mortgage or equity release
- Up to £250 for Business Buy to Let or Commercial mortgage, plus 0.5% of loan value payable only on production of mortgage offer.

As a client, you can request details of all procurement fees provided by lenders offering a regulated mortgage contract. You will receive a European Standardised Information Sheet or a Key Facts Illustration Plus, when considering a mortgage which will tell you about any fees relating to it.

## **6. VAT**

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

## **7. Client Money**

True Potential Wealth Management is not permitted to handle client money or handle cash and we cannot accept a cheque made out to us unless it is in respect of an adviser charge for which we have sent you an invoice.

## 8. Data Protection

The information you have provided is subject to the Data Protection Act 2018 (the "Act"). For the purposes of providing advice, administration and management, you consent to us or any company associated with us processing, both manually and by electronic means, your personal data.

"Processing" includes obtaining, recording or holding information or data, transferring it to other companies associated with us, product providers, the FCA or any other statutory, governmental or regulatory body for legitimate purposes including, where relevant, to solicitors and/or other debt collection agencies for debt collection purposes and carrying out operations on the information or data.

To provide services to you we may be required to pass your personal information to parties located outside of the European Economic Area (EEA) in countries that do not have Data Protection Laws equivalent to those in the UK. Where this is the case we will take reasonable steps to ensure the privacy of your information.

The information provided may also contain sensitive personal data for the purposes of the Act. If at any time you wish us, or any company associated with us to cease processing your personal data or sensitive personal data, please contact The Data Protection Officer on 0191 406 1526 or in writing at True Potential Wealth Management LLP, Gateway West, Newburn Riverside, Newcastle Upon Tyne, NE15 8NX

You may be assured that we, and any company associated with us, will treat all personal data and sensitive personal data as confidential and will not process it other than for a legitimate purpose. Steps will be taken to ensure that the information is accurate, kept up to date and not kept for longer than is necessary. Measures will also be taken to safeguard against unauthorised or unlawful processing and accidental loss, destruction or damage to the data.

Subject to certain exceptions, you are entitled to have access to your personal and sensitive personal data held by us.

You may be charged a fee (subject to the statutory maximum) for supplying you with such data. True Potential Wealth Management abides by the General Data Protection Regulation (GDPR). You can view our privacy policy and more at [www.tpllp.com](http://www.tpllp.com).



## 9. 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.

## 10. Cancellation

Should you decide to cancel our agreement to provide ongoing services, you must provide written confirmation of your decision and we will cease your payments for these services within 30 business days and after collection of any due proportion of the applicable charges.

Should you decide to cancel our agreement please write to:

**True Potential Wealth Management LLP,  
Compliance Department,  
Gateway West,  
Newburn Riverside,  
Newcastle upon Tyne,  
NE15 8NX.**

## 11. What to do if you have a complaint?

If you wish to register a complaint, please write to:

**True Potential Wealth Management LLP,  
Complaints Department,  
Gateway West,  
Newburn Riverside,  
Newcastle upon Tyne,  
NE15 8NX.**

Telephone 0191 406 1526.

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](http://www.financial-ombudsman.org.uk) or by contacting them on 0800 023 4567.

## 12. Benefits we may receive

We advise on a range of products from a variety of firms. We may receive certain nonmonetary benefits from these firms which are used to enhance the quality of service we provide to you. Benefits we may receive include access to technical services, information technology support or the supply of product literature.

## 13. Conflicts of Interest

Any advice we provide will be in accordance with these Terms of Business and the 'Do More With Your Money' brochure, a copy of which will be provided to you during your initial meeting with our adviser.

We have put in place arrangements to ensure our clients are treated fairly and should anything arise that conflicts with this, we will bring it to your attention. We have implemented a conflict of interest policy to help us manage such risks.

### Ownership

True Potential LLP owns 100% of True Potential Wealth Management LLP. It also owns 100% of the following firms within a Group:

- True Potential Investments LLP – Financial Services Investment Platform, providing the Wealth Platform, Tax Wrappers and Funds
- True Potential Adviser Services LLP – Non-regulated service and support company
- True Potential Trustee Company Limited – Non-regulated pension trustee

True Potential Wealth Management LLP has adopted the True Potential Investments Wealth Platform as its preferred investment platform. Any business that True Potential Wealth Management LLP places with True Potential Investments LLP is intended to add value to that business and that of the Group. The True Potential Funds are operated by True Potential Investments LLP as an investment management firm.

True Potential Investments LLP use True Potential Trustee Company Limited as the Trustee for their Personal Pension and True Potential Administration as the Authorised Corporate Director.

In addition, the back-office technology used by True Potential Wealth Management LLP is supplied by True Potential Adviser Services LLP.

## 14. Who regulates us?

True Potential Wealth Management is authorised and regulated by the Financial Conduct Authority. Our FRN number is 529810. Our permitted business is to provide investment advice and arrange life assurance, pensions, collective investments (e.g. unit trusts, investment trusts and OEICs), individual savings accounts, mortgages and general insurance. You can check this on the Financial Services Register by visiting the FCA's website:

<https://register.fca.org.uk/> or by contacting the FCA on 0800 111 6768.

## 15. Termination of Authority

The authority to act on your behalf may be terminated at any time without penalty by either party giving thirty days' notice in writing to that effect to the other, but without prejudice to the completion of transactions already initiated. You will be liable to pay for any transactions made or carried out prior to termination and any fees which may be outstanding.

## 16. Are we covered by the Financial Services Compensation Scheme (FSCS)?

### Investment

We are covered by the FSCS. You may be entitled to compensation from the scheme if we cannot meet our obligations. This depends on the type of business and the circumstances of the claim. Most types of investment business are covered up to a maximum limit of £85,000.

### Insurance

Non-compulsory insurance provision (both general and life insurance): protection for 90% of the claim, with no upper limit. Cover for compulsory insurance is 100% of the claim with no upper limit.

### Mortgages

Advising on or arranging home finance: protection up to a maximum limit of £85,000. Further information about the compensation scheme arrangement is available from the FSCS. Please note clients who undertake Business Buy to Let, Commercial borrowing do not enjoy this level of regulatory protection.

## 17. 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.



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