

Coton Financial Management Ltd

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Terms of Business

This document contains important details about Coton Financial Management Ltd, how we are regulated and the basis upon which we will provide services to you. Please study this carefully to make sure that our services are right for you.

Our Services

Scope of Authorisation

We are permitted to give advice on and implement deals, on an advisory basis, in investments and non-investment insurance contracts.

Investments and Financial Planning

We will endeavour to fully understand your personal circumstances, agree your goals and create a plan for your finances to help you achieve them. We will however only make a recommendation when we know it is suitable for you.

Protection Planning

We will provide a personal recommendation about the insurance products offered and represent you as the customer and advice is based on a personal recommendation. Our advice is to protect yourself, your family or your business to provide peace of mind when there is an unexpected event.

We offer insurance products from:

A wide range of providers on a fair and personal analysis of the market.

We will receive a commission from the insurer which is a percentage of the total annual premium.

TOB V3 December 2022

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Registered Office: Marston House, 5 Elmdon Lane, Marston Green, Solihull, West Midlands B37 7DL

Company Registration No. 4538614 . Authorised and Regulated by the Financial Conduct Authority

Who Regulates Us

Coton Financial Management Ltd is authorised and regulated by the Financial Conduct Authority (FCA), the independent watchdog that regulates financial services in the United Kingdom.

Our Financial Services Register number is 230155.

Your Rights

Unless we notify you in writing to the contrary, we will be treating you as a “retail client” for investment business. 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.

Assignment

We may assign any or all of our rights under any agreement on giving you no less than one week’s written notice. You may not assign, subcontract or encumber any right or obligation under any agreement, in whole or in part, without our prior written consent, at our sole discretion.

Whose products and services do we recommend?

We will recommend investments based on a comprehensive and fair analysis of the market and provide advice to you on an independent basis. The advice is based on a broad analysis of the different types of financial instruments available. We will place no restrictions on the investments that we consider unless you instruct us otherwise.

Your responsibility in the advice process

We offer financial planning and advice based on the information you have provided us with. Therefore, it is your responsibility to ensure that the information you provide is accurate. Any failure to do so or any failure to inform us of any subsequent changes may impact the quality of advice you receive.

You should also be aware that incorrect information or any changes that you fail to inform the product provider of may invalidate your policy. We do not accept any responsibility for verifying any information that you provide to use or ensuring that it is complete before passing it on to an insurer or another product provider.

The Advice Process

Initial Meeting

At this meeting we find out what help you require and whether it is something we can help you with. We will let you know the services we provide and how we charge for them.

Fact Find Meeting

The next step is a Fact Find Meeting where we gather information about you, your income, expenditure, assets & liabilities and establish your goals and needs. We will also discuss the level of investment risk you are comfortable taking when investing your money.

Initial Review, Research & Plan

We then get down to reviewing your existing plans & policies and conduct research from the whole market on products to meet your goals and needs. We will prepare a plan for you providing a broad overview of your situation and our proposals. We will set up a meeting to discuss our findings and tell you what we propose to charge you for our services if you wish to proceed.

Advice Report & Recommendation

If you agree with our proposals & charges discussed at the planning meeting we then proceed to draw up a personalised advice report with our specific recommendation for a product which meets your goals & needs, with a level of investment risk that you are comfortable with. We then set up a meeting to discuss the report & run through our recommendation in detail, answering any questions you may have.

Implementation of the Agreed Strategy

We then set about implementing the recommended arrangements, helping you complete the necessary paperwork and submitting it to the relevant providers.

Ongoing services

It is important that the initial recommendations that we have made continue to be appropriate for your needs going forward. We will monitor your investment funds & products, making adjustments if necessary to reflect any changes in your circumstances, goals, legislation or markets. We will carry out comprehensive reviews at agreed intervals either face to face or by telephone.

Our Costs & Charges

Before we provide any advice, we will agree with you the cost of our services. Our typical charging structure:

Initial Advice

We have a minimum initial charge of £2,000. This covers our fact find meeting, initial review, research & plan, advice report & recommendation and implementation of the agreed strategy.

Our initial fee is typically 1% of the value of the assets on which we advise you (minimum £2,000).

Example:

You are retiring in the next few months and have pensions valued at £250,000 & investments valued at £150,000 and wish to know how to take an income from these to supplement your state pension. Our Initial Advice Charge: £4,000.

Ongoing Advice

Our fee for ongoing advice, which normally covers a review and implementation of any changes we recommend to your plans and investments, is typically 1% of the value of the assets on which we advise you.

Examples:

You have investments valued at £150,000. Our Ongoing Advice Charge: £1,500.

You have pensions & investments valued at £350,000. Our Ongoing Advice Charge: £3,500.

How You Pay

Our initial advice charge can either be paid by you on invoice or as a deduction from your pensions/investments by the provider if available.

Our ongoing advice charge is typically paid monthly from your pensions/investments by the provider if available or can be paid annually by you on invoice.

VAT

Normally all our services are, unless otherwise stated, undertaken with the intention of arranging and administering regulated investments and as such it is exempted from VAT. We will tell you if you have to pay VAT.

Commencement and termination of our service

This Terms of Business agreement takes effect from the date it is given to you and will apply until terminated. The authority to act on your behalf may be terminated at any time without penalty by either party giving 7 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.

Cancellation of product

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 or pension policy and a 14-day cancellation period for all other policies. 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.

Material Interest and Conflicts of Interest

We will act honestly, fairly and professionally known as 'conducting business in the 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 client's 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.

Client money

We do not handle clients' money. We never accept a cheque made out to us (unless it is a cheque in settlement of fees or disbursements for which we have sent you an invoice) or handle cash. All cheques for investment purposes should, therefore, be made payable to the product provider with which you have decided to invest your money.

Clients Assets

Investments will be registered in your own name unless you instruct us otherwise in writing. We will forward all documents showing ownership of your investments or policies to you as soon as practicable after we receive them. Where a number of documents relating to a series of transactions are involved, we will normally hold each document until the series is complete and then forward them to you.

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 may also check your details against the HMT Sanctions list as part of our obligation to prevent financial crime. We may conduct these checks from time to time throughout our relationship, not just at the beginning.

Complaints

If you wish to register a complaint, please contact us in writing or telephone us.
Our contact details are:

R A Schmid
Coton Financial Management Ltd
13 Coton Lane
Erdington
Birmingham
B23 6TP
Tel: 0121 350 8335

If you do make a complaint, we will follow our internal complaints procedure to resolve your complaint quickly and fairly. If we cannot resolve your complaint to meet your expectations, you may contact:

The Financial Ombudsman Service (FOS)
Exchange Tower
London
E14 9SR
Telephone 08000 234 567
E-mail: complaint.info@financial-ombudsman.org.uk

A summary of our procedure for the reasonable and prompt handling of complaints is available upon request.

FSCS Financial Services Compensation Scheme

We are covered by the Financial Services Compensation Scheme for the regulated advising and arranging services we provide so that if we are unable to meet our liabilities, you may be protected by the scheme.

For further information please go to www.fscs.org.uk

Declaration & GDPR Client Consent

What information do we hold?

As a client of Coton Financial Management Ltd the data we hold has been complete from the services that you have engaged us to provide in the past as per the agreement we have with you. We use this data to enable us to carry out specific functions and report writing for which we are responsible. We will not collect any personal data from you that we do not need in order to provide the services we have agreed to provide you with.

You do have the right to object to this processing, but if you do not provide us with this information then we will be unable to provide the services requested.

The lawful basis on which we use this information

We collect and use this information for the purpose of compliance with the Financial Conduct Authority (FCA).

Why do we collect this data?

The main reason we collect this data is to complete the services you have entered into a contract with us for. Without knowing any of this information, we would be unable to fulfil our legal and regulatory obligations. Therefore, it is essential we collect this information.

However, we also collect this data because you will have given us consent to do so. We will before proceeding, ask or you to provide us with your consent to the processing of your data.

If we need to collect special category data (e.g health or mental conditions, trade union membership, biometric data (verification or identification data)) we will obtain your explicit consent first.

How will we collect your data?

We will collect and record your data from a variety of sources, however we rely mostly on this information coming directly from yourself. We will collect this information usually over a series of meetings, but most of this will be collected during our fact-finding meeting.

We may also collect this data from third-parties such as, credit checks, your employer, as an example.

Storing this information

We hold a person's data for as long as the customer remains with Coton Financial Management Ltd or we are required to under this Terms of Business. Due to the nature of the service we offer, it may be required for us to retain personal data even after an account has been closed for legal or operational reasons under the guidance of the FCA.

Whom we share this information with

We can share this information with UK third-party companies that also follow the guidance of the GDPR legislation and the FCA. We do not share information without consent unless the law and our policies allow us to do so. If you choose to proceed with any of the recommendations given by our financial adviser we will share your data with external organisations such as fund providers and platforms, where needed.

How long will we hold your data for?

As we have entered into a contract for services, we will need to retain for a certain period of time to be able to carry out that contract. We, throughout the relationship not just at the beginning, will take reasonable steps to keep your personal data up to date.

In addition to this, we are also subject to regulatory requirements which require us to retain your data for a specified period of time. These are:

- Three years for insurance business
- Five years for investment business
- Indefinitely for pension transfers and opt-out business

If you want to know more information about how we process your data, ask your adviser for a copy of our Privacy Policy. They will happily supply you with a copy.

If you have a concern about the way we are collecting or using your personal data, we request that you raise your concern with us in the first instance. Alternatively, you can contact the Information Commissioner's Office at <https://ico.org.uk/concerns/>

Client Consent

I consent to the processing of sensitive personal data as far as it is necessary for the services I require from Coton Financial Management Ltd.

Client 1 signature Date/...../.....

Client 2 signature Date/...../.....

Please note that you may withdraw this consent at any time by writing to : R A Schmid, Data Protection Officer, Coton Financial Management Ltd, 13 Coton Lane, Erdington, Birmingham, B23 6TP.

Declaration

By signing this Terms of Business, you confirm that:

You have read, understand and consent to the above terms.


You agree that the Terms of Business are effective from the date they are signed by yourself.

You agree that information you provided may be disclosed to third parties when providing you with advice. These include but not limited to product providers, research tools and risk profile providers.


If there are any points you do not understand, please let us know and we will be happy to discuss this with you.

This agreement is governed and shall be interpreted in accordance with English law and both parties shall submit to the exclusive jurisdiction of the English Courts.


Client 1 Signature

Signed		Date
Name		

Client 2 Signature

Signed		Date
Name		

Adviser Signature

Signed		Date
Name		
