



Our Terms of Business

For Private Clients

Everything you need to know about
working with HDA

Last Updated: 5th October 2023

Contents

Contents.....	2
Introduction	3
Our Credentials	3
What Do We Do?.....	3
How Do We Do It?.....	3
Our Charges	4
Termination of Services	5
Client Classification	6
Communication.....	6
Anti-Money Laundering.....	6
Client Money.....	6
Documentation	6
Cancellation Rights	6
Material Interest	7
Discretionary Investment Management.....	7
Data Protection – Your Personal Data.....	7
Call Recording	7
Complaints and Compensation	7
Law	8
Client Acknowledgement.....	9

Introduction

The purpose of this document is to set out the terms that will apply to all our dealings with you until further notice. This is our standard **Terms of Business for Private Clients** upon which we intend to rely. For your own benefit and protection, you should read these terms carefully.

Before we carry out any work for you, we will send you an **individual engagement letter** and **fee agreement**. This applies to both initial and ongoing planning services.

Our Credentials

HDA is the trading name of Hugh Davies Associates Limited, which is **authorised and regulated by the Financial Conduct Authority** (Ref: 125569). Our status may be verified via the Financial Services Register on the FCA website (www.fca.org.uk) or by contacting the FCA on 0845 606 1234.

In 2013, HDA was awarded **Chartered** status by the Chartered Insurance Institute (CII) in recognition of our commitment to professional standards. All our senior advisers are individually chartered. This is your guarantee of the highest levels of competence and service.

We offer **independent advice** and access to investment, insurance and pension products from the whole market.

What Do We Do?

We help individuals, businesses and trusts to plan their financial future. This includes:

- Cashflow planning
- Savings and Investment planning
- Pension planning
- Tax planning
- Estate planning
- Protection planning

How Do We Do It?

An initial meeting or call is an opportunity for us to find out more about each other. Do the services we offer meet your needs? Are we the kind of firm you want to work with? Can we add value? This initial meeting is free.

Once we have a broad understanding of your circumstances and requirements, and assuming you wish to progress matters further, we will confirm in writing the initial services to be provided and the cost of those services.

When we have your instruction to proceed, we will start to gather any further information needed from you, your investment, pension and protection providers and your other professional advisers.

Once all necessary information has been gathered and analysed, and all relevant research has been carried out, we will send you our written planning report. Our report will:

- Summarise all relevant personal and financial circumstances
- Set out your objectives as we understand them
- Recommend planning to help you achieve your objectives
- Recommend any ongoing services necessary to keep your planning on track and confirm any associated ongoing costs and charges

After discussion of our report and with your agreement, we will help you to implement the recommended planning.

Our Charges

Initial Fees

We make no charge for an initial discovery meeting. This is an opportunity for you to explain your requirements and for us to explain our services and our charges.

We charge fees for providing advice. We will usually work to a fixed fee. Occasionally we will work on an hourly rate.

Our fees for a financial planning report start at £1,500 for new clients. Discounts apply for existing clients. The actual fee will depend on the level of complexity.

Hourly charging rates are as follows:

Advisers	£300.00 per hour
Paraplanners	£150.00 per hour
Administrators	£ 75.00 per hour

Our fees will usually be exempt from VAT but, if this is not the case, we will let you know.

We will always agree our fees with you before starting any chargeable work.

Implementation Fees

We charge an implementation fee based on the amounts(s) paid into any investments, pension plans, or annuity policies that we arrange for you:

First £250,000	2.00%
Above £250,000	0.50%

Implementation fees are reduced by any amount already paid for a related planning report, subject to a minimum fee of £500.

For arranging a life policy, income protection policy, or Private Medical Insurance policy, we will usually be paid a commission by the product provider. We will disclose the amount of this commission to you before the policy starts.

Ongoing Fees

We charge annual fees for ongoing financial planning, investment management and administration. Our charges depend on the type of ongoing service required (see below).

Our fees will be based on the value of your investments. Please refer to the separate document "HDA Services & Fees".

Value-based fees may be deducted from your investments or paid by standing order.

We will always agree our ongoing services and fees with you in advance.

Typical services and costs are as follows:

1. Full Review Service: Minimum Fee £2,400 pa

1.00% per annum on the first £240,000 (£10.00 per £1,000)
0.75% per annum on the next £510,000 (£7.50 per £1,000)
0.50% per annum on the next £1,250,000 (£5.00 per £1,000)
0.25% per annum above £2,000,000

2. Focused (Face to Face) Review Service: Minimum Fee £1,200 pa

0.875% per annum (£8.75 per £1,000)

3. Focused (Desk-Based) Review Service: Minimum Fee £720 pa

0.75% per annum (£7.50 per £1,000)

4. Focused (Light Touch) Review Service: Minimum Fee £360 pa

0.50% per annum (£5.00 per £1,000)

5. Reactive Only: Minimum Fee £120 pa

0.25% per annum (£2.50 per £1,000)

Minimum fees may be waived or reduced for family or workplace groups.

How and When are Fees Payable?

All initial planning fees are payable within 14 days of issue of our planning report.

Implementation fees may be paid by cheque, by bank transfer or by deduction from the plan. Implementation fees are payable within 14 days of receipt by the product provider of the investment sum.

Ongoing fees may be paid annually in advance by cheque or bank transfer, or monthly by standing order. Fees may also be facilitated monthly or annually by your investment and/or pension provider(s).

Our fees are not usually subject to VAT because financial intermediation is an exempt supply. If we are required to charge you VAT on any of our services, we will notify you.

Termination of Services

You or we may terminate our authority to act on your behalf at any time. Notice of this termination must be given in writing and will take effect one calendar month from the date of receipt. Termination is without prejudice to any transactions already initiated which will be completed according to these terms of business unless otherwise agreed in writing. You will be liable to pay for any transactions made prior to termination and any fees outstanding or due as outlined in any fee agreement in place, if applicable.

Client Classification

We believe in providing our clients with full regulatory protection and we propose to classify you as a 'Retail Client' for investment purposes. If we change this classification for any reason, you will be notified immediately as this may affect the level of protection available to you from the Financial Ombudsman Service.

Communication

We will communicate with you via our website (www.hda-ifa.co.uk), via our secure Client Portal (www.wealthplatform.co.uk), by e-mail, by text message, by letter and by telephone.

Your instructions to us must be confirmed in writing to avoid possible disputes. We accept completed application forms and signed declarations, where appropriate, as being written instructions. We will also accept instructions by e-mail from validated e-mail addresses and telephone instructions if made on a recorded line.

Once we have arranged a pension or investment product for you and you wish to add to that product without a face-to-face meeting, we will confirm our advice and recommendations in writing without undue delay after the conclusion of the transaction, unless you explicitly ask us to delay the transaction so that you may receive our written advice and recommendations in advance.

If you ask us to arrange a pension, investment or protection policy on your instruction (or you wish to add to such a plan) and you do not require, or do not wish to follow our advice, you must confirm in writing your wish to proceed on a "non-advised" basis.

Anti-Money Laundering

We are legally obliged to verify the identity of our clients and retain these records. We may verify your identity by carrying out an electronic check with an independent agency. This will involve an electronic search of information, including access to databases and credit data. By signing this form, you consent to us undertaking this check of your identity. We may need to verify your identity on an ongoing basis.

Client Money

We do not handle client money. We will not accept a cheque made out to us except in settlement of charges or disbursements for which we have sent you an invoice. We will not accept cash payments in any circumstances.

Documentation

All investments will be registered in your name unless we are instructed otherwise in writing. All Contract Notes, Documents of Title and Policy Documents will be sent on to you as soon as practicable after we receive them. When several documents are involved, relating to a series of transactions, we will normally hold each document until the series is complete.

Cancellation Rights

We will inform you of your statutory right to cancel and the timeframes applicable in which to cancel. For life and pension contracts this is usually 30 days. In circumstances where no such statutory rights are granted, we will inform you before any contract is concluded.

Material Interest

Occasions can arise where we, or one of our customers, 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 customers, conflict with your interests, we will inform you in writing and obtain your consent before we carry out your instructions and we will detail the steps that 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 the risks. You may ask for a copy of this policy at any time.

Discretionary Investment Management

We may recommend that some, or all, of your funds are invested using our discretionary investment management service. We manage this arrangement, including any other discretionary investment manager (DIM) involved in this process.

Where we recommend you place some, or all, of your investments with an external DIM, decisions to buy and sell are made at the absolute discretion of the DIM. Such an arrangement operates on an 'Agent as Client' basis and means that the DIM will treat us as their client. There will be no written contract between you and the DIM, nor will they know your identity. All communication will be between the DIM and HDA. You should be aware that with this type of arrangement you may lose some protections afforded to investors.

We will use all reasonable steps to discharge our responsibilities to you with care and due diligence. We will undertake appropriate due diligence on the DIM and ensure that the services provided by the DIM are suitable for you.

Data Protection – Your Personal Data

The data you provide to us is subject to the General Data Protection Regulation (GDPR). As the data controller of your personal data, we will properly value and protect the information entrusted to us. Please refer to our **Customer Privacy Notice** on our website (<https://hda-ifa.co.uk/privacy-policy/>).

Call Recording

To ensure we carry out your instructions accurately, and in accordance with regulatory requirements, we will record and may monitor your telephone conversations with us. Such recording may be used for training and quality purposes.

Copies of our telephone recordings will be available on request, for a period of 5 years after the recording was made.

Complaints and Compensation

If you have a complaint about the advice you receive from us, or about a product that you have bought from us, please write to the Compliance Officer at our Head Office in Cheltenham (address and telephone number as above). A summary of our Complaints Procedure is available on request. If you cannot settle your complaint with us, you may be entitled to refer it to the Financial Ombudsman Service.

We are covered by the Financial Services Compensation Scheme. You may be entitled to compensation from this 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 for 100% of the first £85,000 but with no cover above this.
- **Insurance** advising and arranging is covered for 90% of the claim without any upper limit.

Further information about compensation scheme arrangements can be found on the FSCS website (www.fscs.org.uk) or by contacting them on 0800 678 1100.

Law

These Terms of Business are governed and shall be construed in accordance with English Law and the parties shall submit to the exclusive jurisdiction of the English Courts.

Client Acknowledgement

I/we acknowledge receipt of the HDA Terms of Business (last updated 5th October 2023).

I/we confirm that we have been given enough time and opportunity to read this document and to ask questions.

I/we understand that I/we may only rely on advice provided by HDA in writing and, to avoid confusion or dispute, should not rely on any verbal communication unless and until it is confirmed in writing.

I/we understand that I/we will be issued with an individual engagement letter and fee agreement before HDA carries out any chargeable work on my/our behalf. Separate engagement letters and fee agreements will be issued in respect of initial services and fees, and ongoing services and fees.

Name		
Signature		
Date		



☎ 01242 514563
✉ enquiries@hda-ifa.co.uk
🌐 www.hda-ifa.co.uk

Cheltenham office:
New Barn, Manor Farm Courtyard,
Southam Lane, Southam,
Cheltenham, GL52 3PB

Malvern office:
3 Nimrod House,
Sandys Road, Malvern,
Worcestershire, WR14 1JJ

HDA is the trading name of Hugh Davies Associates Limited which is authorised and regulated by the Financial Conduct Authority (Firm no. 125569). Registered in England No. 1998413.



HDA Services & Fees

For Private Clients

Last Updated: 1st July 2023

Contents

Contents.....	2
What does HDA do?.....	3
How do you do it?.....	3
Do you offer financial products?	3
Do you manage investments?	3
Who will I deal with?	3
What else do I need to know?.....	3
Our Services	3
Our Charges.....	4
Initial Charges	4
Implementation Charges.....	4
Charges for Ongoing Services.....	4
1. HDA Full Review Service.....	6
2. HDA Focused (Face to Face) Review Service	6
3. HDA Focused (Desk Based) Review Service.....	7
4. HDA Focused (Light Touch) Review Service.....	7
5. HDA Reactive Service	8

What does HDA do?

HDA provides financial planning advice to individuals, businesses, and trustees. We help you to create and maintain a financial plan for the future. Your financial plan is unique to you. It starts with where you are today and looks at where you want to get to in the future. It focuses on what is important to you.

How do you do it?

We will answer your questions about who we are and what we do, so you know you are in good hands. We will get to know you so we can advise you with confidence. We will offer you objective, independent advice with no strings attached. If you ask us to, we will help you to implement the planning we have recommended, and we will keep your planning under review in future years.

Do you offer financial products?

As an independent firm, we are able to source and arrange the most suitable pension, investment, and insurance products from the whole market. We will only recommend products that are suitable for you. You do not have to arrange a financial product through HDA to benefit from our advice.

Do you manage investments?

We select and manage suitable investment funds from the whole market. We also work with external investment managers to provide a diversified range of approaches. We do not believe that a single investment approach is suitable for everybody.

Who will I deal with?

We have a range of advisers with different areas of expertise. Each adviser has their own knowledgeable and friendly support team. We will ensure that you are matched with the most suitable team, based on your personal circumstances.

What else do I need to know?

We have been trading for nearly 40 years and can provide a wealth of testimonials from satisfied customers, many of whom have dealt with us for over 20 years. We are regulated by the Financial Conduct Authority (FCA), giving you a high level of consumer protection, should anything ever go wrong. We are part of the Amber River Group, a nationwide group of businesses dedicated to enriching the lives of our customers. We are a Chartered firm, your guarantee of the highest ethical standards.

Our Services

When you work with HDA, you will benefit from our time, our knowledge, and our extensive experience. We don't have a magic wand or a crystal ball. We can't control the markets. But we know what's available. We know how things work. We know what to expect. We know how to piece things together. We know what can and can't be done. We will ensure that you get the basics right, and we will stop you from making costly mistakes. We will help you to take the emotion out of your investment decisions. We will be a trusted adviser, a go-to source of information, and an ally.

What really sets us apart is the personal service you will receive. No telephone menus, no waiting on hold, no call centres. Just real people, treating you as an individual, dealing with your enquiries quickly and efficiently.

Our Charges

We are in business to help people, but we are a business and not a charity. We believe in paying our staff well, to attract and retain quality. We invest heavily in technology and compliance. We maintain Professional Indemnity Insurance. We are subject to professional fees from the FCA. We pay a significant levy every year to the Financial Services Compensation Scheme.

We recognise that our services will not be suitable for everyone. We will not recommend our services to you if we do not believe that we can add value to your situation. We do, however, offer family discounts so that we can help children and grandchildren who otherwise would find it uneconomic to deal with us. We also offer a range of service options, at different cost levels, in an effort to accommodate customers with a wide range of needs, some far less complex than others.

Initial Charges

There is no charge for an initial meeting. This is an opportunity for you get to know us, to decide whether you want to work with us, and for us to be sure that we can help **and** add value.

When we understand the scope of the initial advice required, we will agree a fee with you. This fee will cover all information gathering, from you, product providers and other advisers (as necessary); our own onboarding procedures; research and analysis; a full written report detailing our advice, and a discussion of our report with you. Our standard fee is £1,500, but this may increase depending on the complexity of the advice. We will always disclose our charges before you commit to using our services.

Implementation Charges

We make a charge for arranging pension plans, investments, and annuities. Our charges are reduced by any amount already paid for a related planning report but are subject to a minimum of £500.

First £250,000 invested	2.00%
Next £750,000 invested	0.50%
Above £1m	0.00%

These tiers are cumulative which means that no implementation charges apply after you have invested a total of £1m with HDA (net of any withdrawals).

For arranging a life policy, income protection policy, or Private Medical Insurance policy, we will usually be paid a commission by the product provider. We will disclose the amount of this commission to you before the policy starts.

Charges for Ongoing Services

In most cases, we will recommend that any advice we have given is kept under review.

For many customers, a full review service will be worthwhile. This will cover all areas of planning from cashflow management to retirement planning to estate planning. Formal annual reviews will be provided by a dedicated, named adviser and will usually be face to face.

For other customers with straightforward needs, a focused review service will be more appropriate. This will provide ongoing reviews of investments and pensions managed by HDA only. It will focus solely on the ongoing suitability of these plans and the underlying investments.

We provide a number of options within our focused review service:

- Annual face to face reviews with a named adviser.
- Annual desk-based reviews provided by a dedicated team, rather than by an individual.
- Bi-annual desk-based reviews provided by a dedicated team, rather than by an individual.

Finally, for those customers where a formal review service is either not necessary or not viable, we offer access to information and guidance from our service team.

There is a cost difference between the different review services. We will always recommend the service that we believe to be the most suitable. Costs are set out in the table below.

Ongoing Service	Details	Cost p.a. (Invested assets)	Minimum Fee p.a.
1. Full	A dedicated adviser providing full ongoing advice with at least one formal face-to-face review each year.	First £ 240,000 = 1.000% Next £ 510,000 = 0.750% Next £1,250,000 = 0.500% Above £2m = 0.250%	£2,400 per Family Group
2. Focused (Face to Face)	A dedicated adviser providing focused ongoing advice with one formal face-to-face review each year.	All funds = 0.875%	£1,200 per family Group. £720 per Workplace Groups.
3. Focused (Desk Based)	Desk-based team providing focused ongoing advice. One formal annual review by post, email or telephone.	All funds = 0.750%	£720 per Family Group. £240 per Workplace Groups.
4. Focused (Light Touch) <i>Not available to clients in drawdown, or for portfolios over £60,000.</i>	Desk-based team providing focused ongoing advice. One formal review every other year by post, email or telephone.	All funds = 0.500%	£360 per Family Group. £150 per Workplace Group
5. Reactive only	No formal review. Administrative support. Information and guidance on request.	All funds = 0.250%	£120

Customers may change their ongoing service level at any time and fees will be amended accordingly. Customers benefitting from focused reviews may also choose to have an ad hoc full review from time to time. This will be charged at the difference between the Full review rate and their current review rate.

Our ongoing services are explained in greater detail on the following pages.

1. HDA Full Review Service

You will be looked after by a dedicated adviser and his or her support team. We will deal with any administration of lump sum or regular investments, regular and/or ad hoc withdrawals. We will provide a full investment management service tailored to your requirements. We will keep all of your planning under review. This will include, as necessary:

- A review of all future objectives.
- An assessment of your investment profile.
- Income and expenditure analysis and projections.
- Protection planning.
- A review of assets and liabilities.
- Income tax and CGT planning.
- Retirement planning.
- Estate planning.

You will have at least one formal face to face review with your adviser each year. There is no additional charge for more regular reviews if these are necessary. Your adviser will respond promptly to emails and telephone calls. Your adviser will be proactive when legislative or economic change may impact your planning.

This is a comprehensive and highly personal, planning and investment management service. It is suitable for individuals and families with investable capital in excess of £250,000 who value ongoing professional advice.

2. HDA Focused (Face to Face) Review Service

You will be looked after by a dedicated adviser and his or her support team. We will deal with any administration of lump sum or regular investments, regular and/or ad hoc withdrawals. We will provide a full investment management service tailored to your requirements.

We will keep the market under review to ensure that your investment and/or pension plans remain fit for purpose. We will review your investment profile with you annually to ensure that invested funds are matched to your willingness to accept risk, to your investment timescales, and to your capacity to take risk. This will involve an appraisal of your circumstances and your overall financial position, but any advice that is not directly related to the plans we manage for you, will incur additional charges. We will always notify you before we carry out any work that is not covered by your review fee.

You will have one formal face to face review with your adviser each year. Your adviser will respond promptly to emails and telephone calls. Your adviser will be proactive when legislative or economic change may impact your planning.

This is a personal planning and investment management service, but unlike our full service, it is focused on a specific area of planning, rather than all areas. This service is suitable for individuals and families with at least £100,000 invested, who require ongoing advice in one particular area, but whose wider financial planning needs are minimal.

3. HDA Focused (Desk Based) Review Service

You will be looked after by our in-house Client Services Team rather than by a dedicated adviser. We will deal with any administration of lump sum or regular investments, regular and/or ad hoc withdrawals. We will provide a full investment management service tailored to your requirements.

We will keep the market under review to ensure that your investment and/or pension plans remain fit for purpose. We will review your investment profile with you **annually** to ensure that invested funds are matched to your willingness to accept risk, to your investment timescales, and to your capacity to take risk. This will involve an appraisal of your circumstances and your overall financial position, but any advice that is not directly related to the plans we manage for you, will incur additional charges. We will always notify you before we carry out any work that is not covered by your review fee.

Reviews will be carried out by email and by telephone. The service team will respond promptly to emails and telephone calls. The team will be proactive when legislative or economic change may impact your planning.

This is a planning and investment management service, but unlike our full service, it is focused on a specific area of planning, rather than all areas. This service is suitable for individuals and families with at least £60,000 invested, who require ongoing advice in one particular area, but whose wider financial planning needs are minimal.

This service is for customers who would rather pay a lower level of fees for a less personal service. If you would prefer to have a dedicated adviser, you should opt for our Focused (Face to Face) Review Service.

4. HDA Focused (Light Touch) Review Service

You will be looked after by our in-house Client Services Team rather than by a dedicated adviser. We will deal with any administration of lump sum or regular investments, regular and/or ad hoc withdrawals. We will provide a full investment management service tailored to your requirements.

We will keep the market under review to ensure that your investment and/or pension plans remain fit for purpose. We will review your investment profile with you **every other year** to ensure that invested funds are matched to your willingness to accept risk, to your investment timescales, and to your capacity to take risk. This will involve an appraisal of your circumstances and your overall financial position, but any advice that is not directly related to the plans we manage for you, will incur additional charges. We will always notify you before we carry out any work that is not covered by your review fee.

Reviews will be carried out by email and by telephone. The service team will respond promptly to emails and telephone calls. The team will be proactive when legislative or economic change may impact your planning.

This is a planning and investment management service, but unlike our full service, it is focused on a specific area of planning, rather than all areas. This service is suitable for individuals and families with at least £30,000 invested, who require ongoing advice in one particular area, but whose wider financial planning needs are minimal.

This service is for customers who would rather pay a lower level of fees for a less frequent and less personal service. If you would rather have an annual review, and/or a dedicated adviser, you should opt for our Focused “Face to Face” or “Desk-Based” Review Service.

5. HDA Reactive Service

The HDA Reactive Service is for customers who do not want or need a regular, formal review, but who want to be able to call on HDA as a trusted source of information and guidance. We will not provide a planning service or an investment management service.

We will not provide you with advice, but we give you access to our knowledge and experience, to help you make good decisions. We will respond to emails and telephone calls promptly.

If we feel that you do need advice rather than guidance, we will tell you. Any advice will be given in writing and will be chargeable but we will always notify you in advance.

Changing Your Service Option

Individual planning needs will change over time. Our service options are flexible. If you receive a Full Review Service but find that this is no longer necessary, you may ask to change to a Focused Review Service. Similarly, if you benefit from a Focused Review Service but find that you need a full review, this can be done on an ad hoc basis, or you can upgrade to our Full Review Service.

We will always do our best to ensure that you are receiving the level of service appropriate to your circumstances and needs.



☎ 01242 514563

✉ enquiries@hda-ifa.co.uk

🌐 www.hda-ifa.co.uk

Cheltenham office:

New Barn, Manor Farm Courtyard,
Southam Lane, Southam,
Cheltenham, GL52 3PB

Malvern office:

3 Nimrod House,
Sandys Road, Malvern,
Worcestershire, WR14 1JJ

HDA is the trading name of Hugh Davies Associates Limited which is authorised and regulated by the Financial Conduct Authority (Firm no. 125569). Registered in England No. 1998413.