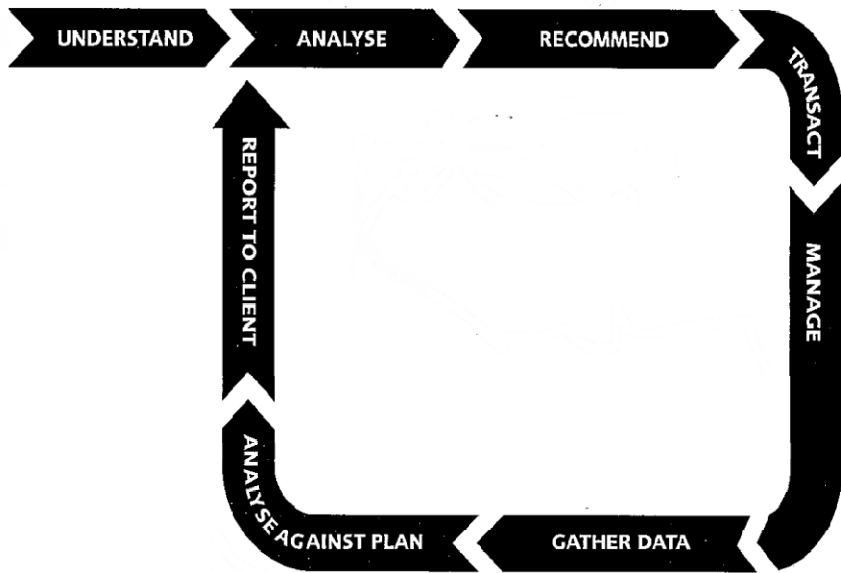




**Our Services, Advice Process and Costs**  
**Helping You Access Independent Financial Advice**

OUR ONGOING SERVICE PROCESS



## Introduction

The purpose of this document is to explain how any of the Anderson Lloyd LLP consultants can provide solutions that meet your financial aims and objectives. In the early pages we set out the three basic ways in which we can help and the costs associated with any of our services together with the possibility of ongoing service in future years.

We recommend you use this information to decide which of our services and payment methods best suits your requirements. We will discuss this with you at our first meeting to make sure that you fully appreciate what we offer and how you will benefit. Should you have any questions beforehand, or at any time, please do not hesitate to ask.

## Independent Advice and What It Means For You

Put simply, an Independent Financial Advisor is not a member of any of the large financial institutions be it Banks, Building Societies, Insurance Companies or Investment Houses. Consultants within any firm of Independent Financial Advisors are committed to provide a fair and unbiased advice to individuals, businesses and trusts on investment, savings, retirement planning, non –investment insurance ( for example Life Assurance, Private Medical Insurance, Critical Illness Cover) and Mortgages ( including equity release such as Lifetime Mortgages and Home Reversion Plans.

At Anderson Lloyd LLP, we recognise that clients require different levels of service which broadly fall into three categories as follows –

1. The use of our independence to research for specific products: No financial planning is involved and there is little ongoing service. Where products fall into the category of mortgages , equity release and non-investment insurance we have a separate document 'Key Facts About Our Services'
2. A thorough look at all aspects of individual or corporate finance: A full financial review with a resulting strategy, help in its implementation and regular reviews.
3. A full financial review with detailed ongoing service in investment, tax planning, estate planning over a number of years: A bespoke service involving regular monitoring of investment progress, re-balancing of portfolio to match attitude to risk and quarterly reviews.

For each of these levels of service we have provided a detailed list of what you can expect and what you will be charged. However, in all cases, we aim to provide all clients with clear financial direction. This is achieved by having a full understanding of your current financial position and aims and objectives through detailed discussion at our initial meeting which is always free of charge.

Whatever level of service you choose, we regard you as a 'retail' client, which means that you are afforded the highest level of protection under the regulatory system provided by the Financial Services Authority and the Financial Services Ombudsman Service.

Anderson Lloyd LLP is Authorised and Regulated by the Financial Services Authority from their headquarters at 25, The North Colonnade, Canary Wharf, London E14 5HS. You are able to check our details on their website [www.fsa.gov.uk](http://www.fsa.gov.uk) under our registration number 207597

## At Our Expense

As mentioned above, our **first meeting will be free of charge**.

The objective of the meeting is to have a general discussion of areas that you wish to seek advice on and to obtain some detail from you about your circumstances and objectives so that together we can determine which level of service you require

A key area for our consultants to discuss with you is your attitude to risk, and this will be determined both by independent questionnaire and general discussion, since we recognise that your attitude to risk will vary according to your objectives and any time frame for achievement of the objectives.

A full and frank discussion will close the meeting in respect of the cost of our services, since we will not undertake chargeable work before agreeing it with you.

## Cost of Services

### Introduction

There is a common misconception that if, as Independent Financial Advisors, we are paid commission by product providers that you, the client are not being charged for the advice

In that situation you **are** being charged indirectly – for the product provider's own costs and any advisor fees or charges (formerly commission) that is paid to the introducing firm. Clearly where investment and pensions are concerned this will have an effect upon future growth in the funds.

If fees or advisor charges (commission) are offered to us by any financial institution, we are obliged to fully disclose this to you. Shortly, however, financial institutions will be separating their charges from our charge for advice given and making it more transparent

In each of our three service levels mentioned above, you are able to choose between paying by fee (rather like paying for the advice from an accountant or solicitor) or by acknowledging that money will be deducted from your product in the form of advisor charges, or there may be circumstances whereby a combination of both fees and advisor charging is more cost effective.

As mentioned above we will not begin working on your behalf until we have agreed the method of payment

### Fee Structure

Our typical hourly fees are as follows:

Partner/Financial Advisor	£150 per hour
Financial Advisor	£150 per hour
Administration	£80 per hour

We will inform you if ever we have to pay VAT

At our initial discussion, you may ask us for an estimate on how much in total we might charge. You may also ask us not to exceed a given amount without checking with you first. Where you opt for a pure fee based advice service, any advisor charges that we receive will be refunded to you where allowable by the contract, or alternatively used to enhance your investment

### Example of Advisor Charging

So that you can make an informed decision about how you will pay for advice here some examples of advisor charging –

- You invest a lump sum of £10,000, in any form of investment and we would charge up to 4% initially (£400) and for ongoing work associated with the investment we would charge 1% of the fund each year (£100)
- You save £100 per annum into a pension plan. Providers will give us 53.4% of the first 12 month's payments £640.80 in the form of initial advisor charging and 1% of the fund each year
- You pay £100 per month into a whole of life insurance policy which has an investment element, then we would receive 135% of the first years premiums (£1620) in the form of initial advisor charges

### Commission Clawback on Regular Contributions

Commission paid by providers to Anderson Lloyd LLP on regular premium contracts as in the case of life insurance, critical illness, mortgage protection etc. is in effect a loan against premiums paid in the first 24-48 months. If you cease to pay the premiums this loan or a proportion of it will be reclaimed by the provider. **In this circumstance we reserve the right to reclaim this amount from you**

### Choose How We Can Help

As mentioned already there are three possible ways we can best provide a service to you

1. Independent Product Research
2. Financial Planning Review
3. Bespoke Wealth Management

The following chart will demonstrate what these mean in practice and what the likely charges are for each of the services available.

<u>Services Provided</u>	<u>Product Research</u>	<u>Financial Planning</u>	<u>Wealth Management</u>
Initial Free Meeting	✓	✓	✓
Instruction for specific product	✓	-	-
Full Financial Review	-	✓	✓
Inheritance Tax Planning Meeting	-	-	✓
Estate Planning Meeting (To include Will preparation)	-	-	✓
Preparation of Strategy Report	-	✓	✓
Whole of Market Research	✓	✓	✓
Recommendation Meeting	✓	✓	✓
Strategy Meeting and action planning	-	✓	✓
Three monthly valuations	-	-	✓
Six monthly meetings	-	-	✓
Regular re-balancing of pension and investment funds	-	✓	✓
Annual Review Meetings	✓	✓	✓
Telephone Access to Advisor	✓	✓	✓
Email Access to Advisor	✓	✓	✓
Processing of contracts and liaising with providers	✓	✓	✓
Production of Reports and discussion documents	-	✓	✓
Trust Documentation	✓	✓	✓
Posted Annual Portfolio Valuation Service	-	✓	✓
Online Access to Portfolio	✓	✓	✓
Monthly newsletter	-	✓	✓
Seminar Invitations	-	✓	✓
<u>COSTS:</u> Initial Work	Hourly Fee or initial advisor charge	Hourly Fee or initial advisor charge	Hourly Fee or initial advisor charge
Ongoing Work	Hourly Fee or 0.5% fund based charge	1% fund based advisor charge for regular reviews	Monthly retaining fee £100 or 1% fund based charge for regular reviews.

## **Protecting Our Client Relationship**

We would like to reassure you that we take all measures to make sure that there can be no misunderstanding between us and our clients, and so the following paragraphs demonstrate the measures that are in place for the protection of your interests.

## **Protecting Your Money**

**Anderson Lloyd LLP** does not handle clients' money. We never handle cash or accept a cheque made payable to us, unless the cheque is in settlement of charges for which we have sent you an invoice.

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

We will forward you all documents showing ownership of your investments as soon as practicable after we receive them, where a number of documents are due involving a series of transactions, we normally hold each document until the series is complete, then forward them to you.

## **Honouring Your Rights**

### **Your Right to Change Your Mind:**

We respect your right to change your mind, and wherever we transact some business for you we will inform you of the 'cooling off' period applicable. There may be occasions where providers do not grant you these rights and we will explain this to you before we go ahead on your behalf.

### **Your Right to Complain:**

If we give you cause to complain either because you feel that you have not been treated fairly or our service has been lacking please write to **Anderson Lloyd LLP, 10 Strangways Terrace, Truro, Cornwall, TR1 2NY** or telephone **01872 261800**.

If you are not satisfied with our response to your complaint, you are entitled to refer it to the Financial Ombudsman Service and we will provide you with the address.

### **Your Right to Compensation:**

If we are unable to compensate you fully following a complaint, please be assured that we are covered by the Financial Services Compensation scheme (FSCS).

This is dependent upon the type of business and the circumstances of the claim, but an example of the cover provided is as follows:

- Most types of investment business are covered by 100% of the first £50,000 per institution.
- Insurance advising and arranging is covered for 90% of the claim with no upper limit.

### **Your Right to Have Your Data Protected:**

We are required to ask for a lot of information and where we help you buy a product or apply for a loan we will need to pass some of the information to providers.

Where this is the case, we will take responsible steps to ensure the privacy of your information. We are registered with the correct authorities following the various Data Protection Acts and we take steps to ensure that all client information is safeguarded. We are constantly reviewing data security.

If at any time you wish for us, or any company associated with us, to cease processing your personal data or sensitive personal data, or contacting you for marketing purposes, please contact The Data Protection Officer on **01872 261800**, or in writing at **Anderson Lloyd LLP, 10 Strangways Terrace, Truro, Cornwall, TR1 2NY**.

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 or destruction or damage to the data.

# Anderson Lloyd LLP

## Declaration & Client Agreement

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

This client agreement is governed by, and shall be construed in accordance with, **English/Scottish/Northern Ireland Law**, and the parties shall submit to the exclusive jurisdiction of the **English/Scottish/Northern Ireland Courts**.

Anderson Lloyd 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.

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.

Please tick this box if you do not consent to us, or any company associated with us, processing any such sensitive data.

Please tick this box if you do not wish for us, or any company associated with us, to contact you for marketing purposes by e-mail, telephone, post or SMS.

### I have chosen the following level of service:

<input type="checkbox"/>	Product Research	Paid for by Fees/ Advisor Charging from product
<input type="checkbox"/>	Financial Planning Review	Paid for by Fees/Advisor Charging from any product
<input type="checkbox"/>	Bespoke Wealth Management	Paid for by Fees/Advisor Charging / Retainer

<b>Customer Name(s)</b>		
<b>Customer Signature(s)</b>		
<b>Date of Issue</b>		
<b>Issued By</b>		On behalf of <b>Anderson Lloyd LLP</b>