



What we do & how we charge

We are a financial planning business, focused on helping you understand and plan for your financial future. This information is designed to give you an idea of:

- **What we do and how we do it (our services)**
- **What it's likely to cost and how you can pay us**

More detailed information is in our separate document entitled either Foundation Advisory Service, Professional Financial Planning Service, Premier Financial Planning Service or Premier Corporate Financial Planning Service which will be available to you at the time of our first meeting.

This document provides details about our services to you and how we charge, so it's important that you read it fully. If there is something you don't understand please ask us to explain it.

Our services

Whatever financial decisions you have to make, the first step towards making the right decisions is to establish a clear understanding of your financial needs.

People seek financial advice for many different reasons so it's important that we understand exactly who you are and what you want to achieve. At our first meeting we'll gather information about you to help define your needs and priorities.

Our services include:

- **Financial planning:** It's important to identify what you might want to achieve and how you can do this. We can help you to identify your goals and create a plan for your finances to help you achieve them.
- **Retirement planning:** It's important to know whether the money you are saving towards retirement will provide you with sufficient funds to meet your retirement objectives. We can work with you to proactively plan for your retirement and help you decide on the options available once at retirement.
- **Protection planning:** Most of us want to protect the things that are important to us, our family, business and quality of life. Protection planning can help to provide peace of mind in the event of your income changing due to unexpected events. We can help you plan for the best way to protect you, your family or your business.
- **Mortgage advice:** Whether you're buying your first home, moving home or looking to re-mortgage, our mortgage services are designed to provide you with the best mortgage solution for your needs.

We'll only start work once we have agreed our services and charges with you. We'll give you a copy of our **Client Agreement – Investment Mortgage and Protection (terms and conditions)** which will set out the services we have agreed to provide and confirm how much this will cost.

Our advice

We offer **independent** investment advice.

- We will be providing a broad and general advice service and occasionally will need to provide advice which due to your specific instructions focus on particular areas of financial planning
- During our product selection we take into consideration the specific risks of the product to you along with the specific costs and the complexity of that product and whether overall it is suitable to meet your financial needs and requirements.

We offer **independent** investment advice. This means that we consider a wide range of financial strategies and products. We are constantly reviewing the market to ensure that the services and products we offer are appropriate for our clients.

Where we recommend particular investment strategies and products to you, these will be selected based on your personal circumstances, financial goals and objectives. We'll consider a number of factors, including the services you need, the cost of investing, how much risk you are prepared to accept in an investment product and how much of a drop in its value you could withstand.

The areas we can advise on include:

- Life assurance
- Investment bonds
- Pensions
- Annuities
- Phased retirement & income drawdown
- Long term care
- Term assurance
- Critical illness cover
- Income protection
- Unit trusts
- Open ended investment companies
- ISAs
- Structured deposits
- Investment trusts
- Exchange traded funds
- Enterprise investment schemes
- Venture capital trusts
- Structured products

We don't provide advice in relation to individual share holdings. If this is something you need assistance with, we can refer you to a stockbroker.

We don't provide advice on options, futures and other derivative contracts as we believe that these are unlikely to be suitable for our clients

Our services may also include advice on investments relating to Unregulated Collective Investment Schemes (UCIS). Accordingly, you should carefully consider whether such investments are suitable for you in light of your personal circumstances and the financial resources available to you. We will not arrange transactions to purchase UCIS.

For further details please refer to our client services agreement.

Protection Planning

Non-investment protection contracts - we offer advice regarding non-investment protection products such as term assurance, income protection and critical illness from a range of insurers. We will provide you with advice and arrange the contract on your behalf after an assessment of your personal needs circumstances

General Insurance Contracts - we offer accident, sickness & unemployment (ASU) from a range of insurers and offer private medical insurance products from a set number of providers. We will provide you with advice and arrange the contract on your behalf after we have assessed your demands and needs for a particular type of insurance.

Mortgage advice

We advise on mortgages for business and non-business purposes and first charge and second charge loans. We advise on a comprehensive range of mortgages from across the market, but not deals that you can only obtain by going direct to a lender. Our advice will be based on the most suitable mortgage product included within the range available to intermediary firms.

Alternative finance options

You should note that where we provide services in relation to increased borrowing on an existing mortgaged property there may be alternative options available to you that may be more appropriate. For example:

- You may be able to obtain a further advance from your existing lender, or obtain an unsecured loan for the additional funds.
- Where your existing mortgage is a first charge against the property, a second charge mortgage may be available and
- Where your existing mortgage is a second charge a first charge loan may be available.

Our charges

The way we are paid for our services may depend on the type of advice given. Typically this will be:

- **Investment business:** fees agreed and paid by you
- **Insurance business:** fees agreed and paid by you or commission payable by the insurance provider, which is a percentage of the total annual premium
- **Mortgage business:** fees paid by the lender and / or fees agreed and paid by you

More details on these options and how they are paid is found in the following sections on initial and ongoing charges.

Our charges fall into the following categories:

- Initial charges:** these are the upfront costs of our services. We offer several types of initial service depending on your needs.
- Ongoing charges:** once your financial plan is in place it is important to keep it under review so it can be adapted, where necessary, as your circumstances change. Our ongoing services are designed to do this.

Our actual charges and fees (in pounds and pence) will be agreed with you before we do any work and we'll explain your payment options too. We'll also let you know where any fees are subject to VAT.

Initial charges

Service description	Charges
Investment and Retirement Planning <ul style="list-style-type: none"> • An initial meeting to find out more about you (we don't charge for this initial meeting) • Agreeing your financial goals and objectives • Establishing your attitude to and understanding of risks • Reviewing your current plans, investment and assets • Undertaking research to identify appropriate 	<p>Our charge is up to 7% of any funds invested/transferred.</p> <p>Here are some examples of how our charges could apply:</p> <ul style="list-style-type: none"> • If you invested £50,000 our fee would be up to 7% of £50,000 = £3,500 • If you invested £100,000 our fee would be up to 7% of £100,000 = £7,000 • If you invested £500,000 our fee

<p>plans and solutions</p> <ul style="list-style-type: none"> • Assessing the potential impact of key events on your plans (cash flow modelling) • Providing a personalised report and recommendations • A face to face meeting to discuss our recommendations • Implementation of agreed recommendations 	<p>would be up to 7% of £500,000 = £35,000</p>
<p>Protection Planning</p> <p>Services are the same as ‘Investment and Retirement Planning’, but with a focus on protection advice</p>	<p>We charge a minimum fee of £500.</p> <p>Where we are paid by commission we’ll tell you the amount before we carry out any business for you. Any commission we receive from the product provider will be retained by us.</p> <p>Here’s an example of our average charges:</p> <ul style="list-style-type: none"> • Initial fee paid to us = £500 • Commission from provider = £350 • Total paid to us = £850
<p>Mortgage Planning</p> <p>Services are the same as ‘Investment and Retirement Planning’, but with a focus on mortgage advice</p>	<p>Our charge for our mortgage services is £500, payable on completion of the application.</p> <p>We will receive and retain commission from the mortgage lender, which will be disclosed on the key facts illustration or European Standardised Information Sheet (ESIS) you will receive in relation to your recommended mortgage.</p> <p>Here’s an example of our charges:</p> <ul style="list-style-type: none"> • For a mortgage of £100,000 our fee will be £500 (our minimum fee) • Commission from lender = £400 • £500 + £400 = £900
<p>Payment options</p>	
<p>Initial charges can be paid in a number of ways:</p> <ul style="list-style-type: none"> • You can pay our adviser charges by cheque, standing order or direct debit instruction; such payments are to be made to our parent organisation ‘pi financial ltd’. We do not accept payments by cash. Our charges will become payable on completion of our work and should be settled within 28 business days. You will be provided with a receipt upon payment. • Investment Business: Payment via deductions from the financial product(s) you invest in or (if relevant) deductions from the amount invested with a Discretionary Fund Manager (DFM). Most product providers / DFMs offer this facility but using it will reduce the amount you have left to invest and may, depending on your circumstances, have other consequences (we’ll discuss this with you beforehand). <p>For investments held on a platform (an online investment administration service) you may choose to pay our charges out of the funds held in the platform cash account, although it’s important to maintain sufficient funds in the account to cover our charges as they become payable.</p> <p>If, as a result of our recommendations, you take out a regular contribution product where</p>	

investments are made on a monthly, quarterly or annual basis), it may be possible to have our initial charges deducted from the product in instalments (where the provider is able to offer this facility). In such cases, our normal approach will be for the payment to be spread over a maximum of 12 months. Here's an example to show how this could work based on a £1,000 per month policy:

- The initial charge for our service **£1,200**.
- The monthly charge over 12 months is **£1,200** divided by 12 = **£100**.
- Each month you pay your product premium £1,000 but for the first 12 months your product provider pays us **£100** of that **£1,000**.
- For the first 12 months - **£900.00** is invested / **£100** pays our charge.

- **Mortgage Business:**

(1) We charge a fee of £500.00 for providing advice and submitting your mortgage application. This fee becomes payable on completion of the application.

(2) We will receive and retain a commission from the lender when your mortgage completes. This amount will be confirmed by the lender in their disclosure document.

- **Protection Business:** You can pay for our advised protection services by fee and commission. In relation to non-investment protection contracts, our minimum fee is £500. Any commission we receive will be retained by us. Where we are paid commission we will tell you the amount before we carry out any business for you.

In some limited circumstances (for protection planning only) we may receive commission from a product provider in relation to an insurance product we have arranged for you. The amount of commission is a percentage of the total annual premium and we'll tell you the amount before we carry out business for you.

Ongoing charges

Our ongoing services are optional. If you agree to purchase an ongoing service, unless otherwise agreed, the service will be provided as a follow up to the initial service.

Ongoing service	Ongoing charges
<ul style="list-style-type: none"> ● An annual face to face or telephone meeting (your choice) with your adviser ● A review of your financial goals and objectives ● An up to date valuation of your current investments ● A review of how your investments are invested ● Assessing the potential impact of key events on your plans (cash flow modelling) ● Implementation of agreed changes ● A report setting out the results of the review and confirming any changes made ● Access to our client team who will respond and deal with ad hoc queries 	<p>Our annual ongoing charge for this service is up to 1% of the total market value of the investments funds that we manage on your behalf subject to a minimum fee of £500 per annum.</p> <p>The review will be conducted annually and in person unless a more frequent review is required.</p> <ul style="list-style-type: none"> ● For a fund of £50,000 our fee would be our minimum fee = £500 ● For a fund of £100,000 our fee would be up to 1.00% of £100,000 = £1,000 per annum ● For a fund of £500,000 our fee would be up to 1.00% of £500,000 = £5,000 per annum

Payment options

Ongoing charges can be paid in a number of ways:

- A regular fee, paid by standing order
- By deduction from your investment(s) on a monthly, quarterly, six-monthly or annual basis, where the product / platform provider or DFM is able to offer this facility
- For investments held on a platform (an online investment administration service) you may choose to pay our charges out of the funds held in the platform cash account, although it's important to maintain sufficient funds in the account to cover our charges as they become payable.

Other charges

Depending on the services we provide, there may be costs and charges (including taxes), not charged by us, but related to the financial products we arrange for you. These charges may be one-off charges (payable up front) or charges payable on an ongoing basis. For example:

- **Service costs:** If your investments are held on a platform (an online investment administration service) or held with a DFM, the platform provider / DFM will make a charge for administering / managing your investments.
- **Investment costs:** These are the costs relating to the manufacturing and managing of your investments – for example, fees charged by the investment fund manager, costs relating to investment transactions.
- **Mortgage costs:** There may be additional costs and charges related to the mortgage product we recommend. You'll receive a Key Facts Illustration / European Standardised Information Sheet when considering a particular mortgage which will tell you about any fees relating to it.

If we charge you a fee but your mortgage does **not** go ahead, you will receive:

- No refund if we have carried out credit searches/research/ product options and sourced a suitable provider.
- We'll always disclose any third party costs as part of making our recommendations.

Aggregated costs and charges

Before we provide you with our advice we will add together all the costs and charges payable so that you are able to understand the overall costs of our services and recommendations. This is referred to as aggregated costs and charges information.

Date of issue	
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Client name(s):	
Client signature(s):	
Date:	

Signed on behalf of Stonebridge Financial Management Ltd

Adviser name	
Adviser signature:	
Date:	