



Kingsbridge

Wealth Management

Service Proposition

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1. Our Approach

Many individuals, families and even companies have aspirations and goals. It is really important that we understand what these are so we can plan to help you achieve these.

“He who fails to plan is planning to fail”

Sir Winston Churchill

Working with a Chartered Financial Planner can be extremely rewarding and valuable for you and your family. Financial planning is a very personal matter and no two people have identical circumstances and ambitions. What is more, needs often change over time and everyone’s financial situation is different. The financial plan we produce for you is also unique and individually tailored to suit you.

As Independent Financial Advisers we use our knowledge, experience and expertise to select the most suitable products and investments from the available market to deliver your financial plan and take the worry away from you.

Our ongoing service is personal to you and ensures that we keep your goals at the front of your financial planning. We will work with you to review your plans and investments so that we can focus on achieving your retirement and financial aspirations.

Summary of Financial Planning Process:



a) Initial Meeting/Consultation

At our first meeting/initial communication, we will need to fully understand your finances and wider circumstances in order to ensure we can make appropriate recommendations. This is at our cost but we do ask that any initial and ongoing fees (where they are known) are agreed to at this meeting. Should a client want to consider the fees in their own time they are welcome to do so but our work will not commence until our fee agreement has been signed and returned.

During the initial meeting/correspondence we will:

- Give you a business card and explain our status as an Independent Financial Adviser.
- Discuss how we are paid for our services, the scope of advice you require and the level and frequency of on-going service you wish to select.
- Provide you with our Service Proposition, Customer Privacy Notice & Client Agreement documents.
- Complete any Fee Agreements.
- Assess your current position, needs and objectives by completing our “Fact-Find”.
- Assess your attitude and understanding of “Risk”.
- Establish any timescales for investment and planning.
- Complete any “Letters of Authority” for any existing arrangements you have.
- Agree an action plan in advance of a second meeting.

b) Development of a Financial Plan

How we develop a financial plan specifically for you:

- Identify your needs and objectives.
- Gather detailed financial information about you to give a comprehensive picture of your finances and commitments.
- Agree your risk profile and capacity for investment risk.
- Prepare analysis and research on your existing financial position and identify areas where it is felt they could be structured more effectively.
- Compile a financial plan which is tailored to your circumstances.
- Agree an implementation strategy with you.

c) Our Subsequent Meeting(s)

At our subsequent meeting(s)/communication(s) we will:

- Confirm the details we obtained previously remain correct.
- Confirm that the objectives we discussed previously remain correct.
- Explain any financial planning report we have prepared for you, including.
 - The research we have carried out.
 - The terms and conditions applicable to our recommendation(s).
 - The costs, benefits and risks.
- Explain how we arrived at the recommendation(s).
- Confirm any cancellation periods.

Any recommendations will be presented in a "Suitability Letter", confirming why we have made them and how they will meet your needs. It is usual that we issue this in advance of our meeting to give you time to review the detail and consider any questions you may want to raise.

d) Arranging & Implementing our Recommendation(s)

Once you are happy and you have understood the benefits, risks and costs associated with our recommendation(s) then we will establish whether you wish to proceed.

Should you instruct us to proceed with any of our recommendations we will act for you in the following ways:

- Assist you in completing any applications necessary to implement the recommendations.
- Arrange the recommended solution on your behalf.
- Provide regular updates to keep you informed of progress.

e) Ongoing Service & Review

We will agree the most appropriate frequency, basis and structure of our review with you.

2. How we Charge for our Services

2.1 Initial Meeting/Consultation

We provide you with an initial consultation free of charge. This helps us to understand your financial objectives and will confirm how we can support you in working towards these. We will also discuss the cost, and levels, of our services both initially and throughout our relationship with you.

2.2 Development of a Financial Plan

Our fee for developing a Financial plan is based on our hourly rate, as follows;

Adviser / Administrator	Hourly Rate
Chartered Financial Planner/Director	£200/hour
Administrator	£50/hour

We will estimate how many hours we expect each piece of work to take and we will agree the fee with you before we begin work on your behalf. For example;

You ask us to organise a tax free cash payment and ongoing income from your pension plan. We estimate that; reviewing the existing plan, calculating the most appropriate way to release the funds and providing a comprehensive written report will take 2 hours of Administrator time and 7 hours of Chartered Financial Planner work. **We agree a fee of £1,500** (based on; 2 hours at £50/hr plus 7 hours at £200/hr).

You ask us to review 3 existing pension plans. We estimate that; obtaining information on the existing plans, reviewing the existing plans, researching a new solution(s) and providing a comprehensive written plan will take 4 hours of Administrator time and 9 hours of Chartered Financial Planner work. **We agree a fee of £2,000** (based on; 4 hours at £50/hr plus 9 hours at £200/hr).

You ask us to provide you with advice on how to mitigate Inheritance Tax (IHT) on your estate. We estimate that; reviewing your current position, researching solutions to mitigate IHT and providing a recommendation on the most suitable way to reduce your IHT liability will take 2 hours of Administrator time and 12 hours of Chartered Financial Planner work. **We agree a fee of £2,500** (based on; 2 hours at £50/hr plus 12 hours at £200/hr)

Important Note: *If you proceed with our recommendation then this fee for the development of the Financial Plan will be waived and the Arranging and Implementing Fee (see overleaf) will apply, subject in all cases to the agreed or minimum Financial Plan fee being met. If you decide not to proceed with our recommendation(s) then the fee for the development of the Financial Plan will be invoiced to you for payment.*

2.3 Arranging & Implementing our Recommendation(s)

Our fee for this part of the service is based on a percentage of the amount of the funds invested or transferred, as detailed below. This fee includes the costs of the development of the Financial Plan, subject to a minimum fee of £1,500, or the time/cost fee incurred for the development of the Financial Plan, if higher.

Sliding scale	Fee
First £500,000	2%
Next £500,000	1%
Balance over £1,000,000	0.25%

For example;

Single Premium Investments:

Examples:

1. If we arrange or transfer investments on your behalf totalling £50,000, our Arrangement & Implementation fee would be £1,000 (2% of £50,000). This is less than the minimum fee for the development of your financial plan so the total fee payable would be £1,500.
2. If we arrange or transfer investments on your behalf totalling £300,000, our Arrangement & Implementation fee would be £6,000 (2% of £300,000). As this exceeds the development of your financial plan fee no other charges would be applied. The total fee payable would be £6,000.
3. If we arrange or transfer investments on your behalf totalling £750,000 our Arrangement & Implementation fee would be £12,500 (2% of £500,000 + 1% of £250,000). As this exceeds the development of your financial plan fee no other charges would be applied. The total fee payable would be £12,500.

In all cases you can choose how the Arrangement & Implementation fee is paid, as either;

i. Facilitated from Investment:

On establishment of the investment/transfer, the recommended provider can facilitate the payment of our fee by making a deduction from the amount invested.

Note: Fees paid from the investment will reduce the amount invested into the recommended plan.

ii. Direct Fee Payment:

You can pay the fee to us directly, for example by cheque. No fees will be collected via the recommended investment/provider. If you choose this option, payment must be made in full within 30 days of issue.

Monthly Premium Investments:

Our charge for implementing a regular contribution savings or investment plan is 50% of the first year's contributions. Again, we will waive our Financial Plan fee by the same amount. You can pay this under either of the two options listed below:

Option 1: Direct Payment

You can pay this directly on commencement of the policy. Examples:

1. If your monthly contribution is **£100** our Arrangement & Implementation fee would be £600. As this is less than the Financial Plan fee of £1,500 we would charge you an additional £900 as the balance. The total fee payable would be **£1,500**.
2. If your monthly contribution is **£500** our Arrangement & Implementation fee would be £3,000. As this exceeds the Financial Plan fee no other charges would be applied. The total fee payable would be **£3,000**.

Option 2: Facilitated through the investment plan

You can facilitate the implementation fee through your policy. Examples:

1. For monthly contributions under **£250**, 50% of the first year's contributions would be less than our minimum fee of £1,500. 11 payments of 50% of each monthly contribution will be deducted from month 2 to month 12, and the balance will be paid directly by you at the start of your policy, to bring the total fee payable to **£1,500** (please see example below).
2. If your monthly contribution is **£100** our implementation fee would be £600 (£100 x 12 x 50%). This will be collected by deducting £50 (£100 x 50%) from each monthly contribution for months 2 to 12 (11 x £50 = £550). As this is less than the Financial Plan of £1,500, we would charge you the balance of £950 by direct payment, at the start of your policy. The total fee payable would be **£1,500**.

For monthly contributions of £250 and over, the payment will be deducted proportionally from each monthly contribution during the first year. Example:

3. If your monthly contribution is **£500** our implementation fee would be £3,000. This will be collected by deducting £250 from each monthly contribution for the first 12 months. As this exceeds the Financial Plan fee no other charges would be applied. The total fee payable would be **£3,000**.

Should you decide to pay this charge through your policy and payments to the policy subsequently cease, we will calculate the total payments received to date and charge you the balance against the Financial Plan fee.

Example:

4. If you invest **£100pm** our total charge will be **£600**. We will deduct £50 from each monthly contribution until paid in full. Should payments cease after month 6 (and £300 has been collected) the difference will be charged to you i.e. **£1,200** (the Financial Plan fee of £1,500 less £300).

2.4 Costs for Non-Investment Protection

Where we make a recommendation for Protection (e.g. life cover) then, similar to our investment services above, we will provide you with a Financial Plan prior to making our recommendation(s) to you. Should you accept our recommendation(s) we will arrange the implementation of this/these for you. The reasons for our recommendations will also be provided to you in a written report.

Protection products (insurance based) will normally pay a commission to us from the policy provider. If a recommendation is made which gives rise to a commission payment, in addition to other solutions, then any commission received will be in addition to the Implementation Fee. Alternatively, an exact fee equivalent to the commission payable can be paid by yourself.

2.5 Costs for Structured Deposits

If we arrange a structured deposit, we will receive a commission payment from the provider. The commission paid will be a % of the amount you invest. For example, if you invest £10,000 and the commission is 3%, we would receive £300 from the provider.

2.6 Ongoing Service & Review

We believe it is important that we work with our clients on a long term basis and review and develop their plan(s) as their personal and financial circumstances change through life events, such as marriage, children's school fees, retirement and estate (inheritance tax) planning. We will discuss the full range of our on-going services during our initial consultation. You will see from the table on page 9 that we have developed a range of services that cater for different client circumstances.

Whilst our Transactional Service does not offer the benefit of ongoing reviews, our Wealth Premium, Wealth Management and Financial Planning services offer you a number of review options which are outlined in the table. These services include, but are not limited to, providing you with:

- structured reviews to give you peace of mind.
- an assessment of your circumstances and any required changes to your plans.
- regular updates and information regarding your pensions and investments.
- a choice of differing levels of support depending on your needs.
- ongoing support in helping you with any correspondence and administration issues.
- An investment solution that meets your ongoing requirements. This may be:
 - investment advice provided by Kingsbridge Wealth Management, where we will structure and review the underlying investments, as well as your financial plans, at our review meetings, or
 - investments being outsourced to a Discretionary Fund Manager (DFM) where we will review the suitability of the investment portfolio and risk structure, as well as your financial plans, at our review meetings.

Notes relating to ongoing fees under the Wealth Premium, Wealth Management and Financial Planning service models:

As you will see from the table overleaf, a client with £600,000 of investments under review will be charged 0.60% (i.e. £3,600pa) where Kingsbridge Wealth Management provide ongoing financial advisory and investment advice. If the investment management is undertaken by a Discretionary Fund Manager where they undertake capital gains tax (CGT) and interspousal transfer or other tax planning, then the fee will be reduced to 0.40% (i.e. £2,400pa) to take account of our reduced work. **[Note:** if you choose our Wealth Premium, Wealth Management or Financial Planning services then a minimum fee will apply].

The payment frequency of ongoing fees will depend on the provider selected. Whilst some providers pay fees monthly our general approach is for quarterly payments, unless agreed with you otherwise, and be effective from the date we take over an existing agency or the date the funds are invested/transferred. As with our initial fees, the ongoing fees can be facilitated from the product or be paid for directly by yourself.

As fund values will increase or decrease, it may be that an ongoing fee rate could move into the band above or below. This will be assessed and any change will be discussed and agreed with you at our review meeting, prior to any changes being implemented. We may pro-rata any rate change, so as to reduce the impact of any increase or decrease.

Service Level	Wealth Premium	Wealth Management	Financial Planning	Transactional
Review Meeting Frequency	6-Monthly	Annually	Annually	n/a
Review Meeting <ul style="list-style-type: none"> – Review of Objectives – Review of Risk Profile – Review of Asset Allocation (where required) – Review of inv. suitability (where DFM appointed) – Review of Tax changes 	✓	✓	✓	
Annual Valuation	✓	✓	✓	
Ongoing Tax planning	✓	✓	✓	
Estate Planning	✓	✓	✓	
Ongoing access to your adviser	✓	✓	✓	
Ongoing access to support team	✓	✓	✓	
Quarterly Newsletters	✓	✓	✓	
Budget Statement review newsletter	✓	✓	✓	
Keeping you up to date with current legislation and tax changes	✓	✓	✓	
Ad-hoc meetings by agreement	✓	✓		
Top ups to existing investment included in annual fee	✓	✓		
Liaising with other professionals	✓	✓		
Cashflow Planning (where relevant)	✓			
Minimum Annual fee	£5,000	£2,500	£1,750	n/a
Annual fee based on total value of your investments under review	✓	✓	✓	n/a
Up to £250,000	1%	1%	1%	
Between £250,000 and 500,000	0.75%	0.75%	0.75%	
Between £500,000 and £1m	0.6%	0.6%	0.6%	
Between £1m and £2m	0.5%	0.5%	0.5%	
Over £2m	0.4%	0.4%	0.4%	
Investment management undertaken by a DFM* - standard fee reduced by 1/3rd to:	✓	✓	✓	n/a
Up to £250,000	0.67%	0.67%	0.67%	
Between £250,000 and 500,000	0.50%	0.50%	0.50%	
Between £500,000 and £1m	0.40%	0.40%	0.40%	
Between £1m and £2m	0.33%	0.33%	0.33%	
Over £2m	0.27%	0.27%	0.27%	

*Where the DFM undertakes CGT and other interspousal or tax planning



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