

Beckford · James

chartered financial planners

Beckford James Service & Fee Agreement

This engagement is supplementary to (and should be read in conjunction with) our **Terms of Business** and sets out the basis on which we charge for our services.

We recognise that all our clients have different financial needs and objectives and we will build an appropriate plan.

In order to clarify the expectations of all parties and to provide transparency of charges we set out in this document the services available and associated costs. Please feel free to contact us if you wish to discuss any aspect of these terms.

The Financial Planning Process

There are typically six stages to the financial planning process, each of which is separately costed, although the initial consultation is at our cost:

1. Initial consultation
2. Financial Review
3. Market Analysis and Research
4. Financial Recommendation
5. Product arrangement and implementation
6. Review – ongoing care and advice through our ongoing management service

1. Initial consultation

We provide you with an initial consultation at no charge to you. 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. Financial Review and Recommendation

This can be a continuation from the initial discussion, where agreed, or by further appointment. We will carry out an extensive assessment of your personal and financial circumstances at the outset to establish your financial planning requirements.

This will include:

- gathering of information about your existing financial arrangements and full personal circumstances;
- understanding of your investment knowledge and attitude and tolerance towards investment risk;
- understanding your investment goals and objectives

We normally make no charge for our initial review (by agreement), where this relates simply to gathering information about your existing financial arrangements. There is however, a minimum fee of £500 (+ vat) payable for us to provide a written report containing our findings to you. This fee will be waived wholly or in part should you decide to implement any of our recommendations.

3. Market Analysis and Research

This is designed to include (where appropriate):

- analysis of your existing plans and assessment of these against charges, performance and appropriateness in terms of your objectives.
- recommendation of an asset allocation model that matches your risk profile and the subsequent assessment and suitability of any existing holdings;
- analysis of the whole of market to assess the most appropriate funds or products and tax wrappers to meet your asset allocated risk profile and stated objectives

4. Financial Recommendation

- recommendation of an asset allocation model that matches your risk profile and the subsequent assessment and suitability of any existing holdings;
- preparing our recommendations to you;
- preparation of a suitability report detailing how the recommendations meet your stated goals and attitude to risk
- arranging a further appointment to explain and discuss our recommendations in detail, if required.

When you receive our report/financial plan it will be your decision whether to implement our recommendations either completely or in part.

5. Policy Arrangement & Implementation

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

- handle all fund and policy administration on your behalf;
- provide regular updates to keep you informed of progress;
- ensure all your documents are issued in line with your expectations;
- provide confirmation of all actions taken on your behalf in writing.

6. Reviews – Ongoing care and advice through our ongoing Management Service.

Your financial objectives may change over time due to changes in your lifestyle or circumstances. We believe it is essential to ensure that your portfolio continues to meet your lifestyle and investment objectives. Our ongoing review and management service offers:

- structured reviews, as required, to give you piece of mind
- assessment of your current circumstances and any changes to your plans that are needed
- regular updates and information regarding your holdings
- a choice of differing levels of support depending on your needs
- ongoing support with correspondence and administration issues

We recognise that all clients do not have the same service requirements therefore even though we do provide a guideline by way of our bandings you are free to choose the level of service that best suits your needs. Our charges are guaranteed not to increase within the first 12 months of your contract with us. Should we need to increase our charges after this period, you will be given notice of this fact and the opportunity to decide whether to continue with the revised level of charges. It should be noted that it is not compulsory for you to sign up to one of our ongoing services and we do offer a transactional only service which has no ongoing charge but does provide limited characteristics.

We will agree the level of ongoing services at the time of, or prior to, making our recommendation(s) to you. Typically our costs are 1% per annum (but may be lower for group or large portfolios) and are based on the value of your investment(s) and are paid pro-rata in arrears on a monthly, quarterly, half yearly or annual basis as agreed.

Therefore, if the value of your investment(s) totalled £30,000 our yearly fees would typically be £300. The amount you pay will fluctuate with the value of your investment; if your investment increases in value the amount you pay us will also increase and if your investment falls in value the amount you pay us will reduce. Any change to the level of services throughout this agreement will result in pro-rata charge being applied.

When the level of on-going services has been agreed these are deemed to commence immediately. You can choose to cancel this at any time by providing us with written confirmation of your decision. Payments would then cease within 7 business days or after collection of any due proportion of any period charges if later.

The charges listed above can be deducted from your investments or paid directly by you. You should note that when paid through the investments it may reduce your personal tax thresholds and/or exemption levels. Where this happens we will discuss it with you and confirm it in your personal recommendation report.

VAT

Under current legislation our services are not subject to VAT where this is in regard to the intermediation of a Vat exempt product as defined by the HMRC. For all other work Vat is chargeable at the standard rate.

Our fees for our ongoing management service as well as the services we provide are set out in the table overleaf.

SERVICE LEVEL	Full Advisory or Discretionary ³	Limited Advisory	Legacy	Transactional or Execution only
Annual statement of holdings (from us or manger)	✓	✓	✓	
Access to our support team	✓	✓	✓	✓
Professional expertise and governance embedded into our investment processes	✓ ³	✓	✓	
Monthly Monitoring of Advisory Portfolio funds or Regular Monitoring of Discretionary Managers	✓	o		
Annual Monitoring of Portfolio managers or funds		✓	✓	

1.

Quarterly Portfolio Rebalancing	✓ ³	0		
Six Monthly Portfolio Rebalancing	0	0		
Annual Portfolio Rebalancing	0	0	✓	
Access to Online Valuations	✓ ³	0	✓ ²	
Ongoing access to your adviser	✓	✓	✓	
Regular Newsletters or Investment Bulletins	✓	✓	✓	✓
Option of Annual Review Meetings including:	✓	0	✓	
• Review of Objectives	✓	0	✓	
• Review of Risk Profile	✓	0	✓	
• Review of Asset Allocation (if required)	✓	0	✓	
• Review of Tax Changes	✓	0	✓	
• Updates & Valuations	✓	0	✓	
Option of Financial Health Check including:	✓	0	✓	
• Tax Planning	✓		✓	
• Estate Planning	✓		✓	
Income / Expenditure Review and Forecasting	✓ ¹		✓ ¹	
Liaison with accountant / solicitor (if required)	✓		✓	
Cost based on the total value of your investments*	1%³	____% (0-1%)	1%	£nil

* Where the value of your investments rises, then the fees for this service will increase, conversely, if the value of your investments falls, the cost of this service will decrease

✓¹ Where a full cash flow analysis and projection report is required, this may be subject to additional cost

✓² Depending on the nature of the legacy investments or the provider, this may or may not be possible.

✓³ Discretionary Management services attract Vat on charges and some services may be restricted by nature of the discretionary management.

0 Optional Service. No additional cost to Full Advisory/Discretionary Clients; Cost as agreed for Limited Advisory Clients.

Client Copy

With reference to and as detailed in the above stated documents, our explicit charges are set out below;

Arrangement, Implementation and ongoing service levels

The total cost for this service is £xxxx based on the total amounts you have invested / are investing of £xxxxxx

Or

As the final transfer value of your fund is not known the exact amount of our charge will be notified to you in our suitability report. We expect the transfer value to be in the region of £xxxxxx and based on this amount our charge would be £xxxx

I/We would like to subscribe to the following ongoing service option:
(please tick the appropriate box)

Full Advisory/Discretionary/Legacy Client Service Option

I/We understand that the fee for this service is 1% of the value of the relevant investments each year.

Limited Advisory Client Service Option

I/We understand that the fee for this service is ___% of the value of the relevant investments each year, agreed in light of the reduced service offered. The table shows a typical reduced service.

Transactional only Client Service Option

I/We have opted not to receive ongoing advice or service and understand that there is therefore no fee for this service.

Ongoing Reviews and Changes to Existing Investments

The annual charge for providing on-going services in accordance with the term of the above agreement is approximately £xxx based on the total amount of £xxx that you have invested. As our charge is based on the value of your investment fund(s) this amount can go down as well as up in accordance with the value of these.

I / We agree with the Adviser Charges above and wish to pay this directly / facilitate this through the policy(ies).

Print Name:	Print Name:
Signed:	Signed:
Date:	Date:
Signed on behalf of Beckford James LLP:	

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Adviser Copy

With reference to and as detailed in the above stated documents, our explicit charges are set out below;

Arrangement, Implementation and ongoing service levels

The total cost for this service is £xxxx based on the total amounts you **have invested / are investing of £xxxxxx**

Or

As the final transfer value of your fund is not known the exact amount of our charge will be notified to you in our suitability report. We expect the transfer value to be in the region of £xxxxxx and based on this amount our charge would be £xxxx

I/We would like to subscribe to the following ongoing service option:
(please tick the appropriate box)

Full Advisory/Discretionary/Legacy Client Service Option

I/We understand that the fee for this service is 1% of the value of the relevant investments each year.

.Limited Advisory Client Service Option

I/We understand that the fee for this service is ___% of the value of the relevant investments each year, agreed in light of the reduced service offered. The table shows a typical reduced service.

Transactional only Client Service Option

I/We have opted not to receive ongoing advice or service and understand that there is therefore no fee for this service.

Ongoing Reviews and Changes to Existing Investments

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Print Name:	Print Name:
Signed:	Signed:
Date:	Date:
Signed on behalf of Beckford James LLP:	