

## Information about our Costs and Services

This document tells you about us, explains what services we offer and how much these services cost. It is important that you understand how we work with clients, how we charge and how we manage client relationships. We will be pleased to answer any questions you may have once you have taken time to read this important document.

### What do we do?

Advanced Investment & Retirement Planning (Scotland) Ltd provides advice and planning services for people who want to make the most of their finances in the following areas:

- Pensions and Investments. We are an independent financial adviser (please refer to our Important Information Terms and Conditions document for detailed information)
- Mortgages and Home Finance
- Non-investment insurance and protection.

We can help you to choose the right investment. To give peace of mind, we can advise you on the best ways to protect your family, your home and your lifestyle. Information about our mortgage costs and services is provided within a separate document. Below we provide information about our costs and services in relation to pensions, investment and non-investment insurance protection.

### Our service

There are four stages, namely:

#### (1) Initial meeting

We provide a free initial consultation via a personal meeting, telephone discussion or correspondence, to help us understand your requirements and financial objectives. In this consultation we will explain how we can support you and will discuss the cost and services, both initially and throughout our relationship with you.

#### (2) Advice and recommendation

We will analyse your needs, assess your investment risk tolerance and capacity for financial loss, research appropriate solutions, prepare a written suitability report and meet with you to explain our recommendation and agree the next steps.

#### (3) Implementation

We will meet with you to complete all application papers and supporting documentation, submit all paperwork to the relevant providers and liaise with them on your behalf.

#### (4) Ongoing review service (Investments and/or Pensions)

For most customers we believe that ongoing advice is essential. This service will be offered to you at least annually but can be more frequently. Where you agree to take an ongoing service, this will include a periodic assessment of the suitability of some, or all your financial products. Our ongoing review service is made up of five stages, namely:

- (i) **Initial research and assessment** to analyse and assess the current value of your investments and identify any potential changes required;

- (ii) **Confirming/updating the information we hold about you / understanding any changes to your requirements and situation** by means of an appropriate combination of personal meetings, telephone discussion and correspondence;
- (iii) **Provision of valuation report / forecasts where appropriate and discussion** to outline and explain the progress of the portfolio and discuss any changes required;
- (iv) **Implementation ...** making all arrangements to put any recommended / agreed portfolio changes into effect.
- (v) **Provision of post-review Report/Letter ...** confirming agreed course of action including rationale.

## Our fees

### (1) Initial Meeting

The initial meeting is usually at our cost.

### (2) Advice and recommendation

Our advice and recommendation fee in respect of a lump sum investment into a pension, investment or annuity is 1% of the lump sum (subject to a minimum fee of £500.00). Example: For an investment of £10,000, our fee would be £500.00 (min fee); for an investment of £200,000, our fee would be £2,000 (1% of the amount invested).

### (3) Implementation: Lump Sum Investments & Regular Savings

We do not charge fees for implementation. The only initial fees would be for advice and recommendation.

### (4) Implementation: Insurance and Protection

Unless otherwise agreed, we will not charge a fee as we will normally receive commission from the product provider.

#### Note

The Advice and Recommendation fee is not charged for insurance and protection implementation.

### (5) Ongoing review service

We charge a percentage of your total investment and/or pension funds. The percentage charged varies depending on the fund value, as follows:

| <u>Annual review</u>                              |                   |  |
|---|-------------------|--|
| Total value of all funds (pensions & investments) | Percentage charge | Example  |
| £0 – £500,000                                     | Up to 1.00%       | Funds valued at £100,000: Monthly charge of £83.33 (£1,000 per annum i.e. 1.00%)   |
| Over £500,000                                     | Fixed Fees        | We would time cost our fees based on the total investment amount capped at a maximum of £10,000 per annum regardless of portfolio size |

#### Notes

1. We offer an alternative charging structure where we agree with you a fixed fee amount for the service we agree to provide. We will discuss this with you and whether you would benefit from this structure as an alternative. The amounts will be agreed and detailed within the fee agreement.
2. We charge our Advice and Recommendation Fees for new business transactions and can be applied to additional investments.
3. As part of this service, we will confirm the total fees and charges that you have incurred from all sources.
4. The fee will become due from the month/quarter/annual increment after the inception of any transaction and will be paid monthly, quarterly or annually in arrears.
5. There is no minimum fee. Our maximum fee is £10,000 per annum.

## **Ad-hoc services**

The majority of our work will be charged as described above. In the circumstances where it will be appropriate to charge a fee commensurate with the time taken to complete the work, we will agree this with you, based on our hourly rates. The hourly rate charged will be £200.00

The breadth and scope of work required will vary depending on circumstances and requirements and therefore we will agree in advance, prior to commencing the work, the likely number of hours required. By way of example, a holistic review of your financial circumstances and arrangements will typically take 8 - 10 hours (£1,600 - £2,000). It would be misleading to provide examples for other bespoke services; this is why we will agree the likely number of hours with you before commencing work.

## **Payment methods**

You can authorise providers to facilitate payment of our fees by deducting appropriate amounts from your investments. This reduces the amount invested and restricts future growth potential.

Alternatively, we may agree that you will pay the fee directly to us.

Fees calculated by percentage will fluctuate in line with the value of your investments.

## **Terms and conditions**

Before you proceed with any service, please read this document in conjunction with our Important Information (Terms and Conditions) Privacy Notice.

## **Fee agreement**

Before we proceed with any service, we will detail the fee due as accurately as we can and tell you when fees are payable, how they are paid and the circumstances under which you may be entitled to any fee refund. We will use a fee agreement for this purpose, and we will ask you to sign a copy before we proceed further. This is so that we can make a clear and transparent disclosure of fees due in advance of any required payment. Please note that investment and product providers will charge their own fees in addition to our fees. Such charges will be disclosed to you in advance of any decision to invest.

## **VAT**

The majority of our services are not subject to VAT. However, where we provide you with a pure advisory and consultancy service, which does not include us intermediating in the implementation of a financial product, VAT may be chargeable in addition to our fee at the rate prevailing at the time the fees are charged. VAT may also be chargeable where we introduce you to a discretionary investment service.

We will inform you if VAT will apply.

## **Risks**

We will act in your best interest when making recommendations. While we will always endeavour to recommend suitable solutions, most investments carry some degree of risk. Such risks could be circumstantial, for example your ability to afford the recommendation, or product related, such as the risk that the value of investments can fall. We will discuss the relevant risks with you. They will also be documented in the suitability report and in product literature, to ensure that you are well informed before making a decision to proceed. It is important that you fully understand all such risks – ask us if you need more information or clarification.

## **Your cancellation rights**

You may cancel any ongoing service agreement you have with us at any time, by notifying us in writing. Any ongoing fee will cease within 14 days of written notification of cancellation. We will complete any transaction or work that is in progress at that time of the cancellation, unless you do not wish us to do so.

We may cancel any ongoing service agreement with you by giving you a minimum of 14 days' notice in writing. No penalty shall be payable in this event, but we will be entitled to remuneration for work undertaken prior to such cancellation. For the avoidance of doubt, if we have provided a suitability report on your behalf and you decide not to proceed with our recommendation, you will be liable for the Advice and Recommendation fee as detailed in the Fee Agreement, which will become immediately due.