

# About our Services & Costs

Services and Fees Information

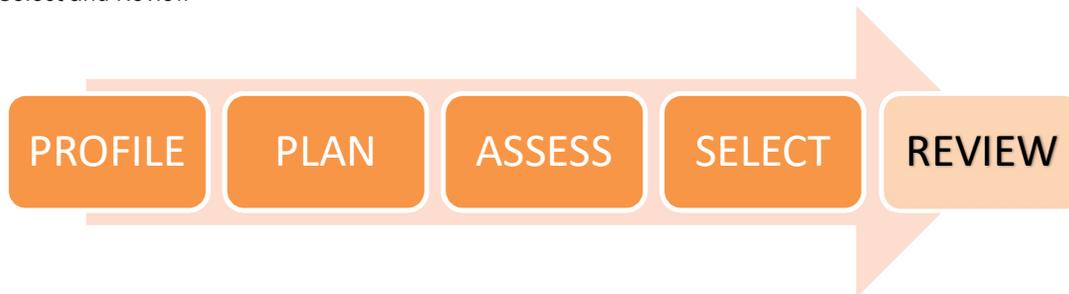
## *Important document- Please read*

At Ethical Futures we have a simple focus; **we help you to make your money change your world**. By this we mean that not only do we help you meet your own personal financial goals and objectives but, in doing so, that you can manage your money in a way that reflects your values and concerns.

## Services

### Advice Process

Our advice process represents the key elements of a fully holistic advice process: Profile, Plan, Assess, Select and Review



For some clients the full range of services will be appropriate, whereas for others it may be just one element or a combination. At our initial meeting, we'll discuss these services in greater detail and help you decide what service(s) will suit you best. In naming our services, we have tried to provide clarity as to the purpose of each element.

Within each of these elements, we apply a complexity rating of Basic, Standard or Complex. Therefore, within each advice element, we can cope with relatively simple requests right up to multidisciplinary and complex planning and research requirements. The purpose of each element remains the same - regardless of the complexity of the task in hand.

### PROFILE

This stage of the process is where we undertake a full profile of you, including gaining an understanding of your personal ethical and financial circumstances, objectives and concerns. This ensures that we are able to prepare comprehensive responses to the PLAN, ASSESS and SELECT elements. This stage will always be required.

### PLAN

The foundation of good advice is to understand where you are now and what options you have for the future. 'Plan' provides a detailed assessment of your current financial position and helps you map a course to achieve your goals.

### ASSESS

Using the 'Assess' review process we consider the performance and suitability of your current arrangements. This helps us to decide if they remain fit for purpose or should be replaced, and if so, the pros and cons of doing so.

### SELECT

'Select' is a research and policy/service selection process. We are effectively your 'personal shopper' and use our whole of market and ethical investment knowledge to choose the right product or service for your needs.

### REVIEW

Once you have started on your financial journey, it's a good idea to make sure that you stay on track. To help with this, we offer two levels of service to review your financial plans:

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### **Monitoring**

This service is focused on ensuring that financial solutions previously recommended remain suitable for your circumstances. It comprises: -

- On-going fund monitoring by Ethical Futures
- Alerts where relevant to changes in product or provider
- Annual core client profile & risk update by email/letter/phone
- Summary investment report
- Written confirmation of continued suitability.
- Basic client profile and policy administration.

### **Review**

This is a holistic financial planning service, providing an on-going annual review of your wider financial circumstances. It will provide guidance on tailoring finances to achieve personal financial goals and objectives as well as feedback and advice on the on-going suitability of recommended investments. It comprises: -

- On-going fund monitoring by Ethical Futures
- Alerts where relevant to changes in product or provider
- Detailed annual client profile & risk update
- Face to face meeting and review of wider client financial circumstances (whether arranged by EF or not)
- Cash flow planning report (where relevant)
- Detailed investment report
- Written confirmation of continued suitability.
- Top up investment at no initial fee
- Full client profile and policy administration

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## Costs of Services

At Ethical Futures, we are open and transparent about the cost of our advice. The key thing to remember is that good financial advice should add value over the long term in comparison to no advice at all. After all, the whole point is to improve your financial position. Our fees are designed to give you clarity over the costs of initial planning and advice and then to provide you with a number of options for retaining our advice and guidance over the longer term.

Initial consultations are at our own expense, so it costs you nothing (apart from your time) to come along and meet an adviser to discuss your needs. This meeting will give you an opportunity to explain your needs and for us to explain the nature, scope and cost of advice. This should enable you to judge whether paying for financial advice will deliver the best value for you overall.

### Hourly Fee Rates

The costs of our services for investment and planning advice will be met by fees based upon the following hourly rates. These are our current standard rates which are reviewed annually.

- Adviser £175 per hour
- Researcher £90 hour
- Administrator £70 hour

For new advice, the fee payable will be based upon a **fixed project cost**, combining elements of the fee rates noted above. We have analysed our workflow processes to understand who does what and how long it takes to complete a range of typical advice processes. Our project fees are based upon the normal workload for an average case.

These fees will apply to the bulk of engagements that we undertake at Ethical Futures but we reserve the right to quote a client a specific fee where circumstances dictate.

### Initial Planning & Advice - Project fees

Based on the services required and complexity of work involved, we have developed a range of fixed project fees, which will cover the bulk of advice work that we undertake for clients. We have noted some examples of possible fees below. Please note however that all fees are bespoke to a client's actual needs.

Advice Level	Profile	Time (Hours)	Plan	Time (Hours)	Assess	Time (Hours)	Select	Time (Hours)
Basic	£360	6	£135	1.5	£150	1.75	£845	6.5
Standard	£645	10	£400	4.5	£300	3	£1,250	9.5
Complex	£1,150	18	£620	6	£475	4.75	£1,975	14.5

For example:

	Profile	Plan	Assess	Select	Fee
Example 1	Basic	N/A	N/A	Basic	£1,205
Example 2	Standard	Standard	N/A	Complex	£2,295
Example 3	Complex	Complex	2 x Standard	2 x Complex (Discounted)	£4,827

### VAT

Work carried out under some of these elements may be subject to VAT. We will advise you in writing, before you engage us, if this is the case.

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#### On-going Advice

We offer two levels of on-going services to help ensure that your personal recommendation is reviewed frequently and remains relevant to your changing circumstances. These services have different fee rates, based on the assets under advice (AUA), reflecting the different levels of complexity and time required to deliver the service.

Advice level	Service	Charging %	Service Delivery Mode	Minimum fee £
Monitoring	Continued Suitability Assessment	0.5% AUA	Remote Email/letter	500 p.a.
Review	Full Financial Planning Review	0.7% AUA	In person	1250 p.a.

#### Large Portfolio Discounts

For single investment portfolios valued over £1m the ongoing advice charge will be reduced on the amount invested over that threshold.

Advice level	Charge on amount up to £1m (%)	Charging on amount over £1m (%)
Monitoring	0.5% AUA	0.25% AUA
Review	0.7% AUA	0.35% AUA

Our examples below show different types and levels of investment.

- Our 'Review' service is usually appropriate for clients with more complex financial planning needs.
- Our 'Monitoring' service is for clients who mainly want to focus on investment performance and suitability.

We will highlight which service we feel is most appropriate for your personal circumstances when making our initial recommendations.

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#### Examples

Service	Product/Fund	Investment	On-Going Fee (%)	On-Going Fee (£)
<b>Portfolios Under £1m</b>				
<b>Monitoring</b>	Multi-asset fund in ISA	£100,000	0.50%	£500.00
<b>Total On-going Cost</b>				<b>£500.00</b>
<b>Review</b>	Discretionary Fund Service ISA	£350,000	0.70%	£2,450.00
	Personalised Pension Funds Portfolio	£130,000	0.70%	£910.00
<b>Total On-going Cost</b>				<b>£3,360.00</b>
<b>Portfolios Over £1m</b>				
<b>Monitoring</b>	Multi-asset fund in ISA	£250,000	0.50% on £1m 0.25% on £50,000	£5,000.00 £ 125.00
	Model portfolio service in personal pension	£800,000		
<b>Total On-going Cost</b>				£5,125.00 (Effective discount £250)
<b>Review</b>	Discretionary Fund Service ISA	£500,000	0.70% on £1m 0.35% on £700,000	£7,000.00 £2,450.00
	Personalised Pension Funds Portfolio	£1,200,000		
<b>Total On-going Cost</b>				£9,450.00 (Effective discount £2,450)

#### Pay-As-You-Go Services

We understand that not everyone wants or needs, a regular on-going service. Likewise, you may select our 'Monitoring' service but still wish to receive an occasional review of your wider planning.

Services provided through our Pay-As-You-Go Services Menu are individually priced based on the time required to deliver the service. As it is our intention to be as transparent as possible regarding the cost of these services, a comprehensive list is included at the end of this document. These fees will be chargeable when there is no on-going service agreement or where that agreement does not cover the service required.

#### VAT

We will let you know if your fees are subject to VAT.

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#### Insurance/Pure Protection

Please note that standard adviser remuneration arrangements for pure protection or 'non-investment' insurance contracts differ from those of retail investment products (such as ISAs & pensions). A pure protection service is where a firm provides a personal recommendation for pure protection and/or arranges the sale of a pure protection contract.

<p><b>Research</b></p>	<p>The background research for insurance and pure protection arrangements would be covered under our PROFILE/ PLAN / ASSESS charging structure as any advice for pure protection and insurance will be covered under the same holistic planning arrangements and charged accordingly under the same structure.</p>
<p><b>Implementation</b></p>	<p>Our fee for implementing any insurance-based products will be equal to any commission we receive from the product provider.</p> <p>This commission is subject to Ethical Futures' decency limit of £5,000, over which all commission will be rebated to reduce any premiums you may have to pay for the insurance.</p> <p>We will disclose any commission and fee to be charged before you decide to proceed. You will receive a separate document that explains in more detail what service you will receive and how much that service will cost.</p> <p>In the event that the policy lapses during the initial period and where Ethical Futures suffer a claw back of initial commission, we shall notify you of the outstanding balance payable. This balance fee will then be payable within 14 days from our invoice. Failure to settle the fee may result in referral to legal recovery of the outstanding fee.</p> <p><u>Please note that it is not permissible to use commissions arising on a pure protection plan to offset fees for advice on a retail investment product.</u></p>

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## Paying for advice - Your payment options

You are engaging Ethical Futures to provide financial advice. Payment for this advice is not contingent upon the purchase of a financial product. Whether you buy a product or not, there will be an adviser charge for our advice and services which will become payable on completion of our work.

We offer a range of options for the payment of advice fees:

### Initial Services

#### **Paying through a product**

You can authorise providers to facilitate payment of our fees by deducting appropriate amounts from your investments.

**1. Settling your adviser charge through a single payment**

If you choose to settle our fee in this way, the provider will deduct the full amount due at the commencement of the contract from the total amount received, prior to investment. The amount deducted will reduce the amount invested and restricts future growth potential.

**2. Settling your adviser charge by instalments**

You should note that a firm is only permitted to offer the option for clients to pay their adviser charge by instalments where regular premium products are recommended.

If you choose to pay for the advice you receive through instalments, these instalments will be facilitated by the provider making deductions from the premium you pay each month. These will be allocated towards settling the adviser charge. The amounts deducted will reduce the amount invested and restricts future growth potential.

An example of how this would work is noted below.

<b>Total Cost of Advice</b>	£600.00
<b>Regular Premium</b>	£250.00
<b>Adviser Charge Instalment</b>	£50.00
<b>Amount Invested</b>	£200.00

At the end of the period the adviser charge would have been settled in full. From month 13 the full £250 will be invested.

#### **Paying Directly**

We may agree that you will pay any fee due directly to us.

**1. Settling your adviser charge through a single payment**

Settlement of the payment for your adviser charge will be due within 14 days of the completion of our work. We accept payments by cheque and bank transfer. We do not accept payment in cash.

**2. Paying through other arrangements**

If you choose not to pay the adviser charge through a retail investment product we have recommended, Ethical Futures are willing to offer you the option to pay the adviser charge by instalments through a standing order or direct debit.

We will be willing to accept payment of up to four monthly instalments (25% of the total initial adviser charge).

<b>Total Initial Adviser Charge Due (Example)</b>	<b>Month 1</b>	<b>Month 2</b>	<b>Month 3</b>	<b>Month 4</b>
£4,220.00	£1,055.00	£1,055.00	£1,055.00	£1,055.00

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The total fee will be divided into four equal payments and a standing order or direct debit to our business account will be set up to commence on the first of the month following implementation of our advice. Full payment will be collected over four months to settle the fee. Please note that this does not represent a fee for any on-going advice.

If you elect to settle our adviser charge by instalments, it is important that you keep up with your payments. Should you fail to maintain your payments, either by cessation of standing order or cancellation of the retail investment product and associated direct debit, we shall notify you of the outstanding balance payable. This balance fee will then be payable with 14 days from our invoice. Failure to settle the fee may result in referral to legal recovery of the outstanding fee.

### On-going Services

Where we have implemented investments, we will seek your authority for the investment provider to facilitate payment of on-going advice fees directly to us by regular deductions from your investment account with them.

On-going fees calculated by percentage will fluctuate in line with the value of your investments.

Where no product has been arranged but we have been retained for on-going planning services, we shall charge fees by monthly standing order or direct debit.

### Cancellation of Services

You may cancel any on-going service agreement you have with us at any time, by notifying us in writing. Any on-going 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 on-going 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 **Letter of Engagement**, which will become immediately due.

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### Pay-As-You-Go Fee Menu

At Ethical Futures, the bulk of our costs and fees are met either by our initial service fees or by the on-going fees for Monitoring and Review clients. However, there will occasionally be a fee chargeable for a service where the client does not have an on-going service agreement with us or where that agreement (e.g. Monitoring) only covers a limited amount of services, beyond reviewing on-going suitability. On occasion, we also reserve the right to charge a fee where standard fees do not cover cost of additional work incurred.

We have therefore prepared the following services fee menu, which covers additional costs that may be charged. Your adviser will confirm when these fees would apply.

Advice Element/Service	Tasks involved	Fee
Annual Financial Planning Review	A stand-alone annual review for clients who do not have an investment-based fee. (Note that this does not include any administration that may result from the review).	<b>£1,250.00 + VAT</b>
Standalone Investment Monitoring Review	A stand-alone review for clients (not on an on-going service) who want ad hoc review of investment performance & suitability (Includes investment research but not administration arising from the review. Note that this service will only be provided on a frequency of every three years or more).	<b>£675.00</b>
Adviser meeting	General planning meeting & discussion – chargeable at adviser hourly rate (or proportion thereof).	<b>£175.00</b>
Research / Review work	Policy/Plan/Scheme Review work not chargeable under Assess or other standard service fees – chargeable at Para-planner hourly rate (or proportion thereof).	<b>£90.00</b>
Administration	General client administration work not specified below or chargeable under standard service fees. Chargeable at Administrator hourly rate (or proportion thereof).	<b>£70.00</b>
Adviser Travelling time (out of office meetings)	Chargeable time for travelling to out of office client meetings - when subject to annual review agreement.	<b>£40.00 per hour</b>
AML (Anti-Money laundering) check	Verification and recording of personal identity and address to comply with anti-money laundering regulations.	<b>£25.00</b>
Address changes - notifying provider & updating records	Check & verify address, collate relevant documents, notify existing providers of client changes, update EF/IO records	<b>£35.00</b>
Client email update (email notifications)	Verifying and updating email records	<b>£15.00</b>
Varying client policy direct debit payment	Verifying and updating policy DD, recording changes & issuing documentary confirmation	<b>£40.00</b>
Varying client policy/account regular withdrawals	Verifying suitability of change, updating plan, recording changes & issuing documentary confirmation	<b>£50.00</b>
Ethical funds screening	Undertaking screening of ethical funds to review suitability in line with stated personal ethical preferences.	<b>£90.00 per hour</b>

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Risk profiling (ATR questionnaire)	Discussion to establish attitude to risk and capacity for loss, combined with completion and verification of psychometric risk questionnaire.	<b>£50.00</b>
Online submission - additional investment expectations set up	Setting up additional online platform expectations for multiple bank transfer payment / Non-advised top ups.	<b>£30.00</b>
Non-advised top-up & letter	Checking and verifying top-up, recording top up & drafting and issuing letter	<b>£75.00</b>
Online/paper fund switching	Sale and reinvestment of funds within an online investment platform.	<b>£100.00</b>
Making fund withdrawals (ISA)	Checking for penalties, preparing and submitting investment withdrawal documentation.	<b>£65.00</b>
Making fund withdrawals (GIA)	Checking for penalties and tax liabilities, preparing and submitting investment withdrawal documentation.	<b>£95.00</b>
Making policy surrenders (Inv. Bond)	Checking for penalties and tax liabilities, preparing and submitting investment withdrawal documentation.	<b>£120.00</b>
Ad hoc flex pension withdrawals (clients not on Review service)	Check purpose and alternative options, review funding sustainability, fund performance, PCLS (if appl.), check tax, facilitate payment.	<b>£400.00</b>
Checking & arranging nomination of death benefits (Pensions)	Checking existing provisions, obtaining, preparing, checking and submitting 'expression of wish' nomination of death benefit forms for personal and stakeholder pensions.	<b>£50.00</b>
Preparing/checking trust documents (standard)	Preparing, checking and submitting simple trust documents for term protection policies.	<b>£85.00</b>
Preparing/checking trust documents (complex)	Preparing, checking and submitting complex trust documents for estate planning arrangements.	<b>£190.00</b>
Preparing/checking assignment of bonds	Establishing bond values, bond structure, Preparing, checking and submitting assignation documents for life assurance bonds.	<b>£200.00</b>
Power of Attorney - recording & submission	Reviewing, recording, submission & return of Power of Attorney documents to investment providers (note AML fee will also apply to new Attorneys)	<b>£120.00</b>
Estate services - submission of death certificate	Check, record and copy death certificate & Will - submit to provider(s)	<b>£60.00</b>
Estate services - obtain 'Probate/Confirmation' valuation statement	Check, record and copy death certificate & will - submit to provider(s)	<b>£100.00</b>
Estate services - submission of Grant of Probate/Confirmation Certificate	Check, record and copy death certificate & Will - submit to provider(s)	<b>£60.00</b>