

SERVICES AND FEES ADDITIONAL INFORMATION

This document, should be read in conjunction with our *Terms of Business, Service & Fee Schedule* and *Client Agreement*.

This document is issued by Interface Financial Planning Limited.
Regulated by The Financial Conduct Authority.

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LIFE PLANNING, FINANCIAL PLANNING AND LIFE TIME CASH FLOW FORECASTING

In our work with you we follow the Kinder Life Planning **EVOKE** process:

- **Exploration** of the life that you want
- Creating your **Vision** – ‘Lighting the Torch’
- Identifying and overcoming **Obstacles** to achieving your goals
- Applying our **Knowledge** to help you on your journey
- **Execution** of your financial life plan and Evaluation

Life Planning

Life Balance: We believe that it is vital that all areas of your life are lived to their full potential and we help you to discuss, identify, and ensure that all areas of your life are in balance.

Your values: Identifying your true values and ensuring that everything that you do is congruent with your values is key to living a satisfying life

Bucket List: Helping you to identify what you want to do and achieve and keeping your goals in the forefront of your financial planning

We believe that personal interaction is vital during your life planning but in addition all of the above you are provided with your personal online secure access 24/7 so that you can review and update at any time.

Financial Planning and Life Time Cashflow

We look at the figures and do the number crunching in order to plan so that you turn what you want into reality. Our aim is for you to lead the life that you want and follow your dreams without ever running out of money.

We consider different scenarios and alternatives such as retiring early; taking the sabbatical to travel, write a book, or fulfil your goals; changing career; moving house; downsizing; the effect of investment returns; and any scenarios that you identify. We look at ‘What If’ scenarios so that you are prepared in case of illness, incapacity, early death, long term care, and other lifetime disasters.

Initial fees

At our initial meeting we assess and agree the level of service that is appropriate for your circumstances.

Fees include:

- Life Planning meetings, report, and online access
- Financial Planning meetings, report, and online access

In depth	Financial-Life Coach services (8 hours Financial Life Planner time plus 15 hours’ administration)	£1,995
Regular	Financial-Life Consultant services (4 hours Financial Life Planner time plus 7 hours’ administration)	£975
Entry level	Financial-Life Associate services (2 hours Financial Life Planner time plus 4 hours’ administration)	£510

We have found that clients like to get fully involved in this process and typical times are shown. If time exceeds the norm there is not usually any additional charge.

Our standard terms ask for 25% on account with the balance becoming payable on completion.

We provide a money back guarantee such that if you consider that you have not received value from our meetings and tell us so in writing within three calendar months of the date of this agreement all monies that you have paid will be returned in full.

N.B Life Planning and Financial Planning Goal Setting and Life Time Cash flow forecasting are not regulated activities and they are not regulated by the Financial Conduct Authority or covered by the Financial Ombudsman Service. Information gathered during these activities may be used in support of regulated activity but they do not form part of it. Fees for these activities are paid separately and independently of any fees charged for regulated advice. For your own protection you are also advised to read our ‘Life Time Cashflow Disclaimer’ from our website.

Ongoing commitments

When you engage with our ongoing service you ensure that support is available at any time. You can get in touch by telephone, email, text, on-line, or by post and get a quick response from any of our support team. You are able to arrange a meeting or discussion whenever your circumstances require it so that help is always at hand when you need it.

We ensure that your financial situation is kept up to date, and your life planning, your portfolio valuations, your paperwork is available on line '24/7' for you to view, update, and request changes whenever you need.

To ensure that your financial life plan remains on course regular contact is important. We are always looking at additional ways of keeping in touch and client feedback is very important in developing new services.

Face to face meetings are important but for the comprehensive service that we offer, meeting a couple of times a year is never enough, so we engage by telephone, Skype, email, text, on-line, or other means.

Our screen sharing facility is appreciated by most clients because using this facility you can discuss and review your financial life planning from the comfort of your own home and usually at short notice.

Our monthly eNewsletter keeps you in touch with what we are doing, developments of new services, changes in financial regulations, and other matters that effect you.

The commitment fee is on-going but can be cancelled at any time by either party.

These fees are reviewed annually and a higher or lower service level can be chosen in accordance with your requirements.

Provision of ongoing services and advice

In some circumstances we may agree to accept a lower fee or a lower frequency of payment to those stated above on the understanding that a lower level of service will be provided.

If there is no regular fee it is agreed and understood that there will be no on-going service and any further service will be provided at our discretion and dependent upon the time available.

It is standard business practice that clients paying regular fees will always be given priority over anyone else who does not.

Monthly fees

Working together we assess and agree the level of service that is appropriate for your circumstances

In depth	Financial-Life Coach services	£97 pm
Regular	Financial-Life Consultant services	£47 pm
Entry level	Financial-Life Associate services	£17 pm

We have found that clients like to get fully involved in this process and typical times are shown. If time exceeds the norm there is not usually any additional charge.

Our standard terms ask for 25% on account with the balance becoming payable on completion.

We provide a money back guarantee such that if you consider that you have not received value from our meetings and tell us so in writing within three calendar months of the date of this agreement all monies that you have paid will be returned in full.

Termination of ongoing service

All clients maintain our commitment to their ongoing service and support via their regular payment by direct debit.

If their direct debit ceases for whatever reason their ongoing service will be deemed to have terminated from the date of cancellation or from the date that the payment was expected whichever is the sooner.

After termination any additional life planning and financial planning work will only be undertaken after a new Terms of Business, Fee Schedule, and Client Agreement has been agreed, signed and exchanged and a new direct debit has been put in place. The charges for re-engagement may be higher than the fees that were agreed previously.

INDEPENDENT FINANCIAL ADVICE – ASSESSING YOUR FINANCIAL NEEDS AND REVIEWING YOUR EXISTING ARRANGEMENTS

We believe that a financial adviser had no right to discuss your financial products and make recommendations unless they have first established your lifetime goals and reviewed your life time cash flow

Your Financial Assessment

We should now have completed the first two stages of your financial planning where you have defined your financial goals and we have discussed and reviewed your life time cash flow. In the third stage we can discuss your financial needs and make appropriate recommendations if necessary.

[In practice we may choose to conduct some research and gather information in the background so that we do not keep clients waiting after we have completed the first two stages of financial planning.]

By this time, we already have most of your objective facts and figures and have much of your subjective attitudes to what you would like to achieve so that now we focus on your financial criteria where we complete the following:

- We assess your Attitude to Risk using the internationally acclaimed questionnaire and report from Finametrica and we discuss, agree, or amend your result
- We assess your capacity for loss using several major loss scenarios based on the 'crash of 2008'. We view the effect of consecutive losses on your lifetime cash flow using Voyant Financial Planning software and we discuss the potential impact on your desired lifestyle
- We discuss your knowledge and investment experience and help you decide what information you require on an ongoing basis to improve your knowledge
- We ask you about your values and ethical concerns. As members of The Ethical Investment Association we can recommend an appropriate ethical portfolio if that is what you require.
- We explain and discuss our investment philosophy so that you can decide whether it is suitable for your needs. We discuss whether one of our model portfolios is suited to your requirements or whether you require a more bespoke solution.
- We use all of the gathered information to conduct research which assesses your current arrangements and assess their suitability to your current requirements.
- We document all of this information and research in a 'suitability report' which details your requirements and our recommendations

Our Fees

If you have existing plans, policies, and investments, we obtain information from these providers and incorporate this information into your report. The number of existing plans and providers will affect the cost of research and fees for our clients usually fall within in the scales of Basic £995, Intermediate £1995, and Comprehensive £2995.

We will assess your situation and provide a quotation in writing before any work is carried out. If subsequently the work is more than we anticipated, we will let you know and obtain your agreement before proceeding but in practice this is rarely necessary. If you are investing cash and have no other investments our fee is likely to be at the lower end of this scale.

We aim to conduct this research and prepare your report within four weeks but we are in the hands of your existing investment or pension providers who may cause delays beyond our control.

The presentation of your report which contains our recommendations is vitally important and we arrange a special meeting for this purpose. It is vital that you understand our analysis of your current situations and your options for the future. You are of course entirely free to accept or reject any recommendations that we make.

You are also able to take away the report to another adviser or to self-serve and put the advice into place yourself however if you do so we will have no liability beyond the presentation of the report and it is the duty of any subsequent adviser to conduct their own research and make their own recommendations.

Payment of our fee

When we have agreed our fee we normally ask for payment of 25% immediately with the balance being paid within 7 days of the presentation of the report.

We always recommend that clients consider paying our fee out of their own resources so that their investments are unaffected however we understand that some clients will wish to pay their fee by deduction from their investments or their transfers.

If the latter option is taken, then a true future projection of investments or pensions would be based on the net figure after fees and not the gross amount before fees are deducted.

The fee paid by the client is identical either way but the regulator ignores fees that are paid direct and takes fees paid by deduction into account which leads to a strange and we believe unfair comparison.

If your decision is to accept our investment recommendations, then we may at our discretion incorporate some or all of the fee for this stage of our advice into our 'Implementation Fee' as shown in the next section of this fee schedule.

It is a regulatory requirement that this research is carried out before we place any investment business however it is not a requirement that you place the business in order for us to get paid for this work completed on your behalf.

The work that we do on research assessment, and in making recommendations is separate and distinct from placing investment business and clients have no obligation to take our advice and move to the next stage unless they choose to do so.

Charges and Fees in Relation to Transferring investments and pensions

Details of our ongoing fees are detailed elsewhere in this fee schedule however if our recommendations involve transferring your existing arrangements and you accept that advice we would like to bring the following to your attention:

We do not believe cost should be a determining factor. It is important but it is only one factor amongst many. It is our belief that people who focus on cost often get poor value which results in them paying much more over time.

[To use an analogy: when you buy a Rolls Royce you expect to pay more to service it, however you would also expect it to retain its value and not need replacing in your life time.]

There are three types of charges associated with investments and it would be misleading to consider one type of fee in isolation to the others. The regulations tend to focus on the first charge whereas we take a more intelligent approach:

1. Identifiable charges include: Annual Management Charges (AMC), fund management fees, platform fees, regular 'fixed' monthly policy fees, and advice fees. In the wider investment world fund management fees vary with a large range and can be typically between 0.5% p.a. and 3.5% p.m. so that 1.75% p.a. is a mid-point. Policy fees often apply to older style contracts and are often in the range £2 to £5 a month. Our platform fees are 0.35%, and fund charges vary between funds but 0.4% is about the average. Adding in our 1% for ongoing advice (detailed in the next section) brings this charge to about 1.75%
2. The cost of trading is a 'hidden' charge because it is not so obvious. A typical fund manager will turn over up to 90% of the fund's holdings each year and each time there is a trade – a sell and a buy – there is a cost which can match the charges identified above so that the cost of trading can add another 1.75% p.a. your costs. Our Portfolios are highly diverse and constructed in such a way that little or no trading takes place so that this charge is almost eliminated.
3. It is common that other Administration charges and costs occur when you make regular contributions into your account, when you make withdrawals, when you transfer money from your GIA to your ISA to utilise your annual allowance, when you crystallise your tax free cash from your pension, when you top up your existing ISA with cash to utilise your annual allowance. We eliminate these charges and NONE of these charges are made to our clients.

The decision to move or transfer your investments cannot and should not be made on the basis of cost alone and you may wisely choose to pay more for an increased service.

You would not expect to pay the same for dinner in The Ritz and Burger King, they both have their place but the service is entirely different. Our job is to establish whether 'The Ritz', 'Burger King' or something else in between is suitable for your requirements and then for us to ensure that you understand how much you are paying and what you are paying for. Some will want a five-star service whereas others may be satisfied with less and that is their personal decision.

However, complaining that The Ritz is charging more than Burger King after you have been provided with the information and you have made your decision is not an option.

Reasons to transfer could include the following (and this list is not exclusive):

1. Simplicity: This is rarely a sufficient reason on its own but for many clients this is a contributory factor and their wishes are respected providing that other factors make the transfer reasonable
2. Poor administration, disappointment or dissatisfaction with current providers
3. A transfer may eliminate the 'extra' administration costs listed at number three above
4. To obtain a low cost, highly diversified portfolio which has your required risk profile and to almost eliminate costs of trading.
5. A transfer can enable you to have a consistent investment philosophy across all of your investment portfolio
6. To provide on line access for you, your adviser, or both to enable regular monitoring and reduce the time and cost obtaining information by phone and post
7. To enable a simplified withdrawal process at no cost and in a very quick time
8. To enable simplified additions to your investments usually at no cost
9. To move from old style products onto a modern platform with all of the facilities that this provides which includes regular reporting, fund analysis, rebalancing, risk analysis, and so on.
10. To move from old with profits funds to a transparent investment structure
11. To gain greater flexibility and ease of access in pension drawdown.
12. To have access to regular advice and the support of a highly qualified independent adviser who has your best interests as their raison d'être for their existence. The payment for these additional adviser services is a fee that our clients believe is a cost worth paying and they believe that it provides them with value for money.

In some cases, the plan charges listed as 'type one' above may actually be more and increase that charge but our aim is to reduce overall costs by almost eliminating charges types two and three above.

Any additional charge is assessed on a cost - benefit analysis and if the additional benefits are worth the extra cost then with your approval we would agree to the transfer.

Independent Financial Advice – Wealth Management Services

Ensuring that you have the best investment portfolio to meet your needs and requirements

Our Implementation Fee

We usually charge an implementation fee of 3% of the sum invested e.g. if £100,000 is invested our fee will be £3,000.

This fee applies to all of our typical clients who have portfolios up to £500,000. If your investment is higher than this, we may apply a sliding scale at our discretion.

Please note that our Financial Conduct Authority fees are based on turnover, the Financial Ombudsman Service and Financial Services Compensation Scheme base their calculations on percentage of funds invested, and Professional Indemnity insurers base their premiums on turnover, client assets under management, and risk. We adopt a comparable system and base our fees on a percentage of sums invested and business risk.

Implementation fee breakdown for all clients:

The value of your investment or pension portfolio £100,000	Fee	
	%	£
We comprehensively discuss your financial and personal situation & ensure that we understand your requirements. We conduct your personal risk analysis, and discuss your capacity for loss, to ensure that you understand investment risk so that you make the correct choices.	0.75	750.00
We conduct research into your requirements and explain our recommendations. We recommend an investment portfolio with an asset allocation to reflect your attitude to risk and your loss capacity.	0.50	500.00
We provide you with a comprehensive suitability report which clarifies our understanding of your requirements and explains our recommendation.	0.30	300.00
The advice and recommendations are checked by an independent compliance officer to ensure that the advice is suitable and that your personal circumstances and the advice meet all regulatory requirements.	0.20	200.00
We set up and enable your investment account with our recommended investment platform, enable your 24/7 on line access, and provide guidance and assistance.	0.25	250.00
Our administration team are engaged to process your applications and liaise with you to ensure that you are kept informed and that you are happy with progress.	0.50	500.00
We maintain our authorisation with The FCA and maintain comprehensive professional insurance to ensure that you are provided with full protection.	0.50	500.00
Total	3.00	3000.00

Our Ongoing Fees

We charge an annual fee of 1% payable as 0.083% monthly e.g. if the portfolio is £100,000 our fee will be £83.33 per month equivalent to £1000 per year.

We only work with clients on an on-going basis and provide all clients with the same investment services so that there are no differences in our fees between clients.

This fee is comprised of the following elements which are the same for all clients:

The value of your portfolio £100,000	% per annum	% per month	£ per month
Fund research, monitoring your portfolio, and provision of reports when required.	0.20	0.017	16.67
Rebalancing to ensure that your asset allocation continues to match your requirements (usually quarterly).	0.10	0.008	8.33
Administration costs to cover cash added or withdrawn, transfers from your general investment account to your ISA account, and pension crystallisation from your SIPP account.	0.25	0.021	20.83
Provision of your 24-hour online access to your investments, reports, and paperwork, via your Investment Platform, where we monitor your correspondence as required.	0.10	0.008	8.33
Ongoing provision of advice to you at times of stress, including personal circumstances and market downturns, to ensure that you make the right decisions.	0.20	0.017	16.67
We keep up to date with changes in regulations and taxation to ensure that these are applied for your benefit and we keep you informed and make recommendations when applicable.	0.15	0.012	12.50
Totals	1.00	0.083	83.33

In normal circumstances these annual fees cover all work that we do on your behalf so that:

1. We make no charges when you make regular payments into your account
2. We make no charges when you make withdrawals from your account
3. We make no charge for utilising your annual ISA allowance when transferring funds from your general investment account
4. We do not make any additional charges for fund switches
5. In addition, charges are not normally applied when crystallising your pension from your SIPP account when you start draw down

These fee breakdowns are 'set-menus' and all elements are included regardless of circumstances. These fees are non-negotiable and the services and fees continue indefinitely or until the client or the adviser transfers the investment business to a new adviser at a different firm.

All investment services are provided remotely, or on-line. Face to face meetings are included as part of your commitment fee for ongoing service which is paid by direct debit and explained in an earlier section of this fee schedule.

Please note that if your investment grows our fee will grow and if your investment falls our fee will fall. Most clients appreciate the fact that it is in our interest as well as yours that your investment grows and does not fall. However, we are all at the mercy of the market and we refer you to our Investment Policy Statement for further information.

As an example of how much the total cost to invest each year would be, based upon £100,000 invested in an ISA portfolio or general investment account, or £100,000 invested into a pension on a platform, being invested into our balanced portfolio, the total cost for investing would be: -

Type of charge	Charge as a %	Charge in £ and p
Adviser charge (refer to breakdown analysis above)	1%	£1,000
Platform charge investments or pensions	0.35%	£350
Investment/ portfolio charge	0.4%	£400
Total charges		£1,750



Independent Financial Advice - Risk Management Services

Protection - Life Insurance and Property Insurance (i.e. non-investment insurance)

Insurance protects and safeguards our wealth by absorbing potential loss and mitigating our financial situation. We hope that we will never have to use the insurance but in case something does happen we are protected financially from the loss it would have caused.

We help our clients to review their situation and recommend that they manage their risk by offsetting this risk to a third party insurance company.

We help our clients with all of their protection needs including: life assurances, income protection insurance, critical illness insurance, and property insurances.

Protection can be arranged by paying us a fee or by us taking commission. In practice we have found that most clients prefer us to charge for their protection via the commission route though the fee option is always available.

If we take commission this is always taken on a non-indemnity basis so that it is only received when earned and there is no financial risk to our business through a potential clawback liability. If expected commissions have been offset against fees and subsequently they are not received, the balance of the fee will become payable in full by direct payment.

Clients are free to ask any time if they would prefer to pay us a fee and for us to arrange their protection business on a nil commission basis. Please note that VAT may become payable if a fee is paid directly.

High Risk or Exceptional Business Fees

If we agree to conduct work which we regard as high risk or work that we deem as exceptional, we will apply a high risk premium fee. We will provide an estimate of our fee before we carry out such work.

This fee will reflect the potential financial, compliance, and regulatory risk, and the additional research and compliance work that may be required. Please note that we are under no obligation to carry out this type of work on your behalf.

Unregulated Services

Please note that Tax Return Advice, Wills, Trusts, Lasting Powers of Attorneys and Funeral Plans are not regulated activities and they are not regulated by The Financial Conduct Authority

Tax Return Service	Typical Fee (per annum)
Computation and submission	£150
Wills, Trusts, and Lasting Powers of Attorney	Typical Fee (per document)
Will	£150
Family Trust	£250
Lasting Power of Attorney	£450
A full schedule of charges for legal services can be supplied upon request.	

Funeral Plans

Funeral Planning providers may pay us a fee for arranging plans and this will be declared upon request.

Mortgage and Equity Release

We are not authorised by the FCA to conduct mortgage or equity release business. On your request we may recommend specialists in these areas but we are not responsible for any advice that they may provide.

Time based charges

When not included elsewhere in this fee schedule our hourly charges will apply as follows:

Chartered and Certified Financial Planners	£165 per hour
Paraplanners	£75 per hour
Administrators	£45 per hour

If VAT becomes payable this will be charged in addition to our hourly rates

We record and reserve the right to charge for all time spent on work for or on behalf of clients.

Our hourly rates continue to be payable until our Client Agreement is terminated by either party.

Travelling Fees

Our meetings are normally held in our offices. When meetings are held at a client's office or a client's home a travelling charge may be added which is typically £150.

Commission or Fees on our clients' historical and other business

We normally transfer all of our clients' historical business to our agency in order to have continual access to information. This allows us to provide comprehensive advice and reduce our administration charges. If as a result of transferring historical business to our agency fees or commissions are simultaneously transferred to us these are taken into account in assessing the overall level of our fees.

Income and commissions received from all sources are taken into account when establishing the general level of our fees. For example, if clients place their general insurances via our agency with Higos Insurance Services, Sesame GIS, or elsewhere this may reduce the fees that we charge

Note: Cater Allen bank balances used to pay us a commission on bank account balances until they ceased paying commission on 30-11-2015.

Our pricing policy

Our fees are reviewable annually on 1st April

NOTE: This fee schedule is subject to change

This fee schedule is subject to change due to changes in regulations and changes in working practices. You are advised to always refer to our latest fee schedule which is available on our web site at www.interfacefinancialplanning.co.uk

Alternatively, if you would prefer us to send you a copy please contact us by email, text, fax, phone, or letter and we will send you a copy by your chosen communication method as soon as possible (usually within 5 working days)

Methods of Payment

Option 1:

Paying our fee by direct payment from your bank via direct debit*

Option 2:

Paying our fee by a combination of direct payment, deduction by adviser charges from your investment product, and commission from insurance product

Please Note:

1. The service provided by us will be exactly the same regardless of your chosen method of payment.
2. The fee will be the same regardless of which payment route is chosen (fees based on a percentage of assets may vary within a small margin). However, an additional administration charge will be applied if paying for investment services by direct payment because of the additional administration required. These additional charges will be specified at the time of the invoice and are typically £150 for initial work and £25 per month for ongoing work.
3. Your attention is brought to the fact that under current tax legislation there may be tax advantages in choosing the second option:
4. Fees taken by deduction from pension contributions are tax deductible.
5. VAT is payable on fees paid directly but under EC legislation VAT is not payable for intermediation
6. Currently our vatable turnover has been held under the threshold and VAT is not payable
7. If VAT becomes payable, VAT may be added to fees paid directly but will not be added to fees paid for intermediation via 'Adviser Charges'
8. Our variable direct debit system is our preferred method of fee payment. If you choose to pay by cheque an additional £25 administration fee will be charged for each cheque payment.

This document has been prepared after considering the requirements of The Financial Conduct Authority and The Financial Ombudsman Service.

It was originally a shorter and more client friendly document but The FCA and The FOS require us to specify exactly what service is being provided, and how much is being paid for each service so that after many hours of work and many revisions this document has been produced.

Our regular clients will notice that there has been little change in the way that we charge for the last 20 years.