



# About our services and costs

## Willow Financial Planning Limited

453 Southchurch Road, Southend on Sea, SS1 2PH

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### 1. The Financial Conduct Authority (FCA)

The FCA is the independent watchdog that regulates financial services. This document has been designed by the FCA to be given to consumers considering buying certain financial products. You need to read this important document. It explains the service you are being offered and how you will pay for it.

### 2. Whose products do we offer?

#### Investments

Please refer to section 3 of this document

#### Insurance

- We offer products from a range of insurers
- We can only offer products from a limited number of insurers
- We can only offer products from a single insurer

#### Mortgages

- We offer mortgages from the whole market
- We only offer mortgages from a limited number of lenders
- We only offer mortgages from a single lender

### 3. Which service will we provide you with?

#### Investments

- Independent advice** – we will advise and make a recommendation for you after we have assessed your needs. Our recommendation will be based on a comprehensive and fair analysis of the market.
- Restricted advice** - we will advise and make a recommendation for you after we have assessed your needs. We only offer advice on limited types of products. You may ask us for a list of the types of products we offer.
- No advice** - You will not receive advice or a recommendation from us. We may ask some questions to narrow down the selection of products that we will provide details on. You will then need to make your own choice about how to proceed.

#### Insurance

- We will advise and make a recommendation for you after we have assessed your needs.
- You will not receive advice or a recommendation from us. We may ask some questions to narrow down the selection of products that we will provide details on. You will then need to make your own choice about how to proceed.

#### Mortgages

- We will advise and make a recommendation for you on mortgages after we have assessed your needs.
- You will not receive advice or a recommendation from us. We may ask some questions to narrow down the selection of mortgages that we will provide details on. You will then need to make your own choice about how to proceed.

### 4. What will you have to pay us for our services?

#### Investments

We offer a variety of methods by which we can be remunerated so that you can select the method that best suits your needs. We will discuss your payment options with you and answer any questions you have. We will not charge you until we have agreed with you how we are to be paid.

The charges/fees will be VAT exempt unless the work we provide for you only involves advice and/or preparing a report, in which case VAT will be applicable. In either circumstance we will advise you before we undertake any work for you. The initial and ongoing services form part of the same package.

We will also tell you if there are other costs that might arise in connection with the services we provide to you.

### Advised services

#### The cost of our services

Our charges relating to work that we undertake are set out here.

| Initial Service                                   | Initial Charges   |
|---|---|
| Initial consultation and setting your objectives. | We do not charge for the initial meeting and fact gathering; we spend this time working with you to assess where we can add value.  |
| A guide to how much it will cost.                 | <p>Once the initial meeting is held, we will provide a clear idea on how the fees will be set out. This will be agreed before we undertake to provide any services to you.</p> <p>We will offer to provide an initial report that sets out the basis of our recommendations. This may be charged at a fixed hourly rate or settled according to the percentage based charging structure (see below).</p> <p>If you wish to proceed on the basis of our recommendation we will then charge you in accordance with our charging structure.</p>              |
| How we work out our charges.                      | <p>Our charges are based upon either:</p> <ul style="list-style-type: none"> <li>- the greater of either 2.0% of the investment amount, or</li> </ul> <p>The charge that is agreed using the hourly rate of £180.00 per hour.</p> <p>2% is our maximum charge and will be determined on a case by case basis. In the case of Defined Benefit Transfer advice the maximum charge is 3% of the amount to be transferred.</p> <p>Any agreed fixed costs for the initial report will be offset against the % based fee. You will not expect to pay twice.</p> |

#### Example 1: £160,000 defined benefit pension transfer

| The Advice  | Basis of fee   | Example Charge  |
|---|--|---|
| 1. Following a free initial meeting where goals and objectives have been established; relevant data gathered. | <p>A flat Fee based on the provision of a report outlining the recommendations for future actions. This can be offset against implementation fees.</p> <p>Where the decision is not to proceed and no implementation fee is due, we reserve the right to invoice for the work done</p> | 4 hours at £180: £720   |
| 2. Implementation.  | The higher of 3% of the sum invested   | £4,800 i.e. 3% of £160,000<br>(Less any flat fee paid for the Initial report) |

Example 2: Based upon £100,000 invested in a portfolio (general investment or pension) account with a platform, the total cost for investing could be:-

| <b>Type of Initial charge</b>        | <b>Charge as a %</b> | <b>Charge in £ and p</b> |
|--------------------------------------|----------------------|--------------------------|
| Adviser charge                       | 2%                   | £2,000                   |
| Platform charge investments/pensions | 0.0%                 |                          |
| Investment/ portfolio charge         | 0.0%                 |                          |
| Total charges                        | 2%                   | £2,000                   |
| <b>Type of Ongoing charge</b>        | <b>Charge as a %</b> | <b>Charge in £ and p</b> |
| Adviser charge                       | 1%                   | £1,000 per annum         |
| Platform charge investments/pension  | 0.4%                 | £400 per annum           |
| Investment/ portfolio charge         | 0.6%                 | £600 per annum           |
| Total ongoing charges                | 2%                   | £2,000                   |

## Our Review Service

Built into the services that we offer; will be an ongoing service designed to provide periodic reviews to ensure that recommended products remain relevant to your circumstances. Details of what we will provide at the review meetings will be discussed at the time of our initial recommendation. Our charges relating to ongoing services are as follows;

| Review Service  | Ongoing Charges   |
|---|---|
| Regular review at an agreed frequency   | These will be levied in respect of the plans under management and charged as follows:<br>The greater of 1% of the funds under management and review; or an agreed number of hours per review charged at the hourly rate of £180.00 per hour.<br>1% is our maximum annual charge and will be determined on a case by case basis. |
| Who would this be suitable for?   | This would be appropriate for those clients who want a proactive service with regular contact from their adviser.   |
| Fees  | Up to 1% per annum.   |
| Annual Face to face review meetings (We will contact you to arrange this meeting) | ✓   |
| Portfolio evaluation.   | ✓   |
| Ongoing suitability review.   | ✓   |
| Witness Certification Service.  | ✓   |
| Liaison with other professionals.   | ✓   |
| Telephone/email assistance via the office.  | ✓   |
| Access to educational seminars and technical support.                             | ✓   |
| Client file retention and maintenance.  | ✓   |
| Portfolio and product due diligence and review.                                   | ✓   |
| Ad hoc meetings upon request.   | ✓   |
| Full FSCS Protection as a retail client.  | ✓   |
| Cash-flow planning review and advice.   | ✓   |

For example, if your invested assets are £100,000 then the annual cost for our review service would be £1,000 per annum. If in the year 5 your funds have grown to £130,000 then the annual cost for our review service would be £1,300 per annum as the fee remains linked to your fund value. Ongoing payments for services are linked to asset size to reflect the additional risk to the business for advising on the asset. Clients should see value in the services that we provide and the ongoing charges that are applied are designed to reflect the benefits of our services relatively. As per example 2 there will be additional ongoing charges are levied by the product provider and investment manager.

### **Settling your adviser charge in a single payment**

You can pay our adviser charges by cheque. We do not accept payments by cash. Our charges will become payable on completion of our work and should be settled within 28 business days. In some instances, we request upfront payment of fees prior to any work being undertaken. We will advise you of this at your initial meeting.

You may also pay our adviser charges via deductions from the financial product(s) that you might invest in, where the product /platform provider allows this. Please note that if you choose to pay by deduction from a financial product this will reduce the amount left for investment and may, depending on your circumstances, have other consequences. If you select this option we will discuss the implications of using this payment method with you prior to putting it in place.

If your investments are held on a platform you may choose to pay our adviser charges out of the funds held with the platform cash account (where the platform provider offers this facility). If this method is selected it is important that sufficient funds are maintained in the account to cover our adviser charges as and when they become payable. We will discuss the implications of using this payment option with you prior to putting it in place.

We reserve the right to charge you for services provided prior to cancellation.

### **Settling your adviser charge by instalments**

Where you invest in a regular premium contract only e.g. where contributions are made on a monthly, quarterly or annual basis you can choose to pay your adviser charge in instalments (note that the option to pay in a single payment is still available). Our normal approach will be for the payment to be spread over a maximum of 12 months. Exact details will be confirmed in writing with you.

### **Paying by instalments through your recommended product**

Where you invest in a regular premium contract e.g. where contributions are made on a monthly, quarterly or annual basis, you can choose to pay your adviser charge in instalments (note that the option to pay in a single payment is still available). Our normal approach will be for the payment to be spread over a maximum of 24 months. Exact details will be confirmed in writing with you.

Where you are investing in a product you can choose to have your adviser charge deducted from the product through instalments (where the product / platform provider is able to offer this facility). Although you may pay nothing to us up front that does not mean that our service is free. You still pay us indirectly through deductions from the amount you pay into your product. These deductions could reduce the amount left for investment and may, depending on your circumstances, have other consequences. If you select this option we will discuss the implications of using this payment method with you prior to putting it in place.

Payments for the services can be made either by regular fee (paid by standing order) or by deduction from your investment(s) on a monthly, quarterly, six-monthly or annual basis, where the product / platform provider is able to offer this facility. These deductions could reduce the amount left for investment and may, depending on your circumstances, have other consequences. If you select this option we will discuss the implications of using this payment method with you prior to putting it in place.

The service can be cancelled at any time by simply informing us in writing. Please note that we reserve the right to charge you for services provided prior to cancellation.

### **Keeping up with your payments**

Where you have opted to pay our adviser charge by instalments these payments are linked to the on-going payment of agreed regular contributions into your plan (until the agreed adviser charge has been paid in full). In the event that the regular contributions to your plan are not maintained (until the agreed adviser charge has been paid in full) we reserve the right to request full payment of any outstanding balance of the adviser charge.

### **Payment for ongoing services**

Unless otherwise agreed the initial and ongoing service is part of the same package. The ongoing service will be provided as a follow up to the initial service. Charges for the ongoing service will not be liable to VAT (unless the initial service was liable to VAT) where both the initial and ongoing services are part of the same package.

We can offer you an ongoing service designed to provide periodic reviews to ensure that recommended products remain relevant to your circumstances.

### **Non-advised services**

You can pay for our non-advised services on the basis of commission or fee. We will tell you how we get paid and the amount before we carry out any business for you.

### **Insurance**

A minimum fee of £500 for advising and arranging a non-investment insurance contract.

No fee.

### **Mortgages (including Equity Release)**

No fee. We will be paid commission from the lender.

A fee of £495 when you apply for a mortgage, payable upon offer. We will also be paid a procurement fee from the lender.

Where additional work is required we will agree at outset any additional fees required to cover the costs of this work and provide you with a fee agreement.

A fee of £495 when you apply for a mortgage. Any commission or fee that we receive from the lender will be refunded to you.

You will receive a quotation which will tell you about any other fees relating to any particular insurance policy.

### **5. Who regulates us?**

Willow Financial Planning Limited is authorised and regulated by the Financial Conduct Authority, 25 The North Colonnade, Canary Wharf, London, E14 5HS. Our Financial Services Register number is 577482.

Our permitted business includes advising on and arranging pension, savings and investment products and non-investment insurance contracts.

You can check this on the Financial Services Register by visiting the FCA's website [www.fca.org.uk/firms/systems-reporting/register](http://www.fca.org.uk/firms/systems-reporting/register) or by contacting the FCA on 0800 111 6768.

### **6. What to do if you have a complaint**

If you wish to register a complaint, please contact us:

**In writing:** write to The Compliance Officer, Willow Financial Planning Limited, 453 Southchurch Road, Southend, SS1 2PH

**By phone:** Telephone 01702 442198

**By e-mail:** [info@willowfp.co.uk](mailto:info@willowfp.co.uk)

If you cannot settle your complaint with us, you may be entitled to refer it to the Financial Ombudsman Service.

### **7. Are we covered by the Financial Services Compensation Scheme (FSCS)?**

FSCS protects consumers when an authorised financial services firm goes bust. This means the FSCS can pay compensation to consumers if a financial services firm is unable, or likely to be unable to pay claims against it. We refer to this as being in default.

There are limits to the protection the FSCS provides which vary by financial product. The FSCS protects:

- Deposits up to £85,000 per person per firm
- 100% of the claim with no upper limit for claims relating to long term insurance policies (such as pensions and life assurance); and
- Investments up to a limit of £50,000 per person per firm. These include for claims relating from bad investment advice, poor investment management or misrepresentation.
- Home finance advising and arranging, e.g. Mortgages, covered for up to a maximum limit of £50,000

Further information about compensation scheme arrangements is available from the FSCS. <http://www.fscs.org.uk>