



**RESPONSIBLE**  
WEALTH

# SERVICE PROPOSITION & ENGAGEMENT

CHARTERED FINANCIAL PLANNERS

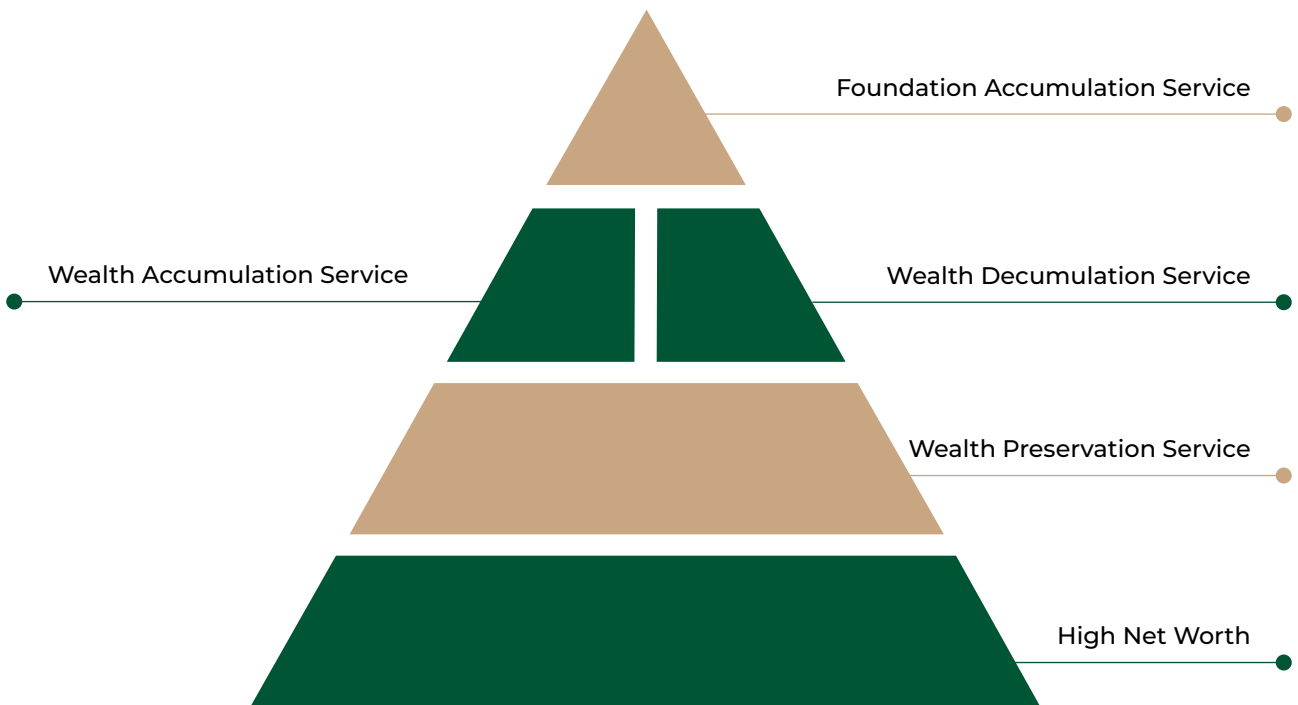
**INDEPENDENT | UNBIASED | UNRESTRICTED**

# SERVICE PROPOSITION & ENGAGEMENT

All financial plans and in particular, investments, should be reviewed on a regular basis and this agreement sets out the terms on which we charge for our ongoing services to you. Should you decide to sign up for our ongoing services we will ask you to acknowledge your consent at the end of this agreement. You should then retain your copy of this with our 'client agreement' previously provided to you.

We tailor the scope of advice to suit your needs, bearing in mind your personal circumstances and the complexity of your finances – this allows us to have a light-touch approach when your needs are simple or a more intensive service when matters are more complex, in all situations ensuring we can add sufficient value to warrant paying for ongoing advice.

Our experience has shown that during your financial journey, you will typically fall into one of five categories:



The areas of focus and scope of advisory services typically vary during different life stages and therefore our five different ongoing service propositions reflect this and we will discuss these with you and tailor which is most appropriate for your circumstances.

When ongoing services are required, we charge a variable fee between a fixed minimum and fixed upper threshold, paid monthly in arrears. As the scope of ongoing services can vary greatly, so do our fees. You will find fee ranges and examples for each of the five categories, over the following pages.

## WHAT VALUE DOES ONGOING ADVICE ADD?

Academic evidence has shown there can be significant value or 'alpha' added from receiving relationship orientated services such as ongoing wealth management through financial planning, discipline and guidance rather than just simply trying to out-perform the market.

The key value adding services we provide clients with as part of our ongoing relationship are:



In considering the above factors, research conducted by The Vanguard Group has shown the average value added through taking financial advice is in the region of 3%pa in investment returns.

We regularly track the time input required to deliver your service, our operating and regulatory costs and how we manage advice risk. We also benchmark the quality, experience and professional standing of your adviser compared to others available. This ensures we can be confident of both adding adviser 'alpha' and offering our clients value for money.

## FOUNDATION ACCUMULATION SERVICE

This ongoing service is typically suitable for clients who have less than £250,000 in savings and need a light touch approach to their finances or help in commencing their investment journey.

### Who this service is suitable for:

You will typically be beginning your investment journey having accumulated a modest amount of savings and now need some light-touch advice on how to put in place an appropriate investment strategy. Meetings are held annually face to face with a Chartered Financial Planner via Zoom/Skype.

You will typically be contributing monthly or adhoc lump sums to ISAs or pensions in order to accumulate funds towards a particular objective.

Costs of this service will range from a minimum of £500pa to a maximum of £2,500pa. The exact fee is calculated based on 1% of the funds we manage for you, subject to the minimum and maximum levels. An alternative Fixed Fee arrangement may apply where we do not manage funds for you or you require Financial Planning advice only.

*For example, Jason and Fran have accumulated combined cash savings of £50,000. Both are employed and wish to focus their savings, along with £500 per month towards an objective of saving for school and university costs in 10 years time. Jason and Fran would like an annual meeting to discuss their investment strategy. Jason and Fran's ongoing advice fee is £500pa, representing 1% of the assets managed by Responsible Wealth.*

*For example, David is self employed and has accumulated pension funds totalling £150,000. David would like an annual meeting to discuss diverting company profits into his pension fund and if his investment strategy is on track. David's ongoing advice fee is £1,500pa, which represents 1% of the assets managed by Responsible Wealth. As David's wealth grows and planning needs evolve, we will discuss whether the Wealth Accumulation service level is more appropriate*

### What this service does not include:

Advice related to inheritance tax, advanced tax planning, long term care, income drawdown strategies, lifetime allowance or annual allowance planning and investment or pension replacements/transfers. These service are chargeable as per our Client Agreement.



## WEALTH ACCUMULATION SERVICE

This ongoing service is typically suitable for clients with investments and pensions between £250,000 and £1m, who are accumulating wealth for retirement or another major life event.

### Who this service is suitable for:

You will typically have already accumulated between £250,000 and £1m of investable assets and now require a structured Wealth Management Strategy to ensure your financial plans remain on track and an annual 'MOT' of your finances. Meetings are held annually face to face with a Chartered Financial Planner at your home or office and are often supplemented with Zoom/Skype meetings.

You will typically be contributing monthly or adhoc lump sums to ISAs, General Investment Accounts or pensions in order to accumulate funds towards a particular objective.

Costs of this service will range from a minimum of £2,500pa to a maximum of £10,000pa. The exact fee is calculated based on 1% of the funds we manage for you, subject to the minimum and maximum levels. An alternative Fixed Fee arrangement may apply where we do not manage funds for you.

*For example, Paul and Jessica have accumulated a combined investment portfolio of £400,000. Both are now retired, living comfortably on their final salary pensions and do not need access to their investments but would like their money to grow as a safety net in retirement. Paul and Jessica would like an annual meeting to discuss their investment strategy. Paul and Jessica's all inclusive ongoing advice fee is £4,000pa, representing 1% of the assets managed by Responsible Wealth.*

*For example, Mark and Jane have accumulated a combined investment and pension portfolio of £800,000. Both are still working and planning on retiring early. Mark and Jane would like an annual meeting to discuss cash flow planning scenarios for early retirement to ensure they are on track with their investment strategy. Both make regular ISA contributions and lump sum pension contributions, including a bonus sacrifice contribution for Mark and employer contributions from Jane's limited company. Mark and Jane's all inclusive ongoing advice fee is £8,000pa, which represents 1% of the assets managed by Responsible Wealth.*

### What this service does not include:

Advice related to inheritance tax, advanced tax planning, long term care, income drawdown strategies, lifetime allowance planning and investment or pension replacements/transfers. These service are chargeable as per our Client Agreement.



## WEALTH DECUMULATION SERVICE

This ongoing service is suitable for clients who are either transitioning into retirement or are fully retired with investment and pension assets between £350,000 and £1m, requiring an income.

### Who this service is suitable for:

You will typically have already accumulated a sizeable amount of wealth and now require a structured Wealth Management Strategy to provide you with a tax efficient income, usually from various sources. Meetings are held annually face to face with a Chartered Financial Planner at your home or office and are often supplemented with Zoom/Skype meetings

You will typically be looking to draw Flexible, Capped or Uncrystallised Lump Sums from pensions and/or from your accumulated investment portfolio, using an income generating investment strategy, ensuring sustainability of income, managing sequencing risk and maximising tax planning opportunities.

Costs of this service will range from a minimum of £3,500pa to a maximum of £12,000pa. The exact fee is calculated based on 1% of the funds we manage for you. An alternative Fixed Fee arrangement may apply where we do not manage funds for you.

*For example, Samuel and Joanna have accumulated a combined investment portfolio of £500,000. Both are now retired, having an income foundation of company final salary pensions and state pensions but require a flexible annual top up from their investments to fund holidays. Samuel and Joanna would like an annual meeting to discuss their investment strategy and income requirements each year. Samuel and Joanna's all inclusive ongoing advice fee is £5,000pa, which represents 1% of the assets managed by Responsible Wealth.*

*For example, Edward has accumulated a combined investment and pension portfolio of £900,000. Edward is entering phased retirement and will earn a variable income from self employment but in the meantime would like to draw a flexible and tax efficient income from his pension, ISA and Unit Trust portfolio. Edward would like a six monthly meeting to discuss cash flow planning retirements, as he would like to help his children with house deposits and ensure he remains a non-taxpayer for income drawn from his various investment wrappers, thereby meaning his pension income will most likely change each year so that when added to his expected self employed income it is below the personal tax threshold. Edward's all inclusive ongoing advice fee is £9,000pa, which represents 1% of the assets managed by Responsible Wealth.*

### What this service does not include:

Advice related to inheritance tax, advanced tax planning, long term care, investment or pension replacements/transfers. These service are chargeable as per our Client Agreement.



## WEALTH PRESERVATION SERVICE

This ongoing service is suitable for individual clients who are retired who solely have Inheritance Tax planning needs or Trustees who are responsible for managing Trusts.

### Who this service is suitable for:

For individual/joint clients, you will typically have accumulated an amount of excess wealth and now require a structured Wealth Management Strategy to manage an Inheritance Tax liability through the use of Trusts, which may in turn provide an income, if required.

For Trustees, overseeing a Trust, annual meetings must consider the review and management of the investment strategy along with payment of an income or adhoc distributions to beneficiaries.

Meetings are held annually face to face with a Chartered Financial Planner at your home or office and are often supplemented with Zoom/Skype meetings, as required.

Costs of this service will range from a minimum of £2,500pa to a maximum of £7,500pa. The exact fee is calculated based on 1% of the funds we manage for you. An alternative Fixed Fee arrangement may apply where we do not manage funds for you.

*For example, solicitors at Smith & Co are trustees for a Will Trust, created when a client passed away of £1,500,000 and have the power to grant discretionary payments to the beneficiaries of the trust once they have reached age 18. The Trustees require an ethical investment strategy and are permitted to make annual payments for education purposes, house deposits and a final payment to beneficiaries at age 30. The trustees would like to ensure the trust funds are not exhausted too early. Smith & Co's all inclusive ongoing advice fee is capped at £7,500pa, which represents 0.50% of the assets managed by Responsible Wealth.*

*For example, Mary has accumulated a combined investment portfolio of £600,000. Mary is 85 and has set up a Discretionary Trust for her family to which she adds her annual Small Gift Allowance and any Surplus Income and then periodically likes to make payments to her grandchildren. Mary's all inclusive ongoing advice fee is £6,000pa, which represents 1% of the assets managed by Responsible Wealth.*

### What this service does not include:

Advice related to advanced tax planning, investment or pension replacements/transfers. These service are chargeable as per our Client Agreement.



## HIGH NET WORTH SERVICE

This ongoing service is suitable for clients who have accumulated significant wealth in excess of £1m and therefore have finances that are naturally more complex.

### Who this service is suitable for:

Complexity is defined as having some or all of the following; multiple investment tax wrappers across accumulation or decumulation, Inheritance Tax planning requirements, use of Trusts, Advanced Tax Planning, Lifetime Allowance planning, Intergenerational Wealth Transfer.

Meetings are held when required but at least twice annually, face to face with a Chartered Financial Planner at your home or office and are often supplemented with Zoom/Skype meetings.

Costs of this service will range from a minimum of £10,000pa to a maximum of £17,500pa. The exact fee is calculated based on 1% of the funds we manage for you. An alternative Fixed Fee arrangement may apply where we do not manage funds for you.

*For example, Philip and Margaret have accumulated a combined investment and pension portfolio of £1,250,000. Both are still working but plan to flexibly retire when Philip reaches 60. Both have accumulated a series of different investments, offering differing forms of tax advantages and contribute regularly to VCTs, EISs as well as pension contributions. Margaret is very near to the Lifetime Allowance and therefore careful planning is required. Philip and Margaret would like a six monthly meeting to discuss cash flow planning scenarios for Philip's early retirement along with a meeting with their accountant to manage their tax position. Philip and Margaret's all inclusive ongoing advice fee is £12,500pa, which represents 1% of the assets managed by Responsible Wealth.*

*For example, Michael and Jean have accumulated a combined investment portfolio of £3,000,000 held across multiple tax wrappers. Both are now retired in their mid 70's, living comfortably on their various final salary pensions and investments. Regular gifting from capital and surplus income into Trusts occurs each year as well as timely transfers of wealth to younger members of the family to help pay for School Fees and fund their children's pensions. Michael and Jean would like a meeting every 6 months to discuss their investment strategy and gifting requirements to ensure they eventually reduce their Inheritance Tax position to as close to zero as possible. Michael and Jean's all inclusive ongoing advice fee is capped at £17,500pa, which represents 0.58% of the assets managed by Responsible Wealth.*

### What this service does not include:

There are no limitations to this service level



## ONGOING SERVICES AT A GLANCE

Foundation Accumulation Service	Wealth - Accumulation Service	Wealth - Decumulation Service	Wealth - Preservation Service	Wealth - High Net Worth Service
---------------------------------	-------------------------------	-------------------------------	-------------------------------	---------------------------------

Financial Planning Advice, such as:-					
Review your long-term financial plan with you at least every year, including updating your goals and objectives.	✗	✓	✗	✗	✓
Review your long-term income plan with you at least every year, including updating your planned expenditure and income needs.	✗	✗	✓	✗	✓
Regularly identify where you might want to make changes to your financial plan.	✗	✓	✓	✗	✓
Cashflow and scenario modelling	✗	✓	✓	✗	✓
Make use of ongoing tax planning opportunities.	✗	✓	✓	✗	✓
Let you know about any changes in legislation that may affect you.	✓	✓	✓	✓	✓
Review your contingency plans and recommend changes as needed.	✗	✓	✓	✗	✓

Investment Advice, such as:-					
Access to our 'Core' Model Portfolio Service	✓	✓	✗	✓	✓
Access to our 'Factor' Model Portfolio Service	✗	✗	✓	✓	✓
Access to our Cash Management Portal	✗	✓	✓	✓	✓
Access to VCT, EIS and BPR investments	✗	✗	✗	✓	✓
Review and recommend changes to your savings and investment strategy where required, including new investments or regular contributions.	✓	✓	✓	✓	✓

Assess your investment performance against the targeted rate of return.	✓	✓	✓	✓	✓
Ensure your portfolio is rebalanced and maintained as required to ensure it remains appropriate.	✓	✓	✓	✓	✓
Wealth decumulation strategy to manage sequencing risk	✗	✗	✓	✗	✓
Annual 'Bed and ISA/Pension'	✗	✓	✓	✗	✓

General support, such as:					
Be on hand for all calls, discussions, and correspondence to update each other on any changes or to ask questions.	✗	✓	✓	✓	✓
Access to our secure client portal and document storage	✓	✓	✓	✓	✓
Stay in touch with updates, news and invitations that may interest you.	✗	✓	✓	✓	✓
Provision of an annual 'tax pack' for your tax return	✗	✓	✓	✓	✓
Registration and maintenance of HMRCs Trust Registration Service	✗	✗	✗	✓	✓
Maintain our records.	✓	✓	✓	✓	✓
Between our regular reviews, you have unlimited access to our advice and support.	✗	✓	✓	✓	✓
No initial advice charges applied for ISA and Pension top-ups.	✗	✓	✗	✗	✓
Liaison with your accountant and/or solicitor	✗	✓	✓	✓	✓

Fee Ranges	Minimum	Minimum	Minimum	Minimum	Minimum
	£500	£2,500	£3,500	£2,500	£10,000
	Maximum	Maximum	Maximum	Maximum	Maximum
	£2,500	£10,000	£12,000	£7,500	£17,500



## RECOMMENDATIONS

---

We do not advertise and over 85% of our new client introductions come from existing clients who have benefited from our advice. We are always appreciative of introductions we receive and therefore will make a one-off reduction to ongoing fees for the following Calendar Year of 7.5% per successful introduction, capped at 30% for all introductions who become clients during the preceding year.

## REVIEW OF ONGOING SERVICE COSTS

---

We will review the services you receive every year on the anniversary of signing this engagement. We reserve the right to increase the minimum and maximum fixed fee thresholds in line with the cost of living, defined as the rise in the Retail Price Index. As and when a review of fees occurs, we will advise you of any changes in writing.

## YOUR ONGOING SERVICE LEVEL

---

The ongoing service proposition that you would like to subscribe to is

Your personalised illustration will define the exact annual cost of this service for you.

You can choose to pay this fee directly or by deduction from the policy(ies) you hold. When you sign this ongoing service agreement it is deemed to commence immediately and will become payable monthly in arrears. 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.

## DECLARATION

---

I/We would like to subscribe to the ongoing service proposition and understand that the fee for this service is

### Facilitation of Payments

I/We wish for the cost of the ongoing service to be paid by deduction from the policy(ies) I/we hold

I/We wish for the cost of the ongoing service to be charged directly to me/us on a monthly basis

Full name
Signature
Date

Full name
Signature
Date

Signed on behalf of our firm	Full name
	Date



Responsible Wealth, Elmfield House  
New Yatt Road, Witney, OX28 1PB

Telephone 01993 225022  
[enquiries@responsiblewealth.co.uk](mailto:enquiries@responsiblewealth.co.uk)  
[www.responsiblewealth.co.uk](http://www.responsiblewealth.co.uk)

Responsible Wealth Ltd is authorised and regulated by the Financial Conduct Authority. Financial Services Register number 947126. Registered office: Responsible Wealth, Elmfield House, New Yatt Road, Witney, OX28 1PB. Registered in England & Wales No. 8520020