

ONGOING SERVICE AGREEMENT



SERVICE PROPOSITION ENGAGEMENT

This engagement is made between:

Indigo Financial Advice Ltd

and

Client Name _____

Client correspondence address

THE FINANCIAL PLANNING PROCESS

Financial planning is a very personal matter. No two people have identical circumstances, ambitions and needs. What's more, needs often change over time and everyone's financial situation is different. The financial plan we produce for you is also unique and individually tailored to suit your particular needs.

This engagement is supplementary to our Client Agreement and sets out the basis on which we charge for our ongoing services.

In order to clarify the expectations of all parties and to provide transparency of charges we set out in this document the ongoing services available and associated costs. Please feel free to contact us if you wish to discuss any aspect of these terms.

▶ SO HOW DO WE DEVELOP A FINANCIAL PLAN SPECIFICALLY FOR YOU?

1. Identify your needs and objectives

As a first step, we will arrange an introductory meeting. We will explain fully how the service works, discuss your primary financial needs and objectives and then answer your initial questions. By hearing how we work with our clients, you'll have the opportunity to make sure that our service will be of value to you.

2. Gather Information

If it is agreed that you could benefit from our service, we will go into much greater detail with you, looking at your objectives and developing them into well defined goals. At the same time we will gather detailed financial information to give you a comprehensive picture of your finances and commitments.

3. Identify your risk profile and appetite for ESG / socially responsible investing

A key element in the financial planning process is to identify your comfort level when we talk about investment risk. We will ask you to complete a scientifically developed questionnaire to help create your investment risk profile. We will then discuss the outcome with you to ensure you are confident it reflects your real views. A further assessment of your investment will be made of your interest in investment solutions that not only focus on profits but what impact there is on Environmental, Social and corporate Governance factors.

4. Prepare an analysis

Once these details have been agreed with you, the information is used to complete a personal financial plan. This includes a complex analysis of your current financial position, and looks to identify any areas where it is felt your existing financial arrangements could be more effective, or where you have no plans in place, to achieve your stated objectives.

5. Develop a plan of action

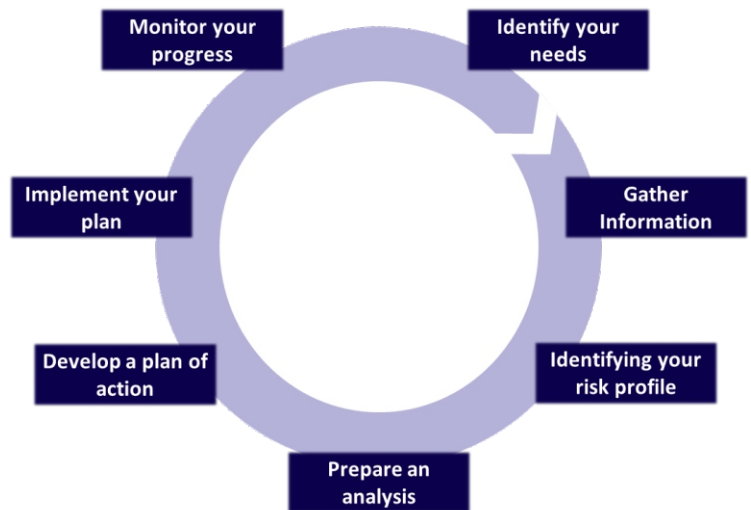
Now, with a full understanding of your circumstances and priorities, we construct your Financial Plan. This report sets out specific and realistic recommendations designed to achieve your stated objectives, both in the short and longer term.

6. Implement your plan

We will then present you with your own plan. At this meeting each recommendation will be carefully explained and all your questions answered. It is, of course, your decision whether to implement those strategies in full, or in part. Attainment of your goals, whether it be some or all of the recommendations will only arise from positive action and your own desire to make this happen.

7. Monitor your progress

As a client of ours, your plan and assets we manage are regularly reviewed. We make sure your plan is working towards achieving its objectives. Each review also takes account of any changes in your personal circumstances, finance market conditions and relevant legislation.



▶ SERVICE LEVELS AND CHARGES

- usually based on Funds Under Management (FUM)



Gateway

- Lite touch, low cost service for those clients requiring less complex financial solutions with between £50,000 + £100,000
- Annual valuation and invitation to a fee-paid Financial Healthcheck (charged hourly at £185)
- Straightforward multi-asset fund investment solutions.
- Access to Indigo's resources – Staff, Website and back-office client data
- Quarterly Newsletter by email
- Income and adhoc withdrawal processing. Annual Bed and ISA processing
- Access to further (fee based) advice including Retirement Sustainability Reports
- Annual review of circumstances and confirmation of ongoing suitability

• **Charge of 0.75% of FUM - min £375 pa.**

Estimated annual cost of service £



Foundation

- Ongoing service for those with growing investment/pension portfolios (£100,000 - £500,000) who may require more complex financial planning solutions and tax mitigation
- Also suited to clients in Retirement Drawdown who require close monitoring of their invested pension savings as they withdraw income
- Scheduled annual Financial Healthcheck, supported by detailed Valuation Reports and fund performance analysis
- Unlimited telephone and email access to dedicated support team
- Entry to our interactive website with Client Portal facilities for remote portfolio access
- Regular fund-switching and portfolio rebalancing as part of Indigo's Portfolio Service
- Access to more sophisticated investment strategies and tax mitigation, including Discretionary Fund Management
- Annual Bed and ISA processing
- Income Drawdown strategies and income tax planning
- Quarterly Newsletter and Budget updates by email
- FEE FREE investment top-ups for any on-line platform investments (not pensions)
- Max 1% (min £200) initial fee for any top up premiums
- Financial Review for immediate family members reduced to £395

Charge of 0.75% of FUM - min £750 pa.

Estimated annual cost of service £



Wealth

- Pro-active ongoing service for clients with large investment holdings (£500,000 +) which may be in a variety of differing tax wrappers, fund strategies and planning solutions. There is likely to be a stronger emphasis on all elements of tax mitigation as well as legacy and estate planning
- Also suited to clients in Retirement Drawdown who require close monitoring of their invested pension savings through cash flow modelling and tax efficient income withdrawal
- Scheduled annual Financial Healthcheck reviewing any changes to client circumstances, the financial plan and legislation. Supported by detailed Valuation Reports and fund performance analysis
- Half-yearly portfolio update report by email
- Unlimited telephone and email access to dedicated support team and IFA
- Entry to our interactive website with Client Portal facilities for remote portfolio access
- FEE FREE investment top-ups for any on-line platform investments (not pensions)
- Regular fund-switching and portfolio rebalancing as part of Indigo's Portfolio Service
- Fully inclusive access to all investment strategies including bespoke portfolios, themed approaches and Discretionary Fund Management
- CGT and IHT planning service including Trusts and Shareholder Agreements
- Annual Bed and ISA processing
- Quarterly "Your Finance Matters" magazine and Budget updates
- Investment/Pension top up fees reduced to 1% capped and collared at £200 min, £500 max)
- Free new wills (or codicils) through Indigo Will Assist (max £250 per couple)
- £250 discount off Lasting Power of Attorneys / Property Trusts through Indigo Will Assist
- Free Financial Review and Recommendation Plan for immediate family members saving £995

• **Charge of 0.75% of FUM - min £3,750 pa.**

Estimated annual cost of service £

There is no charge on FUM greater than £1 million

▶ EXAMPLES OF THE ONGOING CHARGE

We list here 3 examples to the above charges to help you understand how these would be applied



If your investments are valued at £40,000 and you have selected the Gateway Service (0.75%) the ongoing charge we would receive is £300. As this is less than the minimum ongoing service fee for this service level we would charge you £75 as the balance. The total fee payable would be £375 per annum.



If your investments are valued at £150,000 and you have selected the Foundation Service (0.75%) the ongoing management fee we would receive is £1,125. As this exceeds the minimum ongoing service fee for this service level no other charges would be applied. The total fee payable would be £1,125 per annum.



If your investments are valued at £400,000 and you have selected the Wealth Service (0.75%) the ongoing management fee we would receive is £3000. This is more than the minimum ongoing service fee for this service level. The total fee payable would be £3000 per annum.

Where the value of your investments rise, then the fees for this service will increase, conversely if the value of your investments fall, the cost of this service will decrease.

Any change to the level of services throughout this agreement will result in a pro-rata charge being applied.

You can choose to pay these fees directly or by deduction from the policy(ies) you hold. Should you wish to pay directly you can spread the payment over a 12 month period by standing order. At each anniversary of this agreement we will revalue your policy(ies) and notify you of any revised annual charges due to any fluctuation of your investment(s) at that time.

When the level of on-going services has been agreed these are deemed to commence immediately and are payable yearly 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.

You are free to choose the level of service that best suits your needs. Our charges are guaranteed not to increase within the first 12 months of your contract with us. Should we need to increase our charges after this period, you will be given notice of this fact and the opportunity to decide whether to continue with the revised level of charges. It should be noted that it is not compulsory for you to sign up to one of our ongoing services and we do offer a transactional only service.

ONGOING SERVICE AGREEMENT DECLARATION

This engagement is made between: Indigo Financial Advice Ltd.

And:

I/We would like to subscribe to the following ongoing service option (please tick the appropriate boxes)

Gateway

I/We understand that the fee for this service is 0.75% of the value of the relevant investments each year, subject to a minimum of £375.

Foundation

I/We understand that the fee for this service is 0.75% of the value of the relevant investments each year, subject to a minimum of £750.

Wealth

I/We understand that the fee for this service is 0.75% of the value of the relevant investments each year, subject to a minimum of £3,750.

Facilitation of Payment

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

£ PM

Estimated annual cost of service:

Aggregated cost of service - actual (if applicable):			
Adviser costs	£ <input type="text"/> p.a.	<input type="text"/> %	<input type="text"/> p.a.
Product / Platform costs	£ <input type="text"/> p.a.	<input type="text"/> %	<input type="text"/> p.a.
Fund management costs	£ <input type="text"/> p.a.	<input type="text"/> %	<input type="text"/> p.a.
Discretionary Fund Manager costs	£ <input type="text"/> p.a.	<input type="text"/> %	<input type="text"/> p.a.
Total costs	£ <input type="text"/> p.a.	<input type="text"/> %	<input type="text"/> p.a.

Signed:

Date:

Signed:

Date:

Signed on behalf of Indigo Financial Advice Ltd.

Date:

www.indigoadvice.co.uk

