



# McHARDY FINANCIAL



HOW WE WORK WITH CLIENTS

OUR SERVICES AND FEES

# WELCOME

Choosing your financial adviser is one of the most important decisions you will make – it's all about your financial future.

## WHO ARE WE?

McHardy Financial Ltd are Chartered Financial Planners and are proud to have been providing independent financial advice to both private and corporate clients since 1987.

We were awarded Chartered Financial Planner status in 2016 by the Chartered Insurance Institute (CII). This is considered the industry's gold standard for firms of financial planners.

It involves a commitment to continuing professional development and adherence to an industry standard Code of Ethics. You can view the Code at [www.cii.co.uk/code](http://www.cii.co.uk/code)

When you use a Chartered firm you are dealing with proven professionals. Whilst Chartered titles are steeped in history, they remain the benchmark of professional excellence and integrity.

Our fully qualified and experienced advisers, backed up by a dedicated team of professional technical support staff, are based in offices in Aberdeen, Edinburgh, Perth, Kirkcaldy, Galashiels, and Huntly.

You can meet the team at [www.mchb.co.uk](http://www.mchb.co.uk)

## WHAT WE DO

Being independent advisers we know how best to make your money work for you and your situation, helping you have the lifestyle you want. Drawing on our significant knowledge and practical expertise we provide informed advice on all your financial matters. Trust being a big part of our working relationship is something we value and foster on an ongoing basis.

Unlike restricted or tied financial advisers we are happy to be independent as that enables us to give you unbiased advice based on comprehensive analysis of the total market, leaving nothing to chance and delivering to you the best possible options. We always have your best interests at heart.

Our services are flexible and tailored to suit your requirements, from simple to complex matters, our advisers will help you decide on your best options and are only a phone call or email away.



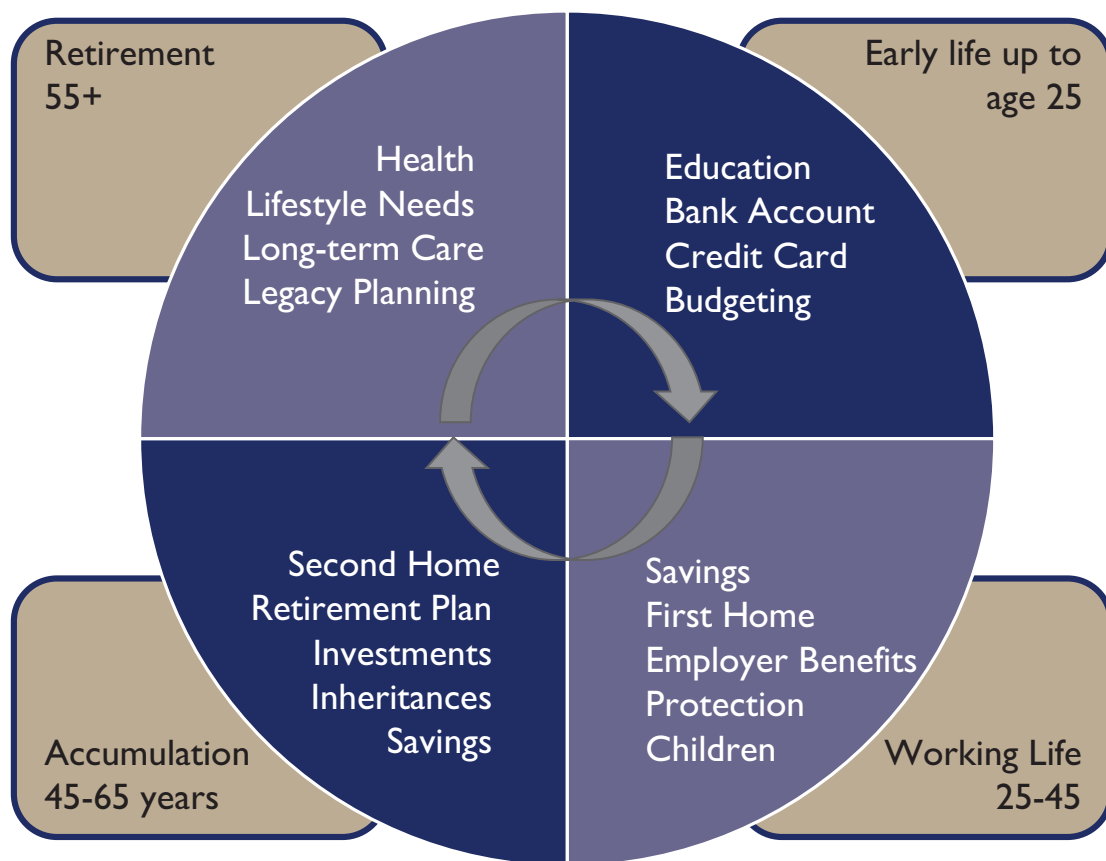


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# FINANCIAL PLANNING CYCLE

Financial advice is sought at all stages throughout the financial planning cycle as shown below and is essential, whether you are assessing your finances for the first time, seeking advice for the first time, or want to know more about your retirement options.



These are the five key areas of personal financial planning:

- **Protection** - insurance providing financial security and peace of mind.
- **Pensions** - personal and corporate.
- **Savings & Investments** - ISAs, bonds, unit trusts etc.
- **Tax Planning** - income tax, capital gains tax and inheritance tax.
- **Professional Partners** - legal, tax, deposits, lending and general insurance.



# THREE EASY STEPS...

## OUR ADVICE PROCESS EXPLAINED

Taking financial advice can appear complicated. In reality, dealing with one of our professional, independent advisers makes it a fairly straightforward process, during which your adviser draws on their expertise and experience to recommend strategies that are suitable for you and your circumstances, enabling you to make informed decisions.

The process outlined below is explained in further detail in this brochure. However, it is useful to understand the main stages involved in providing financial advice and the decisions you will need to make.

### CONSULT

We know it's important for you to discover how we can help you and whether you'll want us to be your financial advisers; this is why we meet the cost of your initial one hour no obligation consultation.

1 Your adviser will ask about your current circumstances, financial position, and goals to enable us to understand where we can benefit you. We also identify your attitude to risk and capacity for loss using industry leading fact finding and risk analysis technology which help us to determine your ideal savings and investment options.

Our benefits and charges are clearly explained and if you are ready to proceed we ensure all relevant information is in place from all parties, giving a transparent picture of what will happen and associated benefits and costs.

### REPORT

2 Your adviser will research the most suitable financial solutions for you from all those available in the market. A written report is then provided based on our initial consultation and focusing on your specific issues.

The report provides an overview of your financial situation accompanied by tailored recommendations for you.

Recommendations might include suitable products, providers and investment portfolios, as well as non-product based solutions, and are all based on your circumstances, objectives and attitude to risk.

### IMPLEMENT

3 Should you decide to proceed, we will implement your agreed recommendations or financial plan, liaising with providers, taking care of all the paperwork and keeping you informed throughout the process.

This stage can include putting new arrangements in place; and transferring, terminating or selling existing plans, policies, investments or other arrangements. Additional paperwork may be required, ie trust arrangements to support family or estate protection.

# ONGOING SUPPORT

As life changes so do your financial goals. Getting married, moving home, having children and becoming retired are just some of the landmarks that affect our financial circumstances and arrangements; and with frequent changes in legislation and market conditions it's surprising how quickly a financial plan can become outdated.

That's why many choose McHardy Financial as their long term financial advisers – to know that we are on their side with an eye on their finances and always available.

When your initial recommendations are in place you then have the opportunity for us to look after your ongoing financial situation. Investment value, amount and type of holdings, objectives, timeframes and personal choice all being factors in your decision from our range of client packages:

## VALUE

A reactive service with annual updates.

- Annual consolidated portfolio valuation
- Regular e newsletter
- Change of circumstances questionnaire with review correspondence
- Contact following questionnaires when a need for action is identified
- Access to our client support team
- Introduction to other professional advisers if required

## PRIORITY

Ongoing guidance, contact and support from your financial adviser.

**All the benefits of the Value service plus:**

- Annual face to face meeting
- Annual review of your portfolio and update
- Asset allocation analysis in comparison with agreed benchmark
- Fund performance analysis
- Rebalance of portfolio to benchmark where applicable
- Email and telephone support from your adviser as required
- Assistance with financial paperwork

## PRIORITY PLUS

Ongoing guidance, contact and support from your financial adviser for complex or high value portfolios which require additional attention.

**All the benefits of the Priority service plus:**

- Two annual face to face full review meetings
- Annual and Interim reports reviewing your financial situation with in-depth analysis of your portfolio
- Supply of end of tax year information, where applicable
- Discounts for advice on top-ups to existing investments/pensions
- Regular newsletter in hard copy (if required)

## FEES

When the work and associated costs are agreed we prepare an engagement letter detailing the cost of preparing and presenting your strategy report and implementing our recommendations. Fees vary according to the complexity of circumstances and objectives, scope of work and amount to be invested, and type and number of products implemented eg investments, pensions, ISAs etc. Fees also take into account the regulatory responsibility we take for advice given.

Applicable fees can be paid directly from you or when feasible from the product provider.

All fees are payable on completion of agreed work.

You may cancel or change the services you receive from McHardy Financial, at any time, subject to a minimum 14 days, as per our Terms and Conditions of Business.

## INITIAL FEES

### STAGE 1: CONSULT:

A one hour consultation with the cost being met by McHardy Financial.

### STAGE 2: REPORT

| Strategy Report<br>(depending on investable sum) | INVESTMENT AMOUNT |                    |            |
|--|-------------------|--------------------|------------|
|  | up to £49,999     | £50,000 - £199,999 | £200,000 + |
| Fee:   | £750              | £1,000             | £1,250     |

The report fee covers the cost of the research, recommendation and presentation of our recommendation. Should you decide not to implement, only the report fee will be payable.

# INITIAL FEES (CONTINUED)

## STAGE 3: IMPLEMENT

Implementation fees are typically based on the amount being invested and may vary according to the complexity and scope of work required.

Fees include the fee chargeable for the preparation of the strategy report from stage 2.

Fees are based on a tiered approach with the actual percentage reducing as the amount invested increases.

Examples are below and your Adviser will provide full details in advance of any work being carried out:

|  |  |
|--|--|
| Example Investment Amounts:<br><br>£50,000<br>£150,000<br>£300,000<br>£1,000,000 | Fee:<br><br>£1,750 (3.5%)<br>£3,875 (2.59%)<br>£6,000 (2.00%)<br>£10,250 (1.03%)<br><br>Details of all fees are provided prior to preparing the strategy report; no work is undertaken without your prior written consent. |
| Regular contributions<br>(new plans and top-ups)                                 | Up to 25% of the first years premiums subject to a minimum fee of £450 and a maximum fee of £2,500.<br>ie: An annual premium of £5,000 or monthly premium of £416.67 would equate to an initial fee of £1,250              |
| Insurance-based products   | We normally receive commission from the product provider. The amount of which will be disclosed to you.  |





## INITIAL FEES (CONTINUED)

### STAGE 3: IMPLEMENT (CONTINUED)

#### Mortgages

Our fee for researching the market and recommending a suitable mortgage is £450 which would be payable on completion of the recommendation and is non refundable. In addition, on completion of the arrangements for the mortgage we may receive a fee from the chosen lender, typically this will be 0.35% of the mortgage amount.

This will be disclosed to you before you decide to proceed. For example, based on a mortgage of £150,000, the fee would be £525.

## FEES FOR ONGOING SERVICES

| Services  | Value                               | Priority                            | Priority Plus                         |
|---|-------------------------------------|-------------------------------------|---------------------------------------|
| Annual Fee<br>(taken as a percentage of funds under management) | 0.50%                               | 0.75%                               | 1.00%                                 |
|   | Minimum Fee<br>of £250<br>per annum | Minimum Fee<br>of £750<br>per annum | Minimum Fee<br>of £2,000<br>per annum |

For example, our annual fee for our Priority service for a £100,000 investment would be £750 based on a charge of 0.75% of the sum invested.

**Our Terms and Conditions of Business is enclosed separately and we require you to read and sign this.**



# McHARDY FINANCIAL

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Registered in Scotland: SC105200. McHardy Financial is the trading name of McHardy Financial Limited and registered in Scotland.

McHardy Financial Ltd is authorised and regulated by the Financial Conduct Authority