

Michael Ambrose Limited

The IFA that works for you

Michael Ambrose Limited is authorised and regulated by the Financial Conduct Authority

Costs and Services



www.michaelambrose.co.uk

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About

Our approach:

As chartered financial planners, we offer you specialist independent financial advice...

“*Since 1982, we’ve provided fair and tailored advice and we still pride ourselves on the professional and personable relationship which we have with all of our clients.*”

The Michael Ambrose Group was founded on the principle of treating clients as we would want to be treated ourselves and this is still at the heart of our service today. We look after our clients’ money in the same way that we’d look after our own and our advisers work with absolute integrity to ensure you the best financial result. We are not tied to any insurance company, bank or other financial service provider and consequently, our advice to you is totally impartial.

We’re a people orientated business and our relationship with our clients is simply the most important thing for us. Most of our clients choose to work with us on an ongoing basis and to stay with us for a large number of years.

How we work:

Our services and advice will be tailored to your individual requirements, therefore understanding them is important to us. We’ll typically establish these through a free face to face first meeting where we can talk about your needs.

If you then decide to work with us and we believe that our proposition will add value to your circumstances, you can expect:

- To be matched with the dedicated financial adviser who’s best suited to you
- For our communication method to be agreed by you
- To receive an open and upfront explanation of our fees and charges
- To be given financial advice which is tailored to achieving your financial situation and goals.



Services

Independent expertise

“ *We're committed to ensuring that you get the very best from the financial services industry.*”

All of our advisers are members of the Chartered Insurance Institute and are qualified at diploma or chartered status with the Personal Finance Society. Therefore, we are best placed to deliver the expertise needed to secure your financial future.

Our dedicated team of advisers will work to offer you bespoke financial advice in:

- Financial planning
- Protection
- Investments
- Pensions

Independent in respect of retail personal clients means providing personal recommendations on a sufficient range of retail investment products, MiFID instruments and structured deposits.

In layman's terms this means that we can offer solutions using products selected from across the market place and are not restricted in any way in the advice that we provide.

Typical engagement

Whilst our communications and work with you will be completely tailored to your financial needs, our typical points of engagement with our clients are outlined below:

- **Initial meeting** – Conducted without charge; we'll help you to understand what we do and then assess whether our service is appropriate for your current needs and circumstances
- **Initial advice** – We'll analyse the information you have provided and create a discussion document for our next meeting. This will be agreed with you or amendments made. We will then construct the solution with the agreed products and services
- **Ongoing advice** – If a pension or investment portfolio has been established, we will offer to provide advice on a regular basis to ensure that it performs in line with the expectations we have discussed. Should any changes be recommended due to movements in the market, alterations to fund managers, or changes to your own circumstances, we will review these with you.



Charges

Our principles

We'll always establish our fees with you before we undertake any work and everything we charge is appropriate to time and expertise. You can trust us to be open at every stage of our partnership and to be responsive to any queries which you might have.

We will:

- Give you all the information about our services and costs at the initial meeting so that you can be confident about what you want to spend from the start
- Cap our fees at an agreed level, on request, to ensure that should we underestimate the work involved in helping you, you won't get an unexpected invoice
- Present you with a number of payment options and charge in the most appropriate way for you.

Types of charges:

We will agree with you how you will pay for our services and will recommend the type of charge which is most appropriate for you. Our fee types are as follows:

Initial advice

- **Fixed fee** – We agree a simple rate for any work we undertake
- **Hourly rate** – We agree an hourly rate and inform you of the total cost when the work is finished, or the cost reaches agreed levels
- **Percentage of assets** – We agree a percentage of the monies that we help you to invest
- **Combination** – We agree on any of the above methods for different elements of the initial work we do for you

Ongoing advice

- **Retained** – We call these retained clients and we agree a fee based on a percentage of the monies invested. For retained clients with more complex affairs, we also work on a continuation of hourly rate basis.

Liability for fees incurred is effective from when you agree to advice services being provided by signing and returning the Client Consent form. No charges will be made without your agreement. We'll also always be here if you need any further information.



Our fees

The fee for initial and ad hoc work can be an agreed fixed fee or one calculated by reference to the number of hours we spend working for you. A fixed fee can either be an agreed monetary amount or a proportion of the value of the capital advised upon, for example 3% of the capital advised on.

It is important to note that whether you buy a product or not, we will charge you for our advice and services, which will become payable on completion of our work or on quarterly billing dates if work is based on hourly fees and the work is not yet complete.

As outlined in 'types of charges', there are 2 different types of work that we can do for you.

Examples of our fees are as follows:

Initial advice

- Where a client asks us simply to advise them, through a report, on their options with regard to a £250,000 investment portfolio but does not want us to carry out any transaction nor give any on-going investment advice.
- We would charge an hourly rate at between £204 per hour - £332 per hour. Our estimated total time spent would be 6 hours giving rise to a charge of between £1,224 - £1,992.

Ongoing advice

- Where a client asks us to set up their £350,000 portfolio and now wishes to become a retained client and have the portfolio monitored.
- The charge will be 1% per annum of the portfolio thereafter.
- In this scenario, these are the only ongoing fees that we will charge.
- This will mean you will pay £3,500 per annum thereafter. This amount will vary in line with the performance of the portfolio.

We explain more about our fees over the next 3 pages and are always happy to help if you have any queries.



Hourly fees

Our actual hourly fee charges are set out below. In respect of hourly fees, you may ask us for an estimate of how much in total we might charge. You may also ask us not to exceed a given amount without checking with you first. We will tell you if you have to pay VAT.

Portfolio Size	With Ongoing Advice Services	Without Ongoing Advice Services
Director	£223 per hour	£332 per hour
Financial adviser	£172 per hour	£256 per hour
Paraplanner	£137 per hour	£204 per hour
Senior Administrator	£100 per hour	£148 per hour
Assistant Administrator	£73 per hour	£109 per hour
Secretarial	£45 per hour	£64 per hour
Bookkeeping	£73 per hour	£109 per hour

Travelling time is charged at half the above rates when attending meetings.

The different fee rates charged reflect the fact that it is long term relationships that create value for both parties and therefore a lower hourly rate where ongoing services are required should reflect this. Hourly fees normally increase in line with the Average Weekly Earnings (AWE) measure each year.



Ongoing investment advice

Once we have established you as a client and created your bespoke portfolio, we offer an option to cater for your ongoing needs as we are able to offer the following service:

Ongoing Advisory Service

This service commits to provide you with an annual meeting, online valuations, an annual written review of your portfolio and additional advice on request during the year. The charge for this service depends on the value of the portfolio. For portfolios valued below £1,000,000 the adviser charge is 1% per annum of the portfolio advised upon with a minimum fee of £2,000 per annum, which can be paid from the portfolio or invoiced directly to you. For portfolios with a value between £1,000,000 and £2,999,999 the adviser charge is 0.8% per annum of the portfolio advised upon. Portfolios with a value above £3,000,000 would be subject to negotiations on a case by case basis, and discounted terms are likely to be offered.

Examples of the cost of our ongoing service are:

Portfolio Size	Ongoing Advisory Service
£250,000	£2,500 pa
£500,000	£5,000 pa
£750,000	£7,500 pa
£1,000,000	£8,000 pa
£2,000,000	£16,000 pa

The exact details of these charges are set out separately. Please don't hesitate to contact us, we're always happy to offer further clarification.

We would be unlikely to offer this service for portfolios below £200,000 as the minimum fee of £2,000 would apply.



Further examples of our charging structure

Service	Initial Charge	Ongoing charge for agreed further services
Review of your existing financial arrangements already in place.	Charged at an hourly rate of £204 to £332 per hour (plus VAT) – Approx. 6 hours, with a cost range between approx. £1,224 and £1,992.	Not applicable.
Advice on how best to draw your pension benefits at your retirement.	Charged at an hourly rate of £137 to £223 per hour (plus VAT if applicable) – Approx. 10 hours, with a cost range between approx. £1,370 and £2,230.	N/a - if a lifetime annuity is purchased. If capped drawdown is selected then ongoing services may be important and will be discussed.
Where to invest the capital that you have accrued (for those with up to £150,000 to invest).	3% of your investment. VAT is unlikely to be applied. The illustrative fee of 3% on an investment of £50,000 would be £1,500.	Not applicable
Where to invest the capital that you have accrued (for those with £150,000 to £500,000 to invest).	Charged at an hourly rate of £137 to £223 per hour or 2% of your investment. VAT is unlikely to be applied. An illustrative fee of 2% on a portfolio of £250,000 would be £5,000.	Annual meeting, online valuations, annual written review and additional advice on request - 1% of the value of the portfolio advised upon, subject to a minimum fee of £2,000.

Total cost of ownership (TCO)

TCO is the total annual cost to you of investing your money through us and will be in addition to our own annual charge. It represents the purchase price of an asset, plus the costs of operation. We always endeavour to keep your TCO to a reasonable level as it will, of course, impact your investment return.

TCO outlines what you may have to pay in addition to our charges though your adviser will be able to confirm this for you. TCO charges include:

- **Platform fees** – For the administration system which we use to allow you to see what is happening to your money and allows us to buy and sell investments for our clients
- **Tax wrapper charges** – For the administration of the product that your money will sit inside, such as an Individual Savings Account or Pension, to ensure the money is growing as efficiently as possible
- **Investment management fee** – explicit - the money charged by any fund manager we use to look after your money
- **Investment management fee** – implicit – the costs created by the actions of the fund manager, such as stamp duty on the purchase of equities.

Not all of these fees apply in every case

When Michael Ambrose Limited makes a recommendation to invest or move money, we will break down and explain these charges to you in our written report.

Payment

If you need any further information about fees or charges, please do get in touch.

Making payments

There are various ways of making payments which your adviser will be more than happy to discuss with you.

These include:

- Cheque
- Bank transfer
- Standing order (for retained clients only)



Further Information

Who regulates us?

Michael Ambrose Limited of 24 Upper King Street, Leicester LE1 6XE is authorised and regulated by the Financial Conduct Authority. Our FCA Register number is 120967.

Our permitted business is advising on and arranging pensions, pension transfers and opt outs, investments, making arrangements with a view to regulated mortgage contracts, credit broking, debt counselling and advising on P2P agreements. You can check this on the FCA's Register by visiting the FCA's website <https://register.fca.org.uk> or by contacting the FCA on **0800 111 6768**.

The Financial Services Compensation Scheme:

We are covered by the FSCS and you may be entitled to compensation from the scheme if we cannot meet our obligations. This depends on the type of business and the circumstances of the claim. The FSCS can compensate customers if a firm has stopped trading or does not have enough assets to pay claims against it.

Investment

Most types of investment business are covered up to a maximum limit of £85,000.

Long term insurance (e.g. insured pensions) are covered up to 100% of the claim with no upper limit.

Banks and Building Society Deposits are protected up to £85,000 per person per authorised bank or building society meaning that up to £170,000 is protected for joint accounts. This limit is per authorised firms and not per account.

Further information about compensation scheme arrangements is available from the FSCS www.fscs.org.uk



Contact us

Michael Ambrose Limited Independent Financial Advisers

We'll be really happy to help with any queries which you may have. Just get in touch.

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