



## about our services and costs



1 Riverview Business Park  
Walnut Tree Close  
GU1 4UX

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

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The FCA is the independent watchdog that regulates financial services. This document is 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.

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

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- 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, but we only offer advice on limited types of products, or products from one company or a limited number of companies.
- 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.

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

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You will pay for our services on the basis of the charges detailed below. 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. At present we are not registered for VAT as most of our income is exempt however this situation may change and we will then let you know if your charge is subject to VAT.

## **The cost of our services**

### **1. Settling Your Adviser Charge in a Single Payment**

One of the area in which we specialise is the assessment and review of existing pension arrangements. For example if you are thinking of retiring and are not sure if you can afford to do so because you are unclear as to what your various pension schemes can provide or when would be the best time to draw them, we can assist with this important decision. We charge a fee for this service.

#### ***Initial Financial Status Report***

Whether you buy a product or not, you will need to pay us a fee for our advice and services, which will become payable on completion of the Report. The Initial Financial Status Report does not entitle you to on-going client services but is a one-off stand alone report and you are not under any obligation to invest any funds with us or follow the report recommendations. Our Financial Status Report fee is as follows:

Financial Status Report Fee £850

In addition, to review existing Pension contracts we charge:-

£250 per Defined Benefit Scheme & £175 per Defined Contribution Scheme\*.

For example;

- If you have 3 pensions from different sources, one Defined Benefit Scheme and two Defined Contribution Schemes and wish us to review each policy and determine the likely benefits payable this would cost a total of £1,450.

*\*AVCs and FSAVCs are treated as separate schemes for charging purposes*

There is no further on-going service provided once the report has been issued and any questions arising addressed. Ongoing service only is provided where an ongoing charge is agreed (see 2,3 and 4 below).

The £850 charge is payable when you instruct us to proceed and the remaining charge is payable on the completion of the report. We do not provide a facility to pay a report fee by instalments.

### **2. Paying Commission**

#### ***Life and Income Protection Insurance***

If you ask us to implement some Life Insurance or Income Protection Insurance we have recommended, this will result in us receiving commission direct from the insurance company. This commission will be used to pay for the underwriting queries, implementation and any specific advice in connection with the Insurance contract either now or in the future. The amount of commission will be disclosed on the Key Features document which will be sent to you as part of the quotation.

#### **Existing Investments Transferred to Messer & Matthews Ltd**

Where we take over the agency for an existing contract of insurance, investment or pension and

where the existing contract commenced prior to 1/1/2013 it may pay on-going commission to the adviser who holds it in their agency.

Any commission generated in this way will be used to pay for the administration and advice in connection with the contract transferred in to our agency. If no commission is not payable as part of the existing contract, we will not request it but it will not count towards the minimum investment amount stated above.

### **Existing Investments Administered by Messer & Matthews Ltd prior to 1/1/2013**

Where we have implemented contracts of insurance, investments or pensions and contract commenced prior to 1/1/2013 will pay on-going commission Messer & Matthews Ltd as previously arranged.

Any commission generated in this way will be used to pay for the administration and on-going advice in connection with the existing insurance, investment or pension implemented by us.

### **3. Payment for Implementation and Ongoing Services**

Payments for ongoing services and for implementation are usually facilitated by the retail investment product provider. This means that the cost of our services are paid to us by the retail investment product provider by deductions directly from your pension and/or investment.

You can cancel the ongoing services at any time and we will instruct the retail investment provider to cease any on-going payments they are making to us. We request that you give us 3 months notice of cancellation.

### **Services Provided**

Please note that to become a new client with access to the ongoing services of Messer & Matthews Ltd we must hold a minimum of £250,000\* under our management (which can be a combination of pensions and investments) on which we are receiving a management fee. This gives you ongoing entitlement to our range of client services as detailed below.:-

*\*These services are provided to clients who were already with Messer & Matthews on 1<sup>st</sup> Jan 2015 irrespective of funds under our management.*

#### **Unlimited Email/Telephone Access**

You can telephone us or email/write to us with any questions or queries you may have in regard to your finances.

#### **Unlimited Face to Face Review Meetings**

You can also arrange face to face meetings at our offices at a mutually convenient time. We will invite you to attend a meeting at least once a year in order to ensure that your personal recommendation remains relevant to your changing circumstances.

#### **Second Opinion Service**

If you see something in the financial press such as a comment or advertisement or have your own ideas and you would like a second opinion on the subject we can provide a second opinion on the basis of our experience and expertise.

### **Intermediation**

We will deal on your behalf direct with the various Investment/Pension/Insurance Companies with whom you hold investments upon your written authorisation and in accordance with your instructions.

### **Use of available tax allowances**

We will endeavour to use your Capital Gains Tax, ISA and Pension allowances where we are given instructions to do so using the investments that we hold for you or using additional cash sums you ask us to invest for you.

### **Annual Valuations and Review**

If we administer your Investments or Pensions we will send you a regular valuation which is a minimum of once a year and will invite you to contact us to review your circumstances and the investments.

### **Portfolio valuations on request**

If we administer your Investments or Pensions you can request ad hoc valuations in addition to your regular valuation which is a minimum of once a year.

### **Strategic tax planning including Inheritance Tax & Trusts**

We will advise on Inheritance Tax saving strategies where requested to do so. We also provide general financial advice on the use of trusts but we always recommend that clients take independent legal advice on trust related issues.

### **Co-ordinate with other Financial Professionals**

When you have requested us to do so, we will provide your other financial professionals such as your accountant and/or solicitor with end of year taxation information. When requested and authorised to do so, we will co-ordinate our efforts by liaising directly with your other financial professionals.

### **Administration of death claims**

We will provide a probate valuation either to an executor or solicitor when requested to do so by an executor of your estate. We will also liaise with the investment, pension and insurance providers where we hold investments and insurance cover for you to ensure that claims are paid and investments re-registered in accordance with instructions received.

Full detail of our charges are detailed below:

### ***Pension Implementation & Management***

If you ask us to implement a re-structure of existing pension arrangements or set up a new pension scheme we will charge a percentage of the value of the funds. This fee can in most cases be taken

direct from the pension funds themselves thereby effectively receiving tax relief on the fee.

There are two parts to the value based fee. Firstly there is a fee that applies once only to the initial investment called an 'Implementation Fee' and secondly a fee applied each year based on the value of the funds held in the pension called and 'Management Fee'. The Implementation Fee covers the initial set up of the plan and the Management Fee is for the ongoing reviews of the plan once it is in force. The fee charged is dependent upon the type of pension contract due to their differing complexity.

	Implementation Fee*	Management Fee
Drawdown & Phased Drawdown	1.5%	0.55%
Investment Linked Annuity	1.5%	0.55%
Standard Annuity	1.5%	Nil
Underwritten Annuity	1.5%	Nil
Pension Consolidation Transfers	Nil	0.55%
Pension Regular & Single Contributions	Nil	0.55%

*\*Implementation fees are capped at £5,000*

For example:

- If you invested say £250,000 in drawdown contract we would receive a fee of 1.5% of the amount invested, £3,750 and 0.55% of the value of the fund each year, so in the first year approximately £1,375 and then in each year so that in the tenth year it could be approximately £2,250 assuming 7% growth.
- If you paid into a personal pension say £500 per month with a term of 25 years then we would receive of 0.55% of the accumulated fund value each year so in the first year approximately £34 and then in each year so that in the tenth year it could be approximately £431 assuming 7% growth.
- If you purchased a standard annuity for you for say £100,000 the fee paid is not greater than 1% of the purchase price, £1,000 with no ongoing fee.
- If you purchased an underwritten annuity for you for say £100,000 the fee paid is not greater than 1.5% of the purchase price £1,500 with no ongoing fee.

If we implement and manage a pension product for you, you will need to pay us a fee for our advice and services but if we do not implement and manage a financial product for you, you will not have to pay us an implementation or management fee.

### ***Non-Pension Investments Implementation and Management***

Please note that to become a client of Messer & Matthews Ltd we must hold a minimum of £100,000 under our management (which can be a combination of pensions and investments) on which we are receiving a management fee. This gives you ongoing entitlement to our range of client services as detailed on page 3 above.

Non-Pension Investments includes Unit Trusts, OEICS, ISAs, Onshore and Offshore Bonds, VCTs EIS and other non-pension investments.

There are two parts to the fee. Firstly there is a fee that applies to the initial investment called an 'Implementation Fee' and secondly a fee applied each year based on the value of the funds held in the pension called a 'Management Fee'.

	Implementation Fee*	Management Fee
Non-Pension Investments	1.5%	0.55%

*\*Implementation fees are capped at £5,000*

The initial fee covers the initial advice and set up of the plan and the Management charge is for the ongoing reviews of the plan once it is in force. If you purchase a product that does not have the facility to deduct a Management Fee, such as a Structured Product, then the Implementation Fee will be 3%.

In most cases the investment provider is able, with your agreement, to pay us directly from the funds invested so you do not have to pay us by cheque for the implementation or management.

For example:

- If you invested say £100,000 in a non-pension investment we would receive a fee of 1.5% of the amount invested £1,500 and 0.55% of the value of the fund each year so in the first year approximately £561 and then in each year so that in the tenth year it could be approximately £2,249 assuming 6% growth.
- If we purchased a structured product for you for say £20,000 the fee paid is normally not greater than 3% of the purchase price £600 with no ongoing fee.

If we implement and manage an investment product for you, you will need to pay us a fee for our advice and services but if we do not implement and manage a financial product for you, you will not have to pay us an implementation or management fee.

### ***Wealth Management Service***

We also offer a Wealth Management Service (WMS) for clients with over £350,000 to invest which provides quarterly valuations and a quarterly adjusted asset allocation model. This can be used for pensions and non-pension investments but increases the Annual Management Fee so that instead of 0.55%, the Annual Management Fee would be as follows:

<b>Total amount invested in WMS*</b>	<b>WMS Management Fee</b>
750,000+	0.65%
500,000-750,000	0.70%
250,000-500000	0.75%

100,000-250,000	0.80%
0-100,000	0.85%

For example:

- If you are a WMS client and invested say £100,000 with us, we would charge a fee of 1.5% of the amount invested, £1,500 and 0.85% of the value of the fund each year so in the first year approximately, £867 and then in each year so that in the tenth year it could be approximately, 1,267 assuming 6% growth.
- If you are a WMS client and invested say £100,000 with us, we would charge a fee of 1.5% of the amount invested £7,500 and 0.7% of the value of the fund each year so in the first year approximately £4,335 and then in each year so that in the tenth year it could be approximately £6,335 assuming 6% growth.

If you use the Wealth Management Service, you will need to pay us a fee for our advice and services but if we do not implement and manage a financial product for you, you will not have to pay us an implementation or management fee.

#### **4. Paying an Hourly Rate**

Occasionally clients wish to administer and implement their own pensions and investments and we may therefore agree to work on consultancy basis for an hourly rate. The time spent on consultancy for you is recorded and invoiced either at the completion of the work or on a quarterly basis where work is undertaken regularly.

Hourly rate charging is by mutual agreement only and you can cancel our agreement at any time with 3 months notice.

We will confirm the rate we will charge in writing before beginning work. Our charges are currently:

Chartered Financial Planner- £275 per hour  
Administration - £175 per hour

For example, if a typical analysis may take say 5 hours of an Adviser's time and 6 hours of an Administrators time then the total bill would be £2,425.

These hourly charges will be reviewed each October in line with the Average Earnings Index published by the Office of National Statistics.

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#### **4. Who regulates us?**

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Messer and Matthews Limited, 1 Riverview Business Park, Walnut Tree Close, Guildford, Surrey, GU1 4UX is authorised and regulated by the Financial Conduct Authority. Our FCA Register number is 121007

Our permitted business is advising on and arranging investments, pensions, 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.

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

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

**...in writing**      Write to Messer and Matthews Limited, 1 Riverview Business Park,  
Walnut Tree Close, Guildford, Surrey, GU1 4UX

**... by phone**      Telephone 01483 579123

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

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

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We are covered by the FSCS. 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.

Most types of investment business are covered up to a maximum of £50,000.

Further information about compensation scheme arrangements is available from the FSCS.