

# OUTZ FEES



## THE PRINCIPLES

When we designed our fee structure we had three main things in mind –

**Value for money** – more important than anything else, you need to be better off after paying our fees and receiving our services than you would be if you didn't pay the fees and benefit from the advice

**Transparency** – no hidden charges and no small percentage numbers that work out to be big actual money numbers (if you can be bothered to do the sums). You should know exactly what you are paying us and what you are getting for your fee

**Enough** – if we don't charge enough we won't survive...and if we don't survive we can't help people. So, as much as we want to make our services accessible to all we need to be commercially viable. We also hope to earn enough that we can give a little back to those less fortunate than us

## THE TYPES OF FEE

There are three different types of fee you might pay us –

| Initial Fee                                                                                                                                                                                            | Ongoing fee                                                                                                                                          | Implementation fee                                                                                                                                                      |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| This covers all the work we will do and the meetings we'll have to complete the initial financial plan.<br>It is a one-off fee that will be payable once we have delivered your Financial Freedom Plan | This fixed monthly fee is payable once the initial work is complete and for as long as you continue to receive an ongoing financial planning service | Our implementation fees pay for the work that is required to recommend and set up a new financial product or to make an additional contribution to an existing product. |

## COMMISSION

Yes, commission is a dirty word! But it is still paid to us for arranging some types of products and in most cases it makes sense for both you and us that we take the commission that is offered.

We will never take commission of more than £5,000 to arrange a financial product and will always tell you when commission is being paid.

## How much

How much you pay us will depend on the service level you are receiving. The service level you receive will depend on how far you have already progressed to financial freedom. In other words, it will be based on your assets (excluding your home) and household income after tax - the more you own and earn, the more you will pay.

We think this is fair because, as a rule, the more money you have means that we need to consider more aspects of financial planning, there is the potential for greater tax savings, and the advice we give will make or save you more.

| Income and investable assets | Less than £500,000 | £500,000 plus                                                              |
|------------------------------|--------------------|----------------------------------------------------------------------------|
| Initial fee                  | £1,250             | £2,500                                                                     |
| Ongoing fee                  | £120 per month     | £240 per month<br>plus 0.25% p.a. of investable assets<br>over £1 million* |

*\* ongoing fees capped at £500 per month (£6,000 per year)*

The ongoing fee you pay us will be calculated at the start of your relationship with us and at every annual review date. We review our fees on a biennial basis and expect to increase them with inflation over time.

### WHERE FROM

You can pay us directly from your bank account or, if it suits you to do so, we can often arrange for the monthly fee to be taken from any financial products you have, such as a pension or investment account.

### FIXED FEES VS. PERCENTAGE FEES

Traditionally, many financial and investment services have been charged for based on a percentage of the value of the assets you had invested.

It is very clear to us that a fixed fee structure provides better value for money, transparency and removes a clear conflict of interest i.e. the more you invest, the more we earn.

### HOW DO OUR FEES COMPARE TO OTHER FINANCIAL ADVISERS?

FCA research has found that the average initial advice fee is 2.4% and 0.8% for ongoing advice.

For someone with £300,000 to invest this works out as an initial fee of £7,200 and £2,400 each year as an ongoing fee.

Our fees for this investment amount would be £1,750 initial advice (financial planning fee plus implementation fee) and £1,440 each year. Much lower!

This doesn't mean you are getting a lesser standard of service or advice; it just reflects our aim to provide great financial planning for the best possible value.