Service Propositions

Who are we?

Bob Little & Co Ltd is a firm of independent financial advisers and mortgage consultants, based in Redcar. We have been providing financial planning solutions for our clients since 1985 and we have built a loyal client bank. We are directly authorised and regulated by the Financial Conduct Authority, which means we are not part of (or controlled by) any larger organisation and can therefore offer totally unbiased recommendations. We became a firm of Chartered Financial Planners in 2014. Our team consists of three financial planners and one mortgage adviser, all of whom have achieved the required qualifications in financial planning (or higher). We are backed up by a team of dedicated and professional support staff. To find out more about us and meet the team go to www.boblittle.co.uk

What do we do?

We offer individually tailored financial planning solutions with a highly personalised touch. We will take time to analyse your requirements and propose tailored solutions that provide the best balance between your requirements and your budget.

We provide **independent** advice on packaged retail investment and insurance products (these include, but are not limited to, pensions, investment bonds, units, annuities, Individual Savings Accounts (ISAs), and savings plans) and structured investment products only. Our recommendations will be based on an assessment of a sufficient range of relevant products that are sufficiently diversified in terms of type and provider to ensure your investment objectives can be suitably met.

Are you protected?

Yes. We are authorised and regulated by the **Financial Conduct Authority (FCA)**, the independent watchdog that regulates financial services. Our FCA register number is 439777. We are authorised to provide advice on pensions and retirement planning, investments, and insurance. You can check this by visiting the FCA Register at www.fca.gov.uk/register or by contacting the FCA on 0800 111 6768 or at 12 Endeavour Square, London, E20 1JN.

Should you be dissatisfied with the advice we have given you or with the service provided, you should firstly register a formal complaint with us, by either writing to the Compliance Officer at Prospect House, Troisdorf Way, Kirkleatham Business Park, Redcar, TS10 5RX or by emailing regulatory@boblittle.co.uk or by calling 01642 477758 and speaking with the Compliance Officer. Individuals and small businesses are protected by the **Financial Ombudsman Service (FOS)** and the **Financial Services Compensation Scheme (FSCS)**. If you are dissatisfied with the way that we have dealt with any complaint you may have made, you can refer the matter to the FOS by ringing them on 0800 023 4 567 or by visiting www.financial-ombudsman.org.uk

Should you be entitled to compensation, and we are unable to pay the compensation due, you may be entitled to a payment from the FSCS. Broadly speaking, most types of investment business are typically covered up to a maximum limit of £120,000, while insurance arranging and advising is covered for 100% of the claim without upper limit. The compensation limits can be complicated to understand so, if you are concerned in any way, please ask us for more information or contact the FSCS directly.

If you are not an individual, your rights of access to the FOS and the FSCS can vary. Again, the rules are complicated, and they depend on factors such as your turnover, the number of employees you have, and the value of your business. If in doubt, you should seek more information from us, the FOS, or the FSCS.

Initial and One-Off Advice Services

New Customers

All potential new customers will receive a free meeting with one of our advisers. In this **Initial Meeting**, your adviser will explain how we work and how we charge for our services. This meeting can be held in-person, over the phone, or via video call – whichever you prefer. In this meeting, your adviser will take details about your current circumstances and your goals for the future and will answer any questions you might have. Your adviser must take these details to ensure any recommendations made are suitable for you, and to ensure we act in your best interests.

Creating Your Financial Plan

At the end of the Initial Meeting, your adviser will assess your needs at a high level and tell you the next steps. This will normally involve the creation of a **Financial Plan** and a **Second Meeting** to discuss this Financial Plan with you. Before your adviser starts to create your Financial Plan, you will be told whether a fee will be payable for the creation of your Financial Plan and the Second Meeting. This fee is called a **Financial Plan Creation Fee**. It ranges from £500-£750.

This fee will not be payable in most cases. It will be payable where your circumstances are, in your adviser's opinion, more complex. It will be a fixed amount based on an estimate of how much time your adviser expects it will take to create your Financial Plan and to explain it to you in a Second Meeting. If this fee will be payable, you will be asked to confirm whether you are happy to proceed before you incur any fees. If you choose not to proceed with the creation of a Financial Plan, no fee will be payable. If you choose to proceed with the creation of a Financial Plan, this fee will be payable at the end of your Second Meeting.

Implementing Your Financial Plan

If part of your Financial Plan includes a recommendation to make a change to any of your current policies, or to take out a new policy, your adviser will issue you with a **Recommendation Letter** and ask you to hold a **Second Meeting**. You will have an opportunity to decide how you wish to proceed after the Second Meeting. If you decide to proceed, an **Implementation Fee** will be payable. This fee will be payable on the earlier of either the policy start date or the date our advice is implemented, which we refer to as the **Implementation Date**. If you are due to pay, or have already paid, a Financial Plan Creation Fee, this will be offset against the Implementation Fee. If you decide not to proceed, an Implementation Fee will not be payable. In the Recommendation Letter, you might be advised to use one or more of our **Investment Options**.

Our Initial and One-Off Advice Services are summarised in the table below.

Service/Fee Name	Payable in all cases?	Fee Amount	When will it be confirmed?	When is it payable?
Initial Meeting	N/A	£0	N/A	N/A
Financial Plan Creation Fee	No – only in more complex cases	Varies - typically, £500 - £750	At the end of the Initial Meeting	At the end of the Second Meeting
Implementation Fee	No – only where recommended changes are accepted	Set out overleaf	In your Recommendation Letter	The Implementation Date

Implementation Fee Calculation: Overview

In most cases, the Implementation Fee payable will simply be a percentage of:

- The amount you intend to invest, which we call the **Investment Transaction Value** and/or
- The amount you intend to access from your personal pension product (ignoring any element of "tax-free cash"), which we call the **Pension Transaction Value**.

The percentage you pay is based on the relevant Transaction Value and, potentially, on the value of any existing investment and/or personal pension products on which our company already provides you with an Ongoing Advice Service. We call this your **Existing Value Under Management**.

This process is different for larger or smaller sums. For larger sums, we apply a monetary limit to our Implementation Fee, to ensure our fees remain fair and proportionate. We call this a **Fee Cap**. For smaller sums, we add a monetary amount to the percentage fee, which we call a **Surcharge**. This is explained, with examples, below.

Implementation Fees

Implementation Fee Calculation: Lump Sum Investments

Our Implementation Fee for Lump Sum Investments is 2% of the first £100,000 and 1% of any amount above £100,000, with a Fee Cap of £3,000. If the Investment Transaction Value is £20,000 or less, there will also be a £100 surcharge.

If you pay for Ongoing Advice, we will combine your Existing Value Under Management and the Investment Transaction Value before calculating the Implementation Fee. If your Existing Value Under Management is greater than £500,000, your Implementation Fee for Lump Sum Investments will be 0.5% of the Investment Transaction Value.

Example 1: A lump sum investment of £150,000 will result in an Implementation Fee of £2,500.

Example 2: A lump sum investment of £20,000 will result in an Implementation Fee of £500.

Example 3: A lump sum investment of £150,000, where your Existing Value Under Management is £100,000, will result in an Implementation Fee of £1,500.

Implementation Fee Calculation: Regular Investments

Our Implementation Fee for Regular Investments is 2% of the Investment Transaction Value.

The Investment Transaction Value is five years' worth of your planned monthly contribution.

Example 1: an investment of £750 per month will result in an Implementation Fee of £900.

Example 2: an investment of £1,000 per month will result in an Implementation Fee of £1,200.

Implementation Fee Calculation: Taking or Transferring Pension Benefits

Our Implementation Fee for Taking or Transferring Pension Benefits is 3% of the first £100,000 and 1% of any amount above £100,000, with a Fee Cap of £4,000 for an individual or £5,000 for a couple. If the Pension Transaction Value is less than £20,000, there will also be a £100 surcharge.

Example 1: An annuity purchase of £150,000 will result in an Implementation Fee of £3,500.

Example 2: A pension provider switch of £20,000 will result in an Implementation Fee of £700.

Combining Implementation Fees

It is common for more than one Implementation Fee to be calculated. If this is the case, the Investment Transaction Value is added to the Pension Transaction Value. We then calculate the Implementation Fee in the following order:

- First, Taking or Transferring Pension Benefits
- Then, Lump Sum Investments
- Then, Regular Investments

Calculating the Implementation Fee

Once the above steps have been carried out, the total Implementation Fee is the sum of:

- Any Lump Sum Investment Implementation Fee
- Any Regular Investment Implementation Fee
- Any Taking or Transferring Pension Benefits Implementation Fee

The total overall Fee Cap (for an individual or a couple) is £5,000.

Ongoing Advice Services

Ongoing Advice Fees: Brief Overview

If you choose to receive an ongoing advice service, you will pay our company an **Ongoing Advice Fee**. This fee is quoted as a percentage of the value of your portfolio.

You can choose to pay the Ongoing Advice Fee either via direct debit (based on an estimated portfolio value) or by deduction from the value of your portfolio (based on the actual average portfolio value).

If you choose to pay by deduction from the value of your portfolio, your provider(s) will typically calculate an average daily value of your portfolio, multiply this figure by the annual percentage fee quoted, then divide this figure by 12 to obtain a monthly amount. This process will be repeated each month.

The fees quoted in this document do **not** include any fees or charges (or similar) levied by the product provider, investment manager(s), investment platform(s) or any third-party research companies. Any such fees will be explained to you and disclosed to you separately.

If you choose to pay for Ongoing Advice, your adviser will place you into one of the following categories:

Pre-Retirement Ongoing Advice Service

This service is for clients who are building up their wealth with the anticipation of spending this wealth in retirement.

At/Post-Retirement Ongoing Advice Service

This service is for clients who are very close to, or in, retirement, and who now wish to spend the wealth they have accrued.

Nest Egg Ongoing Advice Service

This service is for clients who are retired and who have not taken – and have no plans to take – withdrawals from their portfolio, and who ultimately intend to leave their portfolio to their beneficiaries.

Suitability Check Service

This service is for clients with less complex needs/circumstances, but who nonetheless want to maintain an ongoing advice relationship.

Further details about our Ongoing Advice Services are set out in the table overleaf.

Each of our Ongoing Advice Services includes a **Minimum Annual Fee**, which is set out in the table below.

Depending on the size of your portfolio or your selected investment option, you might benefit from a **Discount** to your ongoing fee.

Ongoing Advice Fee Per Service (Before Discounts)

Service	Pre-Retirement	At-/Post-Retirement	Nest Egg	Suitability Check
Ongoing Advice Fee	1%	1%	0.9%	1%
Minimum Annual Fee	Greater of: 0.5% or £425 per year	Greater of: 0.5% or £425 per year	Greater of: 0.5% or £382 per year	N/A
Discounts available?	Yes	Yes	Yes	No

Ongoing Advice Services Summary

Feature	Pre-Retirement	At-/Post-Retirement	Nest Egg	Suitability Check
Annual review meeting with an adviser	Yes	Yes	Yes	Yes
Including:	-	-	-	-
An update about your portfolio	Yes	Yes	Yes	Yes
A re-assessment of your circumstances	Yes	Yes	Yes	Yes
An update about any relevant changes in legislation	Yes	Yes	Yes	Yes
A re-assessment of your attitude to risk	Yes	Yes	Yes	Yes
An opportunity to ask questions about your portfolio	Yes	Yes	Yes	Yes
Time caps applied	No	No	No	Yes
Cash Flow Forecasting available	Yes	Yes	No	No
Advice on building tax-efficient wealth for retirement	Yes	N/A	N/A	No
Advice on creating tax efficient retirement income	N/A	Yes	N/A	No
Advice on creating provision for your financial dependants	Yes	Yes	Yes	Yes
Between meetings:	-	-	-	-
Telephone/email access to an administrator	Yes	Yes	Yes	Yes
Set up a one-off or regular withdrawal from your portfolio	Yes	Yes	Yes	Yes
Valuation reports on request	Yes	Yes	Yes	Yes
Telephone/email access to an adviser between review meetings	Yes	Yes	Yes	Yes*
Assistance with Capital Gains Tax on your advised portfolio	Yes	Yes	Yes	No
Liaising with other professionals (e.g., accountants and solicitors)	Yes	Yes	Yes	No
A review of your liability to Inheritance Tax	Yes	Yes	Yes	No
A review of your liability to an Annual Allowance charge	Yes	Yes	Yes	No
An optional additional review meeting every 6 months	£500,000+	£500,000+	£500,000+	No
Reduced Implementation Fee for new transactions	£500,000+	£500,000+	£500,000+	No

** This could incur an additional fee, depending on the time your adviser spends on other services for you*

Discounts to our Ongoing Advice Fee

Discounts to our Ongoing Advice Fee are potentially available, depending on a combination of your Ongoing Advice Service, your **Existing Value Under Management**, and your Investment Option.

There are two potential **Discount Options** available, which are:

- Larger Portfolio Discount
- Investment Option Discount

If you are eligible for both, the Discount Option with the largest discount will be applied.

Please remember, any Discount is subject to an overriding Minimum Annual Fee (as set out in the table above).

The Ongoing Advice after Discounts are shown in the tables below:

Ongoing Advice Fees After Discounts: Pre-Retirement and At-/Post-Retirement

Lower Band	Upper Band	WPS (ISA/Bond)	WPS (Pensions)	MPS	PS	PIMS
£0	**£125,000**	1.00%	1.00%	1.00%	1.00%	1.00%
£125,000	**£400,000**	0.50%	0.75%	0.75%	0.75%	1.00%
£400,000	**£500,000**	0.50%	0.75%	0.75%	0.75%	0.90%
£500,000	**£600,000**	0.50%	0.50%	0.50%	0.50%	0.65%
£600,000	**£2,000,000**	0.50%	0.50%	0.50%	0.50%	0.50%

Ongoing Advice Fees After Discounts: Nest Egg

Lower Band	Upper Band	WPS (ISA/Bond)	WPS (Pensions)	MPS	PS	PIMS
£0	**£125,000**	0.50%	0.90%	0.90%	0.90%	0.90%
£125,000	**£400,000**	0.50%	0.65%	0.65%	0.65%	0.90%
£400,000	**£500,000**	0.50%	0.65%	0.65%	0.65%	0.80%
£500,000	**£600,000**	0.50%	0.50%	0.50%	0.50%	0.55%
£600,000	**£2,000,000**	0.50%	0.50%	0.50%	0.50%	0.50%

Re-Engagement Fee

If you previously stopped your ongoing advice service and now wish to re-start it, you will pay a **Re-Engagement Fee**.

This works as follows:

- The Re-Engagement Fee will be equivalent to one year's worth of the Ongoing Advice Fee, as set out above.
- You will not pay an ongoing advice fee for the first year.
- If, after the first year, you still wish to receive an ongoing advice service, our Ongoing Advice Fee will apply as set out above.

Example

You contact us for a review of your investment portfolio, which is worth £50,000. You previously paid for ongoing advice in the past but decided to stop it.

You will pay £500 up-front (1% of £50,000). Over the course of the next 12 months, you will not pay our company an Ongoing Advice Fee each month.

In one year's time, you attend your review meeting. Your portfolio is now worth £52,500. You decide you still wish to receive ongoing advice. You will start to pay an Ongoing Advice Fee of (approximately) £43.75 per month. This is 1% x £52,500 divided into monthly instalments.

Bespoke Investments

We can offer you access to a very wide range of Retail Investment Products. Some of these products fall outside our normal investment services and will only be suitable for clients with complex estates and/or high tax liabilities. This means our standard fees (as detailed in this document) may not apply. If this is the case your adviser will tell you as soon as possible and will set out a fee proposal which contains details of the fees you will pay to our company. You will have the opportunity to accept or decline this proposal before you become liable to pay any fees to our company.

Fee Agreement

Before we proceed with any service that will require you to pay us a fee, we will detail the fee due, as accurately as we can.

We will use a **Fee Agreement** for this purpose, and we will ask you to sign a copy before we proceed further. This is so we can make a clear and transparent disclosure of fees due in advance of any fee becoming due for payment.

Value Added Tax (VAT)

Most of our services are not subject to VAT. However, where we provide you with a pure advisory and consultancy service, where there is no reasonable expectation that the advice will result in a recommendation to transact a financial product or to invest funds, then VAT may be charged in addition to our fee at the rate prevailing at the time the fees are charged.

Your Cancellation Rights

You may cancel any service agreement you have with us at any time, although this should be made in writing. We may cancel any service agreement with you by giving you a minimum of 14 days of notice. No penalty shall be payable on any cancellation, but we shall be entitled to remuneration for work undertaken prior to such cancellation. For the avoidance of doubt, all one-off fees are non-refundable in the event of cancellation. Any ongoing charge will cease within 14 days of written notification or cancellation. We will complete any transactions or work that is in progress at the time of the cancellation, unless you do not wish us to do so. If you fail to attend a review meeting, you will not receive a fee refund.

Percentage Fees

If you pay fees based on a percentage of an investment amount, this naturally means that the fee paid will not be fixed. The fee will vary based on the prevailing investment amount at the time the fee is calculated. This means if the fund value increases, the fee paid will increase, and if the fund value decreases, the fee paid will decrease. This applies to both initial fees and ongoing fees.

Investment monitoring

If you select a service where our company will monitor your fund choices and/or your provider in between your scheduled investment review meetings, this does **not** mean we will contact you if investment markets rise or fall (or if we expect investment markets to rise or fall), even if this has, or could have, an impact on the investments you own.