



about the cost of our services

Key Financial Consultants Ltd.

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1. The Financial Services Authority (FSA)

The FSA is the independent regulator of financial services. It requires us to give you this document when advising on some savings and investments. You may use this information to compare value for money, to shop around and to decide which firm to use.

2. Our services

We offer an initial discussion (without charge) when we will describe our services more fully and explain the payment options. If you decide to go ahead, we will: gather and analyse personal information about you, your finances, your needs and objectives; recommend and discuss any action we think you should take and, with your agreement, arrange relevant investments for you.

3. What are your payment options?

Not all firms charge for advice in the same way. We will discuss your payment options with you and answer any questions you have. We will not charge you anything until you have agreed how we are to be paid. **We have ticked the payment options we offer.**



Paying by fee. Whether you buy a product or not, you will pay us a fee for our advice and services. If we also receive commission from the product provider when you buy a product, we will pass on the full value of that commission to you in one or more ways. For example, we could reduce our fee; or reduce your product charges; or increase your investment amount; or refund the commission to you.



Paying by commission (or product charges). If you buy a financial product, we will normally receive commission on the sale from the product provider. Although you pay nothing up front, that does not mean our service is free. You still pay us indirectly through product charges. Product charges pay for the product provider's own costs and any commission. These charges reduce the amount left for investment. If you buy direct, the product charges could be the same as when buying through an adviser, or they could be higher or lower. We will tell you how much the commission will be before you complete an investment, but you may ask for this information earlier.



Paying by a combination of commission and fee. In some circumstances, we also charge a fee on top of any commission we might receive.

4. How much might our services cost?

If you choose the fee option

We will agree the rate we will charge before beginning work. We will tell you if you have to pay VAT.

Our typical charges are:

Principal/Director/Partner	£175 per hour
Financial adviser	£125 per hour
Administration	£35 per hour

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.

If you choose the combination of commission and fee option

We will charge you a combination of fees and commission. The actual amounts will depend on the service provided to you, but will not exceed the total of the maximum fees set out above and the maximum commission set out in the tables below.

If you choose the commission option

Tables 1 and 2 show examples of the amounts of commission we could receive (or the equivalent we earn through product charges) and compare those amounts with the market average (see notes 1 & 2 at the end of this section 4).

The amounts vary according to: the type of product, the amount you invest, and (sometimes) how long you invest for, or your age when you start the product. We will confirm the actual amount to you before you buy a product.

Table 1 - Commission if you invest monthly				
Products	Example term or age	Comparison of costs		Example based on £100 per month
		<i>Our maximum</i>	<i>Market average</i>	<i>This shows the maximum costs of our sales and advice for a monthly investment or premium of £100, ignoring any changes in fund value</i>
Savings and investments				
Collective investments (eg unit trusts)	Any	4.5% of all payments plus 0.5% of your fund value each year from year 1	2.3% of all payments plus 0.5% of your fund value each year from year 1	£54.00 each year plus £6.00 in year 1, £12.00 in year 2, and so on (The actual amount in later years will vary in line with your fund value)
Endowments	10 year term	5.7% of all payments plus 0.5% of your fund value each year from year 1	5.5% of all payments plus 0.5% of your fund value each year from year 1	£68.40 each year plus £6.00 in year 1, £12.00 in year 2, and so on (The actual amount in later years will vary in line with your fund value)

Protection				
Whole of life assurance	Age 40	135% of the first 12 month's payments	104.3% of the first 12 month's payments	£1620.00 initially
Saving for retirement				
Personal and Stakeholder pensions	25 year term	53.4% of the first 12 month's payments	33.4% of the first 12 month's payments	£640.80 initially
	10 year term	18.8% of the first 12 month's payments	21.8% of the first 12 month's payments	£225.60 initially
<p>Personal Pension Schemes</p> <p>Not all types of personal pension scheme are included in the information above about commissions. Instead only the more common types are included, and schemes such as SIPP's are not. Before we start advising you, we will inform you of how much we could be paid if we do recommend one of these products to you.</p> <p>You can also ask us about commission we might receive on underlying investments we recommend you hold within a SIPP if not contained in the information above.</p>				

Table 2 - Commission if you invest a lump sum				
Products	Example term or age	Comparison of costs		Example based on £10,000 lump sum
		<i>Our maximum</i>	<i>Market average</i>	<i>This shows the maximum costs of our sales and advice for a lump sum investment of £10 000, ignoring any changes in fund value</i>
Savings and investments				
Collective investments (eg unit trusts)	Any	4.5% of the amount you invest plus 0.5% of your fund value each year from year 1	1.4% of the amount you invest plus 0.5% of your fund value each year from year 1	£450.00 plus £50.00 each year from year 1 (The actual amount in later years will vary in line with your fund value)
Investment bonds	Any	5.5% of the amount you invest plus 0.5% of your fund value each year from year 1	2.5% of the amount you invest plus 0.5% of your fund value each year from year 1	£550.00 plus £50.00 each year from year 1 (The actual amount in later years will vary in line with your fund value)

Saving for retirement				
Personal and Stakeholder pensions	Any	4.6% of the amount you invest plus 0.5% of your fund value each year from year 1	1.4% of the amount you invest plus 0.5% of your fund value each year from year 1	£460.00 plus £50.00 each year from year 1 (The actual amount in later years will vary in line with your fund value)
<p>Personal Pension Schemes</p> <p>Not all types of personal pension scheme are included in the information above about commissions. Instead only the more common types are included, and schemes such as SIPP are not. Before we start advising you, we will inform you of how much we could be paid if we do recommend one of these products to you.</p> <p>You can also ask us about commission we might receive on underlying investments we recommend you hold within a SIPP if not contained in the information above.</p>				

At retirement				
Annuities	Any	2.5% of the amount you invest	1.3% of the amount you invest	£250.00
Income drawdown	Any	4% of the amount you invest plus 1.5% of your fund value each year from year 1	0.8% of your fund value each year from year 1	£400.00 plus £150.00 each year from year 1 (The actual amount in later years will vary in line with your fund value)

Notes:

1. The market average figures are calculated by the FSA using actual data from a representative sample of regulated firms and are shown in a way that you may compare with our own maximum rates. The market average figures will be updated by the FSA from time to time based on new data.
2. Where a firm sells its own products it must calculate its figures according to FSA guidelines.

5. Further information

If you need any more help or information

- ask your adviser; or
- visit www.fsa.gov.uk/consumer.