YOUR CLIENT JOURNEY WITH PARETO

Pareto
ALL MATTERS FINANCIAL

WELCOME TO PARETO FINANCIAL PLANNING

Contents

At Pareto Financial Planning, we want to make our documentation as clear as possible prior to any business being transacted so that our relationship from the outset is clear for all to understand. We hope you find the information helpful, however should any areas be unclear your Financial Adviser will be able to discuss this with you.

REACHING NEW HEIGHTS

Pareto Financial Planning Limited is an award-winning firm of Independent Financial Advisers (IFAs), with an established reputation for dealing in all areas of financial planning.

Pareto was founded in 2008 by John Stevenson and George Chantry, who have decades of financial planning experience between them. Since Pareto's foundation, the company has enjoyed continuous growth and now employs an expert team of over fifty.

From our Manchester city centre offices, our experienced and highly qualified financial advisers work alongside our technical and administrative teams. We use the latest systems to help ensure that we can always deliver the highest standards of service to our clients.

Pareto has over £800 million under influence on behalf of our clients. We work with a diverse range, from those new to financial planning all the way to experienced high net worth investors. We also support corporate clients through our dedicated employee benefits team.

Our success comes from focusing on long-term relationships, ensuring we understand our client's financial goals.

For more information on our company, people and values, please visit our website **www.paretofp.co.uk**.

Our Culture

PASSION

We believe in the importance of financial planning and how we provide it. We believe in what we do and say and stand by this. We go the extra mile for our clients. We believe in positivity. We are enthusiastic and take pride. We are committed to success and delivery. We are focussed.

LOYALTY

We aim for long-term relationships. We invest in staff and our people. We maintain relationships. We "are there" for our staff and our clients. We are supportive. We are there in good times and bad. People matter to us.

RELIABILITY

We keep our promises and deliver actions. We are consistent. We see things through. We deliver. We are dependable.

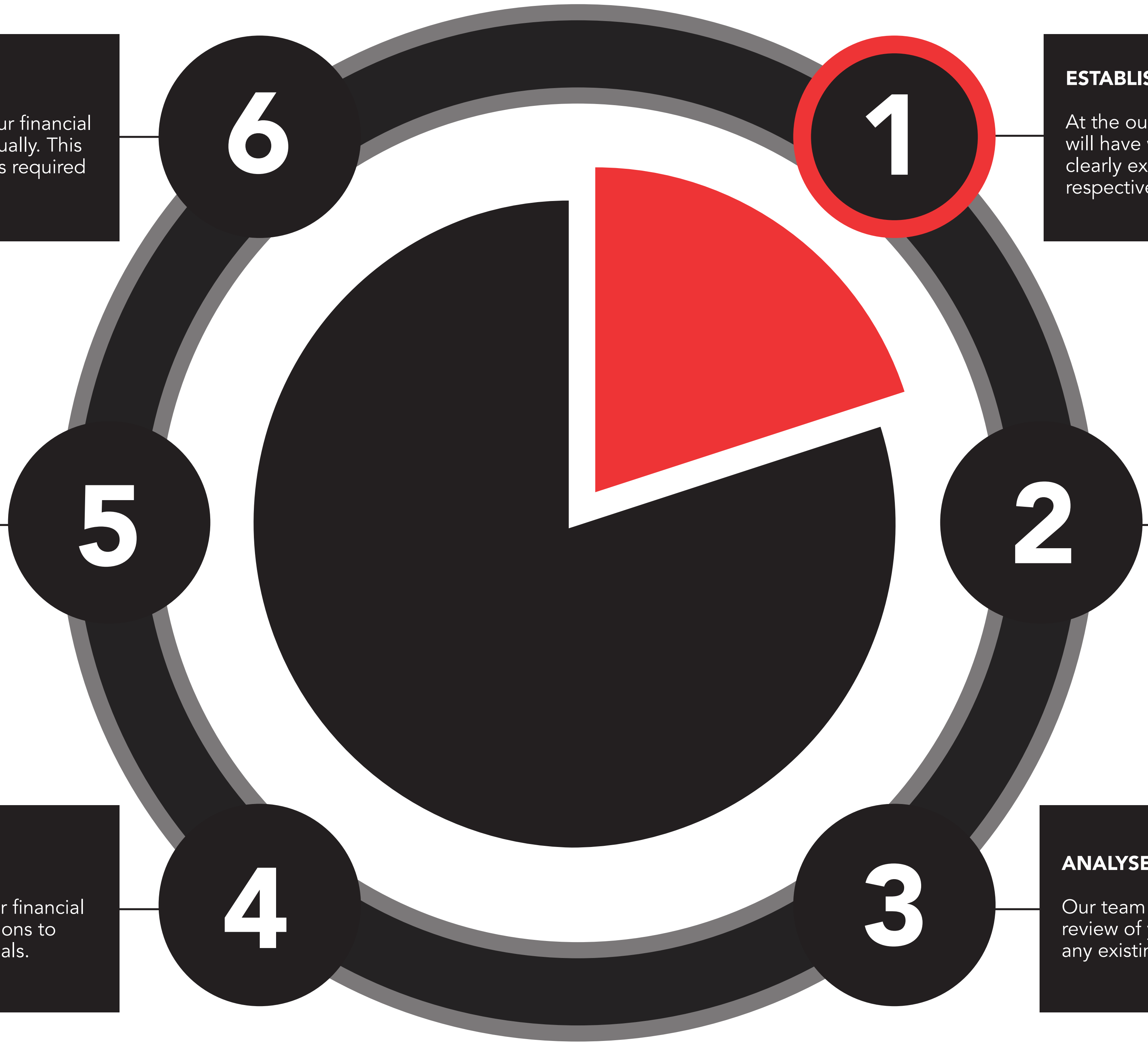
TRUST

We want people to have faith in us. We work hard for our reputation and we are proud of it. We value mutual trust. We maintain confidentiality. We are professional, honest and committed.

TRANSPARENCY

We will be open. We will be clear. We will ensure our communications are easy to understand. We will provide straightforward, clear and honest advice.

Our Advice Process



ESTABLISH

At the outset we will define the relationship we will have with you on your client journey. This will clearly explain our services and costs, and our respective responsibilities.

IDENTIFY

During our initial meeting, we will collect relevant information about you, so that we can clarify your personal and financial goals. We will also identify your attitude towards investment risk and determine which Pareto service is best suited to your needs.

ANALYSE

Our team of experts will conduct an in-depth review of your current circumstances, including any existing plans.

DEVELOP

We will provide a report to outline your financial plan, and make specific recommendations to address your personal and financial goals.

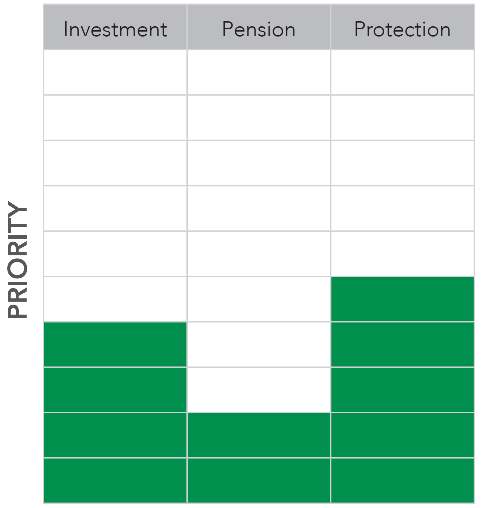
IMPLEMENT

We will meet to present our report and discuss your financial plan. With your agreement the recommendations will then be implemented.

MONITOR

If you put us in charge of reviewing your financial plan, we will report to you at least annually. This review will cover any recommendations required to develop your financial plan further.

Our Core Services



Aspire

For clients who are new to financial planning and have simple financial planning needs.

- Personal and family protection planning
- Looking for first mortgage
- Beginning retirement planning
- Starting to build up savings
- General investment advice
- Doesn't need regular meetings

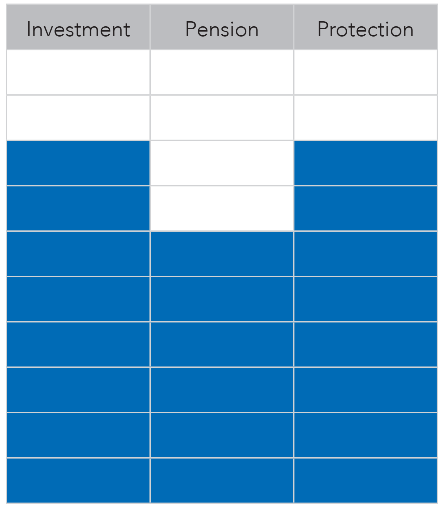
Aspire clients wish us to transact setting up plans but do not require any ongoing advice or service.

Aspire Plus

For clients in the early stages of their financial planning journey and are looking to grow their assets.

- Personal and family protection planning
- Looking to move house
- Building up retirement provision
- Have some savings and want to build them up
- General investment advice
- Require an annual review meeting

Aspire Plus clients will be offered a review of their finances every 12 months.

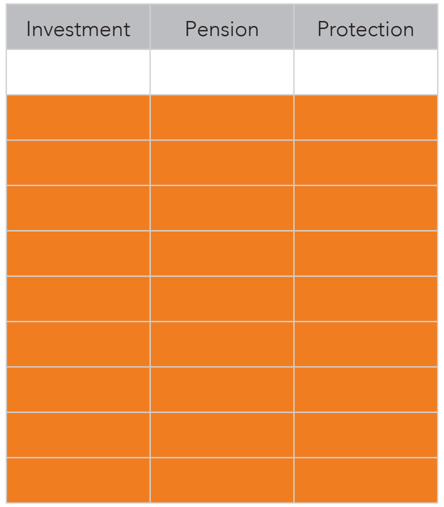


Growth

For clients with accumulated wealth and sizeable assets looking to discuss personal goals and financial planning objectives.

- Personal and family protection planning
- Repaying mortgage
- Focussing on retirement goals and maintaining their standard of living in retirement
- Have substantial savings and investments
- Specific investment advice
- Maximising tax efficiencies
- Reviewing investments and reassessing risk and capacity for loss

Growth clients will be offered a review of their finances every 12 months.

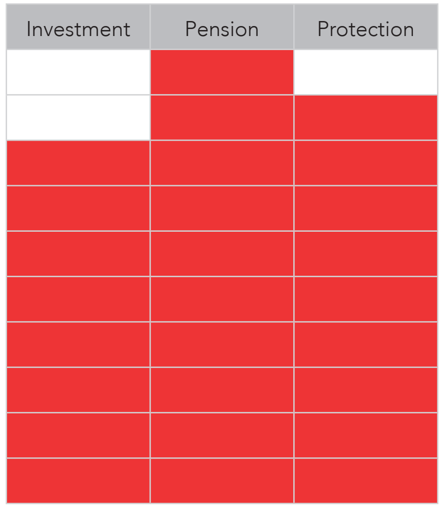


Lifestyle

For clients with significant accumulated assets who are looking to consolidate and planning to take income.

- Personal and family protection planning
- Repaid or close to repaying mortgage
- Preparing to maintain a standard of living into retirement
- Reviewing investments and reassessing risk and capacity for loss
- Maximising tax efficiencies
- Cash flow modelling
- Estate and IHT planning
- Trust and Will planning

Lifestyle clients will be offered a review of their finances every 6 months.

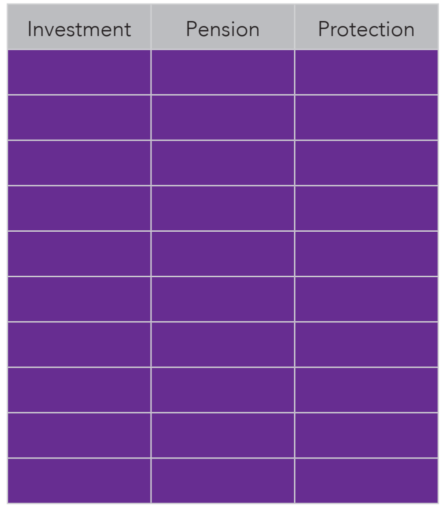


Income

For clients looking to take or are taking an income to maintain their standard of living from their assets.

- No mortgage
- Taking benefits from their pensions scheme
- Taking benefits from their savings and investments
- Reviewing investments and reassessing risk and capacity for loss
- Maximising tax efficiencies
- Cash flow modelling
- Long-term care planning
- Estate and IHT planning and protection
- Trust and Will planning

Income clients will be offered a review of their finances every 6 months.



Tailored

For clients with highly substantial portfolios and complex financial planning needs including inter-generational tax planning.

- Personal and family protection planning
- Unencumbered multiple properties
- Maximising pension allowances
- Capital preservation and growth on investments
- Reviewing investments and reassessing risk and capacity for loss
- Maximising tax efficiencies
- Cash flow modelling
- Estate and IHT planning and protection
- Trust and Will planning
- Tax calculations

Tailored clients will be offered a review of their finances every 6 months.

Our Core Services What's Included?

	ASPIRE	ASPIRE PLUS	GROWTH	LIFESTYLE	INCOME	TAILORED
Establish and define the client and adviser relationship	✓	✓	✓	✓	✓	✓
Gather your data and identify your goals	✓	✓	✓	✓	✓	✓
Analyse your data	✓	✓	✓	✓	✓	✓
Develop your Financial Plan, recommending solutions and/or alternatives	✓	✓	✓	✓	✓	✓
Implement your Financial Plan / Financial Planning solutions	✓	✓	✓	✓	✓	✓
Financial Plan fund switches - re-align your portfolio	✗	✓	✓	✓	✓	✓
Pareto monitor your Financial Plan - including a Portfolio Valuation Report and the option of a face to face meeting with your adviser	✗	✓	✓	✓	✓	✓
Annual review	✗	✓	✓	✗	✗	✗
Bi-annual reviews	✗	✗	✗	✓	✓	✓
Quarterly reviews (if required)	✗	✗	✗	✗	✗	✓
You monitor your own Financial Plan	✓	✗	✗	✗	✗	✗
Additional Portfolio Valuation Reports outside of your service offering		£250*	£250*	£250*	£250*	n/a
General servicing (change of address, marital status, basic policy/plan amendments)	✗	✓	✓	✓	✓	✓
Additional advised withdrawals	✗	Transactional fee applies as per your Fee Agreement, 3%, 2%, or 1% depending on the new amount invested or withdrawn				✓
Additional advised ISA planning	✗					✓
Additional advised plan increments	✗					
Pension review outside of your Financial Plan	✗					
Protection review outside of your Financial Plan	✗	£250*	✓	✓	✓	✓
Cash Flow Modelling	✗	£2000	£2000	✓	✓	✓
Tax calculations, Inheritance Tax (IHT) and Trust Planning	Time Based Cost	Time Based Cost	Time Based Cost	Time Based Cost	Time Based Cost	✓

✓ Included as part of your service offering.

✗ Not included as part of your service offering.

* £250 – Fixed Fee for this service.

Time Based Cost – This service will be calculated on a Time Based Cost and upon request we will provide you with a quote for the cost before engaging the service.

Core Service Charges

CORE SERVICE	ASPIRE	ASPIRE PLUS	GROWTH	LIFESTYLE	INCOME	TAILORED
CONSIDERATION	INITIAL CHARGE	INITIAL CHARGE	INITIAL CHARGE	INITIAL CHARGE	INITIAL CHARGE	INITIAL CHARGE
Value of assets for advisory consideration	**£100,000**	**£100,000**	**£150,000**	**£200,000**	**£250,000**	**£1,500,000**
£25,000 to £249,000	**3%** (minimum £2000)					
£250,000 to £499,999	**2%**					
£500,000 and above	**1%**					
Regular premium plan	**25%** Of the first year's premiums					
ONGOING SERVICES	ONGOING SERVICE CHARGE	ONGOING SERVICE CHARGE	ONGOING SERVICE CHARGE	ONGOING SERVICE CHARGE	ONGOING SERVICE CHARGE	ONGOING SERVICE CHARGE
The specific services provided depend on the core service selected. Full details of the core services can be found on pages 10-11.	-	**0.75%** Subject to 1 review a year minimum of £1000	**0.75%** Subject to 1 review a year minimum of £1500	**0.75%** Subject to a minimum of £2000	**0.75%** Subject to a minimum of £2000	**0.75%** Subject to a minimum of £5000

Usually the ongoing service charge will relate to the value of assets under advice and the ongoing value of those assets, not the initial value. Should the requirement differ we will discuss and agree this with you prior to carrying out any ongoing work.

Services and Fees

Example Initial Fees

TRANCHE	INITIAL FEE	INVESTMENT AMOUNT		
		£150,000	£400,000	£950,000
up to £250,000	3%	£4,500	£7,500	£7,500
£250,000 to £500,000	2%	-	£3,000	£5,000
above £500,000	1%	-	-	£4,500
TOTAL		**£4,500**	**£10,500**	**£17,000**

If you choose to have the fees paid via the new Provider rather than paying them directly, they will be deducted from the plan at inception, reducing the amount that is actually invested. Based on the example investments shown above, the net investment amounts would be:

TRANCHE	INVESTMENT AMOUNT		
	£150,000	£400,000	£950,000
Total Fee	£4,500	£10,500	£17,000
NET INVESTMENT	**£145,500**	**£389,500**	**£933,000**

Example Initial Fee – Regular Premiums

MONTHLY PREMIUM	AGREED FEE STRUCTURE	TOTAL 1ST YEAR PREMIUMS	FEE
£500	25% of 1st Year Premiums	£6,000	£1,500

Example Ongoing Fees

ONGOING SERVICE	ANNUAL FEE	TOTAL PORTFOLIO VALUE		
		£170,000	£400,000	£1,500,000
Aspire Plus, Growth, Lifestyle, Income and Tailored	0.75%	£1,275	£3,000	£11,250

Example of Tax Calculation Charges Based on Hourly Rates

SERVICE	TIME (NUMBER OF HOURS)			COST PER HOUR			TOTAL EXAMPLE FEE
	Adviser	**Paraplanner**	**Admin**	**Adviser**	**Paraplanner**	**Admin**	
Tax Calculation	4	5	2.5	£230	£190	£100	**£2,120**
IHT Planning	4	5	1.5	£230	£190	£100	**£2,020**
Trust Planning	4	6	2	£230	£190	£100	**£2,260**

VAT disclaimer

Our charges/fees will be generally exempt from VAT unless the work we provide for you only involves advice without implementation and/or preparing a report, in which case VAT will be applicable. We will always tell you if you have to pay VAT before we undertake any work for you. Charges for the ongoing service will not be liable to VAT (unless the initial service was liable to VAT) where both the initial and ongoing services are part of the same package. Further information on which products and services may be liable for VAT can be found on our website.

ALL MATTERS FINANCIAL

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