



MONTPELLIER

ASSET MANAGEMENT



about our services and costs

Montpellier Asset Management

Lower Ground Floor, Glendale House
11 Montpellier Terrace, Cheltenham
Gloucestershire GL50 1UX

1 The Financial Services Authority (FSA)

The FSA is the independent watchdog that regulates financial services. This document is designed by the FSA 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.

2 Whose products do we offer?

Investment

- We offer products from the whole market
- We only offer products from a limited number of companies.
- We only offer products from a single group of companies

Insurance

- We offer products from a range of insurers for Term Assurance, Mortgage Protection Assurance, Critical Illness Insurance, Private Medical Insurance, Permanent Health Insurance, Buildings and/or Contents Insurance, Accident, Sickness and Unemployment Insurance.
- We only offer products from a limited number of insurers
- We only offer products from a single insurer

Mortgages

We offer mortgages from the whole market

We only offer mortgages from a limited number of lenders

We only offer mortgages from a single lender

3 Which service will we provide you with?

Investment

- We will advise and make a recommendation for you after we have assessed your needs.
- 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.
- We will provide basic advice on a limited range of stakeholder products and in order to do this we will ask some questions about your income, savings and other circumstances but we will not:
- conduct a full assessment of your needs;
 - offer advice on whether a non-stakeholder product may be more suitable

We offer a holistic financial planning service or alternatively can provide specific advice on the following areas:

- Investments
- Pensions and SIPP's
- Inheritance Tax Planning
- Trusts
- Life insurance and protection
- Retirement Options
- Income Drawdown
- Annuities

Insurance

- We will advise and make a recommendation for you after we have assessed your needs for Term Assurance, Mortgage Protection Assurance, Critical Illness Insurance, Private Medical Insurance, Permanent Health Insurance, Buildings and/or Contents Insurance, Accident, Sickness and Unemployment Insurance.
- You will not receive advice or a recommendation from us in relation to Term Assurance, Mortgage Protection Assurance, Critical Illness Insurance, Private Medical Insurance, Permanent Health Insurance, Buildings and/or Contents Insurance, Accident, Sickness and Unemployment Insurance. 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.

Mortgages

- We will advise and make a recommendation for you on mortgages after we have assessed your needs.
- You will not receive advice or a recommendation from us. We may ask some questions to narrow down the selection of mortgages that we will provide details on. You will then need to make your own choice about how to proceed.

4 What will you have to pay us for our services?

Investment

We offer an initial meeting without charge or obligation. During this meeting you can decide whether our service is suitable for you. We will discuss your payment options with you and answer any questions you have.

You will pay for our services on the basis of either a fee, commission (through product charges) or a combination of fee and commission. 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.

Paying by fee

Whether you buy a product or not, you will pay us a fee for our advice and services, which will become payable on issue of our written recommendations. We will agree a fixed fee with you before we start work. The fee payable will be based on a number of factors such as time it will take and complexity of the work. You will not be charged any more than the amount agreed with you, unless we subsequently agree with you that the cost for our services is much higher than originally estimated.

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 a number of ways. For example, we could reduce our fee; or reduce your product charges; or increase your investment amount; or refund the commission to you.

Our fixed fee rates are as follows:

Hourly Rate

We will confirm the rate we charge in writing before beginning work. We will tell you if you have to pay VAT. Our typical charges are:

| | | |
|----------------------------|------------|----------|
| Principal/Director/Partner | £150-£200 | Per hour |
| Financial adviser | £125- £150 | Per hour |
| Administration | £80 | Per hour |

Lump Sum investment

We will confirm the rate we charge in writing before beginning work. We will tell you if you have to pay VAT. Our typical charges are:

| | | |
|--------------|--------------------|----|
| Investments: | up to £25,000 | 3% |
| | £25,001 - £50,000 | 2% |
| | £50,001 - £100,000 | 1% |
| Investments: | above £100,000 | 0% |

For example: If you invest £50,001 the cost will be £500.01.

Other fee related work

We will confirm the rate we charge in writing before beginning work. We will tell you if you have to pay VAT. Our typical charges are:

| | |
|-------------------------|-------------|
| Financial Review | From: £ 495 |
| Annual Review | From: £ 195 |

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.

Paying by commission (through product charges)

If you buy a financial product, we will normally receive commission on the sale from the product provider. Although you pay nothing to us 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.

The amount of commission we receive will vary depending on a number of factors such as the on the amount you invest, if our ongoing review service option is chosen (see below for information on this service) and (sometimes) how long you invest, or your age. For example:

If you invest £3,600 in an individual savings account (ISA) we would receive commission of 3% of the amount invested (£108) and 1% of the value of the fund (roughly £36 each year)

If you pay £100 a month into a personal pension (with a term of 25 years) then we would receive commission of around £648.

If you pay £100 a month towards a whole life policy then we would receive commission of around £1,440.

These rates include an ongoing review service that includes annual valuations and discussions at your request. Additional advice or transactions will be subject to a further charge which will be detailed at the time, unless an ongoing service agreement applies.

Ongoing fee/ commission

Our ongoing review service is 1% per annum of the value of your investments or pensions we manage for you. This amount will be paid to us from the product provider in addition to the initial commission received, if applicable. An example of this is:

| | | | |
|--|---------|--------------|----------------------|
| Total value of investments and or pensions | £50,000 | 1% per annum | Amount received £500 |
|--|---------|--------------|----------------------|

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 fee and commission (through product charges)

We will charge you a combination of fee and commission. The actual amounts will depend on the service provided to you, but will be in line with the arrangements set out in the sections headed “**Paying by fee**” and “**Paying by commission (through product charges)**” We will agree the rate we will charge before beginning work and we will tell you if you have to pay VAT. The fee will become payable on completion of our work. 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. We will tell you how much the commission will be before you complete an investment, but you may ask for this information earlier.”

Ongoing review service

The fee for our review service is 1% per annum of the value of your investments or pensions we manage for you. We will tell you if this includes vat. In cases where we receive ongoing commissions we will use these to offset the cost of this service. This will be detailed to you at outset.

We have structured our business in this way as it ensures that we are able to develop a lasting and valued client relationship.

For this you will receive:

- Quarterly valuations either sent to you online or via post.
- Quarterly review of active fund performance against agreed benchmarks.
- Quarterly rebalancing of your investment portfolio in line with your attitude to risk.
- Access to your online portfolio through our dedicated client website.
- Minimum of two meetings offered on a face to face basis per year.
- Quarterly newsletter reporting on topical issues.

The above service applies to all portfolios in excess of £100,000; for amounts below this we will discuss your individual requirements with you.

Insurance

- A fee for advising and arranging a non-investment insurance contract. Any commission will be used to offset this fee.
- A fee for advising and arranging a non-investment insurance contract. This is in addition to any commission or fee that we will receive from the lender.
- No fee for term assurance, mortgage protection assurance, critical illness insurance, private medical insurance, permanent health insurance, buildings and/or contents insurance & accident, sickness and unemployment insurance. We will be paid commission from the insurer.

You will receive a quotation which will tell you about any fees or commission relating to any particular insurance policy.

Mortgages

- No fee. We will be paid by commission from the lender.
- A fee for arranging the Mortgage payable at the outset and of the loan amount payable on confirmation of the mortgage offer. If you choose this option any commission or fee we receive from the lender will be refunded to you.
- A fee of £195 for arranging the mortgage, payable at the application stage. This is in addition to any commission or fee that we will receive from the lender. For example, on a mortgage of £100,000 we would expect to receive commission in the region of 0.5% i.e. £500.

You will receive a key facts illustration when considering a particular mortgage, which will tell you about any fees or commission relating to it.

Refund of fees

If we charge you a fee, and your mortgage does not go ahead you will receive:

- A full refund if the lender or insurer rejects your application.
- No refund if you decide not to proceed.

5 Who regulates us?

Montpellier Asset Management (FSA no. 223599) is an appointed representative of Alpha to Omega (UK) Limited which is authorised and regulated by the Financial Services Authority. FSA Register number is 214100.

Our permitted business is advising on and arranging investments such as bonds, units trusts, investment trusts, Individual Savings Accounts, pensions such as Personal Pensions, Stakeholder plans and Executive Pension plans, Insurances such as Term Assurance, Mortgage Protection Assurance, Critical Illness Insurance, Private Medical Insurance, Permanent Health Insurance, Buildings and/or Contents Insurance and Accident, Sickness and Unemployment Insurance and mortgages (including and home revision schemes).

You can check this on the FSA's Register by visiting the FSA's website www.fsa.gov.uk/register or by contacting the FSA on 0845 606 1234.

6 What to do if you have a complaint

If you wish to register a complaint, please contact Andrew Ruff, Professional Standards Director in writing: Write to Alpha to Omega (UK) Limited, Kings Worthy House, Court Road, Kings Worthy, Winchester, Hampshire SO23 7QA.

By phone: Telephone 01962 886444

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

7 Are we covered by the Financial Services Compensation Scheme (FSCS)?

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.

Investment

Most types of investment business are covered for 100% of the first £30,000 and 90% of the next £20,000 so the maximum compensation is £48,000.

Insurance

Insurance advising and arranging is covered for 100% of the first £2,000 and 90% of the remainder of the claim, without any upper limit.

For compulsory classes of insurance, insurance advising and arranging is covered for 100% of the claim, without any upper limit.

Mortgages and home reversion schemes

Mortgage advising and arranging is covered for 100% of the first £30,000 and 90% of the next £20,000 so the maximum compensation is £48,000.

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