



Ethical Investors



Client Charter and Fee Schedule

Effective May 2024

Ethical Investors started providing advice to individuals, charities and businesses in 1989 and has since developed a reputation for being pioneers in the provision of ethical financial advice as well as development of innovative services for responsible investors.

This document applies to UK resident individual retail clients (on an individual, joint or wider family basis), and UK registered charities, not for profit organisations, corporations, and trusts (also referred to as 'entities').

Outline of Services

Our range of services include, but are not limited to:

- Investment & Portfolio Management
- Existing Plan Evaluation
- Retirement Planning
- Pensions & Divorce
- Generation of Tax Efficient Income
- Inheritance Tax Planning
- Trusts & Trustee Investments
- Family Tax Planning
- Life Assurance & Income Protection
- Business Protection

We are aware that advice will incorporate many of the aspects highlighted above, and that individual and entity requirements may often be intertwined, often leading to some quite complex planning needs. Our aim as a business is to offer clear & understandable advice at reasonable cost, and this document reflects this aim by providing clarity & transparency around the fees payable and the services offered.

The Advice Process

An initial meeting or call is an opportunity for us to find out more about each other. Do the services we offer meet your needs? Are we the kind of firm you want to work with? Can we add value? This initial meeting is free. Once we have a broad understanding of your circumstances and requirements, and assuming you wish to progress matters further, we will confirm in writing the initial services to be provided and the cost of those services. When we have your instruction to proceed, we will start to gather any further information needed from you, your investment, pension and protection providers and your other professional advisers.

Once all necessary information has been gathered and analysed, and all relevant research has been carried out, we will send you our written planning report. Our report will:

- Summarise all relevant personal/entity and financial circumstances.
- Set out your objectives as we understand them.



Ethical Investors



- Recommend planning to help you achieve your objectives.

In addition, we will also recommend any ongoing services necessary to keep your financial planning on track, and confirm any associated ongoing costs and charges. After discussion of our report and with your agreement, we will help you to implement the suggested financial plan.

Our Charges

Initial Fees

We make no charge for an initial meeting, this is an opportunity for you to outline your financial requirements & aspirations, and for us to explain how we will work in order to meet those aims.

We charge fees for providing advice, usually working to a fixed fee, with a £1,000 minimum for a financial planning report & accompanying recommendation. The actual fee payable will depend upon the complexity of your financial needs, and will usually be exempt from VAT. We will confirm all applicable fees with you at outset before proceeding with any chargeable work.

The initial fee can be paid in a number of ways, and we can offer a degree of flexibility on payment terms if this is required. Should you wish to proceed with our recommendations the initial fee will include the minimum initial product fees outlined in the table below, and all implementation & administration costs incurred when putting the agreed plan(s) into action.

Current fees applying are listed in the tables below.

Retirement Planning (Asset Accumulation)

Advice Area	Initial/Establishment Fee
Personal pension	£1,000 (subject to transfer fee where applicable)
Stakeholder pension	£1,000 (subject to transfer fee where applicable)
SIPP/flexible pension	£1,000 (subject to transfer fee where applicable)
Pensions Switches (from defined contribution schemes)	1.00% of the sum transferred, subject to a minimum fee of £1,000.

Document Continues Overleaf 



Ethical Investors



Retirement Planning (At Retirement)

Advice Area	Initial/Establishment Fee
Retirement options report	£1,000 (can be offset against future implementation fees)
Flexi-access drawdown	1.00% of the total assets under management at the time of advice, subject to a minimum of £1,000. A £250 annual administration fee will apply to <i>all</i> clients in drawdown arrangements.
Annuities (all types)	1.00% of annuity purchase price, subject to a minimum of £1,000. For fixed term annuities a fee will apply at the maturity date should further advice be required.
Review of drawdown arrangements (not established by Ethical investors)	£1,000 (can be offset against future implementation fees)

Investments (including full Discretionary Fund Management)

Advice Area	Initial/Establishment Fee
ISA	1.00% of sum invested, subject to a minimum fee of £1,000.
General investment account	1.00% of sum invested, subject to a minimum fee of £1,000.
Investment bonds	1.00% of sum invested, subject to a minimum fee of £1,000.
Other investments (VCT/EIS/SEIS)	1.00% of the sum invested, subject to a minimum fee of £2,000.

Other Services

Advice Area	Initial/Establishment Fee
Protection (life assurance, income protection, critical illness)	Generally payable via provider commission, but fixed fee can be agreed with reference to hourly rates.
Inheritance tax planning	Fee based on hourly rate, subject to the minimum initial report fee of £2,000 (incorporating minimum plan implementation fees where applicable).

All other advice can be provided with reference to our standard hourly rates:

- Advisers: £250
- Paraplanners: £200
- Administrators: £150



Ethical Investors



Ongoing Advisory Fees

Ongoing advisory fees are in place to ensure that your financial plan and accumulated assets are reviewed regularly, and remain suitable for your needs, both in the present, and as circumstances change over time.

We have 2 main levels of ongoing service, as outlined below:

Ethical Managed Service

Our ethical managed service has been established in partnership with an external Discretionary Fund Manager (DFM), and is intended for all clients, but particularly those with (or heading towards) in excess of £250K of invested assets.

The annual fee is 0.60% per annum, subject to a minimum (waived for existing fee-paying clients) of £1,500, which covers provider, investment portfolio, and portfolio reviews, along with ongoing advice relating to investment, pension, estate planning, and at retirement issues.

Bespoke Service

Our bespoke service is designed for clients who have very specific ethical/sustainable concerns, which may not be covered by our general ethical investment principles. The annual charge relating to this service is 0.90%, providing the same ongoing advice as the ethical managed service, but taking into account the additional work required to formulate a fully personalised investment plan.

Ongoing Fees (Variants)

No ongoing advice is provided in respect of Stakeholder pensions, although this can be reviewed on an ad-hoc basis, subject to the prevailing hourly rates.

Where a full DFM service for investments or pensions is required, the annual advisory fee will be 0.50%, related to the specific assets under management by the DFM.

Changes to Terms

Ethical Investors may change the terms of this agreement at any point, this may include changing, adding, or removing terms. We may do this in response to legal, business, competitive environment or other reasons not listed here. Where applicable we will give clients 3 (calendar) months' notice before implementing any changes to these terms.

Termination of Services

You, or we, may terminate our agreement to act on your behalf at any time and such instruction will be provided via a durable medium (email/letter/recordable communications).

V.5.2024