LOUGHTONS
INDEPENDENT FINANCIAL ADVISERS

Mortgage, Equity Release and Protection - How We Charge

This document accompanies our 'Client Agreement' Document and provides details about how we charge for the services provided to you, so it's important that you read it fully. If there is something you don't understand please ask us to explain it. More detailed information is available in our 'Client Agreement' document issued separately to you and also available from our website www.loughtons.co.uk

Our Services

People seek financial advice for many different reasons so it's important that we understand exactly who you are and what you want to achieve. At our first meeting we'll gather information about you to help define your needs and priorities.

Our services include:

- Mortgage advice: Whether you're buying your first home, moving home or looking to re-mortgage, our mortgage services are designed to provide you with the best mortgage solution for your needs.
- Equity release: A way of releasing the wealth tied up in your property. With an equity release product, you have to be over a certain age (typically over 55) and own your own home. Where you are eligible for equity release we are able to advise on equity release products.
- Protection planning: Most of us want to protect the things that are important to us, our family, business and quality of life. Protection planning can help to provide peace of mind in the event of your income changing due to unexpected events. We can help you plan for the best way to protect you, your family your mortgage and your financial future.

We'll only start work once we have agreed our services and charges with you. Our Engagement Letters set out the services we have agreed to provide and confirm how much these services will cost.

Our Advice

Mortgage and Equity Release Advice.

We advise on a comprehensive range of mortgages and equity release products from across the market, but not deals that you can only obtain by going direct to a lender. Our advice will be based on the most suitable mortgage and equity release product included within the range available to intermediary firms. If there is a mortgage or equity release product that you are aware of which is available directly from a lender that you wish us to review and comment on, we are happy to do so. We may charge you a fee for providing advice in relation to this but would agree this with you at the time.

We offer advice on a comprehensive range of lifetime mortgage products from across the market, but we don't advise on home reversion plans. We advise on first charge mortgages only.

Protection Planning

Where we provide protection planning services we are an insurance intermediary and will provide advice which is based on a fair and personal analysis of the market. Consequently, we consider protection products such as term assurance, income protection and critical illness cover from a range of insurers.

Initial and Additional Advice Services

This service includes:

- An initial meeting to find out more about you (we don't charge for this initial meeting)
- Agreeing your financial goals and objectives
- Establishing your attitude to and understanding of risks
- Reviewing your current plans, investment and assets
- Undertaking research to identify appropriate plans and solutions
- Assessing the potential impact of key events on your plans (cash flow modelling)
- Providing a personalised report and recommendations
- A face to face meeting to discuss our recommendations
- Implementation of agreed recommendations

Our Charges

All actual charges and fees (in pounds and pence) will be agreed with you before we do any work and we will explain your payment options too. We will also let you know where any fees are subject to VAT. Our typical charges are based upon a calculation of the following factors:

Breakdown of Costs	
Initial Consultation	No Charge
Discovery Meeting and analysis of need areas • Gathering and analysing of information (assumed duration1 hour).	£150 per hour (Typically between 1 and 2 hours)
Analyse and Evaluate Financial Status • Seeking information from existing providers. • Analysis of information received from provider - Reviewed & related to individual circumstances & objectives including reporting our findings to you.	£75 per provider / contract £250 per analysis.
Develop and present solutions and / or alternatives • Cost of producing financial planning recommendations. • Independent research in consideration of your needs and objectives.	£150 per hour (Typically between 1 and 3 hours) plus the additional costs shown below:
Mortgage Advice - % of amount borrowed. • Where the Mortgage does not proceed, we reserve the right to charge on the following basis: o Mortgage Sourcing, £150 per instance. o Agreement in Principle, £150 per instance. o Full mortgage application, £200 per instance.	0.30% minimum £500
Lifetime Mortgage Advice - % of amount borrowed. • Where the Lifetime Mortgage does not proceed, we reserve the right to charge on the following basis: o Sourcing, £200 per instance. o Agreement in Principle, £200 per instance. o Full mortgage application, £350 per instance.	0.50% minimum £750
Financial Protection Advice (ex. Private Medical Insurance).	£150 per instance
Financial Protection Advice - Private Medical Insurance).	£300 per instance
Implementing Recommendations	Between £35 and £150 per hour as confirmed on your engagement letter. (Typically, 1 hour)
Time and Travel Costs, greater than 50 miles	£1 per mile

Hourly Rate Basis

Where the initial work is not partly or fully accommodated under the above project fees, we will charge an hourly rate of £150 per hour or part thereof. Where we work on an hourly rate basis in addition to or instead of the above project rates, we will advise you of this either by letter or email. Your adviser will indicate how many hours are appropriate for the work you are engaging us for. However, please inform your adviser if you wish to apply a time limit to the number of hours you wish us to work on an hourly basis. Your adviser will inform you when you are approaching the limit you have previously advised or approach the limit of hours originally indicated for the work by your adviser.

Payment Options

Initial charges can be paid in a number of ways:

- Cheque or electronic transfer (unfortunately, we cannot accept payments by cash).
- We may receive a procuration fee or commission from a lender in relation to a product we have arranged for you. We'll tell you the amount before we carry out business for you.
- In some limited circumstances (for protection planning only) we may receive commission from a product provider in relation to an insurance product we have arranged for you. The amount of commission is a percentage of the total annual premium and we'll tell you the amount before we carry out business for you.
- There may be additional costs and charges related to the mortgage product we recommend. You'll receive a Key Facts Illustration / European Standardised Information Sheet when considering a mortgage or lifetime mortgage which will tell you about any fees relating to it.
- If we charge you a fee but your mortgage or equity release does **not** go ahead, you will receive no refund if we have carried out credit searches/research/ product options and sourced a suitable provider. Please refer to the Refund of Fees section within our Client Agreement for further information regarding refunds and cancellation of services.