



Waveney McKenna Limited

69 Park Road
Peterborough
PE1 2TN
t. 01733 425818
f. 01733 347021

Client Service Proposition

Content

<i>Section</i>	<i>Content</i>	<i>Page</i>
1	Company Profile	2
2	The Financial Planning Proposition	4
3	Wealth Management Proposition	5
4	Transactional Service	7
5	Remuneration	8

SECTION 1. - Company Profile

Waveney McKenna Limited is a part of the Waveney Group of Companies providing Commercial Insurance Solutions to new and long standing clients. Waveney McKenna provides a comprehensive service with a clearly defined approach to Financial Planning.

The Group was formed in 1964 and has grown to now employ over 70 staff throughout 4 offices covering the East Anglian region. Our client base extends throughout the UK and our experienced team aims to forge long term client relationships.

At Waveney McKenna we are committed to the provision of Financial Planning using a defined strategy and investment process offered by extremely well qualified and experienced advisors.

Our Advisers

Ian has over 10 years experience as an adviser and is an Associate of the Personal Finance Society, a Chartered Financial Planner and Certified Financial Planner. Maureen McKenna holds the Advanced Financial Planning Certificate with over 25 years industry experience.

Elizabeth Burrows has over 10 years industry experience and holds the Advanced Financial Planning Certificate and Mortgage Advice Qualification.

Our combined experience allows specialist advice to be offered in Taxation and Trusts, Investment Planning, Business Financial Issues, Pensions, Retirement options and Investments as well as Estate Planning opportunities. Specialist Advanced Financial Planning Qualifications are held in each of these areas.

Our Clients

At Waveney McKenna we have spent a significant amount of time in considering what we do and how we deliver this. Our financial planning service is designed for clients with an estate valued at over £250,000 with free assets (including pension funds) of over £50,000. Over time we aim to create a close relationship and meet your changing needs.

Whilst we primarily look to provide advice on personal planning issues, we recognise that separating personal from company issues for Shareholding Directors is not always straightforward. In view of this we also look after business financial planning including employee benefits such as pensions and death in service schemes.

Our investment fees are clearly defined and intended to provide remuneration commensurate with the level of advice being offered, for transactional business we normally operate on a pre-agreed fee or commission basis.

SECTION 2. - The Financial Planning Proposition

1) Organise your Financial Position

The first meeting will involve looking to organise your current financial situation and discover your financial goals. We look to obtain detailed information to establish where you currently stand financially, and how you would like to be positioned to cope with future lifetime events.

A risk assessment is carried out to ascertain your capacity for investment losses as well as your requirement for investment returns to meet your objectives. Your commitment is obtained during this meeting in order for a financial report to be prepared. A separate fee for the advice in this report is payable which depends on the complexity of your circumstances.

This fee will be dependent on the complexity and is generally a minimum of between £250 to £500 plus VAT; often this fee is effectively rebated should you instruct us to implement the advice.

2) Review your Holdings and Consolidation

A Financial Plan need not be complex; it is often possible and desirable to simplify your planning without compromising (and even enhancing) your diversification. This is important and you should not expect to spend a significant proportion of your time worrying about the administration and tax consequences of your financial planning. This time could be better spent elsewhere.

A full report is provided with a view to restructuring your planning where possible to meet your future and current requirements. At this time your commitment is obtained to progress to the implementation stage of your planning.

3) Investment Plan and Report Implementation

You should now be ready to commence the implementation process. The strategy outlined in your report is now placed in force over an agreed timescale.

Fees are based on funds under management and are guidelines only. Annual fees are payable for an ongoing advisory service which is not normally offered for investments of less than £50,000 unless by negotiation.

4) Ongoing Progress Reviews

Depending on the agreed level of service, we continue to act on your behalf to provide regular updates on your financial situation, and investment proposition. You should ensure that you contact us to arrange these review sessions on a regular basis which will be dependent on your individual situation.

This Financial Planning Proposition offers a defined process to meet your needs both now and as they change.

SECTION 3. - Wealth Management Proposition

It is important to also consider our investment proposition which is designed to be flexible, unlike many advisory firms we believe in being able to access a wide range of investment strategies all looking to achieve a core asset allocation profile.

Some firms are either firmly positioned to support active management or consider passive (tracker) funds to be more appropriate; in order to achieve a combination of competitive charges versus active monitoring of your portfolio we use both strategies where appropriate and after undertaking the following process:-

1) Risk Profile

Your risk profile is ascertained, often using a risk profile questionnaire from the information we know about you. This is designed to look at your reaction to theoretical events to design an asset allocation profile whereby the volatility is within your tolerances and the portfolio is structured to maximise growth within your profile.

2) Asset Allocation

Whether using active or passive fund management techniques, an asset allocation strategy is crucial in ensuring that returns are maximised within your risk profile. A portfolio potentially holding a combination of cash, fixed and index linked gilt or corporate bond funds combined with commercial property and equity exposure is designed to meet your risk profile.

Once the allocation between the main asset classes is known the equity component is then divided between the UK and Global markets. Access to Global equity markets is important to provide additional diversification.

3) Investment Management

This stage looks at selecting the management processes to meet your asset allocation profile. This can be achieved in a number of ways following discussion with you. Active management offers the ability to beat a benchmark although as proponents of the passive industry (tracking) will advise, active decisions can be prone to market timing and human error and as such can underperform their benchmarks.

In addition, active management is often more expensive than passive management. As such we often use a combination of these methods to reduce overall charges whilst diversifying across management techniques.

Monitoring of the active managers can be undertaken by us or, as is often the case a third party may be used to review your holdings on a regular basis and ensure that the underlying managers are removed for underperformance compared to their mandate.

A review of an investment's total expense ratio (a more useful measure of the overall charges), volatility and independent third party ratings is undertaken in any recommendation.

4) Monitoring

To help reduce the risk of an asset class significantly outperforming, and thereby changing the risk profile of your holding, we often incorporate portfolio rebalancing. This will involve an asset class being sold on an annual basis where this has outperformed; the proceeds are then reinvested across the portfolio to maintain the existing weightings.

Where a third party has been appointed to assist in the management of your portfolio then you can expect this process to be undertaken in line with their mandate. There are a number of such third party managers and styles available.

SECTION 4. – Transactional Service

At Waveney McKenna Limited we fully appreciate that the full advisory service may not be required by you, either because your assets do not yet warrant the full wealth management programme or because you prefer to work on a project basis.

To meet these needs we also offer a customer focused transactional service whereby we investigate a particular project need and then provide advice and the implementation of this.

Reviews are conducted at a customer's request and we would anticipate being remunerated for this work either via an agreed fee, by renewal fees generated from the implementation process or a combination of these methods.

For example this service may relate to life cover implementation, small investment projects and generic advice.

SECTION 5 – Remuneration

We aim to be as flexible and open with regard to our remuneration as possible. To meet this objective an initial disclosure document and fee agreement will be provided at outset and you will therefore have control over the method of remunerating us for our service.

By way of example, we charge implementation and advisory fees for investments as detailed below:-

<i>Funds under Management</i>	<i>Initial Fee</i>	<i>Annual Fee</i>
Under £100,000	up to 3%	0.5%
£100,001 to £250,000	up to 2.5%	0.5%
£250,001 to £500,000	up to 2%	0.5%
£500,001 and above	up to 1.5%	0.5%

Please note that these fees are indicative, we try where possible to charge a fee commensurate with the advice being offered in line with the complexity of the planning report and we will always agree our fee with you in advance of any work being undertaken.

Fees can either be charged directly to you (this can have VAT implications) or will be taken from the implementation stage of the process with your prior agreement.

A minimum report fee is payable in any event. The size of the advice fee is dependent on the complexity and nature of the initial report.

These fees cover the initial reporting process and implementation. The annual fee is designed to cover the regular reviews, however, there are predominantly 3 service levels which are dependent on our remuneration which are as follows:-

Category A

Clients within this category can expect to receive the following:-

1. Ability to call or email with queries and generic advice questions
2. Annual review meeting and subsequent feedback
3. Annual valuation and policy summary (some clients pay for 6 monthly reviews)
4. Ad hoc valuations on request, where excessive we reserve the right to charge for this service
5. Regular Newsletters
6. Periodic mailings on topics or investment areas of interest
7. Allocation to a specific adviser

Category B

Clients within this category can expect to receive the following:-

1. Ability to call or email with queries and generic advice questions
2. Annual review meeting primarily at our office although a charge may be made for this service
3. Ad hoc valuations subject to an agreed fee
4. Regular Newsletters
5. Periodic investment offers

Category C

Clients within this category can expect to receive some Newsletters although primarily this service level is designed so that we react to your requirements; advice is offered on an ad hoc basis in line with your requirements. You would not expect to receive annual valuations but can again request these at any time subject to a charge being made.

Review meetings can be arranged but again a charge may be made for this service.