

## THE TRUST INVESTMENT SERVICE

Our Trust Investment Service is for Trustees who wish to establish a long-term investment strategy and long-term relationship with a financial adviser.

We start with a thorough review of the Trust's objectives and the beneficiaries' requirements before making our recommendations for strategy and investments. After Implementation we will keep you informed of progress but understand that Trustees have a legal responsibility to regularly review progress and investment strategy. Ongoing advice and reviews are therefore an integral part of our Trust Investment Service.

This note must be read with our Client Agreement and Services & Charges Agreement.

### 1. INITIAL DISCUSSION

The first step is to introduce ourselves to each other.

We will explain how we work, our areas of expertise and our fees. We will then ask for some background information about the Trust, the beneficiaries and current investments.

The initial discussion usually takes about 30 minutes. At the end of the discussion we should both have a clear idea of the work required and how we can help. We can usually also clarify the likely timescales and costs at this stage.

We are happy to have the initial discussion at our offices but it can often be easier to complete this stage over the telephone or online. There is usually no charge for the initial discussion.

### 2. REVIEW OF EXISTING ARRANGEMENTS

This step is only required if there are any existing plans or investments that need to be taken into account.

We will make all necessary enquiries to report on their terms, performance and effectiveness in the light of the Trust's objectives and tax treatment. We can also take over the administration of existing arrangements, if required.

Our fee for reviewing the Trust's existing arrangements depends on the number to be reviewed and their complexity but an estimate will be given before we start any work.

### 3. ASSESSMENT & STRATEGY DESIGN

This is possibly the most important step and includes:

- ▲ A meeting to define the Trust's objectives and priorities. This will cover:
  - the type of Trust and Trust objectives
  - any limitation on the Trustees' power of investment
  - the current and likely future beneficiaries
  - the tax position of the Trust and beneficiaries
- ▲ A discussion about asset allocation and investment strategy
- ▲ A report containing:
  - our recommendations for a long term investment strategy
  - our recommendations to meet regular income requirements
  - advice on asset allocation, portfolio construction and fund selection
  - comment on related issues such as the need for advice from other advisers
- ▲ A follow-up discussion to review our analysis and explain our recommendation

We usually work on a fixed fee basis for the Assessment & Strategy Design. Please refer to our Services & Charges Agreement for further information.

### 4. IMPLEMENTATION

This stage includes:

- ▲ Refining our Strategy Design recommendations and agreeing with you:
  - the changes required to the Trust's existing plans and investments
  - the investments that will best meet the Trust's objectives and requirements
  - asset allocation and fund selection
- ▲ Research to identify the most appropriate products and providers, funds and managers. We take account of service and financial security as well as charges and performance
- ▲ A report confirming our final recommendations. This will include comment on providers, product terms & features, portfolio construction and fund options
- ▲ Help to complete the new arrangements or alterations to existing plans as quickly as possible. We will also check that the formal documentation is issued correctly
- ▲ Providing relevant information to your other advisers, where required

Implementation fees are calculated according to the amount invested and complexity of the arrangements. Please refer to our Schedule of Fees for further information.

## 5. REVIEW SERVICE

Regular reviews, follow-up advice and practical help are an integral part of our approach. They also help you to demonstrate that you are meeting your responsibilities as Trustees.

Regular reviews are essential to ensure the strategy remains relevant, effective and up to date. You also need to be know how the portfolio is performing and be aware of legislative or other developments that might affect the strategy.

Follow-up advice from us will probably be required from time to time to reflect changes in the circumstances or requirements of the Trust beneficiaries, or changes in the financial world generally. We will also deal with the practicalities and help to keep your records up to date.

Most importantly, we are always available to answer queries, assist with paperwork and generally help to keep the Trust investments on the straight and narrow.

Every Trust has different requirements but most Trustees appreciate the following:

- ▲ comprehensive review meetings – see example Agenda below\*
- ▲ a named point of contact for admin queries
- ▲ regular investment performance reports
- ▲ trust-specific briefings on tax or legislative changes
- ▲ our view on the economic outlook and implications for investment strategy
- ▲ tax or portfolio reporting to the Trust's other advisers
- ▲ advice when required on portfolio changes, income options and withdrawals
- ▲ reduced fees on additional investments
- ▲ no additional fees for organising withdrawals, portfolio or income changes\*\*

We will agree what ongoing advice and review services you will require at the Implementation stage. Our Review Service fee will also reflect the value of your portfolio.

\* a travel supplement may apply if the meeting does not take place at our office

\*\* product charges may apply and tax may be incurred on some transactions

You may cancel this service at any time subject to the payment of any outstanding fees

## 6. PAY AS YOU GO REVIEWS & CONTINUING SERVICES

Although Trustees have a legal responsibility to regularly review the Trust's investments and strategy we recognise that some Trustees prefer not to commit to our Review Service but might occasionally like our assistance on a technical matter or transaction.

We are always happy to help. Our fees for ad hoc services are available on request.

## TRUST INVESTMENTS

### EXAMPLE REVIEW MEETING AGENDA

#### TRUSTEE UPDATE

- update on the Trust's general financial position and objectives
- update on the Trust beneficiaries' financial position, entitlements and requirements
- a summary of the Trust's plans and investments

#### INVESTMENT PROGRESS, ANALYSIS & UPDATE

- report on the performance and ratings of the Trust's investments
- report on the current asset allocation and portfolio risk profile
- briefing on the latest ideas, products and fund developments

#### TAX PLANNING UPDATE

- review of the Trust's income strategy
- review of Capital Gains Tax position and options
- briefing on the latest developments, products and ideas

#### LEGISLATION UPDATE

- briefing on any major changes that may affect the Trust's investments

#### ACTION

- agree Strategy and Portfolio Changes
- agree other changes or follow-up action

#### FILING CLERK SERVICE

- we can help you review and file the paperwork accumulated on the Trust's investments