**FILE NOTE – client name**

Date & Location of meeting

**Background & miscellaneous personal information/soft facts**

We met after the prospect contact us via unbiased to discuss his/her imminent retirement….

Health is ….. (any meds /ongoing treatment).

Family situation is….

Work….

Lifestyle factors…pastimes/hobbies/likes/dislikes…

**Assets & Liabilities**

*Detail specifics or provide separate portfolio/policy list*

**Income & Expenses**

*Current:*

*In retirement:*

**Objectives:**

They have some major expenses coming up in 2020 so he would like to draw some PCLS.

He wants to maximise the PCLS.

They need a small income top up to their other sources of income.

He aims to maximise tax efficiency by using the PCLS (from the TV) to draw £40k pa from age 61 till his EDS pension starts. He will then draw little or no income from the residual pot because their joint income will be over what they need.

I pointed out that he has a Personal Allowance of £12,500 so when he retires it would make sense to draw an income to top up his army pension up to the PA, then to draw PCLS to cover any income shortfall, then turn off income (or just do ad hoc income) once his state pension starts.

Although regular expenses are only £25k, he would like to live life more in the early retirement years, possibly spending up to £40k per annum (jointly) on more holidays and things they enjoy. Then as they age, to slow down and spend less. He quoted age 85 as when he expects to have only modest expenditure.

The primary objective

* is to have a flexible income, not a fixed one.

The secondary objective/s is/are:

* To maximise tax efficiency and have access to the pension fund if he needs long term care.
* They do not need to maximise death bens because they have no kids and they are financially independent of one another in the event of death, however he would prefer his wife to receive the full pension value rather than just 50% widows pension.

**Risk**

We did not go through the risk profiler at the meeting/ went through the risk profiler at the meeting and agreed a risk level of 5 (on a scale of 1-10).

He said he did not want high risk, but would want some return, so agreed that a medium risk would be preferred.

An average return of circa 5% pa would be sufficient, as this would sustain his long term needs. He understands nothing is certain in this respect.

He dismissed the idea of annuity.

**Capacity for loss;**

*explain what resources/other factors demonstrate that the client has the capacity to take this level of risk.*

**Fees**

Client agreement issued prior to/ at the meeting

**We agreed:**

1. Initial fee of £
2. Ongoing review: annual, fee of %/£ per month/annum

**Analysis of circumstances/needs**

1. Shortfall analysis, e.g. On death, expenses of £20k pa for 18 years, life cover of only £100k in place, so need top up of £260k (18x£20k = £360k - £100k = £260k).
2. Needs analysis, need flexibility to provide tax efficient income; income need identified as £25k per annum, so £500k portfolio at 5% meets this and is consistent with risk profile. Flexible pension can be passed to beneficiaries, whereas annuity would be very expensive with 100% widow’s pension.

**Recommendation/Rationale**

1. **Product Type:** Drawdown not annuity;
2. **Product Variant:** DTA not LTA;
3. Platform not direct to provider because can use GIA and ISA (bed and ISA); wide fund selection; tax reports; portfolio management etc….
4. Scheme pension not transfer because…

**To do:**

1. Get ID
2. Fee agreement to be issued for signature
3. Get LoA signed (left a blank one with them) then get full scheme details
4. He needs to consider if he will want to use ISAs (if so use platform) but, if not, consider RL or similar as just a pension provider (I explained the different options and why we would look at one rather than another).

**General additional info**

1. They are not cost sensitive.

**Initial thoughts / suggestions for research/products/providers to help paraplanner:**

If ongoing service is selected, then put into portfolio on Transact as the charge will be reasonable. They will want flexible income and hands on cash management so a platform will probably be better all round. If they opt for no ongoing, then RL GP5. I discussed PruFUNDS for the less volatile option, but he was not bothered about volatility so was not that enthusiastic about that.

No trust needed.

**Any specific narrative that you wish to include in the report:**

Adviser Name