



BREWIN
DOLPHIN

Wealth management
services *for family
lawyers and their clients*

Advice and support for reaching a
favourable financial settlement

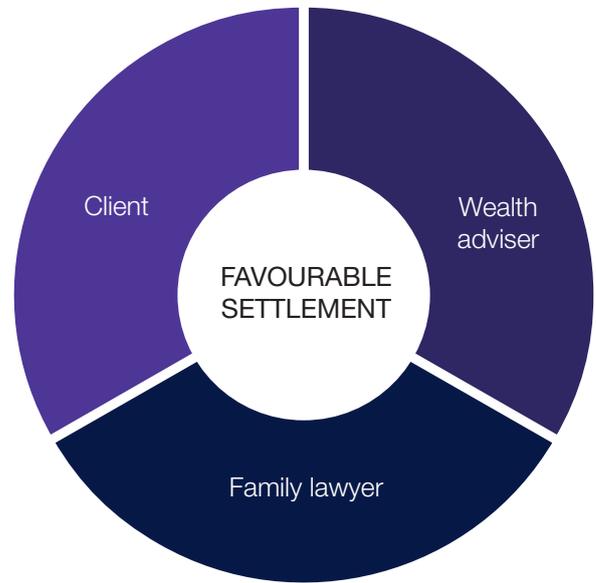
/ SOLICITORS IN SCOTLAND

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Trusted by solicitors, valued by clients

We appreciate that referring your clients to us is a decision based upon trust. This is built through thoroughly understanding your needs and challenges and those of your clients – as well as being fully committed to working with you in partnership.



A growing focus on family law

Our family law team has grown steadily in recent years and over 100 of our wealth managers are trained in this area by leading family lawyers and actuarial consultants. We add our knowledge of family proceedings to our own wealth management expertise to create advice that is truly specialised for clients involved in family breakdown.

Our specialist team of wealth managers has a reputation for developing long-term relationships and is dedicated to giving high-quality opinion and advice. Our goal is to help your clients make well-informed choices and to achieve the optimal financial settlement at what can be a very difficult time in their lives.

A long heritage of building client wealth

Brewin Dolphin is one of the UK's leading wealth managers. For over 250 years we have been helping clients achieve their long-term financial goals and today we are entrusted with over £32 billion of their money. We employ more than 60 financial planners and over 400 investment managers, the majority of which have the highest professional qualifications in the industry.

For 30 years, we have developed specialist expertise through working closely with around 300 law firms and their solicitors. Collectively, over 2,500 private clients have been referred to our wealth managers and we continue to safeguard and grow their wealth.

A high-quality service for all your clients' needs

We advise family lawyers on different types of settlement, from relatively straightforward cases to complex financial arrangements of high net worth marriages and registered civil partnerships.

When advising your clients, we believe we add value by understanding their needs and objectives and simplifying their financial options. Our focus is on providing quality advice – not on selling products – and our goal is to inspire confidence so that your clients can make the right long-term choices. Importantly, our advice is delivered by professionals who care.

Our aim is to:

- Understand your clients' personal circumstances and emotional dynamics.
- Make them aware of the options open to them.
- Explain in simple terms complex areas such as pensions and other financial arrangements.
- Help clients make well-informed choices.
- Support the most appropriate financial settlement.

Two key areas of support

Wealth management is made up of two distinct roles which, when combined, can help provide the best long-term outcome for your client:

- **A financial planner** – this specialist supports the financial proceedings in areas such as disclosure and information gathering, cashflow forecasting, pensions, personal protection, tax, allowances, benefits, retirement and passing the client's estate on to loved ones.

Attaining financial security

We provide reassurance to your clients through answering questions such as:

- Will I run out of money? How long will my money last?
- Will I be financially secure?
- Do we need to sell our assets?
- What are my financial options?
- Will I be able to manage financially on my own?
- What is the most tax-efficient way to invest my assets?
- What happens if...?

- **An investment manager** – this individual typically builds a client's investment portfolio after divorce. They assist with the implementation of any pension sharing orders and help the client achieve their long-term goals through the ongoing management of their investments through targeting growth, income or both.

The value of investments can fall and your clients may get back less than they invested.

Helping you reach the preferred outcome for your clients

We create most value when involved with solicitors and their clients from the earliest stages of proceedings. We assist with the often problematic stages of information gathering right through to negotiation and post-settlement implementation.

The process typically involves four distinct phases and our team can work with you to engineer the best possible outcome for your clients:

1

Pre-instruction

2

Information gathering

3

Negotiation and financial remedy

4

Post-settlement

1

Pre-instruction

When your firm's Family team meets us for the first time, we can introduce you to a Relationship Manager. It is their role to learn about your firm and your preferred way of working; to find out how we can become part of a team you build around a client. They will discuss our services with you, the role of our advisers and explain how we can support you and your clients.

- **Making the due diligence process easier** – we understand the importance of conducting full due diligence when working with a third party. Our Relationship Manager will therefore discuss and provide you with full due diligence information, explain our fees and how we work with you. Our goal is to make this process as easy as possible for you.
- **Choose the way you work with us** – most solicitors decide to engage with us through one of our Relationship Managers. However, if you prefer, you also have the option of working directly with one of our financial planners. A planner can deal with all your ad hoc enquiries and advise you on where they can add value.
- **Referrals** – our financial planners can meet with your client separately or, if you prefer, have a joint meeting with you to establish what advice is required. The approach can be decided on a case-by-case basis.

Helping to build relationships that count

At a business-to-business level, our Relationship Managers are ideally placed to make an initial introduction. They ensure our firms have a 'meeting of minds' and that we share attributes which can lead to a long-lasting relationship. They are a conduit into our specialists and facilitate introductions to our financial planners and investment managers. Their role also involves:

- Agreeing periodic meetings with you to discuss our performance and relationship.
- Arranging 'lunch and learn' briefings and wider learning and development initiatives.
- Exploring joint marketing activity, if appropriate.
- Facilitating cross-referrals.

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Information gathering

We believe it is crucial that our wealth managers collaborate with you as early as possible in any proceedings.

By introducing us early into the process we can:

- Support you in identifying the matrimonial property belonging to your client and obtaining the necessary valuations and vouching.
- In the event that there are special circumstances agreements, to help you in tracing the source of funds used to acquire the matrimonial property.
- Understand where challenges should be made to the information provided by the other side and what further financial questions it may be appropriate to ask.
- If necessary, to provide a valuation of non-matrimonial property investments such as stocks and shares and any other financial assets.
- Establish and clarify a client's tax position and give advice on the most tax-efficient way to manage their assets.
- Undertake a cashflow forecasting exercise to help support a client's capital and income requirements over the long term.

The value of investments can fall and your clients may get back less than they invested.

Please note that this document was prepared as a general guide only and does not constitute tax or legal advice. While we believe it to be correct at the time of writing, Brewin Dolphin is not a tax adviser and tax law is subject to frequent change. Tax treatment depends on your clients' individual circumstances; therefore you should not rely on this information without seeking professional advice from a qualified tax adviser.

No investment is suitable in all cases and if you have any doubts as to an investment's suitability then you should contact us.

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Negotiation and financial remedy

At the start of each client relationship, a financial planner will work to understand the emotional aspects of a case. They will support your own fact-find process, as required, especially when detecting gaps in the identification and nature of complex financial assets.

At this stage, their main role is to support the client's understanding of their future financial security. To aid comprehension, they will use everyday language to explain any complex financial matters.

Pensions

As appropriate, we can provide opinion or tailored advice on:

- Pension provider reports and the type of contract
- Scheme rules, respective retirement ages and valuation methods.
- How pension schemes can be equalised in retirement and respective periodical payments.
- Market value reductions and pension commencement lump sums.
- Offsetting, attachment orders and pension sharing orders (please note we do not provide written reports).
- Planning the implementation of sharing orders.

Cashflow planning

Conducting a cashflow planning exercise is a very effective way of building a broad understanding of what a client's finances might look like following a financial settlement. The analysis considers income, expenditure, capital requirements and budgets relevant to the dispute resolution process and then presents the client with a number of different options and informs settlement scenarios.

An example of how cashflow planning can help clients is shown on pages 12-13.

Properties and finance

Where necessary, our team will work with specialist mortgage brokers with a view to:

- Explain the house-buying process, the relevant parties and their services and fees.
- Calculate the affordability of a purchase or re-mortgage.
- Discuss the key considerations around making a mortgage transfer.
- Consider the impact of making periodical payments on any borrowings.
- Run through splitting equity, raising additional finance and the tax implications of equity transfer.
- Consider the effects on any client in receipt of welfare benefits.
- Explain the purpose of additional security, including the role of guarantors.

Protection

We can assist or advise on the following areas, as required:

- Family protection during and after divorce.
- Explain and implement maintenance protection insurance.
- Life assurance solutions which make financial provision for the separating client's dependants.
- Critical illness cover.
- Permanent health insurance.

Tax

Our wealth managers can help your clients through:

- Considering how their income, capital gains and inheritance tax position is affected by divorce or separation.
- Identifying the appropriate assignment, transfer or sale of investments and pensions.
- Establishing the most suitable investment structure based upon their needs and overall tax position.

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Post-settlement

At this stage, many clients have to consider investments, pension planning and the implementation of orders, tax and other major financial issues for the first time. We recognise this can be daunting and so we look to make this as easy as possible for them.

Following a settlement, we can help to implement any orders given by the court and activate plans for ongoing financial security. We can help in a number of ways:

- Cash Management is often a sensible starting point following a divorce. It ensures the client's capital is secured in the best place and gives them the breathing space to make any plans.
- Implementation of a pension sharing order leading to the establishment of a new pension arrangement, recommendation of a suitable investment strategy and/or the management of the client's pension income needs.
- Building a portfolio of investments based on the client's personal circumstances, objectives and attitude to risk. If required, we can also handle the day-to-day management of the client's investment portfolio over time.
- Providing ongoing advice and management of the client's current and future tax position.

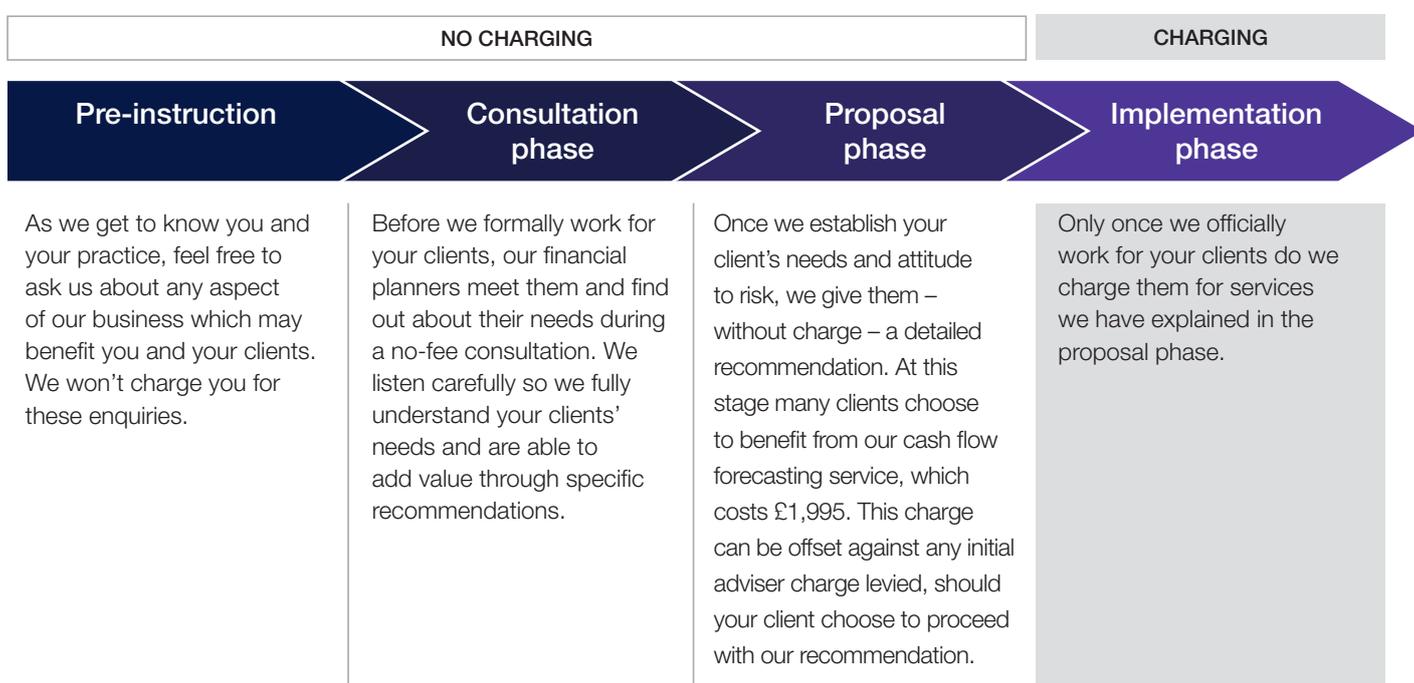
Wealth protection – pre-nuptial and post-nuptial agreements

Our wealth managers can also support plans which you put in place to help protect client assets in the event of a relationship breakdown.

The value of investments can fall and your clients may get back less than they invested.

Our fair charging process

Your clients can take confidence from the fact that while we spend time getting to know them, we don't charge for anything until we have been engaged by clients. There are no hidden penalties or commissions.



Fees are shown exclusive of VAT, which will be charged in line with applicable legislation.

For full fee information regarding Brewin Dolphin's Financial Planning, Investment Management and Wealth Management services, rate-cards are available upon request.

Divorce funding

We are aware that the funding of legal fees before settlement is often a significant consideration for a client. We have experience of working with one of the leading providers of litigation loans and can facilitate an introduction, if required. Subject to approval, loans will fund contested financial proceedings or dispute resolution. A financial undertaking will not be required from the solicitor and all lending risk sits with the lender.



How long will my money last?

Case study

Morag and Hamish

Morag is age 45 and is getting divorced from her husband Hamish, who is age 53. Their family situation is currently as follows:

- They have two children, Mary who is 12 and Tim who is nine.
- Both children are privately educated.
- Morag currently lives with the children in the jointly-owned home worth £900,000 with a mortgage of £200,000.

Morag's situation is as follows:

- She has a part-time job as an administrator for a local business.
- She works 16 hours per week earning £7,300 per annum.
- Before Mary was born, Morag was a junior school teacher.
- Morag would like to return to teaching, a job she loved.
- She has a teacher's pension, which has a CETV of £28,000.
- Morag also has a portfolio of investments worth £130,000 and £25,000 in a cash ISA.

Hamish's situation is as follows:

- He is a company director and last year received a salary of £6,000, dividends of £200,000 and a bonus of £20,000.
- Hamish also has a final salary pension from a job as a police officer many years ago; with a CETV of £480,000.
- On top of his police pension, he has subsequently built up £320,000 in personal pensions.

The offer

Hamish, through his legal representatives, has offered the following deal to Morag:

- The matrimonial home should be sold to relieve both parties of their mortgage obligations, and the equity retained by Morag.
- Hamish is also happy to support the children, including paying the school fees which are in excess of £23,000 per annum.

Hamish and his lawyers propose that the couple retain their own assets, including their pensions. Hamish feels this is a fair deal and has asked Morag to consider the offer.

Morag's thoughts on the offer and Hamish's response

After considering the proposal, Morag has decided she needs to move to a smaller property following the divorce. She feels the current house is too big and she is concerned about the cost of upkeep. Morag believes she needs £600,000 to buy an appropriate property in a suitable location.

Morag has estimated her monthly income needs will be £4,000 per month and so she quickly needs to find a teaching job. She is actively looking for a role and believes she will earn approximately £37,500 per annum.

Hamish will pay Morag child support of £750 per child per month. He will also pay Morag a periodical allowance of £2,000 per month for one year after divorce. He is not prepared to pay periodical allowance for any longer than that.

“”

Thank you Brewin Dolphin for helping me wade through complex financial matters during my divorce. You gave me peace of mind about my future financial security during a very stressful period.

Miss DW, Edinburgh

The value of financial advice

How cashflow forecasting can help

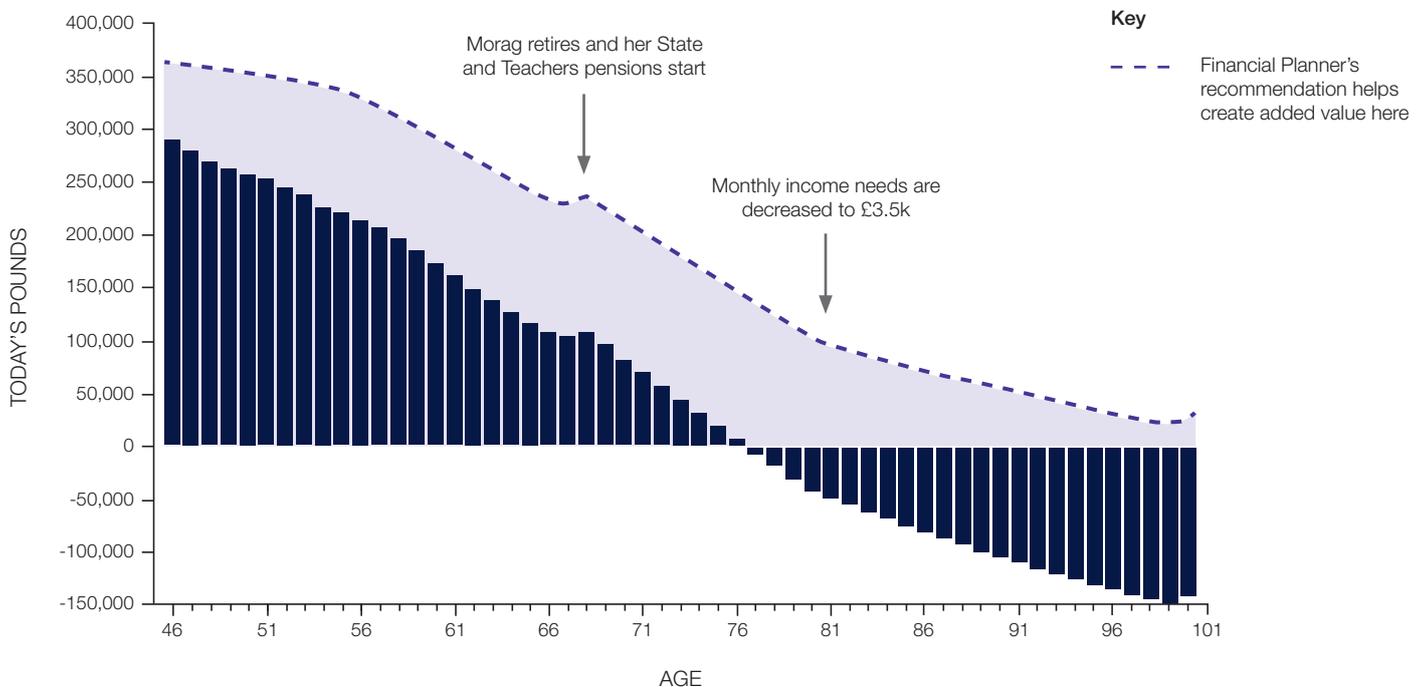
With the use of cashflow analysis, we can model Hamish's offer to show Morag the potential financial impact of Hamish's offer over the years. The model incorporates all of Morag's current personal assets plus Hamish's offer.

Before advice

The analysis shows if Morag were to accept Hamish's offer, her assets will be exhausted by age 76 (as shown by the bars in the chart below). She would also struggle to maintain her standard of living – even after finding employment as a teacher.

With advice

By modelling different financial scenarios, we are able to calculate a settlement that would meet Morag's needs. Her lawyers are now in discussion with Hamish about an additional lump sum of £60,000 and a pension credit of £40,000. This scenario would provide Morag with financial security for her and the children for her lifetime (as shown by the purple dotted line in the chart below).



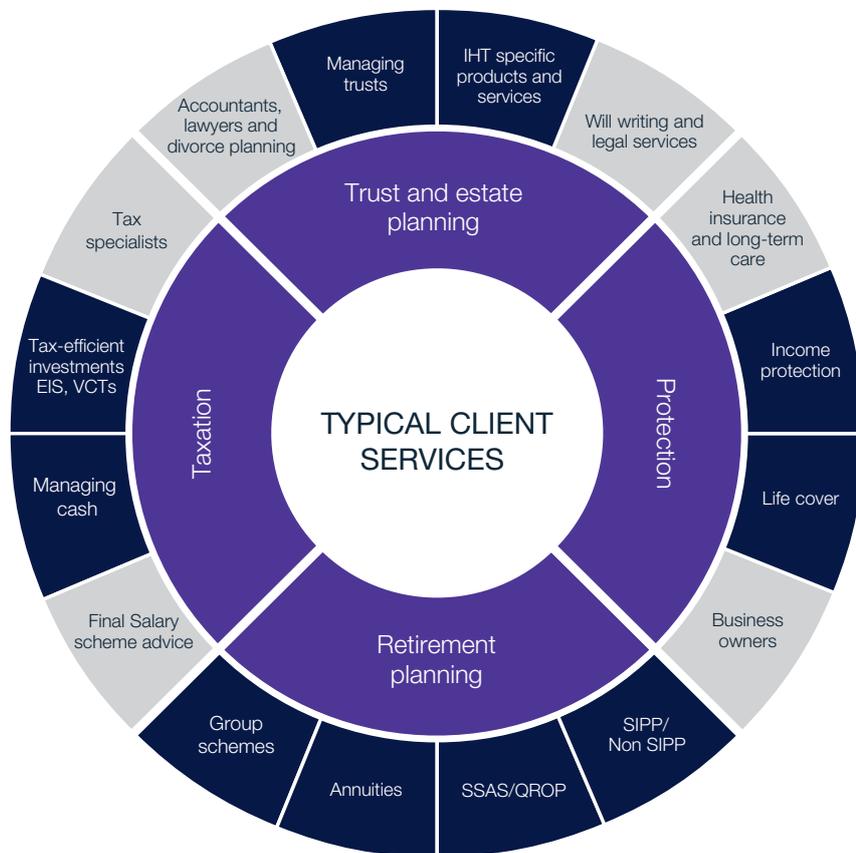
Growth rate of 4%, inflation of 3% and no initial fees built in. The returns are net of fees.

These results are based on a number of assumptions regarding the client and investment returns, and are, therefore, subject to a number of risks and uncertainties that could cause actual results to differ materially from the assumptions. This represents only one of many possible outcomes.

A full range of wealth management services

A Brewin Dolphin financial planner can help clients with a range of needs:

- We can talk about your clients' needs in these areas
- We can make a full recommendation to your clients
- We can identify their needs and inform them if they require external specialist support



Due diligence

To find out more about how we can help your clients attain a favourable financial settlement, simply send your due diligence questionnaire to professionaladvisers@brewin.co.uk. Or call us on 0131 300 2810 and we will be delighted to help.

Alternatively, if you would like to review our own due diligence pack, please send a request to the above email address or click [\[here\]](#) if this brochure is being viewed online.

Offices

In total, we employ over 450 wealth managers in 27 offices throughout the UK and Channel Islands so, wherever a client may be located, our team are on hand to provide an efficient, local and specialised service.



Helping family lawyers to help private clients