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ESTATE CAPITAL  
PRODUCT GOVERNANCE

November, 2019  
1st EDITION



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## Client Segmentation

We have segmented our clients primarily on their needs as investors. Typically, this follows a journey from accumulating wealth, to preserving and spending. We have experience of clients moving through these stages and believe that being consistent in our process ensures confidence in our proposition and trust in our advice. Ideally, the preferred platform or product should be able to accommodate all steps within the investment journey and to be able to meet most clients needs. We rarely experience complex cases and cannot realistically create a segment that is meaningful or sufficiently large enough to have separate processes.

The segments can be described as follows;

**Grow** - Actively investing on an ongoing basis for capital growth to be used at a future date. They have excess income over expenditure and often have clear and specific goals for the investment.

**Preserve** - Not actively investing new money but have assets that need to be managed and grown that will be used for future income or passing on to others.

**Draw** - Not actively investing but taking income and/or capital from investments to support lifestyle and immediate needs. Preservation is a consideration however erosion of value is often accepted.

All our active clients are segmented according to the above, except for GPP members where we do not provide personal service unless requested. They then become segmented according to the above criteria and agree to a service fee.

Every client within each segment is allocated a service level based upon funds under advice. We have established and implemented a client servicing segmentation based on complexity of financial planning needs and the value of the wealth we manage on their behalf. Family Groups can be managed on the same service level and charged on same basis to maintain client loyalty.

Protection is addressed on a needs basis and is specific to each client as opposed to segmentation. This is usually cost-driven and will encompass all product types.

# GROW

<b>Who are they?</b>	<b>Employed and Self-employed</b>	<b>Retired</b>	<b>Minors and Students</b>
<b>What are the objectives?</b>	Accumulate money for future income, capital expenditure, debt repayment and gifting. Tax efficiency Access	Accumulate money for future income, capital expenditure, debt repayment and gifting. Tax efficiency Access	Accumulate money for future income and capital expenditure. Tax efficiency Access
<b>How do they achieve that?</b>	Regular savings and lump sum investment	Regular savings and lump sum investment	Regular savings and lump sum investment over a long term
<b>Where does the investment come from?</b>	Surplus income, existing investments and cash savings, inheritance, asset sale	Surplus income, existing investments and cash savings, inheritance, sale of business assets	Gifts and inheritances
<b>What suitable investment?</b>	ISAs Collectives Savings Plans Bonds Structured Products Pensions National Savings VCT/EIS	ISAs Collectives Savings Plans Bonds Structured Products Pensions Annuities National Savings VCT/EIS	ISAs Collectives Savings Plans Bonds Structured Products Pensions JISA
<b>What additional services offered?</b>	Regular reviews Tax and Estate planning	Regular reviews Cashflow forecasting Tax and Estate planning	Regular reviews

# PRESERVE

<b>Who are they?</b>	<b>Employed and Self-employed</b>	<b>Retired</b>	<b>Minors and Students</b>
<b>What are the objectives?</b>	Manage and grow current assets for future income, capital expenditure, debt repayment and gifting. Tax efficiency Access	Manage and grow current assets for future income, capital expenditure, debt repayment and gifting. Tax efficiency Access	Manage and grow current assets for future income and capital expenditure. Tax efficiency Access
<b>How do they achieve that?</b>	Switches, rebalancing and inter-account transfers	Switches, rebalancing and inter-account transfers	Switches, rebalancing and inter-account transfers
<b>Where does the investment come from?</b>	Accumulated wealth from income, gifts, asset sale and inheritances	Accumulated wealth from income, gifts, asset sale and inheritances	Accumulated wealth from gifts, asset sale and inheritances
<b>What suitable investment?</b>	ISAs Collectives Savings Plans Bonds Structured Products Pensions National Savings VCT/EIS	ISAs Collectives Savings Plans Bonds Structured Products Pensions National Savings VCT/EIS	ISAs Collectives Savings Plans Bonds Structured Products Pensions JISA
<b>What additional services offered?</b>	Regular reviews Tax and Estate Planning	Regular reviews Cashflow forecasting Tax and Estate Planning	Regular reviews

# DRAW

<b>Who are they?</b>	<b>Employed and Self-employed</b>	<b>Retired</b>	<b>Minors and Students</b>
<b>What are the objectives?</b>	Access to capital for expenditure, debt repayment and gifting. Tax efficient Income	Access to capital for expenditure, debt repayment and gifting. Tax efficient income	Access for capital expenditure. Tax efficiency
<b>How do they achieve that?</b>	Regular and ad hoc tax efficient withdrawals	Regular and ad hoc tax efficient withdrawals	Regular and ad hoc tax efficient withdrawals
<b>Where does the investment come from?</b>	Accumulated wealth from income, asset sale and inheritances	Accumulated wealth from income, asset sale and inheritances	Wealth from gifts and inheritances
<b>What suitable investment?</b>	ISAs Collectives Savings Plans Bonds Structured Products Pensions Annuities National Savings VCT/EIS	ISAs Collectives Savings Plans Bonds Structured Products Pensions Annuities National Savings VCT/EIS	ISAs Collectives Savings Plans Bonds Structured Products JISA
<b>What additional services offered?</b>	Regular reviews Tax and Estate Planning	Regular reviews Cashflow forecasting Tax and Estate Planning	Regular reviews

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## Essential Features and Benefits

A Platform solution with Centralised Investment Proposition (CIP) and Centralised Retirement Proposition (CRP) is the preferred option to provide a consistent consolidated strategy, online access and functionality for both client and adviser. Non-Platform solutions are also recommended if appropriate. The same criteria below would be used when researching for the most suitable provider and plans. The key driver is to be able to deliver a great client experience and positive outcome.

Financial Strength of the provider is important, particularly as many are undergoing re-platforming which has proved to be extremely costly. For those yet to re-platform we have concerns and would prefer to avoid them given the levels of disruption experienced, and the poor service levels provided.

A proven track record of good service across the whole system is essential. If we are to deliver our promises of great service, our strategic partners must do the same. The ability to communicate securely is vital, as is dedicated support team to support the delivery of our proposition.

A full range of accounts should be available to allow clients to be able to access all their financial plans in one place, to be able to make tax efficient transfers between them e.g. Bed & ISA, Capital Gains Tax calculations and inter account transfer and to have a clear and consistent investment strategy across the plans. The option to have differing investment strategies for both accumulation and decumulation for all accounts within the wrapper is important. Being able to stay with the same platform as client's transition between segments ensures continuity and consistency of approach. This should keep

advice costs down rather than full advice costs for recommending a switch of platform/provider or product.

A range of income options should be available to offer clients the most flexibility in taking income from all the accounts within the wrapper.

Both Capped and Flexi-Access Drawdown should be available within the Retirement options given the increase in this type of business following Pensions Freedom. We have a legacy book of clients with Capped Drawdown and so transfers to achieve lower costs and accessing the CRP must be available. Ideally, clients can accumulate and decumulate within the wrapper at the same time, maintaining consistency of approach throughout their investment journey.

Client reports for both performance, costs analysis and CGT calculations must be provided, and should be client friendly and easy to understand.

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## Due Diligence

Platform comparison has been conducted with Defaqto Engage using the above criteria to produce a shortlist of providers that best meet our clients needs. Additionally, we undertake Due Diligence Annually using an independent research tool Adviser Asset to identify where the “mostly/exclusively used” platforms sit within the platform market to ensure they remain appropriate for our existing clients.

Our Mostly used platforms are Nucleus, Aegon and Old Mutual Wealth however, we have also used other platforms offerings such as Fidelity Funds Network, AJ Bell and Transact. In continually reviewing the platform offerings we do make changes and consider other platforms, based on our experiences and those of our clients. Aegon platform has had some issues and we continue to monitor this platform.

Our preference remains Nucleus as it is more user-friendly and has undergone re-platforming. It also provides us with other features which are important to ensure we meet client expectations such as Bulk Switching. Old Mutual Wealth again offers us the ability to use our CIP but also has good research and reporting tools available.

Platforms that ranked higher in research include Transact, Standard Life and Elevate (which has been acquired by Standard Life). We are conscious that all 3 are generally more expensive offerings and so do not feel that this would be of benefit to our existing clients who already experience better value with our platforms of preference.

As one of the original shareholders of Nucleus, we disclose our interest within our Client Agreement and continue to feel that in holding shares, we have some say in how the platform operates and develops to ensure it remains consistent with our client needs.

Our approach is that in using our core platforms we are able to meet all client needs, so if one platform fails to provide a feature required, one of the other offerings will.

## Defaqto Research from Whole of Market Platforms Tick Box Comparison

	<b>Nucleus</b> Nucleus Financial Group	<b>Old Mutual Wealth –</b> Self Select Old Mutual Wealth	<b>AEGON</b> Retirement Choices (ARC)
<b>AKG Platform Financial Strength</b> 3 B ranking is equivalent to good	✓	✓	✓
<b>Linked Accounts Facility for Charging Available</b> 5 Facility exists to link platform accounts for family/business members	✓	✓	✗
<b>Product available through Advisers</b> Product available via Advisers	✓	✓	✓
<b>Service Rating</b> 3 Bronze Service Rating	✓	✓	✓
<b>Service–Provider Strength and Brand (%)</b> 3 Reasonable satisfaction levels	✓	✓	✓
<b>Service–Pension Freedom Servicing (%)</b> 3 Reasonable satisfaction levels	✓	✓	✗
<b>Service–Platform Design &amp; Management (%)</b> 3 Reasonable satisfaction levels	✓	✗	✓
<b>Weighted Satisfaction Score (%)</b> 3 Reasonable satisfaction levels	✗	✗	✓
<b>General Investment Account</b> General investment account available (non- wrapped)	✓	✓	✓
<b>NISA</b> 5 NISA is available on the platform	✓	✓	✓
<b>JISA</b> 5 Junior ISA	✓	✗	✗
<b>NISA Transfer</b> 5 NISA transfer product available on platform	✓	✓	✓
<b>Personal Pension or SIPP Available</b> 5 Personal Pension product (PPP or SIPP) available	✓	✓	✓
<b>Bond Available</b> 5 Bond available	✓	✓	✓
<b>Online Transaction History</b> 5 Online transaction history available	✓	✓	✓



## Defaqto Research from Whole of Market Platforms Tick Box Comparison

	<b>Nucleus</b> Nucleus Financial Group	<b>Old Mutual Wealth –</b> Self Select Old Mutual Wealth	<b>AEGON</b> Retirement Choices (ARC)
<b>CGT Report Facility</b> 5 Capital gains tax reporting function available with an integrated tool	✓	✓	✗
<b>Consolidated Tax Voucher</b> 5 Consolidated income tax voucher issued	✓	✓	✓
<b>Bulk Trading</b> 5 Bulk trading facility available	✓	✓	✗
<b>Number of Pre-Funding Options</b> 3 Three pre-funding options available	✓	✓	✓
<b>Dedicated IT Telephone Helpdesk</b> Dedicated telephone IT support	✓	✓	✓
<b>On Platform Re-Registration</b> 5 Re-registration is permitted onto the platform	✓	✓	✓
<b>Off Platform Re-Registration</b> 5 Re-registration is permitted off platform	✓	✓	✓
<b>Commercial Property</b> 5 Commercial property available within the SIPP	✓	✗	✗
<b>Cash Account</b> 5 Default cash account available on the platform	✓	✓	✓
<b>FAD ( Flexi Access Drawdown)</b> 5 Flexi access drawdown available	✓	✓	✓
<b>Capped Drawdown Transfer In</b> 5 Capped drawdown facility available on platform	✓	✓	✗
<b>NISA</b> 5 NISA is available on the platform	✓	✓	✓
<b>NISA Transfer</b> 5 NISA transfer product available on the platform	✓	✓	✓
<b>Number of Income Options</b> 5 All three income options available	✓	✓	✓
<b>Structured Products</b> 5 Trading in structured products available on this platform	✓	✗	✗

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## Platform Brochure Compare Report

### Old Mutual Wealth - Self Select Old Mutual Wealth

### AEGON Retirement Choices (ARC)

### Nucleus Nucleus Financial Group

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Old Mutual Wealth is rated B+ by AKG.

Aegon is rated B by AKG.

Nucleus Financial Group is rated B by AKG.

AKG Financial Analytics Ltd, specialists in this field, has allocated a rating factor of A, B+, B, B-, C or D to each company dependent on its financial strength.

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Whilst the assessment behind AKG ratings is complex, the scale used for presentation is deliberately simple to maintain accessibility and comparability. The scale used is A (highest), B+, B, B-, C, D (lowest) for the overall ('platform' or 'DFM') financial strength rating.

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'A' Superior  
'B+' Very strong  
'B' Strong  
'B-' Satisfactory  
'C' Weak  
'D' Very weak

'A' Superior  
'B+' Very strong  
'B' Strong  
'B-' Satisfactory  
'C' Weak  
'D' Very weak

'A' Superior  
'B+' Very strong  
'B' Strong  
'B-' Satisfactory  
'C' Weak  
'D' Very weak

AKG's analysis draws on publicly available information, supplemented by other detailed information made available to AKG directly by providers. The objective is to provide a simple broad-brush indication of the financial strength of a company. Full details about AKG's analysis can be found at <http://www.agg.co.uk/information/reports/dfm-profiles/ratings-guide>.

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	<b>Old Mutual Wealth - Self Select Old Mutual Wealth</b>	<b>AEGON Retirement Choices (ARC)</b>	<b>Nucleus Nucleus Financial Group</b>
<b>Rating Type</b>	<b>Description</b>	<b>Description</b>	<b>Description</b>
Life Companies, Friendly Societies & Similar Providers	Overall Financial Strength. Defaqto displays these ratings across its life, pension and investment product tables and it should be noted that some platforms operating their own wrappers may be given a rating in this peer group.	Overall Financial Strength. Defaqto displays these ratings across its life, pension and investment product tables and it should be noted that some platforms operating their own wrappers may be given a rating in this peer group.	Overall Financial Strength. Defaqto displays these ratings across its life, pension and investment product tables and it should be noted that some platforms operating their own wrappers may be given a rating in this peer group.
Offshore	Overall Financial Strength. Defaqto displays this rating on its offshore investment product tables.	Overall Financial Strength. Defaqto displays this rating on its offshore investment product tables.	Overall Financial Strength. Defaqto displays this rating on its offshore investment product tables.
Platform	Platform Financial Strength. Defaqto displays this rating on its platform table.	Platform Financial Strength. Defaqto displays this rating on its platform table.	Platform Financial Strength. Defaqto displays this rating on its platform table.
Discretionary Fund Managers	DFM Financial Strength.	DFM Financial Strength.	DFM Financial Strength.

For more information on how the ratings are applied, please refer to the Engage user guide and FAQs.

<b>Service Satisfaction Rating</b> Overall service satisfaction rating	gold	silver	silver
<b>Provider Perception Satisfaction Index</b> Consideration should be given to brand strength, financial strength, integrity and ease of doing business	78.3	77.0	83.0
<b>Service - Transition and Implementation</b> Transition and Implementation Satisfaction Index	77.9	68.0	64.8
<b>Admin New Business</b> Admin New Business Satisfaction Index	84.6	74.0	86.0
<b>Pension Freedom Servicing Satisfaction Index</b>	69.3	64.0	67.1

	<b>Old Mutual Wealth - Self Select Old Mutual Wealth</b>	<b>AEGON Retirement Choices (ARC)</b>	<b>Nucleus Nucleus Financial Group</b>
<p><b>Weighted Satisfaction Scores</b> This is the weighted satisfaction score achieved in the IFA Platform Star Rating survey</p>	78.0	70.5	70.3
<p><b>SIPP product available</b> SIPP product available on the platform</p>	A SIPP product is available.	There is a SIPP available. The Aegon Platform SIPP offers insured investment-only options	<p>Nucleus Financial Group offers its own SIPP. Nucleus also offers links to SIPPs from the following providers:</p> <ul style="list-style-type: none"> <li>• @SIPP</li> <li>• Dentons</li> <li>• Hornbuckle</li> <li>• IPM</li> <li>• James Hay</li> <li>• Liberty</li> <li>• Sanlam*</li> <li>• Suffolk Life</li> <li>• Westerby</li> </ul> <p>* Sanlam OneSipp does not allow re-investment into the Nucleus General account.</p>
<p><b>Personal Pension Plan or Self Invested Personal Pension Available</b> Personal pension product (PPP or SIPP) available on the platform</p>	There is a personal pension and SIPP available on the platform - Collective Retirement Account (CRA).	There is a SIPP available	<p>Nucleus Financial Group offers its own SIPP. Nucleus also offers links to SIPPs from the following providers:</p> <ul style="list-style-type: none"> <li>• @SIPP</li> <li>• Dentons</li> <li>• Hornbuckle</li> <li>• IPM</li> <li>• James Hay</li> <li>• Liberty</li> <li>• Sanlam*</li> <li>• Suffolk Life</li> <li>• Westerby</li> </ul> <p>* Sanlam OneSipp does</p>
<p><b>Capital gains tax reporting functionality available</b> Capital gains tax</p>	A Capital Gains Tax reporting function is available.	A capital gains tax calculator is available, which works out the client's profit and loss via a feed from the GIA.	A Capital Gains Tax reporting function is available fully integrated; a downloadable report is also available.
<p><b>Income tax voucher consolidation function available</b> Consolidated income tax voucher included in reporting facility.</p>	Old Mutual Wealth issues a consolidated tax voucher, plus £200 per month.	Aegon issues consolidated income tax vouchers every April	A consolidated tax voucher is produced automatically and issued annually.

	<b>Old Mutual Wealth - Self Select Old Mutual Wealth</b>	<b>AEGON Retirement Choices (ARC)</b>	<b>Nucleus Nucleus Financial Group</b>
<b>Facility to trade for multiple clients in same security available</b> Facility to trade for multiple clients in the same security available	The facility to trade for multiple clients in the same security is available.	Adviser bulk trading is not available. Rebalancing or amendments to model portfolios are available.	The facility to trade for multiple clients in the same security is available.
<b>Model Portfolio Adviser Led</b> Adviser is able to build their own portfolios on the platform	Available	Available	Yes
<b>Trading in structured products available</b> Investment in structured products accepted under this contract	Trading in structured products is not available	Trading in structured products is not a permitted investment	Trading in structured products is available on the platform
<b>Unlisted/unquoted shares/private equity</b> Unlisted and unquoted shares which are not listed on a recognised stock exchange accepted Drawdown	Unlisted securities is not available.	Unlisted stocks and shares are not a permitted investment	Trading in unlisted securities is not available.
<b>Flexi access drawdown available</b> Flexi access drawdown facility available	FAD is available.	Flexi-access drawdown is available	FAD is available.
<b>Capped drawdown facility available</b> Capped drawdown available	A Capped Drawdown facility is available.	Not available.	Nucleus accepts transfers-in from existing clients in Capped Drawdown.  This can move to FAD by converting online, if required.  If a client takes an income above the GAD maximum, the policy will automatically covert into FAD.

	<b>Old Mutual Wealth - Self Select Old Mutual Wealth</b>	<b>AEGON Retirement Choices (ARC)</b>	<b>Nucleus Nucleus Financial Group</b>
<p><b>Pension Flexibility Available</b> Pension Flexibility options available from Section 32, Flexi-Access Drawdown (FAD), Uncrystallised Fund Pension Lump Sum (UFPLS), and Capped Drawdown</p>	<p>Capped Drawdown, Flexible Drawdown, and UFPLS are available.</p> <p>The Collective Retirement Account is available to customers over the age of 75. Benefits can be paid to customers of any age above 55.</p> <p>In total, Old Mutual Wealth states that there are 8 methods of taking money out of the account - Capped Drawdown, Flexi-Access Drawdown (FAD), UFPLS (through FAD), regular income options, small pots, full encashment, open market option, and beneficiary FAD.</p>	<p>Flexi Access Drawdown and UFPLS are available</p>	<p>Capped Drawdown, Flexi Access Drawdown</p>
<p><b>Trust Facilities</b> Number of standard trust documentation types on the platform</p>	<p>Standard trust types include (based on English Law):</p> <p>Loan Trust - discretionary (Limited and unlimited. Scottish law versions available) Loan Trust - bare (Scottish law version available) Gift Trust - discretionary (Scottish law version available) Gift Trust - deferred discretionary Gift Trust - bare (Scottish law version available) Discounted Gift Trust - discretionary Discounted Gift Trust - bare Probate Trust (Scottish law version available) Best Start In Life Trust - discretionary Lifestyle Trust Excess Income Trust</p>	<p>One Trust is offered on the platform Spousal By pass Trust:</p>	<p>A suite of trusts that are specifically designed for the platform are available:</p> <ul style="list-style-type: none"> <li>• Bare Gift Trust</li> <li>• Discretionary Gift Trust</li> <li>• Discretionary Loan Trust</li> <li>• Flexible Gift Trust</li> <li>• Bare Discounted Gift Trust - onshore bond</li> <li>• Discretionary Discounted Gift Trust - onshore bond</li> <li>• Spousal Bypass Trust</li> <li>• Protection Trusts for use with Wealth Protect</li> </ul>

## Platforms Data Compare Report

	<b>Nucleus</b> Nucleus Financial Group	<b>Old Mutual Wealth</b> Old Mutual Wealth	<b>AEGON</b> Retirement Choices (ARC)
AKG Platform Financial Strength	B	B+	B
Service - Provider Strength and Brand (%)	83.0	78.3	77.0
Service - Implementation and Transition (%)	64.8	77.9	68.0
Service - Pension Freedom Servicing (%)	67.1	69.3	64.0
Service Rating	Silver	Gold	Silver
General Investment Account	Yes	Yes	Yes
Cash Account	Yes	Yes	Yes
NISA	Yes	Yes	Yes
NISA Transfer	Yes	Yes	Yes
Pension Flexibility Available	Capped Drawdown, Flexi Access Drawdown	Capped Drawdown, Flexi Access Drawdown,UFPLS	Flexi Access Drawdown, UFPLS
Capped Drawdown Transfer In	Yes	Yes	No
FAD (Flexi Access Drawdown)	Yes	Yes	Yes
Bond Available	Yes	Yes	Yes
Onshore Bond	Yes	Yes	No
Offshore Bond	Yes	No	Yes
Model Portfolio Provider Adviser Led	Yes	Yes	Yes
Best Execution Policy	in force	in force	in force and published
Platform Access - Adviser	Yes	Yes	Yes
Platform Access - Client	Yes	Yes	Yes
CGT Report Facility	Integrated tool	Integrated tool	Tabulations
Consolidated Tax Voucher	Yes	Yes	Yes
Bulk Trading	Yes	Yes	No
Number of Pre-Funding Options	3	6	3
Structured Products	Yes	No	No
Equities Unlisted/Unquoted	No	No	No
Trust Facilities	8	11	1

Nucleus allow us to manage all our client segments with a wide range of portfolio sizes, account types and investment objectives, at a fair cost and with access to several investment solutions. They have already undergone their technology upgrade and our experience has been very good. The secure messaging service (Jira) provides instant resolving of administration issues, client access is useful for those who wish, client reports are excellent and include all Mifid 2 costs in a clear manner.

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## Centralised Investment Proposition (CIP)/ Centralised Retirement Proposition (CRP)

This is the preferred investment proposition that Estate Capital Financial Management Limited has put in place for its clients. It is a proposition which we believe can add significant value to an individual's investment portfolio.

We have confidence in this process as we involve widely acknowledged expert organizations to carry out all vital aspects of the management of our clients' investment portfolios.

We have put in place an investment proposition which involves active monitoring, regular fund selection and automatic rebalancing carried out by some outstanding organizations, the use of which we believe will deliver real benefits for our clients.

The process is designed to allow Estate Capital to ensure that investment portfolios continue to be managed in accordance with the agreed investment strategies and tolerance for risk.

The first step in our investment process is to identify client's goals and match to the segments highlighted above ie. Grow, Preserve, or Draw.

Step two is to identify a client's risk tolerance and capacity for loss. We have our own questionnaires for this purpose for the following reasons;

**Questionnaire** - simple to use, it asks a range of question in a variety of styles and content ie. pictorial, cash values, percentages, and double checks to ensure consistency of response. Clients find this easy to complete and allows us to challenge their responses to ensure they comprehend the content.

**Assessment output** - We prefer a written definition to a numerical risk score as numbers are relative to an individual's own measures and can be misinterpreted. Descriptive words are more emotive, responses are usually clearer to provide positive engagement on the subject of risk and loss.

**Fund and portfolio analysis** - consistent to all definitions are detailed within our Investment Outlook and Overview brochures.

Next, we establish whether the CIP/CRP and the use of a platform will deliver the outcomes that are required.

Estate Capital's Managing Director Christopher Davies holds the appropriate qualifications for Discretionary Fund Management and although this is NOT offered through the company, Estate Capital offer Bespoke Portfolio's that are selected and managed in-house using the resources of Financial Express and Morningstar Analytics. Nine Risk Rated Portfolios are offered, aimed at achieving both growth and income solutions to meet our client demographic.

Cost is a major driver to deliver fair value to clients. Transparency must be evident throughout the portfolio range.

Matching the risk to the client outcome and taking into account capacity for loss is essential for consistency of aims and definitions.



<b>Risk Level</b>	<b>Portfolio</b>	<b>Aims</b>
2	Defensive	A blended style strategy aimed at medium to long term investors who are seeking a cautious investment that has a genuine prospect of capital growth above cash based investments
3	Cautious	A blended style strategy aimed at medium to long term investors who are seeking a relatively cautious investment that has a genuine prospect of capital growth
4	Conservative Income	A value style strategy it is aimed at medium to long term investors who are seeking a sustainable level of income within a cautious to balanced portfolio with a genuine prospect of income and capital growth
4	Conservative Alpha	A growth style strategy it is aimed at medium to long term investor who are seeking above average capital growth from a cautious to balanced portfolio
5	Balanced Beta	A passive growth strategy aimed at medium to long term investors who are seeking above average capital growth from a balanced portfolio of mainly equities
6	Balanced Income	A value style strategy aimed at medium to long term investors who are seeking a sustainable level of income within a balanced portfolio along with a genuine prospect of income and capital growth
6	Balanced Alpha	A growth style strategy aimed at medium to long term investors who are seeking above average capital growth from a balanced portfolio of mainly equity investments
7	Speculative Beta	A passive growth strategy aimed at medium to long term investors who are seeking above average capital growth from a speculative of mainly equity investments
8	Speculative Alpha	A growth style strategy aimed at medium to long term investors who are seeking above average capital growth from a speculative portfolio of mainly global equity investments

The portfolios are reviewed twice a year in January and July and as the success of the portfolio's is based on regular reviews, clients are made aware at point of sale that they must respond to the bi-annual offer to realign their portfolio with the new edition. Failure to respond will trigger communication with the client to agree the strategy going forward.

If an off-platform solution is more suitable, and a client declines an ongoing service, then we will aim to find a suitable solution that has been identified through similar methodology using a multi-asset/

multi-manager fund which is fund-picking but is outsourced. An example of this is when a client demonstrates low capacity for loss, does not like the idea of their investment falling in value and prefers a smooth return without volatility. In this instance we are likely to use LV= or Prudential.

Bespoke DFM solutions will be offered where the client requires something more than an off-the-shelf solution. This is particularly the case for decumulation 'Draw' clients. Each case will be considered on its own merits.

*Maximise your returns with  
a level of risk you're entirely  
comfortable with*

Financial Advice & Wealth Management



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