

Managed  
portfolio  
service

Rathbones  
Look forward



The value of investments and the income from them may go down as well as up and you may not get back your original investment. Past performance should not be seen as an indication of future performance. Changes in rates of exchange between currencies may cause the value of investments to decrease or increase.

# Managed portfolio service

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A man with short, graying hair and black-rimmed glasses is shown in profile, looking towards the left. He is holding a white document or folder. The background is a bright, out-of-focus indoor setting with vertical lines, possibly from a window or door. The overall tone is professional and calm.

# Welcome to our managed portfolio service

## **Who is our managed portfolio service for?**

Some clients want service and bespoke advice from an ongoing relationship with their discretionary investment manager. Others are clear about their goals and want a simple and straightforward execution-only investment service, supported by a telephone- and email-based client service team. For such clients our managed portfolio service is ideal.

At Rathbones, we have grown and been successful over many years by offering clients the highest investment standards and a level of service that is tailored to their needs.

Our managed portfolio service follows this tradition by giving clients with £15,000 or more access to high-quality investing, together with a service specifically designed to meet their requirements.

The managed portfolio service invests exclusively in a range of actively managed, multi-asset funds provided by Rathbone Unit Trust Management Limited (a subsidiary of Rathbone Brothers Plc). This is where decisions are made by experienced fund managers, supported by our proprietary investment process and research team. Clients and their professional advisers get access to a dedicated UK-based client team for all service issues, as well as regular reporting and fund manager commentaries.

The service is delivered at a price that reflects the competitive nature of our sector, but to a standard that all of our clients have come to expect from Rathbones. We do this by investing more efficiently: for example, by the multi-asset funds investing directly in individual stocks and shares (investing in other funds only where appropriate), rather than solely through third-party funds, which will often involve two layers of charges.

#### **Key features**

- a service tailored to client needs
- access to go anywhere active management by highly experienced fund managers with strong track records
- decisions informed by our extensive investment resources, including an in-house research team and specialist investment committees
- direct access to a dedicated UK-based client service team
- competitive pricing, providing excellent value for money
- an execution-only service; no advice from Rathbones.

# How does our managed portfolio service work?

Our managed portfolio service is offered by Rathbone Investment Management and invests exclusively in the range of Rathbones multi-asset portfolio funds (the 'RMAP' funds) managed by Rathbone Unit Trust Management. Both companies are subsidiaries of Rathbone Brothers Plc.

The six managed portfolio strategies we offer cover the range of client risk profiles and investment objectives and, depending on the client's risk level, invest in one, or in some cases, two of the RMAP funds:

- Rathbone Multi-Asset Enhanced Growth Portfolio
- Rathbone Multi-Asset Strategic Growth Portfolio
- Rathbone Multi-Asset Total Return Portfolio
- Rathbone Multi-Asset Strategic Income Portfolio

Please see the table on page 11 for full details of the strategies and the RMAP fund(s) in which they are invested.

The funds are governed by the Undertakings for Collective Investment in Transferable Securities (UCITs) regulatory framework, which provides a level of protection designed to reduce investment risk for you.

Our service is offered on an execution-only basis (i.e. we implement your, or your financial advisers' instructions, but don't give you investment advice), with Rathbones taking no responsibility for the suitability of the investment.





# What makes this different?

Our managed portfolio service may share the same 'MPS' acronym as the *model* portfolio services provided by other firms, but the similarities end there.

## **Investment expertise**

While you are buying a single, or possibly two, RMAP fund(s), these funds seek out and research the best opportunities from an expanding universe of potential investments. The RMAP fund managers focus on investing directly in high-quality UK and overseas equities, government bonds and corporate bonds. They select specialist third-party managers only when they want to capture an opportunity that requires specific market knowledge and expertise. The funds also use financial instruments as insurance against uncertain and unpredictable events as well as diversified sources of additional returns.

Most people are more concerned about losing money than making high returns. Unlike many of our competitors, the RMAP fund managers have a clear target for risk as well as returns, giving them explicit boundaries for the level of risk that they can take. We appreciate that we are only stewards of your wealth and our prudent approach means that we do not take inappropriate levels of risk to generate returns.

## **Active fund management**

Our scale gives us access to the senior management of leading global companies as well as the most successful international fund managers. Yet the RMAPs managers are not restricted by size and can also invest in lesser-known managers. Meanwhile, investing in direct securities reduces costs and increases transparency, giving more control.

Rebalancing the funds is important, particularly when markets are volatile. Due to our active management style, RMAPs funds are not restricted to a monthly or quarterly schedule, and manage investments and asset allocation continuously. Our disciplined and well-resourced investment process informs all such decisions.

# An experienced investment team

Our service draws on the expertise of our investment management business and we have chosen to use our RMAP fund managers to manage the funds in which these strategies invest. Behind the RMAP funds are a highly experienced team.

**David Coombs** is the lead fund manager, working with assistant manager **Will McIntosh-Whyte**. They have extensive experience and their track records demonstrates their ability to deliver returns through different market conditions.

## Investment manager profiles



### **David Coombs**

Head of multi-asset investments

David Coombs is head of multi-asset investments and joined Rathbones in April 2007. He is a member of our Investment Executive Committee as well as the Strategic Asset Allocation Committee. David is responsible for developing our investment propositions for national financial advisory firms and networks.

David previously worked at Barings for almost 20 years where he managed pooled vehicles and segregated accounts for institutional and private clients. He joined Barings in 1988 from Hambros, where he managed multi-manager portfolios for private clients.



### **Will McIntosh-Whyte**

Assistant fund manager

Will is the assistant fund manager, supporting David on the multi-asset funds. He joined Rathbones in April 2007 working as an investment manager with institutional clients. He is a Chartered Financial Analyst (CFA) charter holder and is a member of the Managed Funds and Fixed Income Committees. He graduated from the University of Manchester Institute of Science and Technology (UMIST) in 2006.



David and Will are supported by investment specialists from across the group. Rathbones' proprietary investment process brings together specialists in asset allocation, security selection, portfolio construction, risk management and governance. This gives us broad coverage of available investment opportunities, twinned with in-depth research and thorough scrutiny.

The fund managers draw on the work of these teams to make decisions that are aligned with the individual objectives of each fund managed. The strategies for these funds then form the managed portfolio service and provides the same investment experience that all of our clients receive.

#### **Key features**

- experienced fund managers of the RMAP funds with a successful track record
- supported by investment specialists from across the group
- using the same process and resources behind all of Rathbones' investment services.

# A choice of investment strategies

Our managed portfolio service is designed for investors who wish to grow the real value of their wealth over the long term\*. To achieve this, we have chosen target returns that are related to the consumer price index (CPI) rather than industry benchmark indices.

The six strategies suit different appetites for risk and return. Investing is easy. Simply decide which strategy is right for you, then complete a short application form. If you would like to discuss your situation and financial objectives before making a decision, you may want to seek guidance from a financial adviser.

The RMAP funds that these strategies invest in have successful track records of delivering consistent returns. The six strategies appeal to a wide variety of investors and can be held in individual savings accounts (ISAs) and self-invested personal pensions (SIPPs).\*\*

You can switch between strategies if your situation or objectives change. Also, with no penalties or notice periods and daily dealing, you have instant access to your money when you need it.

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\*Other than the lowest risk ('Cautious') strategy, which has a shorter-term time horizon for which a cash plus return is more appropriate and achievable.

\*\*May involve additional forms upon completion.

Your capital is at risk. You may incur a tax liability when rebalancing occurs, or when switching between funds or strategies where you are not investing via an ISA, bond or pension scheme.



## The managed portfolio service strategies

	Objective	Target return	Invested in RMAP funds	Risk tolerance
Cautious	Growth	6-month Libor + 2%	RMAP Total Return	Low
Balanced	Growth	CPI + 2%	RMAP Total Return and RMAP Strategic Growth	Medium
Income	Income	CPI + 3-5%	RMAP Strategic Income	Medium
Balanced Plus	Growth	CPI + 3-5%	RMAP Strategic Growth	Medium
Equity	Growth	CPI + 4-5% plus	RMAP Strategic Growth and RMAP Enhanced Growth	Relatively high
Equity Plus	Growth	CPI + 5% plus	RMAP Enhanced Growth	High

The investment objective of our 'income' strategy is designed specifically for those who wish to receive a regular income (accumulation shares are available). The other strategies (with the exception of 'equity' and 'equity plus') give you the choice of income or accumulation share classes. The accumulation share classes emphasise growth and reinvest all income.

### Things to consider

- Equity investment risk is not right for everyone. For example, during periods of market volatility, the risks normally experienced by our strategies may increase significantly, and in addition, the strategies may be subject to different investment risks.
- As an equity investor, you should ensure that you understand the tax treatment of your investment and its impact on your personal taxation. We will provide you with an annual tax report, but the service will not manage your personal allowances or account to HMRC for your tax.
- The value of investments in the fund(s) and the income from them may go down as well as up and you may not get back your original investment.
- We are not responsible for ensuring your investment is suitable for you. If you have a professional adviser they will be able to provide guidance.

# What service can you expect?

We understand that efficiency and service are as important as investment excellence. Our execution-only service gives you:

- a straightforward application process and documentation
- direct telephone and email access for you and your financial adviser to a dedicated client service team based in the UK
- secure messaging for all instructions and communication
- daily portfolio values available online
- quarterly valuation packs showing the value of individual securities
- a tax-year-end pack to help you or your accountant complete your annual self-assessment return
- Rathbones' investment updates and client literature.

The managed portfolio service client service team is available by telephone or email, helping with any issues related to setting up and servicing your account(s). If you have a professional adviser, we will work closely with them to ensure they have all the information required to advise you and smooth the process of opening your account.

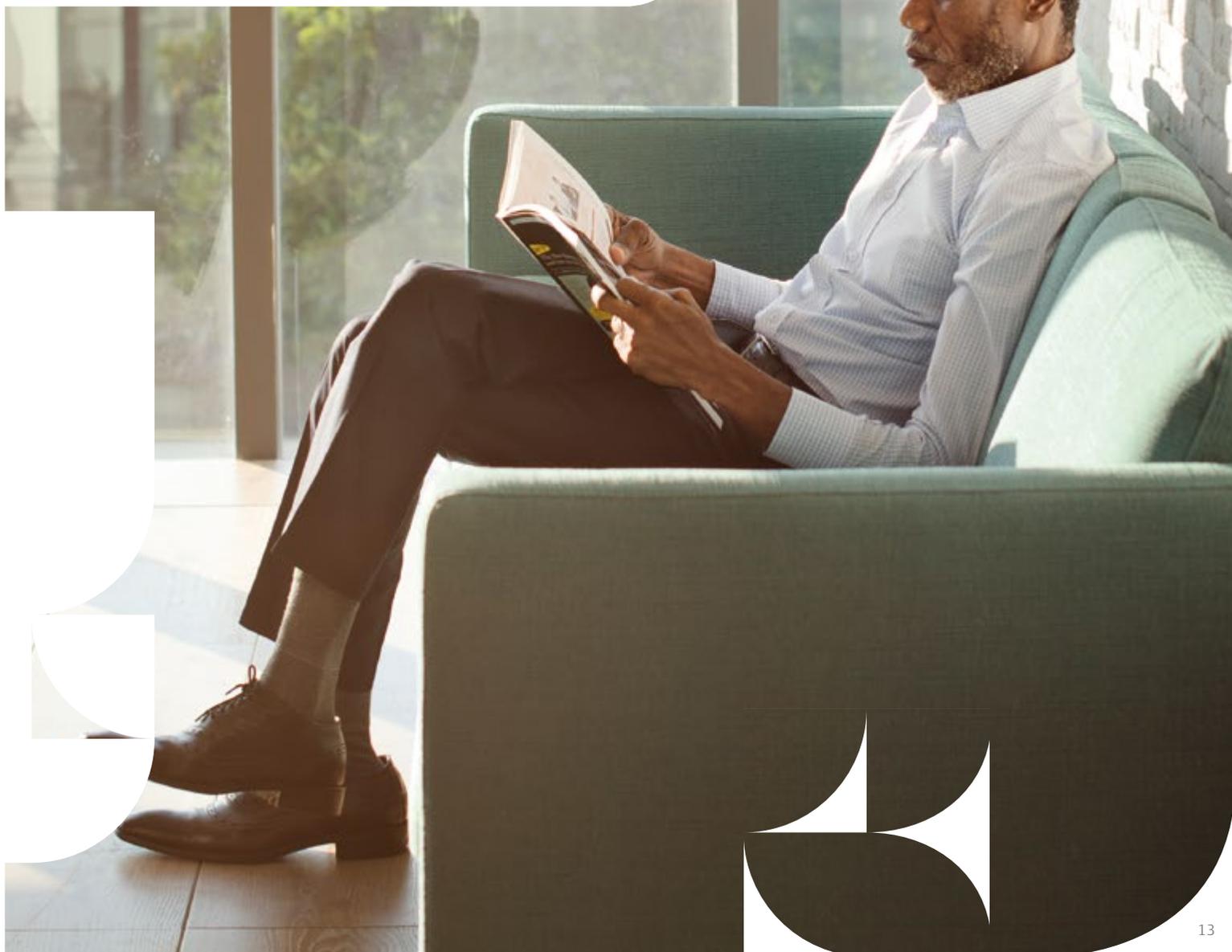
Effective communication is important and we provide information that is detailed, clear and transparent through our online service, which also includes the secure messaging capability.



In addition to sending you a quarterly valuation pack, we will provide regular commentaries explaining the RMAP fund managers' investment strategies and views on the global economy.

Please note, we are not responsible for ensuring that your investment is suitable for you. If you have a professional adviser, they will be able to provide guidance on the managed portfolio service strategies most suited to your personal circumstances.

Full terms and conditions are included in the managed portfolio service application pack and available at [rathbones.com](http://rathbones.com), or on request.





# Next steps

Whether you're considering investing for the first time or switching from an existing provider, our managed portfolio service could be the ideal solution. For more information including details of our charging structure, please speak to your financial adviser or contact our intermediary services desk:

call 020 7399 0399  
or email [ifaservices@rathbones.com](mailto:ifaservices@rathbones.com)

For account opening and servicing queries:  
call 0151 243 7080 or email [mps@rathbones.com](mailto:mps@rathbones.com)

Post to:  
Managed Portfolio Service Team  
Rathbone Investment Management  
Port of Liverpool Building  
Pier Head  
Liverpool L3 1NW

For more information about risks in our underlying funds, please see our Key Investor Information Document(s) (KIID)(s).

Copies of the Prospectus, the latest Key Investor Information Document (KIID) and the latest Manager's report in respect of each fund are available on request in English language and free of charge from our intermediary services desk.

You can find more information about Rathbones, our approach to investing and our latest views on the global economy and financial markets at [rathbones.com](http://rathbones.com)

### Important information

This document is published by Rathbone Investment Management and does not constitute a solicitation, nor a personal recommendation for the purchase or sale of any investment; investments or investment services referred to may not be suitable for all investors.

No consideration has been given to the particular investment objectives, financial situations or particular needs of any recipient and you should take appropriate professional advice before acting. The price or value of investments, and the income derived from them, can go down as well as up and an investor may get back less than the amount invested. Past performance is not a reliable indicator of future results. Tax regimes, bases and reliefs may change in the future. Rathbone Investment Management will not, by virtue of distribution of this document, be responsible to any other person for providing the protections afforded to customers or for advising on any investment.

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We are covered by the Financial Services Compensation Scheme. The FSCS can pay compensation to investors if a bank is unable to meet its financial obligations.

For further information (including the amounts covered and the eligibility to claim) please refer to the FSCS website [fscs.org.uk](http://fscs.org.uk) or call 020 7892 7300 or 0800 678 1100.

The RMAP funds can place more than 35% of their assets in investments issued by certain non-UK governments. A list of these governments can be found in the Prospectus. Unless otherwise stated, the information in this document was valid as at 31 January 2017. Not all the services and investments described are regulated by the Financial Conduct Authority (FCA). Rathbone Brothers Plc. is independently owned, is the sole shareholder in each of its subsidiary businesses and is listed on the London Stock Exchange.

Rathbones is a trading name of Rathbone Investment Management Limited. Rathbone Investment Management Limited is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority.

Registered office: Port of Liverpool Building, Pier Head, Liverpool L3 1NW. Registered in England No. 01448919.

Rathbone Investment Management Limited is a wholly owned subsidiary of Rathbone Brothers Plc.

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