



BESPOKE (RELIANCE ON ADVISER) FOR ADVISED CLIENTS

PROPOSITION SUMMARY

Bespoke — Reliance on Adviser (RoA) is a Financial Adviser led discretionary service provided by Rathbones Investment Management (RIM). The client must have a relationship with an FCA authorised Financial Adviser, who is responsible for assessing client suitability. The service provides clients with an investment portfolio, constructed by their dedicated investment professional and tailored to meet their specific investment objectives.

SERVICE FEATURES AND BENEFITS

Dedicated Rathbones Investment Manager & team
Portfolio Management
Discretionary Portfolio tailored to specific client needs
Regular payments (monthly or quarterly)
Scheduled withdrawals for income (monthly or quarterly)
CGT allowance management
Auto ISA subscriptions for future years
Quarterly valuations and tax packs
Access to online services 'My Rathbones'
Rathbones custody

SUPPORTED ACCOUNT TYPES*

General investment account
ISAs and JISAs
Externally provided SIPP's (subject to provider agreement)
Charity accounts
Company accounts
Trusts and settlements including Bare Trust
Offshore bonds (subject to provider agreement)
Rathbones DAF (Donor Advised Funds) segregated arrangement⁶
Investec Wealth & Investment SIPP⁷

* The service is not available for international clients (including those of US residency) as well as alternative investment market portfolios (AIM) and Business relief mandate portfolios.

⁶ Rathbones DAF quarterly administration fee payable to NPT UK. Minimum fund size entry requirement £750,000.

⁷ IW&I SIPP quarterly administration fee payable to IW&I Trustees Limited. Minimum fund size entry requirement £300,000.

RATHBONES RISK STRATEGIES

STRATEGY	Liquidity only*	1	2	3	4	5	6
Suggested min. time horizon (years)	6 month to 3 years	3 to 5		6 to 10		10+	
Liquidity		45.0%	31.0%	26.0%	18.5%	5.0%	0.5%
Equity-type risk – Fixed interest	100.0%	16.0%	17.5%	10.0%	7.0%	4.5%	
Equity-type risk – Pure equity		9.5%	33.0%	49.0%	65.0%	83.0%	99.5%
Diversifiers		29.5%	18.5%	15.0%	9.5%	7.5%	
Long-term return objective	n/a	cash +1%	cash +2%	inflation +2%	inflation +3%	inflation +4%	inflation +5%
Benchmark	ICE BofA 0-2 Year UK Gilts Index	Benchmark 1	Benchmark 2	Benchmark 3	Benchmark 4	Benchmark 5	Benchmark 6
Worst drawdown	Not available ⁴	-16.4%	-13.5%	-19.6%	-25.8%	-31.4%	-34.9%

The asset allocation shown for each strategy reflects the Benchmark weighting for each asset class as of 1 October 2023.

Inflation is measured as the Consumer Price Index (CPI) from the UK's Office for National Statistics.

Sterling cash is measured as SONIA (sterling overnight index average) from the Bank of England.

Drawdown is based on simulated performance of the Benchmarks prior to their inception in January 2021.

With regards to the worst drawdown for our Liquidity Only strategy, we do not have a back-tested model to support this. The benchmark being used for this is a single short-dated bond index.

*Liquidity Only is classified under Risk Level 1, but it is not the same as Strategy 1. Due to Liquidity Only's permitted investment universe (cash, Treasury Bills, UK Gilts, UK Index-Linked Gilts and other Qualifying Corporate Bonds) and shorter investment time horizon (6 months to 3 years), this risk level is intended to be lower than Strategy 1, which instead invests according to our LED approach over a longer term (3 to 5 years).

TARGET MARKET

Investment values: positive target market from £300,000 up to £10,000,000, though the service may be applicable for higher or lower values dependant on client characteristics, needs and objectives.

Client characteristics, needs and objectives: In addition to investment value, the table below highlights the criteria that the service has been designed to meet (Positive), and those that it cannot meet (Negative).

	Positive target market	Negative target market
CHARACTERISTICS (minimum entry requirements)		
Knowledge and experience		
Low/basic (or higher)	✓	
+		
Ability to bear loss		
Ability to bear partial loss (or greater)	✓	
Full capital protection, no/negligible capacity for loss	✗	
+		
Risk tolerance		
Appetite for putting capital at risk	✓	
No/negligible investment risk tolerance	✗	
+		
Time horizon		
Greater than 5 years (3 years for risk level 1 and 2 only)	✓	
Less than 3 years or full repayment on demand	✗	
		<ul style="list-style-type: none">— Clients investing on the advice of a certified adviser— Capital growth or income objectives in line with the long term objectives for each risk strategy— Financial objectives which cannot be met with low return or near cash assets— Bespoke construction of portfolio tailored to their specific needs, or the use of investments other than in-house GBP-denominated funds— Access to a dedicated investment manager and the proactive use (as appropriate) of relevant tax allowances
		<ul style="list-style-type: none">— Compliance with a non UK regulator or tax regime— Involvement in day to day investment decisions

VULNERABLE CLIENT CONSIDERATIONS

Rathbones is reliant on the adviser to inform us as soon as practical where a client is deemed vulnerable as the impact on the service provided will need to be considered. The service can operate under Power of Attorney, and this option is available.

COSTS AND CHARGES

Management fees are charged quarterly in arrears, based on the value of the portfolio as at the quarter end. A pro-rata charge is made for portfolios which are transferred into or out of the service during the quarter. VAT is charged at the prevailing rate of 20%. Portfolios may contain third party collectives in addition to directly held assets, and these will attract an additional charge applied by the third party fund managers. Full details of costs and charges are shown on our Schedule of Charges.

Example charges for £800,000 investment			
RATHBONES MANAGEMENT FEE		1.00%	£8,000
£0 - £1,000,000	1.00%		
£1,000,001 - £2,000,000	0.80%		
£2,000,001 - £4,000,000	0.65%		
£4,000,001	0.50%		
Minimum fee £3,000			
VAT at 20%		0.20%	£1,600
Total third-party charges		0.49%*	£3,920
Total costs and charges		1.69%	£13,520

* Total third party charges: 0.49% is the weighted mean average for all non-zero Bespoke portfolios.

FAIR VALUE ASSESSMENT

In line with the FCA's Consumer Duty fair value outcome, an assessment of the Bespoke (RoA) solution has been carried out to ensure the total cost charged to the end client is deemed reasonable when compared with the benefit received.

A number of factors were used within the value assessment, including;

- a review of service features, benefits (including past performance) and service limitations
- total costs and charges (as defined above)
- the cost to Rathbones to manufacture and distribute the service
- market rates and charges associated with other comparable competitor services

FAIR VALUE ASSESSMENT OUTCOME

Based on a review of the factors and key metrics listed above, we deem this service to provide fair value when distributed to the intended target market.