



BESPOKE LIQUIDITY ONLY

FOR ADVISED CLIENTS (RELIANCE ON ADVISER)

PROPOSITION SUMMARY

Bespoke Liquidity Only (Reliance on Adviser) is a Financial Adviser led discretionary service, provided by Rathbones Investment Management (RIM) and designed for where clients are seeking higher short-term returns and/or tax advantages relative to just holding cash with their bank.

The investment strategy invests only in Liquidity assets, as classified under Rathbones' Liquidity, Equity-type risk and Diversifiers (LED) asset allocation framework, namely cash and/or low risk direct bonds intended to be held to maturity.

The client must have a relationship with an FCA authorised Financial Adviser who is responsible for assessing client suitability for entering into an investment with Rathbones.

SERVICE FEATURES AND BENEFITS

Bespoke portfolio management, with portfolio tailored to specific client needs



Dedicated professional investment manager, available when you need them



Underlying expertise of fixed income research team



ISA and capital gains tax allowance management (if appropriate)



Access to online 'MyRathbones' service



Regular reporting, including quarterly valuations and comprehensive tax reporting (where applicable)



Rathbones custody, with all investment administration taken care of



SUPPORTED ACCOUNT TYPES*

General investment account



ISAs and JISAs



SIPPs (subject to provider agreement)



Offshore bonds (subject to provider agreement)



Charity accounts



Company accounts



Trusts and settlements including Bare Trust



* 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.

BENCHMARK

Our Liquidity Only strategy is typically benchmarked against the ICE Bank of America (BofA) O-2 Year U.K. Gilts Index.

This is a longstanding and reputable index of UK government gilts (loans to the UK government) that are due to mature (be repaid by the government to its lenders) with the next 2 years.

In certain circumstances, a different benchmark may be more appropriate for you, depending on the specific types of investment to be used within your Liquidity Only mandate. Where this applies, this will be explained to you by your investment manager.

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)		
Fee group size / portfolio size		
£300,000 to £10 million (portfolio size)	✓	
+		
Knowledge and experience		
Low/basic (or higher)	✓	
+		
Ability to bear loss		
Negligible capacity for loss (or greater)	✓	
+		
Risk tolerance		
Negligible investment risk tolerance (or greater)	✓	
+		
Time horizon		
6 months to 2 years	✓	
Greater than 3 years		✗
CLIENT NEEDS AND OBJECTIVES		
	– Clients investing on the advice of a certified adviser	
	– Clients with income objective only	
	– Clients with short-term liquidity needs only	
	– Clients wanting bespoke construction of liquidity portfolio tailored to that objective and those specific needs, with the personalised service of a dedicated investment manager	
	– Clients wanting delegation of day-to-day investment decisions, including the proactive use (as appropriate) of relevant tax allowances	
	– Clients not investing on the advice of a certified adviser	
	– Clients with capital growth objective, or capital growth and income objective	
	– Clients with medium-to-long term investment needs	
	– Clients requiring active involvement in day-to-day investment decisions	
	– Clients requiring compliance with a non UK regulator or tax regime	

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 Investment Management 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.

BREAKDOWN OF COSTS AND CHARGES — THE COST TO CLIENTS

Rathbones management fee	0.30% per annum
VAT	0.06% per annum
Total third-party charges	0.00% per annum*
Total costs and charges	0.36% per annum

* Third party costs should only apply in relation to money market funds, costs for which are typically 0.10% per annum, but these may or may not be held within portfolios

FAIR VALUE ASSESSMENT

In line with the FCA's Consumer Duty fair value outcome, an assessment of the Bespoke Liquidity Only (Reliance on Adviser) 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 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.