

MANAGED (RELIANCE ON ADVISER) FOR ADVISED CLIENTS

PROPOSITION SUMMARY

Managed — Reliance on Adviser (RoA) is an 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 and can assist the client with understanding the investment solution and associated risks. The service has been designed to meet the needs of clients wanting access to an actively managed portfolio within a fund structure. The service offers both Core and Sustainable investment strategies with a range of return and risk targets (as shown in the table below).

SERVICE FEATURES AND BENEFITS

Portfolio Management within RAM funds only	✓
Dedicated Investment Manager	✓
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	✓
Portfolio tailored to specific client needs	✗

SUPPORTED ACCOUNT TYPES*

General investment account	✓
ISAs and JISAs	✓
Externally provided SIPPs (subject to provider agreement)	✓
Charity accounts	✓
Company accounts	✓
Trusts and settlements including Bare Trust	✓
Offshore bonds (subject to provider agreement)	✓
Investec Wealth & Investment SIPP ³	✓
Rathbones DAF (Donor Advised Funds)	✗

* 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.

THE STRATEGIES AND THE FUNDS THEY INVEST IN

Strategy name	Rathbones risk level	Core strategies invest in	Greenbank sustainable strategies invest in	Long term objectives		Time horizon (Minimum)
				Return ¹	Risk ²	
STRATEGY 6	6	Rathbone Multi-Asset Enhanced Growth Portfolio	Rathbone Greenbank Global Sustainability	Inflation +5%	Up to 100% equity risk	5 years +
STRATEGY 5	5	Rathbone Multi-Asset Dynamic Growth Portfolio	Rathbone Greenbank Multi-Asset Dynamic Growth Portfolio	Inflation +4%	Up to 83% equity risk	5 years +
STRATEGY 4	4	Rathbone Multi-Asset Strategic Growth Portfolio	Rathbone Greenbank Multi-Asset Strategic Growth Portfolio	Inflation +3%	Up to 66% equity risk	5 years +
STRATEGY 4 INCOME	4	Rathbone Multi-Asset Strategic Income Portfolio	There is no income strategy available	Inflation +3%	Up to 66% equity risk	5 years +
STRATEGY 3	3	Rathbone Multi-Asset Defensive Growth Portfolio	Rathbone Greenbank Multi-Asset Defensive Growth Portfolio	Inflation +2%	Up to 50% equity risk	5 years +
STRATEGY 2	2	Rathbone Multi-Asset Total Return Portfolio	Rathbone Greenbank Multi-Asset Total Return Portfolio	Cash + 2%	Up to 33% equity risk	3 years +

¹ Each strategy has a target return in excess of inflation (as measured by the UK Consumer Price Index) or cash (as measured by the Bank of England Base Rate).

² Each strategy has a maximum volatility target measured against the volatility of equity markets, as represented by the FTSE Developed World Index.

Each investment strategy invests in one of the funds managed by Rathbones Asset Management (RAM). All are actively managed multi-asset funds, with the exception of the Rathbone Greenbank Global Sustainability fund which is a 100% equity fund.

The funds benefit from a highly experienced fund management team, supported by Rathbones' investment process and research capability across both traditional and sustainable investment markets. Our LED (Liquidity, Equity-type risk, Diversifiers) framework provides a distinctive approach to asset allocation, focusing on the relationship between assets.

³ IW&I SIPP quarterly administration fee payable to IW&I Trustees Limited. Minimum fund size entry requirement £150,000.

TARGET MARKET

- Investment values: positive target market from £150,000 to £5,000,000, 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 2 only)	✓	
Less than 3 years or full repayment on demand		✗
CLIENT NEEDS AND OBJECTIVES		
	<ul style="list-style-type: none"> – A ready-made, straight-forward and diversified investment portfolio – 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 – Access to a dedicated investment manager and the proactive use (as appropriate) of relevant tax allowances 	
	<ul style="list-style-type: none"> – Bespoke construction of portfolio tailored to their specific needs, or the use of investments other than in-house GBP-denominated funds – 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

Total costs and charges comprise of the following:

- A management fee based on the value of the portfolio (plus VAT at 20%)
- Third party charges related to the management of the fund in which the strategy invests. Charges include the annual management charge payable to RAM, fund expenses, and transaction costs, and will differ by fund, as reflected in the example below.

Management fees:

Portfolios	£0 - £500,000	0.35% + VAT
Portfolios	£500,001 - £1,500,000	0.30% + VAT
Portfolios over	£1,500,000	0.25% + VAT

Example based on £250,000 portfolio (figures as at 31 December 2023)

Management fee	0.35%	£875
VAT @ 20%	0.07%	£175
Third party charges	0.66% - 0.76%	£1,650 - £1,900
Total cost and charges	1.08% - 1.18%	£2,700 - £2,950

FAIR VALUE ASSESSMENT

In line with the FCA's Consumer Duty fair value outcome, an assessment of the Managed 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.