

## Model Portfolio Service – Target Market and Fair Value Information

### Launch Dates:

|                                      |                   |
|--------------------------------------|-------------------|
| <b>Cautious Core</b>                 | <b>22.04.2010</b> |
| <b>Moderate Core</b>                 | <b>22.04.2010</b> |
| <b>Adventurous Core</b>              | <b>22.04.2010</b> |
| <b>Equity Risk Core</b>              | <b>31.12.2012</b> |
| <b>Cautious Higher Income</b>        | <b>04.02.2019</b> |
| <b>Moderate Higher Income</b>        | <b>22.04.2010</b> |
| <b>Adventurous Higher Income</b>     | <b>04.02.2019</b> |
| <b>Equity Risk Higher Income</b>     | <b>04.02.2019</b> |
| <b>Cautious Sustainable World</b>    | <b>04.02.2019</b> |
| <b>Moderate Sustainable World</b>    | <b>16.07.2018</b> |
| <b>Adventurous Sustainable World</b> | <b>04.02.2019</b> |
| <b>Equity Sustainable World</b>      | <b>04.02.2019</b> |

### What is the Hawksmoor Model Portfolio Service?

Our Model Portfolio Service is part of our suite of outsourcing solutions offered to FCA regulated and authorised Financial Advisers and is specifically designed to dovetail with your suitability processes.

### What type of investor is this service for?

Our twelve portfolios are designed to offer a suitable portfolio for a broader range of client requirements. Across four distinct risk levels, there is an option for those seeking higher income, for those seeking a return from both capital and income, and for those seeking to invest in a responsible and sustainable manner.

- The service is designed for the clients of FCA regulated and authorised Financial Advisers, who will undertake the suitability analysis of the client
- We provide services on the basis that clients are defined as Retail Clients for the purposes of the FCA Handbook definitions
- We do not impose a minimum investment amount, however this may be determined by the chosen investment platform

### What is the target market for this service?

#### Target Market

Retail clients who:

- have the capacity to absorb a capital loss;
- desire growth and/or income depending on the objectives (detailed on the Portfolio Objectives section) and;
- have an FCA regulated and authorised Financial Adviser relationship who is responsible for assessing suitability and can help them as their client to understand the risk / reward profile and features of the service, advise on risks and the agreed time horizon

#### Negative Target Market

The MPS is not compatible for clients that are:

- looking for full capital protection or full repayment of the amount invested;
- are risk averse / have no risk tolerance or;
- need a fully guaranteed income or fully predictable return profile

## Retail Client Support and Client Vulnerability

There is no relationship or interaction between Hawksmoor and the end client.

## Portfolio Objectives

**Cautious Core (0–40% Equity)** portfolios are intended for clients where a degree of equity risk is appropriate through an investment cycle, but where the longer-term preservation of capital is of primary importance. The portfolio will be managed with an asset allocation and risk profile consistent with a Dynamic Planner Fund Risk Profile of 4. You should be looking to invest for at least 3 years. The objective of this portfolio is to provide returns from a combination of income and capital growth within this risk mandate.

**Moderate Core (40–60% Equity)** portfolios are intended for clients seeking returns in excess of inflation, typically with an equity content of close to 50%. These returns are not to the exclusion of the longer-term preservation of capital. The Portfolio value will tend to rise and fall with equity markets, but to a lesser degree. The portfolio will be managed with an asset allocation and risk profile consistent with a Dynamic Planner Fund Risk Profile of 5. You should be looking to invest for at least 5 years. The objective of this portfolio is to provide returns from a combination of income and capital growth within this risk mandate.

**Adventurous Core (60–80% Equity)** portfolios are intended for clients seeking returns similar to global equity markets, though not to the exclusion of capital preservation. The Portfolio value will tend to rise and fall with equity markets. The portfolio will be managed with an asset allocation and risk profile consistent with a Dynamic Planner Fund Risk Profile of 6. You should be looking to invest for at least 7 years. The objective of this portfolio is to provide returns from a combination of income and capital growth within this risk mandate.

**Equity Risk Core (80–100% Equity)** portfolios are intended for clients seeking returns similar to global equity markets. The Portfolio value will tend to rise and fall with equity markets. The portfolio will be managed with an asset allocation and risk profile consistent with a Dynamic Planner Fund Risk Profile of 8. You should be looking to invest for at least 7 years. The objective of this portfolio is to provide returns from a combination of income and capital growth within this risk mandate.

**Cautious Higher Income (0–40% Equity)** portfolios are intended for clients where a degree of equity risk is appropriate through an investment cycle, but where the longer-term preservation of capital is of primary importance. The portfolio will be managed with an asset allocation and risk profile consistent with a Default Risk Profile of 3. You should be looking to invest for at least 3 years. The objective of this portfolio is to provide returns primarily from income.

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allocation and risk profile consistent with a Defaqto Risk Profile of 6. You should be looking to invest for at least 7 years. The objective of this portfolio is to provide returns primarily from income.

**Equity Risk Higher Income (80–100% Equity)** portfolios are intended for clients seeking returns similar to global equity markets. The Portfolio value will tend to rise and fall with equity markets. The portfolio will be managed with an asset allocation and risk profile consistent with a Defaqto Risk Profile of 7. You should be looking to invest for at least 7 years. The objective of this portfolio is to provide returns primarily from income.

**Cautious Sustainable World (0–40% Equity)** portfolios are intended for clients where a degree of equity risk is appropriate through an investment cycle, but where the longer-term preservation of capital is of primary importance. The portfolio will be managed with an asset allocation and risk profile consistent with a Defaqto Risk Profile of 3. You should be looking to invest for at least 3 years. The objective of this portfolio is to invest into funds with a Sustainable or Ethical mandate and seeks to provide returns from a combination of income and capital growth.

**Moderate Sustainable World (40–60% Equity)** portfolios are intended for clients seeking returns in excess of inflation, typically with an equity content of close to 50%. These returns are not to the exclusion of the longer-term preservation of capital. The Portfolio value will tend to rise and fall with equity markets, but to a lesser degree. The portfolio will be managed with an asset allocation and risk profile consistent with a Defaqto Risk Profile of 5. You should be looking to invest for at least 5 years. The objective of this portfolio is to invest into funds with a Sustainable or Ethical mandate and seeks to provide returns from a combination of income and capital growth.

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### [How can clients access the Model Portfolio Service](#)

This service is available on various platforms via an approved FCA authorised and regulated Financial Adviser.

### [Fair Value Information](#)

#### [Benchmarking](#)

The Hawksmoor Model Portfolio Service overall fees and charges have been benchmarked against the market and found to be fair value for the service provided.

#### [Overall price](#)

We recognise that individual Financial Advisers and platforms may have a different charging structure with their retail clients in line with the specific services/benefits provided, and this may

vary. Financial Advisers are thus expected to further undertake their own assessments to ensure the overall price represents fair value to the underlying retail client.

### Benefits of service to Target Market

Please see Model Portfolio Service brochure for the detailed overview of the benefits of the service.

### Fair Value confirmation statement

Hawksmoor believe the service provides fair value to consumers. Hawksmoor has undertaken a fair value assessment of its Model Portfolio Service in line with internally defined criteria and the regulatory expectations and considers that the monetary and non-monetary benefits of the Hawksmoor service provided are proportionate to the anticipated costs.

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