Focusing on:

# Fiduciary Management Service

## What is Fiduciary Management?

Fiduciary management is an investment service that aims to improve the governance of a defined benefit pension scheme by empowering trustees, like you, to delegate responsibility to a professional investment team. We will work with you to define your scheme's objectives and develop a long-term strategy, ensuring you stay firmly in control, while we take over the day-to-day responsibility of delivering those objectives successfully.

### Is the Charles Stanley fiduciary service right for you?

We are one of the market leaders in fiduciary services for smaller defined benefit pension schemes. Charles Stanley has been looking after clients and their money since 1792. As one of the oldest firms of the London Stock Exchange, Charles Stanley currently manages and administers in excess of £20bn for UK-based institutions and private investors. We stand out because of the time and attention we give to our clients to help them achieve their objectives.

We see our fiduciary management service as a long term commitment. We take the time to understand your scheme's unique investment requirements in order to custom-build a service – one that's right for you. Our success and reputation continues to prove the value of bespoke investment strategies, high-quality personal service and a close working relationship with each client.

### Our fiduciary services

- Asset liability study
- De-risking plans
- Liability matching portfolio
- Bespoke diversified growth portfolio
- Daily monitoring
- Tailored reporting
- Fund research and selection
- Strategic asset allocation
- Tactical asset allocation

*We have not lost any fiduciary clients since our service was first launched in 2008.*

CHARLES STANLEY

## How can you benefit from Charles Stanley's fiduciary services?

- **A sophisticated approach to risk management**

  We assess and monitor the key risks of your scheme and devise long-term dynamic de-risking plans to help trustees and sponsors meet their investment objectives while minimising risk. As progress is made we gradually reduce risk, helping to protect this progress from being lost should conditions change.

- **Time to focus on your investment strategy**

  By delegating detailed implementation to a professional investment team, you can focus on the important things such as setting objectives, agreeing a long-term plan and monitoring its progress.

- **A flexible solution with efficient execution**

  We manage your portfolio on a day-to-day basis, giving us the ability to react quickly when markets change and take advantage of opportunities as soon as they arise.

- **Control of investment costs**

  Fiduciary Management can represent a cost saving, both in the time it frees up for you to focus on strategy and through the collective buying power that enables smaller and mid-size schemes access to market leading investment expertise that you otherwise may not have. We offer the lowest all-round fees for small schemes* and offer a highly flexible service with no additional costs.

- **Clear and transparent service**

  We use Plain English and clear graphical tools to explain everything you need to know to set up and monitor your strategy. Our experts will help you to understand your liabilities and build a sensible long-term investment plan to help you take control of your pension scheme.

## OUR PROCESS

1 **MAPPING A NEW DIRECTION**

We will work with you to review the risks you are taking in your investments, both in terms of the assets and liabilities, and put together a plan now and for the future.

2 **MOVING TO THE NEW STRATEGY**

Your dedicated institutional team will look after the transition of your portfolio to the agreed strategy and mandate.

3 **MONITORING PROGRESS**

We will continually monitor your portfolio to ensure that market exposures are in line with the investment team's current outlook, and the aims of the mandate, and that third-party funds remain best-in-class

4 **KEEPING YOU INFORMED**

We will keep you fully up to date with reporting to suit your requirements. For example, we can provide monthly funding level monitoring, bespoke benchmarking and detailed performance attribution. You can also access your portfolio online at any time.

* EY Fiduciary Management Survey 2015, median all-in fee for £50m scheme 0.73%, first quartile fee 0.68%, lowest fee ~0.52%, equivalent Charles Stanley fee 0.52%.

## Getting started

### Administration

We will look after all the paperwork and administration for you and provide you with comprehensive reports and reviews. We will manage the transition of your previous investment portfolio and provide monthly updates on the scheme's assets, liabilities and investment performance. You can also review the scheme's investments online via our secure client portal 'My Charles Stanley'.

You will also be provided with a detailed Flight-Plan Outline which documents all elements of the strategy you have agreed with your investment manager.

### Detailed terms

We will provide you with a copy of Our Services and Business Terms before you open your account. You can also access this at charles-stanley.co.uk

### Custody of your investments

The money and investments that we look after for clients are held in trust on your behalf, and we keep your assets ring-fenced from those of Charles Stanley and holding them instead in the name of our nominee, Rock (Nominees) Limited – they remain the property of the Trustee at all times.

We are authorised and regulated by the Financial Conduct Authority, we hold substantial insurance cover at Lloyd's of London and we are a participant in the Financial Services Compensation Scheme (fscs.org.uk).

## Fees and charges

Your investment manager will discuss in detail the fees and charges for your account and provide you with a charges sheet that will cover all aspects.

| | *Charles Stanley | **Typical Fiduciary Manager | ***Typical Investment Consultant |
|---|---|---|---|
| **Asset-Liability Study & Strategy Review** | Inclusive | Inclusive | Extra fees may apply |
| **Dynamic De-Risking** | Inclusive | Inclusive | Extra fees may apply |
| **Dynamic Diversified Growth Investing** | Inclusive | Extra fees may apply | Inclusive |
| **Total Fees** | 0.52% | 0.73% | 0.84% |

* Fees quoted for a scheme with £50m of assets.

**Source: EY Fiduciary Management Survey 2015, scheme size £50m.

*** Assuming Diversified Growth Fund ongoing charge of 0.79% (source: PLSA Diversified Growth Funds Made Simple 2015 / FE Analytics, average OCF of institutional share classes).

For information on these services, please speak to your Charles Stanley contact directly.

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**Important information**

Past performance is not indicative of future performance. The value of investments may fall as well as rise and the income from them may fluctuate and is not guaranteed. Investors may not recover the amount invested.

Nothing in this material constitutes investment advice, nor is it a substitute for investment advice, which should be obtained from an authorised investment professional, and any investment decision the recipient makes should be based on an evaluation of that recipient's financial circumstances, investment objectives, risk tolerance, and liquidity and other needs.

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