

# Personal Portfolio Service

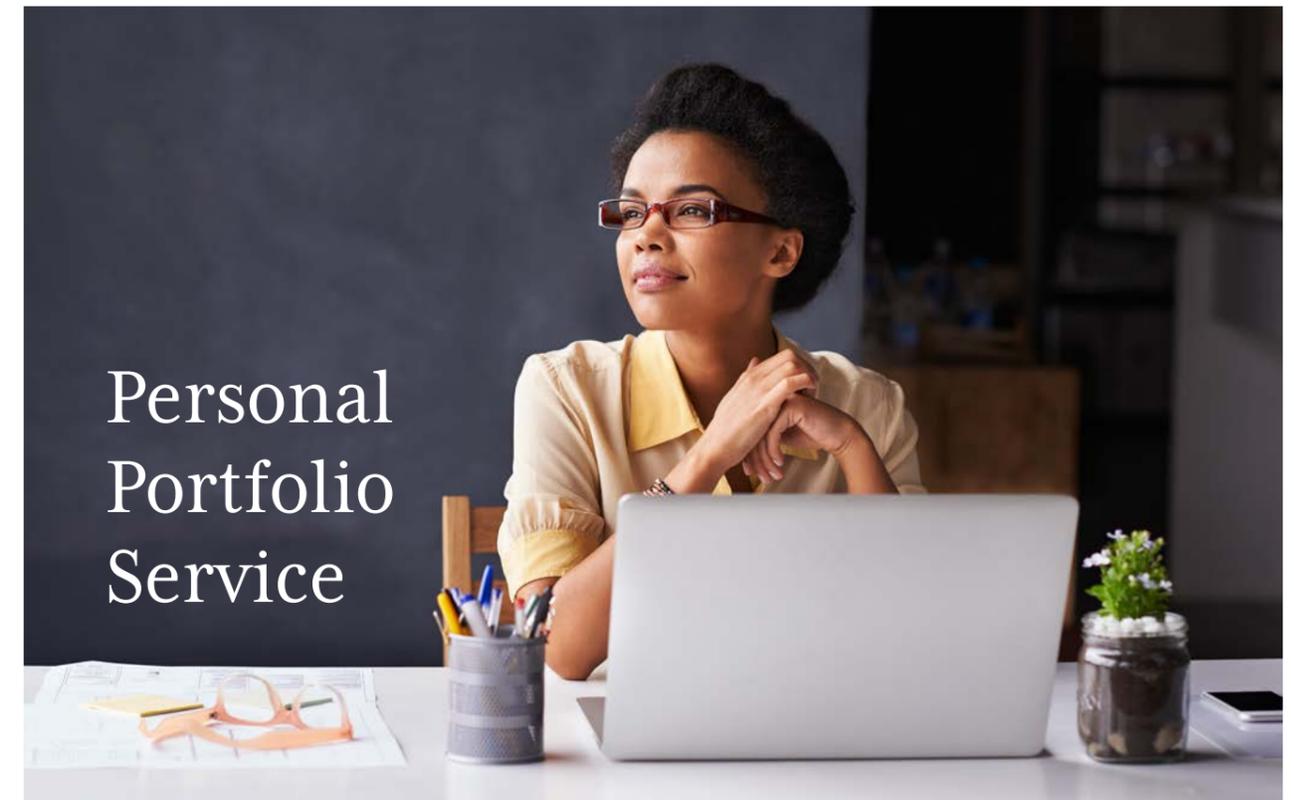
Combining high-quality, focused investment management with a rich service experience.





“OUR AIM IS TO MAKE A DIFFERENCE TO SMALLER INVESTORS WHO NEED SOME HELP TO INVEST AND WANT TO SPEAK TO REAL PEOPLE. WITH THE PERSONAL PORTFOLIO SERVICE, INVESTORS CAN ACCESS A PERSONAL SERVICE, ADVICE WHEN REQUIRED AND INVESTMENTS THAT AIM TO GROW FASTER THAN INFLATION – ALL FOR AN AFFORDABLE PRICE.”

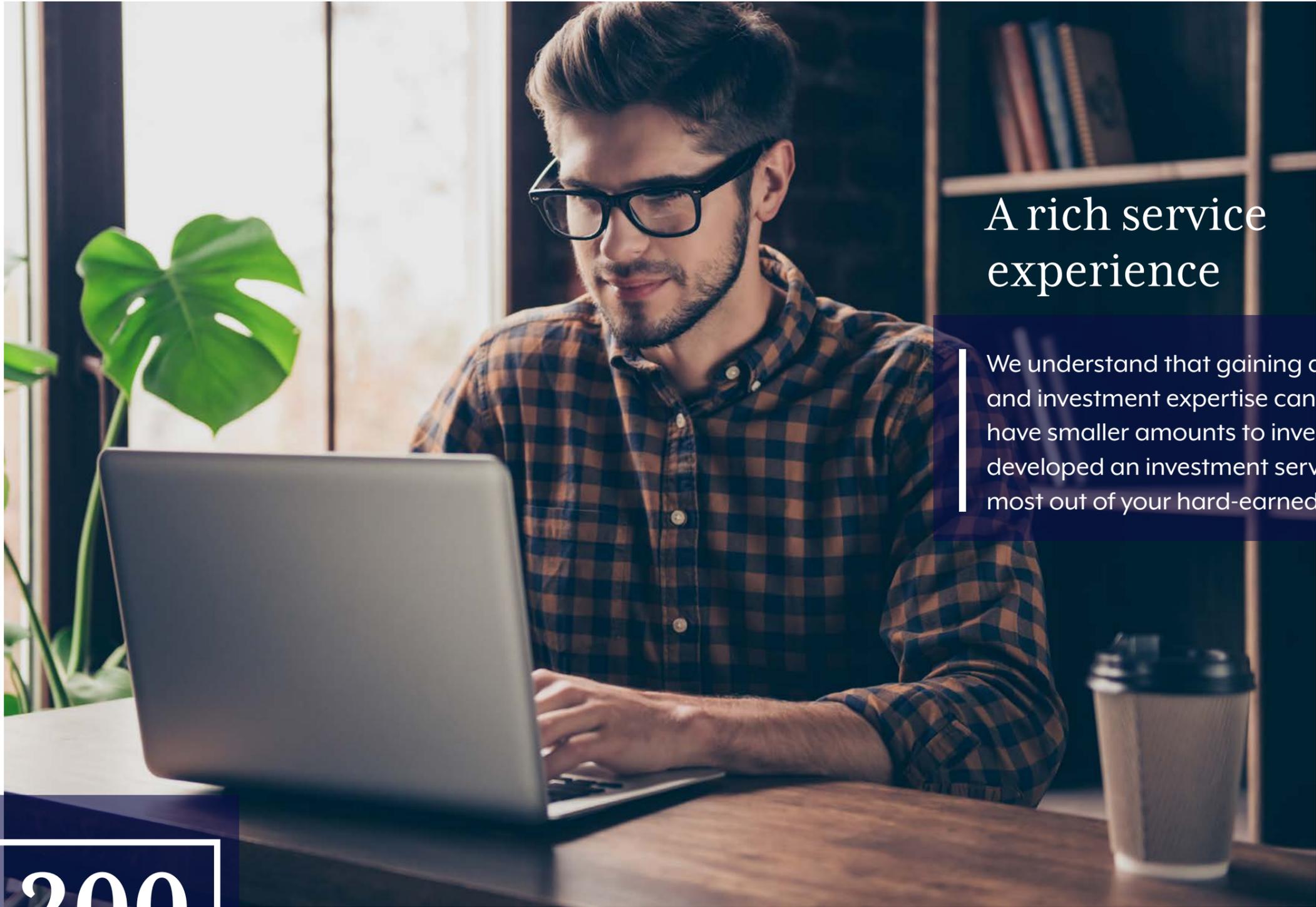
- Christopher Aldous, Head of Asset Management



The Personal Portfolio Service offers a range of five professionally managed Charles Stanley funds to clients who are looking for a personal investment service, but may not find it cost-effective to invest in a traditional discretionary managed portfolio.

Designed with versatility in mind, each Charles Stanley fund has been built to meet a specific risk profile and aims to achieve a targeted level of return. We also want to meet your objectives, so we offer four Multi-Asset funds that seek a combination of capital growth and income in addition to the Monthly High Income fund, which is specifically designed to achieve a monthly income with some potential for capital growth.

Whether you are comfortable taking a lot of risk or favour a more cautious approach, we are likely to have a Charles Stanley fund to suit your individual requirements. And because we believe that all investors should benefit from a high level of personal service and expert advice, the advisers on our dedicated Advice Desk will help you every step of the way.



## A rich service experience

We understand that gaining access to credible advice and investment expertise can be challenging when you have smaller amounts to invest. That is why we have developed an investment service to help you make the most out of your hard-earned money.

Combining high quality, focused investment management with a rich service experience, the Personal Portfolio Service is an offering for clients who have more than £20,000 and are looking for a competitively priced means of investing it.

If you choose the Personal Portfolio Service, you can feel confident that your investments are backed by the extensive resources and expertise within Charles Stanley. We are independently owned, so our interests lie with you and not others. And because offering our clients a personal service remains at the core of all we do, you'll find the same level of individual attention that distinguishes our way of working.

200

For more than 200 years we've been helping clients to achieve their financial objectives with carefully designed investment portfolios and genuine, personal service. Today we're extending our focus to those investors who might not currently be receiving the level of advice they need.

# How the Personal Portfolio Service works

## What do you get?

We believe that a deep understanding of your investment needs and aspirations provides a solid foundation for a long and successful relationship.

The advisers on our dedicated Advice Desk will spend time getting to know you, your ambitions, your concerns and your attitude toward risk before recommending one of five professionally constructed and managed Charles Stanley funds. They will also assess and form an opinion of the level of risk that you are able to take, based upon the information provided. This is time well spent, ensuring you benefit from a service that delivers the right risk and reward balance for you.

Once you become a client, you will receive annual reviews to ensure you are satisfied with the service and continue to be invested in the appropriate Charles Stanley fund. We understand that your situation can change, so you will also be able to request advice on your investment at any time.

To keep you updated we will send you a detailed quarterly valuation and report with a full breakdown of the underlying investments in the Charles Stanley fund you hold. We will also provide you with an account on our online client portal, My Charles Stanley. This gives you access to view your investments and message us in a secure environment. And if your situation changes and the Personal Portfolio Service (PPS) is no longer suitable for your investment needs, we will be pleased to advise you on your broader investment options.

We care about the environment. PPS is a paperless service with all information delivered online or by telephone. If you have special requirements and need a paper-based service, please contact us to discuss your options.

### Restricted advice service

The Personal Portfolio Service is classified as a 'restricted' Advisory Dealing service since, when providing investment advice, our Advice Desk will only consider whether one or more of our professionally managed Charles Stanley funds is suitable for you. You will not be able to purchase other investments within your Personal Portfolio Service account, and we will not advise you on whether other investments may also be suitable for your requirements.



### PERSONAL ADVICE

You can access advice at any time through our Advice Desk.



### 24/7 ONLINE ACCESS

Stay updated through our secure online client portal My Charles Stanley.



### YOUR MONEY INVESTED

Your money will be invested in a suitable professionally managed Charles Stanley fund.



### ANNUAL REVIEWS

We will review your situation and ensure you are still invested in a suitable Charles Stanley fund.



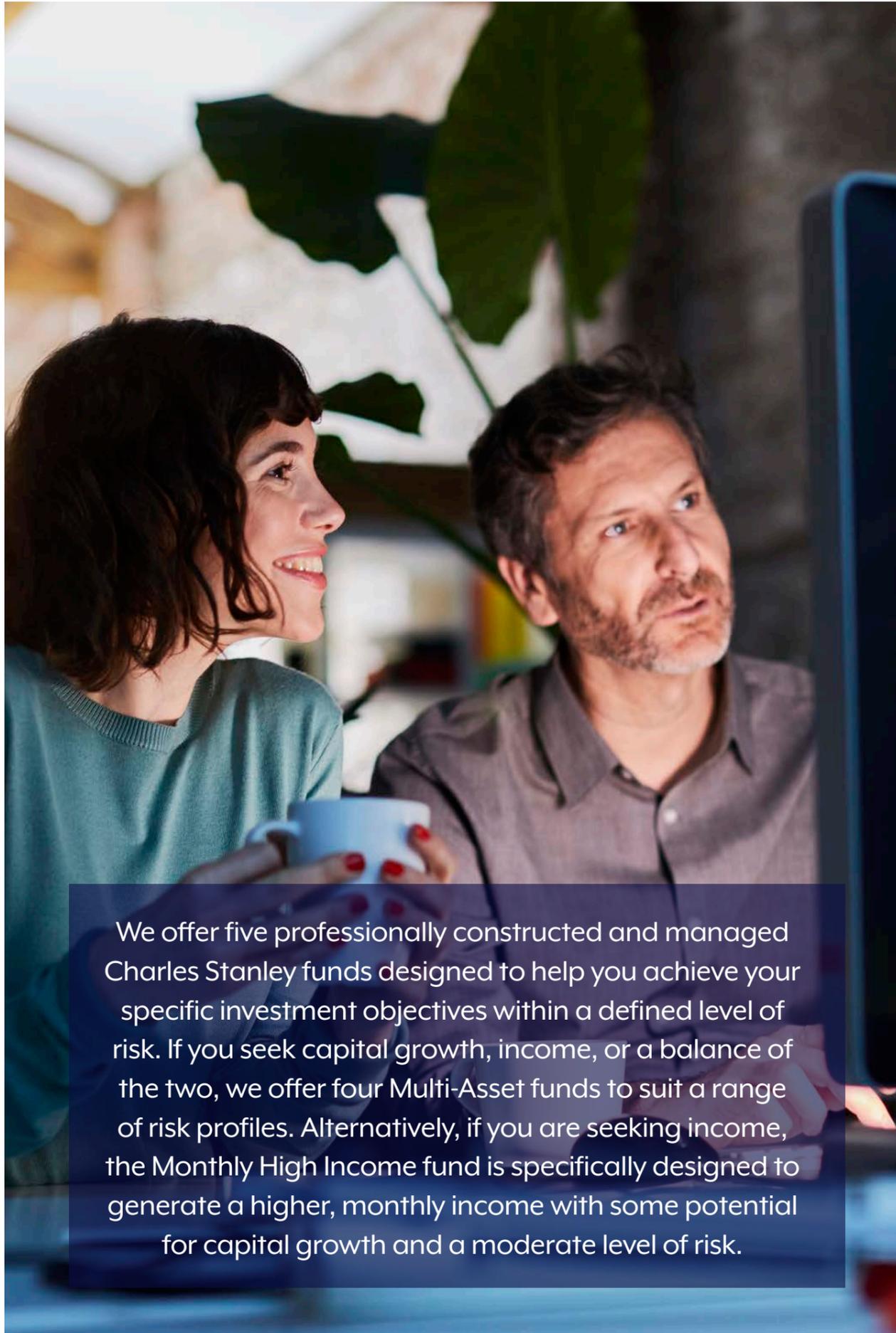
### REGULAR EMAILS

Sign up to receive investment insights and news direct to your inbox.



### ADVICE ON REQUEST

If the PPS no longer meets your requirements, our Advice Desk will be happy to discuss alternative options with you.



We offer five professionally constructed and managed Charles Stanley funds designed to help you achieve your specific investment objectives within a defined level of risk. If you seek capital growth, income, or a balance of the two, we offer four Multi-Asset funds to suit a range of risk profiles. Alternatively, if you are seeking income, the Monthly High Income fund is specifically designed to generate a higher, monthly income with some potential for capital growth and a moderate level of risk.

Depending on your financial situation and approach to risk, our advisers will recommend one of the Charles Stanley funds below.

FUND NAME	RISK PROFILE	TOTAL ANNUAL RETURN TARGET (over 3-5 years)
▶ MULTI-ASSET 2 CAUTIOUS	Lower	UK CPI* +1%
▶ MULTI-ASSET 3 MODERATE	Medium Low	UK CPI* +2%
▶ MONTHLY HIGH INCOME FUND	Medium Low	UK CPI* +2%^
▶ MULTI-ASSET 4 GROWTH	Medium High	UK CPI* +3%
▶ MULTI-ASSET 5 ADVENTUROUS	Higher	UK CPI* +4%

\*Consumer Price Index

^The objective of the Monthly High Income Fund is to generate a high income with the potential for capital growth. More information on the funds can be found in the fund factsheets and key investor information documents, which are available on request. An explanation of the risk profiles can be found in Our Services and Business Terms.



# Our investment process

# How we approach risk

## ASSET ALLOCATION

We use a Strategic Asset Allocation model as a starting point. This allows us to combine our own views on long-term asset returns with those implied by the market.



## RETURN OPPORTUNITIES

We maintain the flexibility to adjust Asset Allocation views within defined risk parameters. This generates opportunities across all asset classes.



## RISK MANAGEMENT

We use both risk modelling systems to estimate our overall level of risk and contribution by asset class or strategy, and scenario analysis to estimate our return profile under different economic scenarios. These estimates help to confirm returns are consistent with our performance objectives.



## STRATEGY IMPLEMENTATION

Strategy is implemented through passive and active funds with the ability to also invest directly in individual Equities and Fixed Income Securities.



## MULTI-ASSET FUNDS

This results in a diversified, low-cost investment solution.

Risk management is fundamental to our investment process. We use sophisticated systems and maintain a high level of vigilance, actively monitoring all forms of investment risk daily to help us anticipate and mitigate threats while also taking advantage of opportunities.

Controlling the volatility of your Charles Stanley fund's portfolio underpins our approach to risk management and one way of achieving this is diversification. We spread risk by investing the Charles Stanley funds in a wide range of asset classes, balanced to suit the risk profile of each fund. Our expert fund managers can invest in both active and passive (index) funds, exchange traded funds (ETFs), and individual fixed income securities (bonds) and equities. This flexibility is why the Charles Stanley funds are referred to as 'Multi-Asset' funds.

While volatility is an important measure, we recognise that managing risk is more than this. Managing risk is about gauging the likelihood of a permanent loss of capital and how significant this might be in terms of the overall investment. This is why we take a view that aiming to protect your capital is just as important as making opportunistic capital gains.

Prudent management of risk is based on the following two principles:

- Risk cannot be eliminated. Without assuming risk on behalf of clients we are unlikely to generate satisfactory returns.
- We will seek to mitigate risks unless they are expected to contribute positively to returns, or if they are unavoidable.



# Making the most out of your investments

The benefits of PPS are also available tax-efficiently when held in an ISA or SIPP.

## OUR FLEXIBLE STOCKS AND SHARES ISA

In the 2017/18 tax year, you can invest up to £20,000 into your PPS Charles Stanley fund within an ISA and pay no Income or Capital Gains Tax on the investment returns which are generated over time.

Specialising in the provision and administration of ISAs and Junior ISAs (JISAs), Charles Stanley can help save you money and simplify your savings with this tax-efficient wrapper. Our ISA is a 'flexible' ISA. This means that any withdrawals or payments out of your ISA, including any income payments, can be repaid into your ISA during the same tax year without affecting your annual subscription limit. And because we make it easy for you to transfer in any existing ISAs, you can cut down on paperwork and administration by keeping your savings in one place.

## SELF-INVESTED PERSONAL PENSIONS (SIPPS)

When you hold your PPS Charles Stanley fund in a SIPP, you can take advantage of all the tax benefits of a personal pension scheme.

Where you already have a SIPP, you may be able to invest in the PPS through it. Please check first with us and we will confirm whether your existing SIPP can accommodate the PPS.

Alternatively, you may wish to consider the Charles Stanley Alpha SIPP, a tax-efficient wrapper that provides you with flexibility and control over your pension.

We would be happy to provide you with further details. It is always strongly recommended that you take professional advice about pensions and although pensions advice does not form part of the Personal Portfolio Service, on request we would be happy to refer you to Charles Stanley's Financial Planning team, who will be able to provide you with suitable advice for a separate additional fee.

# How to sign up

## 1

### COMPLETE OUR QUESTIONNAIRE

Following an online enquiry, we will send you a short risk and personal finance questionnaire to complete and return.

## 2

### REVIEW AND RECOMMEND

We review the information you have provided, working with you to gain a clear understanding of your financial situation before recommending one of five professionally managed Charles Stanley funds.

## 3

### INVEST YOUR MONEY

If you are happy to proceed, we will send you an account opening form to sign. We will then invest your money into the appropriate Charles Stanley fund.

## 4

### TAKING CARE OF YOUR MONEY

Our team of fund managers actively manage each Charles Stanley fund to ensure we take full advantage of opportunities and mitigate any threats. Risk is spread widely across a diverse range of asset classes so you can feel confident that your investments are in safe hands.

## 5

### REGULAR ADVICE

You will receive annual reviews to ensure you are satisfied with the service and continue to be invested in the appropriate Charles Stanley fund. If your situation changes, we will be able to provide updated advice on your investment at any time, on request.

## 6

### KEEPING YOU INFORMED

You will receive detailed quarterly valuations and reports showing a full breakdown of the underlying investments in the Charles Stanley fund you hold. You also have 24/7 access to view the value of your account and message us in a secure environment via our online client portal, My Charles Stanley.

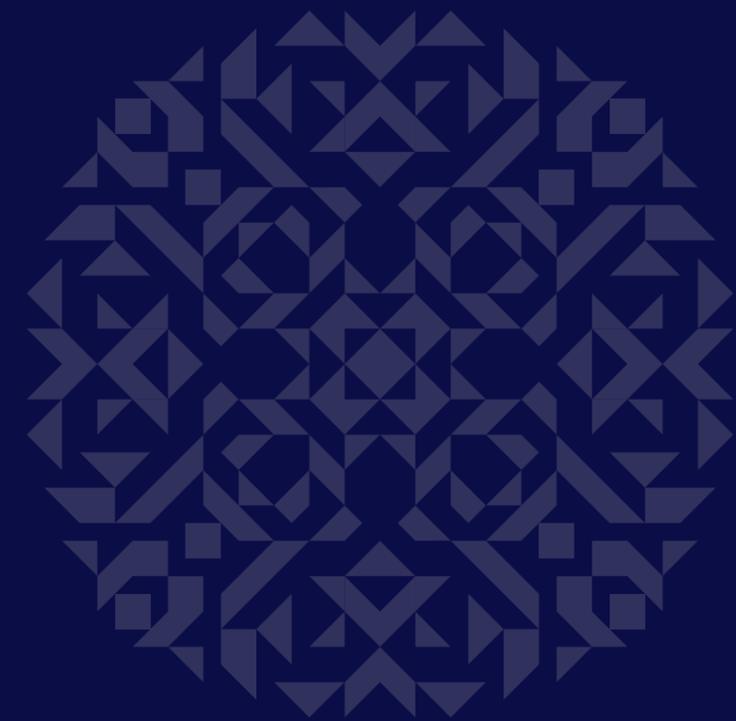
## Find out more

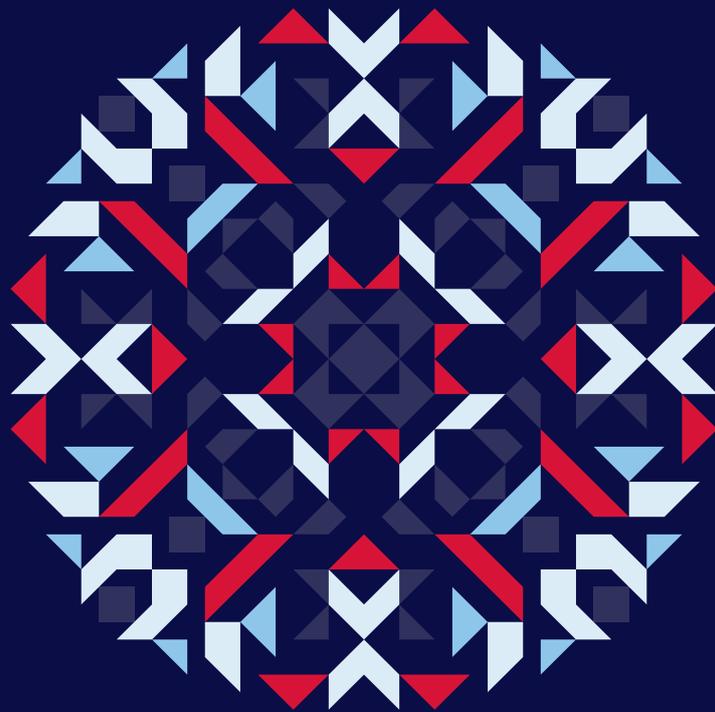
We understand the wide range of investment services available can be overwhelming. When you invest with Charles Stanley you can feel confident that you are not alone. The advisers on our dedicated Advice Desk will help you every step of the way, ensuring you are on the right track to achieving your objectives. For further information about the Personal Portfolio Service, please contact us.

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**Please remember that past performance is not a guide to the future and the value of your investment can go down as well as up. Your capital is at risk**

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