MoneyDoctor Wealth Management

Discretionary Investment Management Service

Working in partnership with Investment Radar

The MoneyDoctor Discretionary Investment Management Service

This service is available to you exclusively through MoneyDoctor Wealth Management in conjunction with Investment Radar. Our intention, in working closely with Investment Radar, is that we can provide you with an investment service that seeks to be both efficient and effective in its delivery. We believe that a combination of our advice skills, expertise and Investment Radar's investment management will create a valuable service that you will want to use both now and for many years to come.

The service is very simple and aligned to your needs. Managing an investment portfolio successfully requires a number of attributes;

- **Monitoring –** Having somebody dedicated to watching the markets on your behalf
- **Responsiveness –** Knowing when to take action and just as importantly when to take none
- **Expertise –** Working with industry acknowledged experts for your benefit
- **Communication –** Listening to what you want and telling you what is really happening

Every client has different desires, needs, time horizons and critically, different attitudes to risk. In our experience, every client we meet has three risk capacities that we need to work with;

- **The time capacity to absorb the information we provide**
- **The physical capacity to absorb any actual financial losses should they arise**
- **The emotional capacity to deal with market movements**

Our experience has shown us that we require 4 portfolios to address the needs of the clients we choose to serve and who choose to work with us.

All of the MoneyDoctor Portfolios are designed for investors wishing to invest for the medium to long term. They invest in a range of asset classes (including shares, bonds, property and gold) via a range of funds, investment trusts, exchange traded funds (ETFs) and other instruments.

By comparison to similar services the MoneyDoctor Portfolios aim to have a greater allocation to:

- **Passive investments** (such as "tracker funds" and ETFs) thereby reducing the overall cost of ownership for investors; and
- **Overseas assets** believing that UK investors already have a significant exposure to the UK economy and currency and wish to avoid having too high a "home bias".

The portfolios are managed for MoneyDoctor by Investment Radar, a boutique investment house specialising in delivering multi-asset portfolios.

It should be remembered that the portfolios are managed for the medium to long term and therefore are exposed to potential falls in market values which are likely to be between objectives set out in the portfolio descriptions below. They are not managed to deliver an income, although some income may occur.

Please read the disclaimer on page 11.

Why did MoneyDoctor choose to work with Investment Radar?

Owner managed – We have known the Investment Radar team for many years and are delighted that we are able to work with them on your behalf. They run an independent business and are free to focus on your needs.

Experience – The Investment Radar management team have over a third of a century of experience of dealing with UK consumers and their money.

Rated fund manager – The Chief Investment Officer of Investment Radar, Jason Britton, is a former Citywire rated fund manager. Additionally the primary fund he managed was A-rated by Old Broad Street Research (OBSR), a well respected fund ratings agency.

Exclusively IFA – Investment Radar work exclusively with members of the independent adviser community in the advised space to reflect their belief in the value of genuinely impartial advice.

Efficiency – Working with Investment Radar means that we are able to cut out any unnecessary costs and processes when managing your money.

Effectiveness – The Investment Radar team believe, as do we, that to deliver effective investment management, the firm responsible for that management should have Net Investment Return for the consumers as their primary goal. This is in stark contrast to many firms we come across who are more focussed on gathering new assets than managing those they have.

Size – Working with Investment Radar allows us to build a deep and personal relationship with their team without losing any ability to access the very best fund managers from across the globe.

Advisory network – Investment Radar have created an advisory network with extensive experience in the management of money and delivery of service to consumers.

Investment Radar is a business built to deliver Net Investment Return to UK consumers. The business was created by highly experienced and successful industry figures, to address two key issues they believe exist in UK financial services today.

Efficiency – There is now a lengthy and potentially complex and therefore costly chain between the consumer and the fund management industry. Investment Radar has chosen to work in the advised sector with the independent advice community through their panel of IFA (Independent Financial Adviser) partners. It is their intention to bring the consumer, the independent adviser and the fund managers together in a value led way. Using a combination of both passive and active funds, they will endeavour to keep costs to a reasonable level within their portfolios and always seek to buy the underlying funds at the right price.

Effectiveness – The financial services industry has a singular focus on the gathering of consumer assets to manage rather than having a focus on the delivery of Net Investment Return. The Investment Radar team are focussed on the result. To this end they have limited the number of IFA firms they will work with in partnership to a small number of firms that share their values and aspirations.

The business is based in Nottingham but works with IFAs across the UK and with funds from across the globe.

Our Discretionary Investment Management Process

The process we will use to manage your money is outlined below;

1. We get to know you, your current situation, your desired situation in the future, your knowledge and experience of investments and your capacity for risk.
2. We gain a full understanding of your financial situation. The more we find out at this stage of the process, the more completely we can address your wants and needs.
3. At this stage, we then design a bespoke plan for you and then sit down and discuss the plan and agree any actions we need to take. This discussion will include all of our costs and the likely costs of any investment options we recommend.
4. Should we use our in-house portfolios as part of the solution, we will ask Investment Radar to manage, on a discretionary basis, the portfolios on your behalf. This means that they will be free to make investment decisions for you and you will pay them for this service.
5. Your money will be invested in our portfolios, as described from page 12 onwards. Once we have agreed the right portfolios for you and selected any appropriate tax wrappers, we will create your investment as soon as we can.

The Discretionary Investment Management Process

Investment Radar believes that investment is for the long term. Any investment into the MoneyDoctor portfolios should be made for a minimum of 5 years. They hold this belief as, in the short term, nobody knows exactly why markets perform the way they do. Even the best investors make mistakes and sometimes even the worst get lucky.

Investment Radar's view is that you are entrusting them with your money for the long term and that they should always have that in mind when they take decisions. They won't be making decisions based on today's news story or headlines but on their view of where the long term opportunities are.

Investment Radar has a very simple equation that they use to guide their investment decisions and this is then aligned to their core investment principles.

The Investment Radar Investment Equation

Strategic asset allocation + **Tactical asset allocation** + **Fund selection** - **Costs** = **Net investment return**

What does this all mean?

Strategic asset allocation – This is the long term background view of the proportion of money to be held in the different asset classes that make up each portfolio. This view may change through time but will not change frequently.

Tactical asset allocation – This view responds to changes in market conditions and may be used to temper the allocations, for a time, held within the strategic view.

Fund selection – Having established the asset classes needed, both a quantitative screening process and a qualitative assessment is used to create a list of potential funds to populate portfolios. The final choice will always be made by Investment Radar.

Costs – A blended approach utilising both active and passive funds is used to create a reasonable level of costs for our desired consumer outcomes.

Net Investment Return – Is the money that we return to you after your investment has run its course.

- First and most importantly, at Investment Radar they recognise that this is your money, not theirs. You pay all of their fees and so we aim to make your money work as hard for you as you did for it.
- Secondly, at Investment Radar they don't attempt to second-guess the market at every turn, as they believe that constant changes to the portfolio simply result in higher cost for very little extra performance. That being said, they have built themselves to be responsive, so that in times of great threat or opportunity, they can position your portfolio in the right place.
- Thirdly, at Investment Radar they believe that you should have access to both passive funds (such as ETFs) for their extraordinary value and active managers where they really think they will add more value than they take in charges. To this end, their portfolios will have a blend of both.
- Fourthly, at Investment Radar they do not follow the herd, unless they think it is going in the right direction of course! Investment Radar's Chief Investment Officer has a track record of spotting new fund managers at an early stage of their career, where often their performance is strongest.
- Finally, at Investment Radar they believe in communication – you will be kept abreast of what we are thinking and doing on your behalf as they think this is a critical part of their relationship. They may, from time to time, also relay information which may be disappointing but this is part of their role.

Terminology in Use

Exchange Traded Funds (ETF) – An ETF is a simple way to buy a collection of investments without the need to buy each one individually. They are most commonly used as a way of tracking the performance of a stock market index (often referred to as "passive management") but an ETF may also track a commodity such as gold or a fixed interest investment strategy. ETFs are usually traded on a recognised stock exchange such as the London Stock Exchange.

Open-Ended Investment Companies (OEIC) and Unit Trusts (UT) – They both have a number of advantages – principally the ability to diversify. The shares or units can normally be traded

very simply as they can be created or cancelled on demand. Their price is based directly on the value of the underlying investments and is known as the Net Asset Value (NAV). Essentially the OEIC and the UT are very similar, other than their legal structure. They are used for both passive management (often called "tracker funds") or active management which tries to beat the return available through tracking indices by falling less or rising more. Generally the costs associated with passive management are lower than those for actively managed funds

Investment Trusts (IT) – Investment Trusts, which are Closed-Ended Investment Vehicles, are similar to OEICs and UTs and offer many of the same advantages to an investor. However, there are some key differences that arise because of the different structures and regulations that apply to them. They are listed on the stock exchange and the pricing is determined both by the underlying asset value (similar to OEICs and UTs) but also by supply and demand. If there is more demand, the price of the IT will be at a premium to the underlying value but if there is low demand, the price may be at a discount to the underlying value. In a falling market there may be an excess of sellers over buyers creating a wider discount, this being one of the key risks with ITs.

Discretionary Fund Manager – In this case the Discretionary Fund Manager is Investment Radar. Investment Radar, your Discretionary Fund Manager, will always make the final decisions on the buying and selling of investments and are able to carry out these transactions without further reference to MoneyDoctor or to you. This enables them to use their expertise to take opportunity when it arises and to avoid some types or risk inherent within any form of investment.

Some IFAs prefer to use an advised investment management process where they will contact their clients and take action only when the client has the time to respond.

At MoneyDoctor we do not believe this is what you want.

MoneyDoctor's role is to advise you and to work with Investment Radar to ensure the overall portfolios offered to you reflect both the knowledge we have about you and the experience we have in managing your financial circumstances.

MoneyDoctor think that working in partnership with the Investment Radar team will add another layer of expertise and due diligence giving you the best of both worlds.

The Investment Radar Team

Jason Britton – Founder and Chief Investment Officer

Jason is an Oxford maths graduate and a Deloitte trained and qualified accountant. He was the Chief Investment Officer and Chief Executive Officer at T. Bailey, a boutique investment management firm based in Nottingham. During his time at T. Bailey he ran the OBSR rated growth fund and was personally rated by Citywire for his proven investment expertise. Jason specialises in selecting fund managers and has created his own process based on quantitative analysis and qualitative assessment.

Dermot McKeever – Founder

Dermot has worked successfully in the distribution area of the financial services industry for many years. He has an unparalleled track record, having worked in numerous senior positions with firms such as Allied Dunbar, Zurich Financial Services, The Portman Building Society and Nutmeg. He has also consulted widely within the industry - typically covering topics such as the retail distribution review, treating customers fairly and latterly, the provision of on-line investment services to the consumer.

Key Risks

- The value of investments and the income from them may fall as well as rise and investors may not get back the original amount invested.
- Past performance is not a guide to future performance.
- Investments in overseas securities are subject to movements in currency exchange rates, the impacts of which may be favourable or unfavourable.
- Investments in overseas companies may also be subject to political risk, the impact of which may be unfavourable.
- Investments in smaller companies may involve a higher degree of risk, as these investments are usually more sensitive to market conditions.
- Bond funds may not behave like direct investments in the underlying bonds themselves. The certainty of a fixed income for a fixed period of time with a fixed capital return is lost.

Adventurous Portfolio

MoneyDoctor Adventurous Portfolio

Structure

The MoneyDoctor Adventurous Portfolio can invest in a range of assets including equities, fixed interest, property, alternatives and cash but will predominantly invest in equities. It invests in assets globally, with a significant proportion of assets invested overseas.

Investment is typically made via the use of underlying collective investment schemes such as unit trusts, OEICs and ETFs. Investment is split between active management and passive management.

Active management is used where Investment Radar have a high level of conviction that the manager will add value above and beyond the cost of doing so, whilst passive management is used to capture the market return as cheaply as possible where such conviction does not exist, or in asset classes where active management is most challenged.

The portfolio is a discretionary portfolio meaning that changes can be undertaken at any time. Where the portfolio is held outside of a tax efficient wrapper (such as an Individual Savings Account or Self Invested Personal Pension) such changes may result in a charge to Capital Gains Tax.

Objective

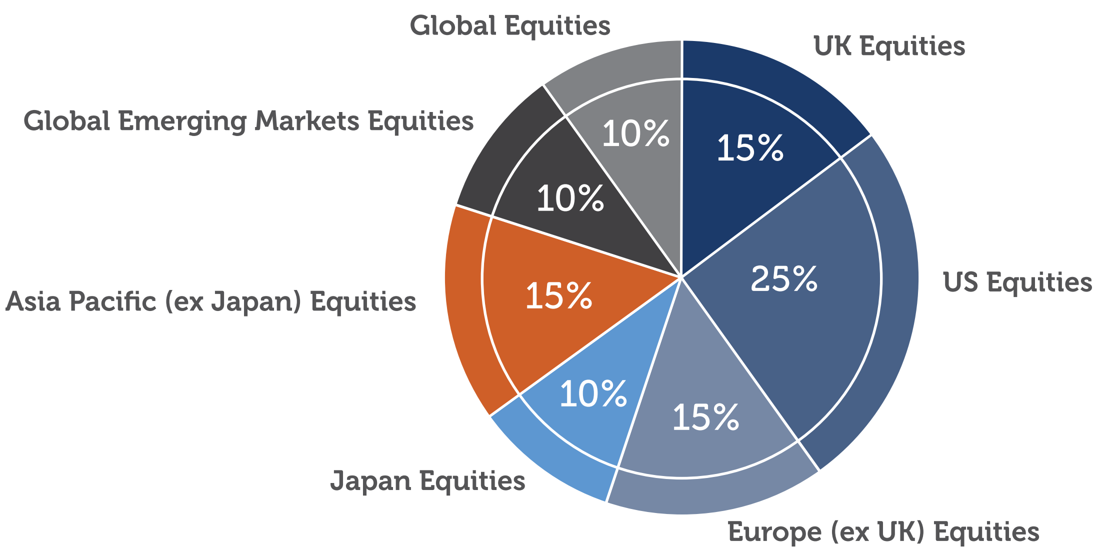
The objective of the MoneyDoctor Adventurous Portfolio is to out-perform the average return of the Investment Association's Flexible sector over the medium to long term (at least 5 years). This sector includes a large number of funds with a similar asset allocation to the MoneyDoctor Adventurous Portfolio.

Typical Investor Profile

The typical investor profile for investment in the MoneyDoctor Adventurous Portfolio would be an investor wishing for long term growth from a geographically diversified portfolio of mainly equity assets and who places an emphasis on maximising returns rather than limiting the downside of losing money. As a consequence they are prepared to accept higher levels of volatility whilst invested. Additionally, the typical investor would have no requirement from the portfolio for income.

Strategic Asset Allocation

The Strategic Asset Allocation for the MoneyDoctor Adventurous Portfolio is shown below.



Balanced Portfolio

MoneyDoctor Balanced Portfolio

Structure

The MoneyDoctor Balanced Portfolio can invest in a range of assets including equities, fixed interest, property, alternatives and cash. As such it can be described as a multi-asset portfolio. It invests in assets globally, with a significant proportion of assets invested overseas.

Investment is typically made via the use of underlying collective investment schemes such as unit trusts, OEICs and ETFs. Investment is split between active management and passive management.

Active management is used where Investment Radar have a high level of conviction that the manager will add value above and beyond the cost of doing so, whilst passive management is used to capture the market return as cheaply as possible where such conviction does not exist, or in asset classes where active management is most challenged.

The portfolio is a discretionary portfolio meaning that changes can be undertaken at any time. Where the portfolio is held outside of a tax efficient wrapper (such as an Individual Savings Account or Self Invested Personal Pension) such changes may result in a charge to Capital Gains Tax.

Objective

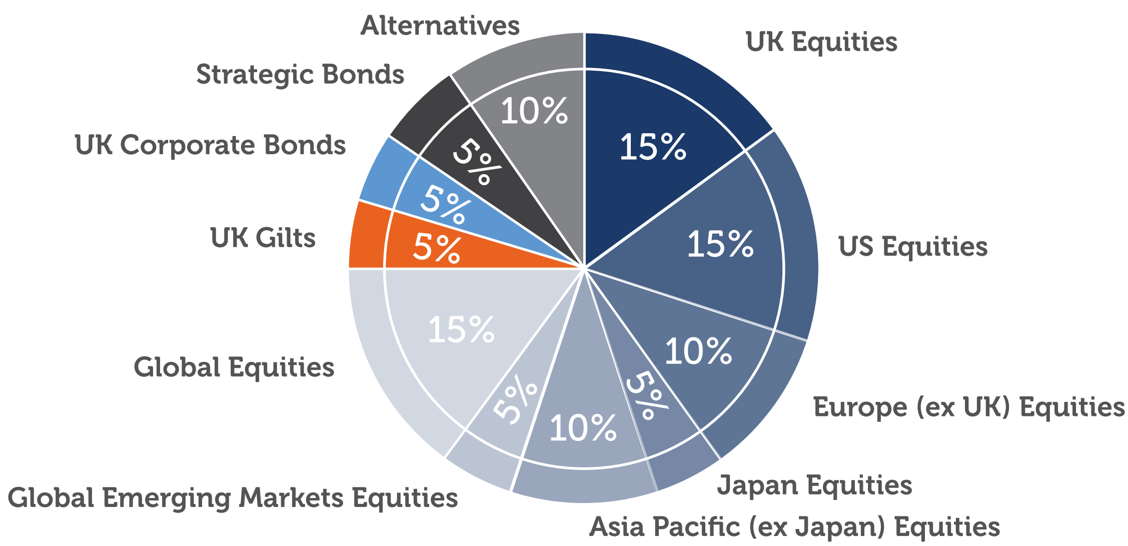
The objective of the MoneyDoctor Balanced Portfolio is to out-perform the average return of the Investment Association's Mixed Investment 40% to 85% Shares sector over the medium to long term (at least 5 years). This sector includes a large number of funds with a similar asset allocation to the MoneyDoctor Balanced Portfolio.

Typical Investor Profile

The typical investor profile for investment in the MoneyDoctor Balanced Portfolio would be an investor wishing for long term growth from a well diversified portfolio of assets but who does not wish to invest exclusively in equities. As a consequence they are prepared to forego a modest portion of the performance of risk assets in exchange for less volatility whilst invested. Additionally, the typical investor would have no requirement from the portfolio for income.

Strategic Asset Allocation

The Strategic Asset Allocation for the MoneyDoctor Balanced Portfolio is shown below.



Cautious Portfolio

MoneyDoctor Cautious Portfolio

Structure

The MoneyDoctor Cautious Portfolio can invest in a range of assets including equities, fixed interest, property, alternatives and cash. As such it can be described as a multi-asset portfolio. It invests in assets globally, with a significant proportion of assets invested overseas.

Investment is typically made via the use of underlying collective investment schemes such as unit trusts, OEICs and ETFs. Investment is split between active management and passive management.

Active management is used where Investment Radar have a high level of conviction that the manager will add value above and beyond the cost of doing so, whilst passive management is used to capture the market return as cheaply as possible where such conviction does not exist, or in asset classes where active management is most challenged.

The portfolio is a discretionary portfolio meaning that changes can be undertaken at any time. Where the portfolio is held outside of a tax efficient wrapper (such as an Individual Savings Account or Self Invested Personal Pension) such changes may result in a charge to Capital Gains Tax.

Objective

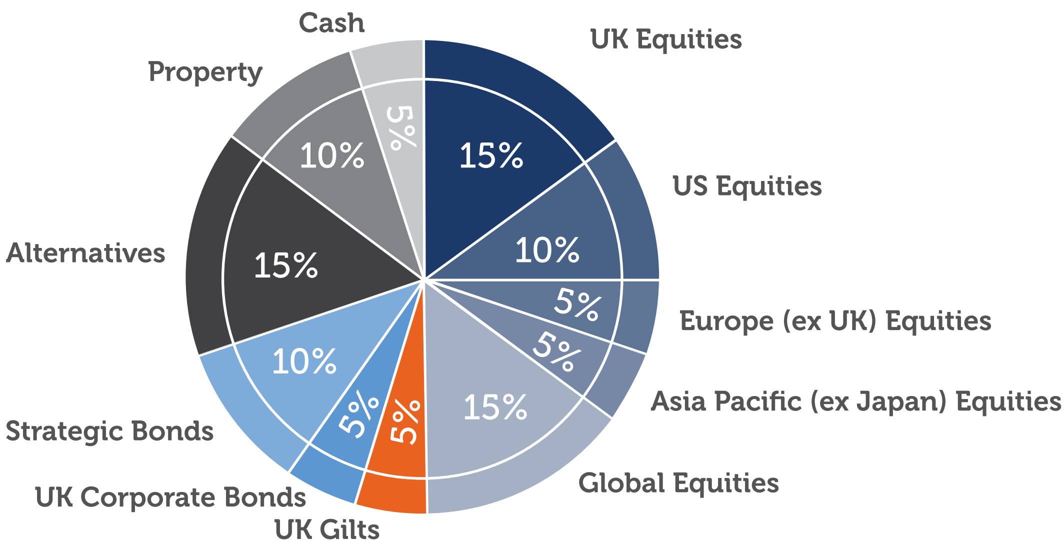
The objective of the MoneyDoctor Cautious Portfolio is to out-perform the average return of the Investment Association's Mixed Investment 20% to 60% Shares sector over the medium to long term (at least 5 years). This sector includes a large number of funds with a similar asset allocation to the MoneyDoctor Cautious Portfolio.

Typical Investor Profile

The typical investor profile for investment in the MoneyDoctor Cautious Portfolio would be an investor wishing for long term growth from a well diversified portfolio of assets but who places a higher emphasis on limiting the downside of losing money than the upside of maximising growth. As a consequence they are prepared to forego some of the performance of risk assets in exchange for less volatility whilst invested. Additionally, the typical investor would have no requirement from the portfolio for income.

Strategic Asset Allocation

The Strategic Asset Allocation for the MoneyDoctor Cautious Portfolio is shown below.



MoneyDoctor Defensive Portfolio

Structure

The MoneyDoctor Defensive Portfolio can invest in a range of assets including equities, fixed interest, property, alternatives and cash. As such it can be described as a multi-asset portfolio. It invests in assets globally, with a significant proportion of assets invested overseas.

Investment is typically made via the use of underlying collective investment schemes such as unit trusts, OEICs and ETFs. Investment is split between active management and passive management.

Active management is used where Investment Radar have a high level of conviction that the manager will add value above and beyond the cost of doing so, whilst passive management is used to capture the market return as cheaply as possible where such conviction does not exist, or in asset classes where active management is most challenged.

The portfolio is a discretionary portfolio meaning that changes can be undertaken at any time. Where the portfolio is held outside of a tax efficient wrapper (such as an Individual Savings Account or Self Invested Personal Pension) such changes may result in a charge to Capital Gains Tax.

Objective

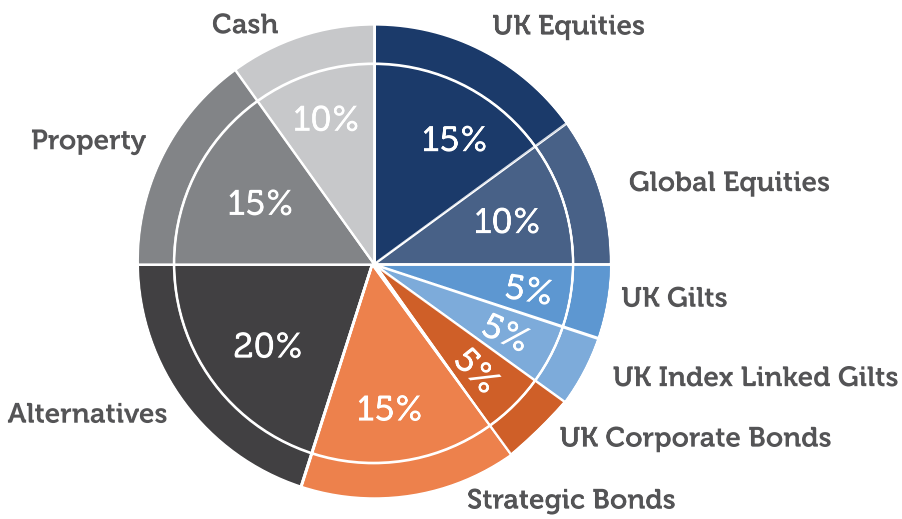
The objective of the MoneyDoctor Defensive Portfolio is to out-perform the average return of the Investment Association's Mixed Investment 0% to 35% Shares sector over the medium to long term (at least 5 years). This sector includes a large number of funds with a similar asset allocation to the MoneyDoctor Defensive Portfolio.

Typical Investor Profile

The typical investor profile for investment in the MoneyDoctor Defensive Portfolio would be an investor wishing for long term growth from a well diversified portfolio of assets but who places a significantly higher emphasis on limiting the downside of losing money than the upside of maximising growth. As a consequence they are prepared to forego a significant portion of the performance of risk assets in exchange for less volatility whilst invested. Additionally, the typical investor would have no requirement from the portfolio for income.

Strategic Asset Allocation

The Strategic Asset Allocation for the MoneyDoctor Defensive Portfolio is shown below.



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