

Investment Structure application pack

(Portfolio to be held through a retirement scheme and/or life wrapper)



BROOKS MACDONALD

Q1 2019

This is an Application Pack for the Brooks Macdonald International Bespoke Portfolio Service (“International BPS”) and International Managed Portfolio Service (“International MPS”) and single strategy portfolios. Collectively they will be referred to as “Investment Services” throughout this document.

This Application Pack is to be used when opening an individual portfolio or joint portfolio through an Investment Structure such as an insurance bond, investment bond, QROPs, personal retirement structure or other investment account wrapper, where the investment services are to be held within that Investment Structure.

Individuals should understand that the legal owner of assets held within the account with us is likely to be the Structure Provider, and it is the Structure Provider that we will treat as our client.

Individual’s details

First individual

Title: Forename(s):

Surname:

Former/maiden name (if applicable):

Gender: Male Female

Date of birth:

Permanent residential address:

Postcode:

Daytime telephone number:

Mobile telephone number:

Contact email address:

Nationality: Place of birth:

Residency for tax purposes : Tax I.D No:

Are you a PEP: Yes No

If yes, please detail:

Passport number: Country of issue:

Name of employer/business/partnership or if retired, previous employer:

Job title/Occupation:

Second individual (if applicable)

Title: Forename(s):

Surname:

Former/maiden name (if applicable):

Gender: Male Female

Date of birth:

Permanent residential address:

Postcode:

Daytime telephone number:

Mobile telephone number:

Contact email address:

Nationality:

Place of birth:

Residency for tax purposes :

Tax ID No:

Are you a PEP: Yes No

If yes, please provide details:

Passport number:

Country of issue:

Name of employer/business/partnership or if retired, previous employer:

Job title/Occupation:

Investment Structure details

First Investment Structure details

Please provide below the details of the Investment Structure within which the investment services will be held.

Full name of structure provider:

Full name of Investment structure:

Structure Provider address:

Postcode:

Structure Provider reference:

Second Investment Structure details (if applicable)

Please provide below the details of the Investment Structure within which the investment services will be held.

Full name of Structure provider:

Full name of Investment Structure:

Structure Provider address:

Postcode:

Structure Provider reference:

Investment Structure bank account

Please enter the Investment Structure bank details. The below details should be the account from where payments are received and distributed.

Account name:

Bank name:

Bank address:

Postcode:

Currency:

Sort code: | - | - | Account number:

IBAN:

SWIFT:

Investment

Source of funds

Please detail below the activity which has generated the funds due for investment e.g. occupation, business activities, a property sale. Information concerning the geographical sphere of the activities may also be relevant. Please provide documents to evidence the invested funds:

Source of wealth

Please detail below the activities which have generated the total net worth of the Wrap Owner(s), i.e. those activities which have generated total accumulation of funds, assets and property over their lifetime. Information concerning the geographical sphere of the activities that have generated wealth may also be relevant as well as some indication of total net worth:

Investment currency

Please specify the investment currency that you wish to invest in:

Sterling US dollars Euros

Initial investment amount

Please specify below the amount to be introduced to the portfolio and any anticipated future investments.

Initial investment amount or
anticipated transfer value:

Anticipated further investments:

Withdrawals

Please indicate if regular distributions are required from the portfolio. Please specify the monetary value and the frequency below. Withdrawals will be met by a proportionate sale of units so as not to disrupt the risk-targeted asset allocation. Please note that payment charges might be incurred.

Any income produced will be automatically defaulted to the base currency of the portfolio and reinvested unless specified below.

Amount in words:

Cash amount: £/€/ \$

Account for withdrawal: Capital Income (Not applicable for International MPS)

Frequency

Please select when you would like to receive your distribution:

Monthly Start date

Annual Month

All payments are made c.20th of the month

Following a financial review with your professional adviser, please select the portfolio investment strategy that best suits your objectives and risk profile.

The table below summarises the mandate that your selected portfolio will be managed to. The purpose of this is to clearly state how your individual requirements have been interpreted with regard to your asset allocation. It is acknowledged that your professional adviser is responsible for assessing your suitability to becoming a client of Brooks Macdonald Asset Management (International) Limited for its investment services, the initial and ongoing assessment of your attitude to risk and capacity for loss; and for selecting a suitable portfolio investment strategy having regard to your personal and financial circumstances.

Multi-asset portfolios International managed portfolio service (MPS)

(minimum investment £100,000, \$100,000, €100,000)

International bespoke portfolio service (BPS)

(minimum investment £500,000,
\$750,000, €750,000)

MPS BPS

Fixed Interest - (£)

A low-risk portfolio that is structured to preserve and enhance capital through investment in fixed interest assets. The portfolio will be fully invested in a range of fixed income securities, encompassing investment grade, emerging market and high-yield bonds. Equity exposure will be 0%, with any non-fixed interest exposure limited to cash. The recommended investment time frame for this strategy is in excess of three years.

Defensive - (£)

A low-risk, defensive portfolio structured to provide wealth preservation and returns in excess of cash. The majority of investments will be in stable assets, such as cash and fixed interest securities, with some limited exposure to growth assets, such as equity and property. Equity exposure is expected to range between 10-30%. The recommended investment time frame for this strategy is in excess of three years. Long-term returns are targeted to beat inflation.

Cautious Balanced - (£/\$/€)

A low-to-medium risk, cautious portfolio structured to provide a large degree of capital protection whilst providing an element of capital growth over the medium-to-long term. Capital growth investments will be made in a combination of stable and growth assets. Equity exposure is expected to range between 30-55%. The recommended investment time frame for this strategy is in excess of five years. Long-term returns are targeted to exceed inflation by 2% per annum.

Balanced - (£/\$/€)

A medium risk, balanced portfolio structured to provide some capital growth, without full equity market volatility. Investments will be weighted towards growth assets, such as equities and property, with a lower weighting to stable investments such as fixed interest securities. Equity exposure is expected to range between 55-75%. The recommended investment time frame for this strategy is in excess of five years. Long-term returns are targeted to exceed inflation by 3% per annum.

Growth - (£/\$/€)

A medium-to-high risk, capital growth orientated portfolio structured to provide high levels of participation in growth assets, with associated high levels of equity market risk. The majority of investments will be in growth assets, such as equities, property and other alternative asset classes of investment, with smaller allocations to stable investments such as fixed interest securities. Equity exposure is expected to range between 75-95%. The recommended investment time frame for this strategy is in excess of five years. Long-term returns are targeted to exceed inflation by 4% per annum.

High Growth - (£)

A higher risk, capital growth orientated portfolio providing full, diversified exposure to equity markets, with associated high levels of equity market risk. Equity exposure is expected to range between 80-100%, with any non-equity exposure limited to cash. The recommended investment time frame for this strategy is in excess of five years. Long-term returns are targeted to exceed inflation by 5% per annum.

Single strategy portfolios

Corporate Bond Strategy (minimum investment £1,000,000, \$1,500,000, €1,500,000)

A low-medium risk, fixed income portfolio structured to provide a balance between security, liquidity and income through investment into corporate bonds. The portfolio invests largely in investment grade corporate debt, providing a well-balanced and diversified portfolio of corporate bonds that are typically rated single-A and triple-B. The portfolio aims to provide positive total returns, and offers the option of either taking or reinvesting income.

Direct Equity Strategy (minimum investment £250,000, \$500,000, €500,000)

A high risk, direct equity portfolio that invests in UK, US and European equities, providing a well-balanced and diversified portfolio of equities that are typically of larger market capitalisation companies. This strategy is particularly useful for investors that require lower volatility, medium to long term equity investment and/or seek some inflation protection as a key component of their overall investment strategy.

Strategic Income Strategy (minimum investment £1,000,000, \$1,500,000, €1,500,000)

The strategy invests in a combination of corporate bonds and direct equities in order to produce an attractive initial yield together with growth in capital and income over the medium-to-long term. The strategy aims to provide a well-diversified portfolio by sector and issuer, of largely investment grade bonds and large well capitalised companies having resilient and growing earnings.

Bond Plus Strategy (RESTRICTED) (minimum investment £100,000)

Our Bond Plus Strategy invests largely in investment grade bonds, providing stable capital returns, a strong flow of regular income and the ability to significantly tailor the risk profile of the portfolio. The portfolio will additionally invest in other fixed income instruments, such as high yield corporate bonds and emerging market debt, based on our expectations for these markets and the business cycle. The portfolio can also invest in equities via managed funds and/or exchange-traded funds. Similarly the portfolio will invest in a number of hedge funds and/or alternative managers with the aim to achieve returns that are uncorrelated to traditional markets.

Capital Growth Strategy (minimum investment £500,000, \$750,000, €750,000)

The Capital Growth objective is to produce real capital growth (after inflation) and beat the returns available from cash deposits over the medium to long-term from an actively managed portfolio of assets with a cautious attitude towards risk. To meet this objective, the strategy will take a non-benchmarked approach that focuses on investing into a range of direct securities, managed funds, ETFs, structured products and alternative investments with an emphasis on liquidity. We believe in a pragmatic approach that accesses multiple asset classes while incorporating diversification, active management and the use of protective strategies, wrapped within a strong risk management framework.

Professional adviser fee

Please enter details of the fee that has been agreed with the Individual's professional adviser for this service, or tick the 'no fee payable' box where Brooks Macdonald Asset Management (International) Limited is not to pay fees to the Individual's professional adviser.

Initial advice fee

Please confirm whether an initial advice fee is to be debited and paid to the Individual's professional adviser from the proceeds we receive. The fee will be debited prior to making any investment.

% or £/€/ \$ amount will be debited from the initial amount and all

future investments.

No fee payable:

Annual/ongoing advice fee

Please enter the annual advice fee to be paid to the Individuals's professional adviser on a continuing basis.

% Please note that the fee payable should be no more than 2% and made in increments of 0.25%.

No fee payable:

The fees payable to the Individual's professional adviser are charged in arrears and based on the portfolio value at the end of each quarter.

Brooks Macdonald Asset Management (International) fees and charges

Below is the outline of the fees and associated charges of the services that are to be provided. Management fees are charged in arrears and based on the portfolio value at the end of each quarter.

| Investment strategy | Management fee | Transaction charge | Minimum investment |
|---|----------------|--------------------|-------------------------------------|
| International Managed Portfolio Service | 0.50%/0.75% | Nil | £100,000, \$100,000, €100,000 |
| International Bespoke Portfolio Service | 0.75% | £50/\$75/€75 | £500,000, \$750,000, €750,000 |
| Corporate Bond Strategy | 0.50% | £50/\$75/€75 | £1,000,000, \$1,500,000, €1,500,000 |
| Direct Equity Strategy | 0.75% | £50/\$75/€75 | £250,000, \$500,000, €500,000 |
| Strategic Income Strategy | 0.75% | £50/\$75/€75 | £1,000,000, \$1,500,000, €1,500,000 |
| Bond Plus Strategy | 0.50% | £25 | £100,000 |
| Capital Growth Strategy | 0.75% | £50/\$75/€75 | £500,000, \$750,000, €750,000 |

Important

This application pack forms part of your legal agreement with us. Reference should be made to our general Terms of Business and the supplemental Terms of Business of the appropriate service (together the "Terms") for an explanation of all applicable terms.

Operation of the account

Third party authority

View access

Please note, your professional adviser will automatically be granted view access to your account(s) and have the ability to view your account(s) online, and request information and valuation statements regarding the current value and performance of your account(s).

Payment authority

Only provided to the structure provider.

Name of professional adviser

Name of professional adviser firm
(and network if applicable):

Name of professional adviser:

Professional membership number:

Telephone number:

Email:

Reporting

Quarterly valuations will be provided to your professional adviser and investment structure provider(s).

Investment Structure Provider reporting e-mail:

Individual(s) authority

Please check that all required boxes are completed, and that you agree to the following, before signing below.

1. I/We have read and understood the Terms and acknowledge that you will provide the investment services subject to the Terms
2. I/We acknowledge that when you are providing the Services you are not acting as a tax adviser, financial planner or pension adviser. My/Our professional adviser will have responsibility for providing such advice and planning, including the suitability and appropriateness to me/us of the Services, and, to the extent accepted by the professional adviser, for any services other than the Services
3. I/We hereby request you to open an account to be operated in accordance with the terms of this agreement and the Terms
4. I/We hereby acknowledge that all risks, fees, costs and charges associated with the Services have been explained to me/us and have agreed to pay the fees as set out on page 9 of this application
5. I/We confirm that we are over the age of 18 years and are aware of and are responsible for any possible taxation implications applicable within our relevant jurisdictions arising from this application
6. I/We confirm that the information provided in this application is accurate and true and authorise you to make any enquiries necessary in order to verify the information contained herein
7. I/We agree that the portfolio statements and valuations may be provided electronically via web-enabled access to my account and I/we will be responsible for printing any information I/we require
8. I/We confirm that any funds or assets transferred do not or will not represent the proceeds or derive from, any activity which would be considered illegal under the Anti-Money Laundering and Proceeds of Crime legislation applicable in Jersey and Guernsey and my/our country(s) of residence.

First Individual

Signature:

Date:

Full name:

Second Individual (if applicable)

Signature:

Date:

Full name:

Investment Structure authority

- 1. We acknowledge that you will provide the investment services subject to the Terms and to any other terms that have been agreed upon between you and us.
- 2. We acknowledge that when you are providing your services you are not acting as a tax adviser, financial planner or pension adviser. The Individual's professional adviser will have responsibility for providing such advice and planning, including the suitability and appropriateness to the Individual(s) of the services, and, to the extent accepted by the professional adviser, for any services.
- 3. We hereby request you to open an account to be operated in accordance with the terms of this agreement, the Terms and any other terms that have agreed upon between you and us.
- 4. We confirm that any funds or assets transferred by us to you do not or will not represent the proceeds or derive from, any activity which would be considered illegal under the Anti-Money Laundering and Proceeds of Crime legislation applicable in Jersey and Guernsey and my/our country(s) of residence.

Structure Provider Authorised Person

Signature: Date:

Full name:

Structure Provider Authorised Person

Signature: Date:

Full name:

Structure Provider Authorised Person

Signature: Date:

Full name:

Structure Provider Authorised Person

Signature: Date:

Full name:

Professional adviser authority

The professional adviser is required to confirm (by ticking all boxes) the following:

I have carried out anti-money laundering identification and verification to the standards required by the Anti-Money Laundering and Proceeds of Crime legislation applicable in Jersey and Guernsey and my/our country(s) of residence, and confirm that to my knowledge the Individual(s) is not subject to any sanctions. I am satisfied as to the integrity, standing and intentions of the Individual(s)

I agree to notify you if I consider that anyone associated with the Individual(s) is 'politically exposed' or if I consider the Individual(s) is or becomes 'high risk'

I have been appointed by the Individual(s) as his/her professional adviser

I have carried out an assessment of the suitability of the investment services for the Individual(s) in accordance with applicable requirements

I have discussed the investment services with the Individual(s) and advised the Individual(s) in relation to the investment strategy selected having regard to the Individual(s) investment objectives and risk profile

I have full and continuing authority from the client in respect of any Instructions given by me in the context of my agreement with the client

Signature:

Date:

Full name:

Please send this completed form to:

Brooks Macdonald Asset Management (International) Limited

PO Box 389, 1st Floor Liberation House

Castle Street

St Helier

Jersey

JE4 9ZW

Legal and regulatory requirements

Verification of identity

Please provide your professional adviser with one document from section A and one from section B for all parties who exercise control over the account, including individual and joint parties and any agents or holders of a power of attorney. All copies of identification must be certified by a suitable individual (by a suitable certifier, see below*). Please note that in certain circumstances we may request additional identification from any party included in this application.

Section A - personal identity

- Certified copy of valid, current passport showing a clear photograph, that bears a signature and the expiry date
- Certified copy of a valid, current driving licence from a licencing authority that carries out an identity check before issuing
- Certified copy of a valid, current national identity card

Section B - proof of residential address (original or certified copy)

- Utility bill (dated within the last three months, mobile phone bills are not acceptable)
- Bank or building society statement or passbook
- Record of home visit (by suitable certifier, see below*)
- Local authority tax bill (current year)
- Mortgage statement (current)
- A tenancy contract or agreement

*Suitable certifiers include

- An individual who is a member of a professional body that sets and enforces ethical standards
- A director, officer or manager of a regulated financial services business
- An embassy, consulate or high commission of the country of issue of documentary evidence of identity
- A member of the judiciary, a senior civil servant or a serving police or customs officer

(Certifiers should state they have seen the original document and that it is a complete and true copy of the original. The certification must include the certifier's name, position or capacity, his/her address and a telephone number or email address at which he/she can be contacted).