



ARBUTHNOT LATHAM

Bankers since 1833

Product Summary

Global Passive Service

For professional advisors only

This content is directed at professional financial advisers only. This content is not intended for viewing by end investors.

It is for information purposes only and does not constitute advice, a solicitation, recommendation, or an offer to buy or sell any security or other investment or banking product or service. This document is correct as at the date of writing and may not be reproduced, distributed, or published without prior consent from Arbuthnot Latham & Co., Limited. The value of investments, and the income from them can fall as well as rise, and may be affected by exchange rate fluctuations. Investors could get back less than they invest. Past performance is not a reliable indicator of future results.

Product purpose

The purpose of the Global Passive Service is to provide an investment portfolio for FCA authorised financial advisers to select for their retail clients. The portfolio service is managed on a discretionary basis, in line with the Arbuthnot Latham Investment Committee's portfolio construction.

Key risks

Capital at risk.

Target market assessment

Positive target market

- Medium to long term time horizon (3+ years)
- Have investments of £500k+
- Basic, informed and advanced knowledge investors
- Permitted within tax wrappers (e.g., offshore bonds and SIPPs)
- Individuals who are advised by a UK financial adviser
- Individuals who value access to an investment manager working alongside their financial adviser

Client characteristics / behaviours

- Value capital growth but have an ability to bear capital losses
- Attitude to risk that acknowledges that investments may lose value over a given period
- Is content for their portfolio to perform in line with a risk managed combination of broader market indices
- Place value on a lower cost investment solution
- Individuals who prefer their investments to be managed on a discretionary basis
- Individuals who would benefit from a passive multi-asset investment solution.

Negative target market

- Clients not wishing to risk any capital and have no capacity to bear loss
- Portfolio values of less than £500k (and unlikely to reach this value)
- Individuals who are not advised by a UK financial adviser.

Who this product is not suitable for

- Clients looking for a speculative risk investment solution (e.g., derivatives trading)
- People expecting capital gains tax management included as part of the portfolio service
- Those who require management of specific existing holdings as part of their portfolio
- Individuals looking for an active investment solution.

Vulnerable client considerations

We take a proactive approach to understand the nature and extent of vulnerability in our target market and customer base. Our Product Management team manage all aspects of the product lifecycle and have procedures in place to ensure vulnerable clients are considered as part of product and service design.

Our understanding of vulnerability within our target market and customer base will be reviewed annually, or sooner where a significant event occurs which is likely to have an impact on our understanding of vulnerability within our customer base.

Distribution strategy

The product is suitable for distribution to individuals who meet the above-mentioned target market. Distribution of the product may only be via an FCA authorised financial adviser who can provide advice on the product characteristics, including risks, and who can assess the suitability of the product for the client's personal circumstances. The portfolio service is available across 6 risk levels ranging from low to higher risk.

Value assessment

The Arbuthnot Latham Fee Schedule is available upon request and provides information on the management fee of the portfolio. Underlying fund charges can be found within the Portfolio Proposal or via Defaqto. An assessment of the value provided to clients of Arbuthnot Latham's Global Passive Service has been completed and concludes that the product provides fair value to individuals. No material issues have been identified, and Arbuthnot Latham expects the product to continue providing value for the foreseeable future.

Information suitable for provision to retail customers

Client investment proposals and reviews as well as portfolio and tax reporting may be provided to retail customers.

Outcome of product review

The product review conducted by Arbuthnot Latham on the Global Passive Service identified no material issues requiring remedial action.