Mr S & Mrs L Sample
76 Street
Town
County
SN4 2DD

Day / Month 20XX

Dear Sean & Lisa

At our meeting on Day / Month 20XX we discussed your financial planning needs. The aim of this report is to explain my recommendations and the rationale for it.

As you will remember, I recorded a lot of details about your personal and financial information, as well as discussing your preferences, your thoughts on financial matters including inflation and interest rates, your short term goals and longer term ambitions.

It is important that you fully understand my recommendations in this report and I would ask that you read it carefully and let me know if there is anything you do not fully understand. You should read this report in conjunction with all the additional documents I gave you including Key Features Documents and any Illustrations and Fund Factsheets.

CHARGES FOR ADVICE

We discussed and agreed the charge payable for this advice and this is confirmed in the Authority to Proceed document that you signed, I have enclosed a copy.

This initial charge is for the advice to date and does not include the cost of any future servicing.

This charge will be paid through the product provider via a deduction from your investment.

REVIEW SERVICE

We strongly recommend that your plan is reviewed on a regular basis.

Typically this review will comprise the following services:

- An assessment and review of investment performance and markets relative to your specific investments as well as a wider economic review
- A summary of the impact of any legislative or statutory changes that might impact on your retirement and/or savings strategy, for example, changes in taxation law or State pension benefits
- An update and appraisal of your financial and personal situation, needs, circumstances and objectives
- A review of your attitude to risk and volatility linked specifically to the performance of your pension and ISA funds, to ensure continued appropriateness. This will help to ensure that your risk tolerance continues to match the investment fund(s) being used.

We have agreed that you would like your plan to be reviewed on an annual basis. The costs of the Regular Review Service will be met by way of a deduction from your fund. For the services described above, an annual charge of 0.75% will be deducted each year. You should note that the rate is charged as a percentage of your fund's value and as such the actual amounts payable will vary as the value of your fund fluctuates. For example, on a fund of £15,000 the annual charge would be £112.50 per annum.

CANCELLATION OF PROVIDER FACILITATED ONGOING CHARGE

As outlined above, payment for the review service offered will be received by Andrew Adviser of ABC Financial Planning Limited for the foreseeable future from the provider(s). If however you no longer wish to receive the review service you are at liberty to cancel this charge at any time and can do so by contacting the provider directly and confirming your wish for this payment to cease. Please be aware that should you do so I will no longer be in a position to review your affairs as agreed

YOUR CURRENT SITUATION

You are married with two children Jack and Becky. You are both in good health and you own your property which is valued at £320,000 with an outstanding mortgage of £174,000.

Sean you are a higher rate taxpayer and Lisa you are basic rate.

Currently Sean has £40,000 in a savings account with Barclays and Lisa you have £60,000, also in a Barclays savings account.

Your income exceeds your expenditure by approximately £10,000 per annum.

Sean, your annual income is £50,250 and this is derived from your employment with Better Buys Limited as an accountant.

Lisa, your annual income is £30,000 and this is derived from your self-employment as a Graphic Designer.

We discussed what possible financial emergencies might arise. We agreed you currently have adequate, readily available funds in your Barclays savings accounts which you would use in the event of an emergency and I recommend you maintain and regularly review this fund to ensure it continues to meet your needs.

We discussed the importance of clearing debts, particularly those with high interest rates such as credit and store cards. We agreed your current mortgage is on a competitive fixed rate and currently there would be a penalty for any repayment made in excess of 10% of the outstanding balance. The repayments are affordable and you do not wish to consider reducing the debt at this stage.

Lisa's loan has 18 months to run and there is a penalty for repaying early, so you are happy to let this run its course.

You told me you have made a Will and the intent of the Will is that if either of you died then your estate would pass onto the survivor and then subsequently to the children. We agreed no further action was required.

AVAILABLE BUDGET

Having reviewed your current investments you are prepared to release up to £45,240 for possible reinvestment to better meet your financial objectives.

YOUR NEEDS, OBJECTIVES AND PRIORITIES

You have specifically asked me to advise you on investing existing savings in Sean's Barclays savings account towards your children's university education and also retirement planning for Lisa and I have focused my advice in this report on these needs.

However you are keen to review your protection and we have arranged a follow up appointment to cover this specific area in 4 weeks' time. The recommendation I am making will not impact the outcome of your protection review.

You decided not to review your mortgage as you are happy with your existing deal.

RETIREMENT PROVISION FOR SEAN

Sean, we discussed your retirement planning. You have a Better Buys Deferred benefit final salary scheme: Scheme closed to new and existing members in 20XX.

You had accrued 11 years service in a 1/60th scheme. This is providing a deferred pension of £7,770 at the date of leaving service.

This will be revalued each year by the rate of inflation up to a maximum of 2.5% per annum until your 65th birthday which is when you can take benefits from the scheme.

On closure of the scheme, in 20XX all employees became members of the Better Buys Group Personal Pension Scheme.

You pay 6% of your salary into the scheme. The company will match contributions up to 8%. The scheme's retirement age is 65.

Latest projections show this would provide pension at age 65, in today's terms of £9,500. This along with your £7,770 deferred leaves you with £17,270.

You would like to achieve approximately £20,000 per annum in today's terms.

YOUR RETIREMENT PLANNING ATTITUDE TO RISK

Sean, we discussed your circumstances in relation to the principles of risk and reward and agreed your risk profile is Moderate.

In general, Moderate investors understand that they have to take investment risk in order to be able to meet their long-term goals. They are likely to be willing to take risk with a high proportion of their available assets.

Moderate investors typically have a good level of knowledge about financial matters and they usually have some experience of investment, including investing in products containing higher risk assets such as equities.

Moderate investors will usually be able to make up their minds on financial matters relatively quickly, but still suffer from some feelings of regret when their decisions turn out badly.

Risk attitude is only one factor in determining a suitable investment strategy. You must also consider your ability to withstand short term losses, and your need to take risk to achieve your financial goals.

Sean, you confirmed that this is your risk attitude in relation to retirement planning and you feel this is appropriate for you because you are looking to invest over the long term approximately 32 years. This gives an opportunity for an investment to recover if it should go through a period of poor performance.

Your objective is to grow your capital to achieve your objectives - to do this you could put more into an investment but you prefer taking a higher level of risk to achieve the objectives.

You will also still have a substantial amount left of on deposit for emergencies as well as having surplus income.

We also discussed the range of returns in particular the potential for loss in relation to this profile and the effect on your standard of living, emergency fund provision and your overall view of investment volatility. We agreed that you understand your Capacity for Loss and how a drop in your investment at any time might impact you, both financially and emotionally. You are comfortable with this as you are not putting at risk all your capital and still have substantial amount on deposit.

It is not a broad-based risk tolerance level that necessarily applies to other areas of your financial planning, which will be addressed separately.

I have risk rated the fund that you are currently invest in with your employer's scheme and it fits in with your risk tolerance.

I recommend that you increase the contributions to your Group Personal Pension up to the maximum personal contribution of 8%. This means with your employers extra contribution an extra 4% will be contributed, which will address the gap in your provision.

Your employer will not make a personal contribution to any other personal pension plan.

TAX RELIEF ON PERSONAL PENSION CONTRIBUTIONS

Any contributions paid by you benefit from tax relief at source as your employer will deduct the payments from your salary before tax is calculated. This means some of your contributions will receive 40% relief.

RETIREMENT PROVISION FOR LISA

We discussed retirement planning e.g. when you plan to retire, your objectives in retirement and what provision you may need.

You do not have any existing provision for a pension at retirement and you will not qualify for any State Pension until you reach state pension age.

As a result the estimated shortfall in your pension income at retirement is £20,000, which in tomorrow's terms is £45,000 based on taking your income shortfall and applying the effects of inflation (at an assumed rate of 2.5%) for the number of years until your selected retirement age.

EMPLOYER SCHEME – AUTO ENROLMENT

The government has introduced pension reforms which require employers to offer their employees automatic enrolment and contribute into a workplace pension. Employers will gradually enrol all eligible workers into workplace pensions between 2012 and 2018.

Every employer must automatically enrol workers and contribute into a workplace pension scheme before 2018 if they:

- are aged between 22 and State Pension age
- earn more than £10,000 a year
- work in the UK

We discussed the availability or otherwise of an employer pension scheme.

As you are self-employed or the sole director of your own company, you won’t be automatically enrolled into a workplace pension. If this should change in the future I strongly recommend that you consider joining a workplace pension, where available, to take advantage of the employer contributions to which you will be entitled.

PENSION SHORTFALL

Lisa, in order to address the gap in your desired Income in retirement, I recommend that you look at investing a single premium into a personal pension to kick start your retirement planning. You are keen to focus putting money away for retirement and understand that the personal pension will offer tax relief on the contribution made. This will reduce the tax payable by your business. You will be able to take benefits from age 55, and under current legislation will be able to take 25% of the fund as tax free cash as well as a number of flexible ways of drawing pension income which would be taxed at your marginal rate at that time.

I recommend you contribute a one off lump sum of £30,000.00 to this personal pension with a retirement age of 64 this will allow you to retire at the same time as Sean. The plan is designed to build up a fund to give you benefits in retirement in a tax efficient way.

This pension plan will provide a retirement income of approximately £1,850.00 annually, based on the assumptions contained within your personal illustration.

Due to your budget and the limit on pension contributions in this tax year, this level of premium will not meet your needs in full. It does however represent a step toward achieving your objective.

We have already talked about discussing adding regular contributions in the new tax year.

YOUR RETIREMENT PLANNING ATTITUDE TO RISK

Lisa, we discussed your circumstances in relation to the principles of risk and reward and agreed your risk profile is Moderate.

In general, Moderate investors understand that they have to take investment risk in order to be able to meet their long-term goals. They are likely to be willing to take risk with a high proportion of their available assets.

Moderate investors typically have a good level of knowledge about financial matters and they usually have some experience of investment, including investing in products containing higher risk assets such as equities.

Moderate investors will usually be able to make up their minds on financial matters relatively quickly, but still suffer from some feelings of regret when their decisions turn out badly.

Risk attitude is only one factor in determining a suitable investment strategy. You must also consider your ability to withstand short term losses, and your need to take risk to achieve your financial goals.

Lisa, you confirmed that this is your risk attitude in relation to retirement planning and you feel this is appropriate for you because you are looking to invest over the long term approximately 33 years. This gives an opportunity for an investment to recover if it should go through a period of poor performance.

Your objective is to grow your capital to achieve your objectives - to do this you could put more into an investment but you prefer taking a higher level of risk to achieve the objectives. You have invested into an NISA in this tax year and you have become familiar with the ups and downs associated with investing, but realise you need to take a higher risk with your capital to get the returns you desire.

You will also still have a substantial amount left of on deposit for emergencies as well as having surplus income.

We also discussed the range of returns in particular the potential for loss in relation to this profile and the effect on your standard of living, emergency fund provision and your overall view of investment volatility. We agreed that you understand your Capacity for Loss and how a drop in your investment at any time might impact you, both financially and emotionally. You are comfortable with this as you are not putting at risk all your capital and still have substantial amount on deposit.

It is not a broad-based risk tolerance level that necessarily applies to other areas of your financial planning, which will be addressed separately.

MY RECOMMENDATIONS

This section outlines my recommendations and how they meet your needs and objectives.

PLATFORM ACCOUNT

Intrinsic Financial Services believe that this Platform account is an efficient cost effective solution to a client's investment needs over the long term based on centralised research. A Platform offers a range of 'tax wrapper' accounts that support the different tax treatments available for invested money including NISA's, Pensions, General investments (such as in OEIC's and Unit Trusts) and Bonds. These tax wrappers provide you with access to a wide range of investments funds with a simple charging structure.

Rather than holding your investments in different places a Platform can bring your investments and pension arrangements together so you can view everything at a single glance, giving you a clearer picture of your entire portfolio and its performance.

When making my provider recommendation I have selected from a panel of investment, pension and platform providers based on your needs and circumstances. The costs of managing an investment varies between providers and Platforms and can be affected by the amount of the investment, the type of investment 'wrapper' and the anticipated frequency of transactions. Based on your requirements to invest a single premium of £30,000 into a Personal Pension I have recommended Old Mutual Wealth.

Use of a Platform solution will assist me as your adviser, as well as you, in that once set up it will be simpler and faster for me to provide you with a service support across the Platform investments. It is possible that the value of my business will be improved, as it might with any tools that support an efficient operation to look after the needs of its clients. I think it is important to acknowledge the potential benefits for my business but assure you that they are not a driver in my recommendation.

PENSION RECOMMENDATION FOR LISA

A Personal Pension for Lisa provided by Old Mutual Wealth.

I recommend you contribute a single contribution of £30,000 gross written to a selected retirement age of 64 into this personal pension which is designed to build up a fund in a tax efficient way to give you benefits on retirement. This pension plan will provide a retirement income of approximately £1,850 per year, based on the assumptions contained within your Personal Illustration. I have recommended this plan because of its tax efficiency both on contributions made into the plan but the tax-efficient growth within the fund.

The benefits at your selected retirement date can be taken in a number of ways which we will discuss as you approach retirement age. You will also, under current legislation be able to take 25% as a tax free cash sum.

TAX RELIEF ON PERSONAL PENSION CONTRIBUTIONS

Any contributions paid by you benefit from 20% tax relief at the time of payment. In practice Old Mutual Wealth claims the tax back on your behalf from HMRC at the basic rate of 20%. This means that for every £80 you pay into your pension, you end up with £100 in your pension plan. For example the £30,000 contribution into your pension will cost you £24,000.

If you are a higher rate tax payer, you can claim the difference through your tax return or by contacting HMRC. If you are an additional rate tax payer, you need to claim the difference through your tax return.

PRODUCT COSTS AND CHARGES

The main costs and charges for this product are detailed in the enclosed illustration.

PRODUCT RISKS

The primary risks associated with this product are as follows:

- When you retire, your retirement income may be lower than illustrated if:
- You reduce your payments
- Investment performance is lower than illustrated
- The cost of buying a retirement income is more than illustrated
- Plan charges increase above those illustrated
- You buy your pension at a different age from the age used in your illustration
- The tax treatment of pensions changes
- If you make a single payment and then cancel the plan within 30 days, the pension provider may pay back less than has been paid in.
- Past performance is not a reliable indicator of future returns.
- The value of an investment may go down as well as up and the fund value in future may be less than the payments you have made.
- Recommendations are based on our understanding of current tax legislation, which may be subject to change and review.

ALTERNATIVE SOLUTIONS CONSIDERED

I have recommended an Individual Personal Pension Plan (PPP) rather than a Stakeholder Pension Plan. Stakeholder pensions are low cost personal pensions which must meet minimum standards laid down by the Government about charges, flexibility and the regular information you must be given. Stakeholder pensions have charges capped at 1.5% of the value of your pension fund each year for the first 10 years and 1% thereafter. If you choose to transfer into or out of a stakeholder pension, or you stop paying your contributions for a time, the provider will not charge you for doing so.

On this occasion I have recommended a Personal Pension rather than a Stakeholder pension because you have the benefit of the funds being invested in a multi asset, multi manger fund which gives a high level of diversification across a number of asset classes and fund managers. These funds are reviewed regularly to ensure they meet the objectives set by Intrinsic. If necessary this means that Intrinsic could remove a fund and replace it with another. If this were the case then you may be advised to switch fund. This review service is not offered by the Stakeholder. Stakeholder pensions tend to have a more restricted fund choice and restricted investment solutions and are not available on a platform and the benefits that offers you as a client.

Other options were considered for example investing into other collective investments but none of these give you the upfront tax relief that a personal pension does to give you that boost to start your retirement planning.

FUND SELECTION

Our discussions have led us to conclude that a multi manager approach to investment is most likely to be suited to you. A Multi Asset, Multi manager fund means that the fund manager invests in a diversified portfolio of different funds from around the market, which in turn invest in different assets in order to get the most return for the risk you are prepared to take. You are prepared to pay more in charges to achieve your objective as you believe the returns will benefit from this approach. Although you are aware this cannot be guaranteed.

When making my fund recommendations I have followed the process I explained during our meeting. Intrinsic Financial Services who operate an Investment Committee, whose role is to review the process of fund selection and to ensure that recommended funds are appropriate for the needs of our clients. The Committee works closely with Morningstar and all of the funds which have been chosen are considered best of breed within their sector or investment type. When assessing whether a fund is best of breed and likely to meet its objectives over the longer term the following factors are taken into account:

- The fund objectives and aims
- Fund performance is in line with expectations and is consistent with the investment objective
- The fund volatility profile
- Strategic asset allocation in alignment with the manager's view of changing market conditions
- Quality of fund manager and their individual investment process
- The experience, skills and strength of the investment team
- The organisation's attitude to risk
- The fund manager's appreciation of the trade-off between risk and reward

The funds contained in the Intrinsic recommended fund matrix have been chosen on the basis that the Investment Committee believe that the investment teams responsible for each fund have the relevant skills and experience to manage funds of this nature.

FUND RECOMMENDATION

Having discussed your personal attitude to risk and investment objectives I have recommended the following to meet your needs:

Fund Name	Amount Invested %
Cirilium Moderate	100%

Cirilium Multi-Manager Funds

The key to balancing investment risk and reward is maintaining an appropriate mix between the various asset classes and investment sectors. The proliferation of funds accessing diverse investment areas adds to the complexity of achieving suitable balance. It also makes the task of building an appropriate and effective portfolio all the more important. The Cirilium Multi-Manager Portfolios are truly multi-asset class investment portfolios.

Research suggests that the selection of investment sectors, referred to 'asset allocation', has a much greater impact on overall returns than pinpointing individual securities or funds. From an investment fund perspective, it has often been better to choose a fund boasting average investment performance in the best performing sector than it has been to choose a top performing fund in an under-achieving sector. The difference in returns between the best and worst sectors can be substantial.

Since 1 December 2014, the Cirilium portfolios have been managed by Old Mutual Global Investors (OMGI), a leading provider of goal-orientated investment solutions. Paul Craig, manager of the Cirilium portfolios, joined the Old Mutual Wealth multi asset Investment Division which combines capabilities from Quilter Cheviot (QC) and Old Mutual Global Investors (OMGI) to form one dedicated unit focused on multi-asset investment solutions.

Led by Ben Mountain (QC) and Anthony Gillham (OMGI), the unit comprises portfolio management, fund research, asset allocation and the Managed Portfolio Service. This 24-strong multi-asset investment solutions unit is one of the largest and most experienced multi-asset capabilities in the UK. With over 250 years of combined investment experience, the depth and breadth of talent and skills across these teams is unparalleled.

Intrinsic understand the importance of asset allocation, fund selection and portfolio construction. The fund portfolio is made up of a range of Institutional Funds, Electronic Trading Funds, Private Equity, Hedge and Commodities as well as Equities. Having established your appetite for, and attitude toward investment risk and volatility, I am pleased to recommend the Cirilium Moderate/ Fund for your pension investment.

Your investment will be held in a single fund. An alternative would have been to hold various funds individually and potentially have them managed by a discretionary fund manager. Holding your portfolio in a single fund allows OMGI to invest tactically and actively using wider asset classes. When you receive your statements your portfolio will appear as a single fund, the underlying assets will be available and communicated from time to time as discussed at our review.

A Multi Asset, Multi manager fund means that the fund manager invests in a diversified portfolio of different funds from around the market, which in turn invest in different assets in order to get the most return for the risk you are prepared to take. This means that there is no need to invest in more than one fund because that is what the Multi Manager is doing for you. The value to you can be diluted by using more than one of these funds as in that situation no single manager has overall responsibility for the portfolios objectives and you could have the two managers having conflicting approaches.

This fund has a risk profile that is consistent with your attitude to risk.

INVESTMENT RECOMMENDATIONS FOR SEAN

A New Investment Savings Account (NISA) for Sean provided by Old Mutual Wealth.

NISA RECOMMENDATION

I recommend you invest £15.240 into a New Individual Savings Account which is designed as an investment for the medium to long term i.e. five years or more. I have recommended this product because of its tax efficient nature.

Taxation

You have no liability to tax on income arising from your NISA savings. You also pay no tax on capital gains arising on your NISA investments (losses on NISA investments cannot be allowed for Capital Gains Tax purposes against capital gains outside your NISA).

You can take your money out at any time without losing tax relief. You do not have to declare income and capital gains from NISA savings and investments or even tell your tax office that you have a NISA.

PLATFORM ACCOUNT

Intrinsic Financial Services believe that this Platform account is an efficient cost effective solution to a client's investment needs over the long term based on centralised research. A Platform offers a range of 'tax wrapper' accounts that support the different tax treatments available for invested money including NISA's, Pensions, General investments (such as in OEIC's and Unit Trusts) and Bonds. These tax wrappers provide you with access to a wide range of investments funds with a simple charging structure.

Rather than holding your investments in different places a Platform can bring your investments and pension arrangements together so you can view everything at a single glance, giving you a clearer picture of your entire portfolio and its performance.

When making my provider recommendation I have selected from a panel of investment, pension and platform providers based on your needs and circumstances. The costs of managing an investment varies between providers and Platforms and can be affected by the amount of the investment, the type of investment' wrapper' and the anticipated frequency of transactions. Based on your requirements to invest a single premium of £15,240 into an NISA I have recommended Old Mutual Wealth.

This has additional benefits in that your investment and Lisa's pension's values can be aggregated and reduce the charges on the amount in your platform account.

Use of a Platform solution will assist me as your adviser, as well as you, in that once set up it will be simpler and faster for me to provide you with a service support across the Platform investments. It is possible that the value of my business will be improved, as it might with any tools that support an efficient operation to look after the needs of its clients. I think it is important to acknowledge the potential benefits for my business but assure you that they are not a driver in my recommendation.

PRODUCT COSTS AND CHARGES

The main costs and charges for this product are detailed in the enclosed illustration.

PRODUCT RISKS

The primary risks associated with this product are as follows:

- The value of your investment can go down as well as up and you may not get back the full amount you invested.
- Any 'asset backed' investment should be considered for the medium to long-term and should not be entered into if you envisage withdrawing your capital before this time.
- The figures on any quotations provided are for illustration purposes only and are not guaranteed.
- Past fund performance is not a reliable indicator of future returns.
- If you change your mind and want to cancel the plan and in the time you have been invested the value of your investments has fallen, you may not get back the full amount you paid in.
- Where an income is being drawn immediately, you should be aware that this could have the effect of eroding the initial value of the capital invested.
- My recommendations are based on our understanding of current tax legislation, which may be subject to change and review.

ALTERNATIVE SOLUTIONS CONSIDERED

In considering this recommendation I have discounted various other investments including national savings, investment bonds, OEICS and pensions. The NISA meets your objectives, in terms of providing the potential for growth, accessibility in 10 years' time, and tax efficiency provided by the NISA wrapper and is the reason for discounting the other options.

YOUR INVESTMENT PLANNING ATTITUDE TO RISK

Sean, we discussed your circumstances in relation to the principles of risk and reward and agreed your risk profile is Moderate.

In general, Moderate investors understand that they have to take investment risk in order to be able to meet their long-term goals. They are likely to be willing to take risk with a high proportion of their available assets.

Moderate investors typically have a good level of knowledge about financial matters and they usually have some experience of investment, including investing in products containing higher risk assets such as equities.

Moderate investors will usually be able to make up their minds on financial matters relatively quickly, but still suffer from some feelings of regret when their decisions turn out badly.

Risk attitude is only one factor in determining a suitable investment strategy. You must also consider your ability to withstand short term losses, and your need to take risk to achieve your financial goals.

Sean, you confirmed that this is your risk attitude in relation to investment planning and you feel this is appropriate for you because you are looking to invest over the long term approximately 10 years. This gives an opportunity for an investment to recover if it should go through a period of poor performance.

Your objective is to grow your capital to achieve your objectives - to do this you could put more into an investment but you prefer taking a higher level of risk to achieve the objectives. You have invested into an NISA in this tax year and you have become familiar with the ups and downs associated with investing, but realise you need to take a higher risk with your capital to get the returns you desire.

You will also still have a substantial amount left of on deposit for emergencies as well as having surplus income.

We also discussed the range of returns in particular the potential for loss in relation to this profile and the effect on your standard of living, emergency fund provision and your overall view of investment volatility. We agreed that you understand your Capacity for Loss and how a drop in your investment at any time might impact you, both financially and emotionally. You are comfortable with this as you are not putting at risk all your capital and still have substantial amount on deposit.

It is not a broad-based risk tolerance level that necessarily applies to other areas of your financial planning, which will be addressed separately.

FUND SELECTION

Our discussions have led us to conclude that a multi manager approach to investment is most likely to be suited to you. A Multi Asset, Multi manager fund means that the fund manager invests in a diversified portfolio of different funds from around the market, which in turn invest in different assets in order to get the most return for the risk you are prepared to take. You are prepared to pay more in charges to achieve your objective as you believe the returns will benefit from this approach. Although you are aware this cannot be guaranteed.

When making my fund recommendations I have followed the process I explained during our meeting. Intrinsic Financial Services who operate an Investment Committee, whose role is to review the process of fund selection and to ensure that recommended funds are appropriate for the needs of our clients. The Committee works closely with Morningstar and all of the funds which have been chosen are considered best of breed within their sector or investment type. When assessing whether a fund is best of breed and likely to meet its objectives over the longer term the following factors are taken into account:

- The fund objectives and aims
- Fund performance is in line with expectations and is consistent with the investment objective
- The fund volatility profile
- Strategic asset allocation in alignment with the manager’s view of changing market conditions
- Quality of fund manager and their individual investment process
- The experience, skills and strength of the investment team
- The organisation’s attitude to risk
- The fund manager’s appreciation of the trade-off between risk and reward

The funds contained in the Intrinsic recommended fund matrix have been chosen on the basis that the Investment Committee believe that the investment teams responsible for each fund have the relevant skills and experience to manage funds of this nature.

FUND RECOMMENDATION

Having discussed your personal attitude to risk and investment objectives I have recommended the following to meet your needs:

Fund Name	Amount Invested %
Cirilium Moderate	100%

Cirilium Multi-Manager Funds

The key to balancing investment risk and reward is maintaining an appropriate mix between the various asset classes and investment sectors. The proliferation of funds accessing diverse investment areas adds to the complexity of achieving suitable balance. It also makes the task of building an appropriate and effective portfolio all the more important. The Cirilium Multi-Manager Portfolios are truly multi-asset class investment portfolios.

Research suggests that the selection of investment sectors, referred to 'asset allocation', has a much greater impact on overall returns than pinpointing individual securities or funds. From an investment fund perspective, it has often been better to choose a fund boasting average investment performance in the best performing sector than it has been to choose a top performing fund in an under-achieving sector. The difference in returns between the best and worst sectors can be substantial.

Since 1 December 2014, the Cirilium portfolios have been managed by Old Mutual Global Investors (OMGI), a leading provider of goal-orientated investment solutions. Paul Craig, manager of the Cirilium portfolios, joined the Old Mutual Wealth multi asset Investment Division which combines capabilities from Quilter Cheviot (QC) and Old Mutual Global Investors (OMGI) to form one dedicated unit focused on multi-asset investment solutions.

Led by Ben Mountain (QC) and Anthony Gillham (OMGI), the unit comprises portfolio management, fund research, asset allocation and the Managed Portfolio Service. This 24-strong multi-asset investment solutions unit is one of the largest and most experienced multi-asset capabilities in the UK. With over 250 years of combined investment experience, the depth and breadth of talent and skills across these teams is unparalleled.

Intrinsic understand the importance of asset allocation, fund selection and portfolio construction. The fund portfolio is made up of a range of Institutional Funds, Electronic Trading Funds, Private Equity, Hedge and Commodities as well as Equities. Having established your appetite for, and attitude toward investment risk and volatility, I am pleased to recommend the Cirilium Moderate Fund for your pension investment.

A Multi Asset, Multi manager fund means that the fund manager invests in a diversified portfolio of different funds from around the market, which in turn invest in different assets in order to get the most return for the risk you are prepared to take. This means that there is no need to invest in more than one fund because that is what the Multi Manager is doing for you. The value to you can be diluted by using more than one of these funds as in that situation no single manager has overall responsibility for the portfolios objectives and you could have the two managers having conflicting approaches.

This fund has a risk profile that is consistent with your attitude to risk.

YOUR SOLUTION COSTS

The premium amount for both recommendations is a lump sum investment amount of £45,240.

SUPPORTING DOCUMENTATION

Please refer to the Illustration(s), Key Features Documentation and Fund Factsheets (where applicable) that I have provided you with. These documents contain important information including full details of the aims, your commitment, the charges and the risks of the product(s) recommended along with any relevant exclusions or limitations. Please ensure that you have read and understood these fully.

CANCELLATION RIGHTS

Please be advised that you have the right to cancel any policy within 30 days of the receipt of your policy documents.

Should you decide to cancel an investment policy within the cancellation period, depending upon market fluctuations you could receive back less than you invested.

PERIODIC CONTACT

It may be that we contact you at times other than those specified at outset for e.g. to draw your attention to investment matters or provide an update on current markets however we are not obliged to do so.

NEXT STEPS

I will continue to provide you with a personal service which includes the efficient processing of your plans, liaison with the product provider(s) as required and answering any further questions you may have with respect to my recommendations.

If you have any queries or questions about this report or if any of the information differs from your understanding of our discussions, then please let me know.

I look forward to speaking with you again in the future.

Yours sincerely,

Mr Andrew Adviser
Financial Planning Consultant
ABC Financial Planning Limited

APPENDIX 1 – ATTITUDE TO RISK DESCRIPTIONS.

Risk Averse

Risk Averse investors prefer knowing that their capital is safe rather than seeking higher returns. They are not comfortable with the thought of investing in the stock market and want to keep their money in the bank or other cash-based deposits.

Risk Averse investors typically have very limited knowledge of financial matters. They are unlikely to have experience of investment.

Risk Averse investors can take a long time to make up their mind on financial matters and will usually suffer from severe regret if their decisions turn out badly.

Risk Averse investors typically hold all of their money in cash deposits.

Risk attitude is only one factor in determining a suitable investment strategy. You must also consider your ability to withstand short term losses, and your need to take risk to achieve your financial goals

As a Risk Averse investor you need to be aware that your unwillingness to take risk with your money may mean that the value of your savings or investment does not keep pace with rises in the cost of living (inflation).

Conservative

In general, Conservative investors prefer knowing that their capital is safe rather than seeking higher returns. They are not particularly comfortable with the thought of investing in the stock market and would rather keep most of their money in lower risk assets. However, Conservative investors do not believe that all of their money should be invested in lower risk assets such as Cash or Fixed Income.

Conservative investors typically have fairly limited knowledge of financial matters and they are unlikely to have much experience of investment.

Conservative investors can take a relatively long time to make up their mind on financial matters and will usually suffer from regret if their decisions turn out badly.

Risk attitude is only one factor in determining a suitable investment strategy. You must also consider your ability to withstand short term losses, and your need to take risk to achieve your financial goals.

Balanced

In general, Balanced investors prefer not to take too much risk with their investments, but will do so to an extent. They tend to prefer lower risk assets, but realise riskier investments are likely to give better longer term returns. As a result, they realise that by taking a balanced level of risk the opportunity for increased returns is higher.

Balanced investors typically have moderate levels of knowledge about financial matters and they may have some experience of investment in riskier assets.

Balanced investors can take some time to make up their mind on financial matters and can suffer from regret when decisions turn out badly.

Risk attitude is only one factor in determining a suitable investment strategy. You must also consider your ability to withstand short term losses, and your need to take risk to achieve your financial goals.

Moderate

In general, Moderate investors understand that they have to take investment risk in order to be able to meet their long-term goals. They are likely to be willing to take risk with a high proportion of their available assets.

Moderate investors typically have a good level of knowledge about financial matters and they usually have some experience of investment, including investing in products containing higher risk assets such as equities

Moderate investors will usually be able to make up their minds on financial matters relatively quickly, but still suffer from some feelings of regret when their decisions turn out badly.

Risk attitude is only one factor in determining a suitable investment strategy. You must also consider your ability to withstand short term losses, and your need to take risk to achieve your financial goals.

Dynamic

In general, Dynamic investors are happy to take investment risk and understand this is crucial in terms of generating long-term return. They are willing to take risk with most of their available assets.

Dynamic investors typically have significant levels of financial knowledge and they will usually be experienced investors, who have used a range of investment products in the past that have contained high levels of Equity.

Dynamic investors will usually be able to make up their minds on financial matters quite quickly. While they can suffer from regret when their decisions turn out badly, they are able to accept that occasional poor returns are a necessary part of long-term investment.

Risk attitude is only one factor in determining a suitable investment strategy. You must also consider your ability to withstand short term losses, and your need to take risk to achieve your financial goals.

Adventurous

In general, Adventurous investors are looking for a high return on their capital and are willing to take considerable amounts of risk to achieve this. They are usually willing to take risk with all of their available assets.

Adventurous investors typically have high levels of financial knowledge and they often have substantial amounts of investment experience and may have been active in managing their investment arrangements.

Adventurous investors typically will make up their minds on financial matters quickly. They do not suffer from regret to any great extent and can accept occasional poor returns without much difficulty.

Risk attitude is only one factor in determining a suitable investment strategy. You must also consider your ability to withstand short term losses, and your need to take risk to achieve your financial goals