



A Guide to Hargreave Hale Portfolio Management Services

HARGREAVEHALE

contemporary thinking with traditional values

Need some help?

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What is Portfolio Management?

Portfolio Management is an investment service provided by professional portfolio managers to individuals, families, companies, and trustees.

To help achieve clients financial goals, the portfolio manager will gain all necessary and relevant information from the client in order to understand clients unique circumstances. It is vital that the portfolio manager determines the client's knowledge and experience of investing, their short term and long term expectations from the funds they invest and of course details of their current financial position.

By developing a relationship of trust and understanding, the portfolio manager is able to construct a tailored investment portfolio that is based on the client's individual requirements. The portfolio manager will then continuously manage the portfolio.

The level of portfolio management can vary depending on the client's investment knowledge, experience and how actively involved the client wishes to be in the management of their investments.

Risk Warning: Hargreave Hale services may not be suitable for everyone. Invested capital is at risk, before investing in the stock market, please bear in mind that the value of investments and the income generated from them can fall as well as rise. Investing in the stock market should be done for the medium or longer term, and should be a part of personal financial planning which may also involve considering levels of debt and cash resources as well as pension provision and tax planning.

The Hargreave Hale Discretionary Service

The Hargreave Hale Discretionary Service allows the client to entrust the day to day management of their investments to a professional portfolio manager. It is then the manager's duty to monitor the investments on the client's behalf, ensuring that the portfolio targets the client's objectives and keeps within the agreed risk tolerance.

The portfolio manager would be responsible for making all investment decisions within the client's investment framework and would consider all suitable asset classes (equities, bonds, property, fixed income and cash) when making these decisions so that the portfolio remains tailored to the client's requirements.

The client would receive portfolio valuations every six months, confirming any investment changes and corporate actions. Clients may view their portfolio valuation online at any time. Clients will receive contract notes confirming each transaction, clients can select to receive these by post or email.

To help simplify the annual tax issues, clients would receive a tax certificate showing dividends, interest received and the tax deducted.

One of the main advantages of the Discretionary service is that your portfolio manager would have the flexibility to make immediate changes to your portfolio, responding quickly to changing market

conditions. This mandate means your portfolio manager can ensure you benefit from investment opportunities as soon as they become available. We are also able to hold cash on deposit on behalf of clients which would facilitate prompt settlement of your transactions. Interest is paid on any cash balances.

For peace of mind, we store and protect clients' share and stock certificates, and other important ownership documents, making the settlement of transactions more efficient and timely.

The Hargreave Hale Investment Managed Service

The Hargreave Hale Investment Managed Service is ideal for clients who wish to retain overall control of the decisions and selections which affect their portfolio of investments. Although the client maintains control, the portfolio manager will actively monitor the investment landscape and consistently review a client's portfolio.

As the portfolio manager would not have the mandate to make decisions on behalf of the client, they would provide the client with investment advice on information provided by the client to help them stay on track to achieving their financial goals.

Every six months, the client will receive a portfolio valuation, confirming any investment changes and corporate actions. Like the Discretionary service,

clients may view their portfolio valuation online at any time and contract notes of each transaction could be sent by post or email.

To help simplify annual tax requirements, clients would receive a tax certificate showing dividends, interest received and the tax deducted.

Our nominee service also means that your important documents, such as share and stock certificates, are kept safe and secure to help make the settlement of transactions quick and simple.

We are also able to hold cash on deposit on behalf of clients for efficient settlement of transactions, paying interest on cash balances.

What types of portfolios are available?

Bespoke Portfolio

We like to design a portfolio that is tailored to that investor be it an individual, family, company or trustee.

As unique as the client, a Bespoke Portfolio is individually styled to meet the client's particular objectives. One of our qualified, experienced portfolio managers will help the client identify their investment needs, interests and concerns to manage a portfolio that is truly tailored for the client.

Factors which could influence an investment portfolio:

- The client's short term income requirements
- The client's long term investment expectations
- Ethical and sustainable investment
- The level of risk a client is prepared to take
- The client's understanding of stock markets and investment experience

If the portfolio manager is able to continuously learn all about your individual circumstances, then they will be able to create a Bespoke Service that adapts to your present and future needs.

The Bespoke Service is suitable for individual clients, families, companies and trusts.

Inheritance Tax Portfolio

As clients' assets develop progressively over time, pushing them over the exempt threshold, skilled Inheritance Tax (IHT) planning becomes more important to the success of investment portfolios.

We recognise that different clients need different solutions when it comes to Inheritance Tax planning. By discussing your personal circumstances (for example, establishing the scale of your assets, the range of beneficiaries and your understanding or appetite for risk) a portfolio manager will create and manage a suitable Inheritance Tax Portfolio.

A flexible way of mitigating IHT and maintaining access to capital is by holding assets which qualify for Business Property Relief. As long as these assets are held for at least two years then the value is not subject to Inheritance Tax.

Our skilled advisers will construct a portfolio of appropriate securities that will aim to achieve your personal investment goals and provide a legacy of which you can be proud.

Sector Allocation Portfolio

The Sector Allocation Portfolio invests in Exchange Traded Funds (ETFs), a low cost, highly liquid investment which offers exposure to a specific sector or index. By mirroring specific sectors and indices the portfolio components should move in line with the respective markets.

ETFs are an attractive method of gaining wide market exposure without investing directly in equities.

Clients can choose from three portfolios depending on their individual circumstances:

Income	Good income and potential for capital growth
Balanced	A mix of income and capital growth
Capital	Capital appreciation

All portfolios are managed on a discretionary basis, by our in-house team of experts, giving you peace of mind that someone is continually monitoring your investment.

The Sector Allocation Portfolios would suit clients looking for a diversified managed portfolio, as well as Trusts and offshore bonds.

Tax Disclaimer

This document is prepared in accordance with our understanding of current tax law (April 2012) and there are risks that tax legislation may be subject to change in the future. The tax treatment depends on the individual circumstances of each client.

What types of portfolios are available?

New High Portfolio

The New High Portfolio is an active portfolio management strategy which invests in companies whose share price has reached a 'new high' within a 52-week period.

The aim of this strategy is to provide a rationale for active portfolio management designed to produce capital growth whilst reducing the level of emotional judgement.

The focus is on simplicity, with the 52-week high rule providing the basis for investment. Highlighting a company as and when its share price hits its 52 week high should ensure that we consider stocks and sectors which are in line with market sentiment. This approach removes a significant element of the emotional judgement as to whether a particular stock or sector offers value.

This investment strategy is based on momentum, buying stocks as they are rising and selling as they are falling. The number of securities within the portfolio will change depending on performance.

We would expect each portfolio to hold between 20 and 100 stocks, although the size and number of holdings will be subject to change. This provides flexibility when "averaging up", an important tool when trying to achieve capital growth. With this in mind, we expect the minimum investment to be in the region of £150,000.

Multi Asset Portfolio

The Multi Asset Portfolio Service (MAPS) is a conservative multi-asset portfolio strategy structured to deliver progressive capital growth through allocations across the global investment universe.

An integral part of the Hargreave Hale fund management desk (overseen by the renowned fund manager, Giles Hargreave), the MAPS investment team harnesses the market leading micro views of the firm's fund managers and analysts and enhances this knowledge with a macroeconomic overlay to develop an integrated investment strategy. Although a discretionary service, the portfolios can be tailored to meet the needs of individual clients.

The investment approach is naturally conservative with capital preservation at its heart. MAPS has access to a broad set of investment opportunities and is free to operate across the global investment universe. The team has considerable flexibility when constructing the investment overlay as they seek to incorporate mid and long term investment themes to achieve an absolute return. The strategy and process has enabled the team to shelter clients from equity market volatility without compromising global investment opportunities in potential asset classes.

When allocating capital, the team assesses credit risk, counterparty risk, existing exposure, currency overlay, governance and liquidity. They can take direct or indirect exposure to underlying assets and implement active or passive investment strategies.

Small Trust Services

This is a service designed for portfolios of less than £50,000 which require exposure to the stock market. Investments are made in a range of specially selected investment funds rather than directly into shares as with regular portfolios.

Due to the size of the portfolio, the service is most beneficial to solicitors and other intermediaries who are trustees of small trusts. This service is also available to those clients who would like a portfolio of unit trusts as it could offer the diversity that a portfolio of direct equity investment could not achieve for a smaller amount of money, hence reducing investment risk.

What should I do next?

Opening an account with Hargreave Hale is an easy and friendly process. Our company philosophy and network of UK offices enables our account executives to access any of the services and expertise located in any of our other offices. Contact your nearest branch for further assistance.

Contact Hargreave Hale

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Investment Expertise | Professional Advice | Personal Service

Hargreave Hale Limited

www.hargreave-hale.co.uk

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Member of the London Stock Exchange
Member of the Alternative Investment Market
Member of the Plus Market

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