

## **Gilt Portfolio Service**

Fair Value Assessment & Target Market Information

November 2023

<b>Firm name</b>	Walker Crips Investment Management Limited
<b>Product / service name</b>	Gilt Portfolio Service

## Product/Service Information

This is a Model Portfolio Service (MPS) that mainly comprises Gilts, ranging from those that are longer dated, to some with shorter duration of around two years. The aim of this Gilt MPS is to provide customers with tax-efficient returns by investing in Gilts with approximately 2-year maturity, trading at large discounts to redemption values. Any profit realised upon redemption is exempt from both capital gains and income tax. Only the Gilt coupon amount is subject to tax.

This portfolio will be managed on a Discretionary basis, where the portfolio manager shall have discretion to make investment decisions that, in his/her opinion, may yield the best return for customers.

## Fair Value Assessment

This product has been subject to the firm's consumer duty due diligence process and has been reviewed and signed off by senior management as representing fair value to customers.

This is in light of the following assessments:

- Pricing Assessment
- Costing Analysis
- Benchmarking to peers: the firm has benchmarked the price paid for its Gilt Portfolio Service against the price of similar services charged by peer group firms. Walker Crips price is competitive for customers, commensurate with the benefits they receive, and we believe it provides fair value.
- Benefits of Product (which include, but are not limited to, the following):
  - Named Investment Manager
  - Weekly Newsletter and/or Podcast
  - Investment information via Social Media Channels
  - Customer Support
  - Client Portal
  - Communication Flexibility
  - Customer and third-party feedback, e.g. satisfaction survey
  - Robust complaints process
  - Annual Client Asset (CASS) audit by external accountants

## Summary

The Firm's overall fair value assessment is that customers in its positive target market receive a competitively priced service that provides customers with a range of benefits, as described above.

### Walker Crips Investment Management

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Walker Crips Investment Management Limited is authorised and regulated by the Financial Conduct Authority and is a member of the London Stock Exchange. Registered in England and Wales number 4774117.

## Target market

### Knowledge and experience:

- Investors who have limited knowledge and experience of investments
- Investors who have previous knowledge and experience of investments
- Experienced investors
- Higher rate taxpayers

### Financial situation/loss capacity:

- Customers with a minimum investment amount of £100,000.
- The service offers no capital guarantees and customers must have the ability to sustain capital loss in line with their risk profile.
- Customers must be comfortable that their investments may fall and rise in value over time. Customers must also have the ability to tolerate loss.

### Risk tolerance:

- The service offers 1 risk level: Low Risk.
- Customers must be comfortable with a minimal exposure to investment risk.
- The required risk must not exceed the customer's risk capacity (i.e. the risk the customer needs to take to achieve their chosen objectives must not exceed the risk the customer is able to take).

### Client objectives and specific needs:

- The service is designed for customers who require a lower risk model portfolio that aims for Capital appreciation (buying Gilts at a discount, and being paid in full at maturity) which also pays a small amount of income.
- The service offers both growth and income objectives, and combinations of each.
- Designed for customers who wish to invest for the short/medium to long term, ideally for a minimum term of 2 years.
- The service does not target, nor guarantee, any particular income level.

### Distribution approach:

- The Gilt Portfolio Service is distributed primarily via Walker Crips Investment Managers and external financial advisers.

## Types of customer for whom the product/service would not be suitable

### Knowledge and experience:

- This is a discretionary MPS service, and is available to prospective customers of all levels of knowledge and experience, as long as the investment manager or adviser has completed proper suitability assessment on the prospective customer.
- Customers seeking to make their own investment decisions.
- Wish to have an input in the construction of their investment portfolio.
- Are overseas residents where the firm does not have permission to provide financial services to customers in that jurisdiction, or reside in a jurisdiction that puts them outside of the firm's financial crime risk appetite.

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## Financial situation/loss capacity:

- Have no financial resilience, i.e. they do not have the financial ability to invest in a portfolio where there is a risk of loss, however small.
- Investors seeking full capital protection or without the ability to sustain capital losses.
- Investors who are uncomfortable with investments falling and rising in value over time.

## Risk tolerance:

- Are risk averse, i.e. will not accept any capital loss. All investments have different risk exposures and there is no option for customers who want investments with 'no risk'.
- Require very high risk, willing to lose all of their invested capital in high risk instruments, or wanting to use leveraged instruments to seek greater returns.

## Client objectives and specific needs:

- Require an Environmental, Social and Governance (ESG) compliant portfolio.
- Investors who require CGT Management.
- Investors who have cherished holdings and require them to be in the same portfolio.
- Investors with a short investment time horizon of less than 2 years.
- Investors who require a guaranteed rate of return or a capital preservation objective.
- Customers who wish for income to accumulate.
- Are seeking advice on investment decisions before proceeding. This service gives the Investment Manager discretion to make investment decisions on the customers' behalf based on their investment risk and objectives.

## Distribution approach:

- This service is managed by an investment manager who has the discretion to make investment decisions for the portfolio, with oversight by the firm's Investment Oversight Committee (IOC). It does not allow for customer directed investments. These are covered by our other services, like Advisory and Execution Only services.

## Other information which may be relevant to distributors

This assessment will be subject to a formal annual review and ongoing monitoring against performance data and other measurable management information.

Date Fair Value assessment completed	01 November 2023
Expected date of next assessment	31 October 2024

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