



Master Portfolio Service

Access a range of collective funds

Investec Wealth & Investment's Master Portfolio Service (MPS) is designed to offer you the benefits of diversity and simplicity that come from investing in collective funds, rather than individual shares. MPS is a discretionary investment management service, whereby we help you to choose from a range of six defined model portfolios: High Growth, Growth, Balanced, Income, Cautious and Defensive.

Each model contains a wide range of unit trusts, investment trusts and OEICs (open-ended investment companies – which are similar to unit trusts). These funds are combined to reflect different requirements and provide our clients with a diversified exposure to the global financial markets, across the main asset classes (eg. equities/bonds/property).

We have substantial research resources and are completely unbiased in our selection of funds. All of our clients benefit from institutional style rates that lower initial and ongoing rates, wherever possible. Many of these terms are not available directly or in other formats. Importantly, you will also continue to receive a high level of personal service and one-to-one contact, which remains central to our firm's philosophy.

MPS also has access to a wide range of offshore funds, which now match funds in the onshore UK market for breadth of investment choice. We monitor the composition of these funds in a similar fashion and will invest as appropriate.

Aiming for best returns on a risk aware basis

The Master Portfolio Service is managed by a dedicated investment team with over 50 years' experience.

Our investment managers work closely with our research department to make decisions about blending fund selection and asset allocation for each model portfolio. Throughout, our objective is to seek appropriate risk adjusted, 'real returns' for our clients. We often find ourselves reluctant to follow industry trends and fashions; accordingly, we would describe the service as benchmark aware rather than benchmark driven.

MPS is a discretionary service that is segregated and not utilised, meaning that the investor owns the underlying units in each fund. This gives you, the client, a greater feeling of involvement and ownership of the funds concerned.

We also make all the administration as simple and clear as possible. You will receive a composite tax voucher at the end of the tax year, and a quarterly valuation and portfolio review. For those wishing to follow matters more regularly, valuation and dealing history can be obtained on a daily basis through our online portfolio service.

Investors should remember that the value of investments, and the income from them, can go down as well as up and that you may not get back the capital that you invest.

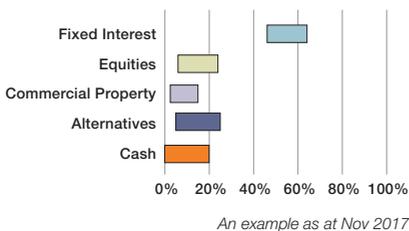
Key choices – your six Master Portfolio options

To help smooth out the effects of short-term market volatility, we design all our portfolios for the medium to long term – as with most stock market orientated investments we would expect the portfolios to be typically held for a minimum of three years (although cash proceeds can be withdrawn at any stage). All portfolios are suitable for investors prepared to accept some risk, however, this will vary. **Greater detail can be found in our Managing Your Investments (MYI) brochure and this document should be read in conjunction with MYI.**

		Risk				
		Low	Low/Medium	Medium	Medium/High	High
Investment Objective	Income			Income		
	Balanced	Defensive	Cautious	Balanced		
	Growth				Growth	High Growth

The Defensive Portfolio

This portfolio is designed for clients where capital preservation and modest levels of risk taking are important. Asset classes such as Government Bonds and Investment Grade Corporate Bonds will be very prominent. Exposure to 'risk assets' such as equities will be relatively small. Other asset classes, such as commercial property, hedge funds and infrastructure funds may be used to diversify and lower risk/volatility. Capital preservation and absolute returns are important but cannot be guaranteed. This approach might also be suitable for investors with shorter time horizons i.e. less than 5 years.



Long term strategy - CPI+1%

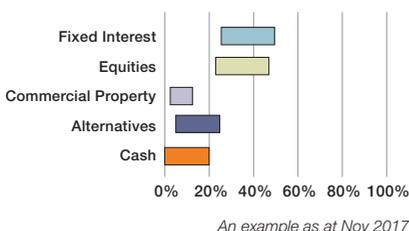
Peer Group - ARC Cautious

SAA Benchmark

Fixed Interest	
• Government	15.0%
• Index Linked	10.0%
• Corporate	30.0%
UK Equities	7.5%
Overseas Equities	7.5%
Commercial Property	10.0%
Alternatives	15.0%
Cash	5.0%

The Cautious Portfolio

This portfolio is designed with a degree of emphasis on capital preservation (though this cannot be wholly guaranteed). Typically, the portfolio has a decent proportion of its assets in government and investment grade corporate bonds to reduce levels of volatility. Other asset classes, such as equities, commercial property and hedge funds (the latter two might well be less prominent) are used when appropriate to diversify risk and volatility (which is expected to be lower than average). This approach might be suitable for investors with a time horizon of more than three years.



Long term strategy - CPI+2%

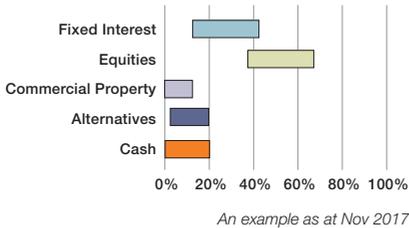
Peer Group - ARC Balanced

SAA Benchmark

Fixed Interest	
• Government	12.0%
• Index Linked	8.0%
• Corporate	17.5%
UK Equities	17.5%
Overseas Equities	17.5%
Commercial Property	7.5%
Alternatives	15.0%
Cash	5.0%

The Income Portfolio

This is designed to deliver a reasonable level of income without taking excessive risk. The income portfolio consists of a diversified combination of investment vehicles and asset classes, with bond funds typically prominent. These positions are well supported by other asset classes such as equities and other alternatives such as commercial property, when appropriate. This portfolio might be suitable for investors with a minimum investment period of five years.



Long term strategy - CPI+2.5%

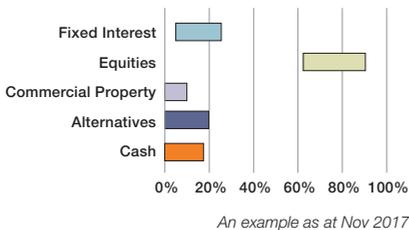
Peer Group - ARC Balanced

SAA Benchmark

Fixed Interest	
• Government	9.0%
• Index Linked	6.0%
• Corporate	12.5%
UK Equities	27.5%
Overseas Equities	25.0%
Commercial Property	5.0%
Alternatives	10.0%
Cash	5.0%

The Growth Portfolio

This is designed for clients looking for capital growth, it invests in a selection of funds focusing on both UK and international markets. Typically, the portfolio has a dominant weighting in equity markets but includes other asset classes such as bonds, hedge funds and commercial property, when appropriate. The higher equity content means that this portfolio might be suitable for the long-term investor, with a minimum investment period of five years.



Long term strategy - CPI+3.0%

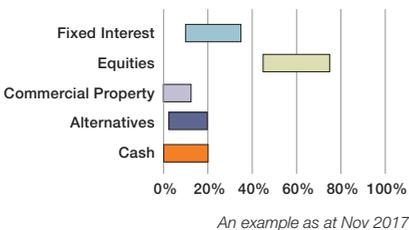
Peer Group - ARC Equity Risk

SAA Benchmark

Fixed Interest	
• Government	3.0%
• Index Linked	2.0%
• Corporate	2.5%
UK Equities	35.0%
Overseas Equities	45.0%
Commercial Property	2.5%
Alternatives	7.5%
Cash	2.5%

The Balanced Portfolio

This is designed for clients looking for a blend of capital growth combined with a reasonable degree of income. It invests in a blend of domestic and international asset classes, particularly equities and bonds. These may be supported by other asset classes such as commercial property and hedge funds, when appropriate. The higher equity content means that this portfolio might be suitable for the longer-term investor, with a minimum investment period of five years.



Long term strategy - CPI+2.5%

Peer Group - ARC Steady Growth

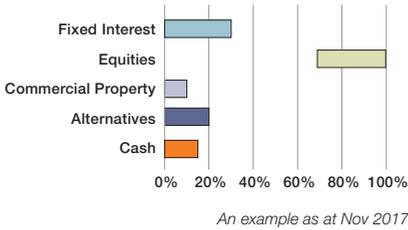
SAA Benchmark

Fixed Interest	
• Government	7.5%
• Index Linked	5.0%
• Corporate	7.5%
UK Equities	30.0%
Overseas Equities	30.0%
Commercial Property	5.0%
Alternatives	10.0%
Cash	5.0%

Again, as with stock market investments, the value of portfolios and the level of dividend income from them may fall as well as rise, and you may not get back the amount originally invested.

The High Growth Portfolio

This portfolio is typically for the more adventurous clients who can accept elevated risk/volatility in the search for capital growth. Their portfolio is likely to be dominated by exposure to the equity markets and will include exposure to higher risk areas such as emerging markets and smaller company funds. This portfolio is only suitable for those prepared to invest for the long-term typically a minimum of seven years.



Long term strategy - CPI+3.5%

Peer Group - ARC Equity Risk

SAA Benchmark

Fixed Interest	Percentage
• Government	3.0%
• Index Linked	2.0%
• Corporate	5.0%
UK Equities	35.0%
Overseas Equities	55.0%
Commercial Property	0.0%
Alternatives	0.0%
Cash	0.0%

Flexible methods to hold your portfolio

MPS is available in a variety of formats and tax shelters. Additionally, it may be used to consolidate your other directly held investments for easier management.

Pension Portfolios

We can incorporate your Master Portfolio in a Self Invested Personal Pension (SIPP). This can be either an existing plan, or one that we set up for you. We offer a full SIPP administration service – simply ask us for details.

Offshore Portfolios

If you wish to hold your investments outside of the UK, you may be interested in our offshore nominee service. This may involve purchasing units in offshore funds where appropriate.

ISAs

You can transfer your existing ISAs into your Master Portfolio, while retaining full tax advantages. This delivers the benefits of simple administration, and consolidating your full investment portfolio within one report. Please request our ISA Service leaflet if you would like further information.

Benchmark represented by:

Fixed Interest	
Government Stock 5/15 Years	BofA Merrill Lynch UK Gilts 5-15 years
Government Index Linked 1/10 Years	BofA Merrill Lynch UK Inflation Linked Gilts 1-10 years
Corporate Credit	BofA Merrill Lynch Sterling Corporate Bond Index
Equity	
UK Equities	MSCI United Kingdom IMI
Overseas Equities	MSCI All Country World Ex UK
Other	
Property	MSCI Liquid Real Estate
Alternatives	IW&I Alternatives Benchmark
Cash	Base Rate - 0.5%
Alternatives	
37.50%	BofA Merrill Lynch Sterling Corporate Bond Index
37.50%	MSCI United Kingdom IMI
25.00%	Base rate – 0.5%

Retail Distribution Review

As of the 31st December 2012, the FCA requires all advisers to ensure that clients are aware of the type of advice that they are receiving. The new regulatory framework has identified a range of investment products that will be covered called "Retail Investment Products" (or "RIPs"). If the adviser chooses to specialise in a particular area or is tied to a specific product provider and cannot advise on all RIPs, then the advice given will be 'restricted' not 'independent'.

At Investec Wealth and Investment we are able to offer both 'independent' and 'restricted' advice services.

We have decided that the 'restricted' route is most suitable for the investment management services which we provide to you. This is because our investment managers specialise in these services and do not provide advice on all RIPs e.g. life policies. We can also offer our 'independent' Financial Planning service, which can consider all RIPs which may be suitable for you, beyond the specialist area of Investment Management.

Please contact for further information



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Out of the Ordinary