

**KSAM has concluded that its Bespoke portfolios provide fair value to its clients**

**Background**

King & Shaxson Asset Management Limited (“KSAM”) offers a range of discretionary managed portfolios to its clients. The Consumer Duty requirements of the FCA require manufacturers of products to undertake an assessment of whether or not a product provides fair value to the customer. The purpose of this summary is to inform potential distributors of our value assessment process and the result.

**Product**

Bespoke discretionary portfolio (“Bespoke”).

**Overall Assessment**

**KSAM has concluded that its Bespoke offering provides fair value to its customers**

**Nature of the product**

KSAM’s Bespoke offering provides a portfolio which is invested in direct equities, bonds, REITS, funds and other securities on behalf of the client. The purpose of the product is to allow customers to select an investment service that is tailored to their ethical needs while also providing investment returns over the long term (10 years). This is achieved through active management of the portfolios, while providing an ethical screen to filter out unethical investments (known as a negative ethical screen) that clients do not wish to be invested in. Additionally, the Bespoke product will actively seek out impact investments (known as a positive ethical screen) which will align with the ethical preferences of its clients.

The benefit to the client is a precise ethical screen to the client’s set preferences, both positive and negative. Being fully bespoke the portfolio it is able to cater to specific investment and personal requirements for the client (and their wider family or charitable objectives). The active management will also include CGT allowance, ISA allowances, SIPPS, Trust and intergenerational into consideration. The service is personal to the client.

**Limitations of the product**

Whilst bespoke portfolios are personal and tailored to the clients, KSAMs expertise is in ESG and Impact investing, we do not seek clients without an ethical preference. Given the highly personalised nature of the service and the custody and use of wraps there is a higher basic price, this product will be more expensive and therefore not necessarily suitable for smaller clients.

**Expected Total Price**

The price of a product is required to be assessed with respect to the “expected total price” to be paid by a retail customer. We have assessed all the costs of MPS which are detailed below:

Type of charge applied	Definition
<b>Annual Management Charge (“AMC”)</b>	This is our annual management fee for providing the discretionary management service.
<b>Dealing charges</b>	This is the fee charged by the firm when undertaking investment on behalf of the client.
<b>Ongoing Charges Figures (“OCF”)</b>	Whilst consisting of mainly direct investments, the portfolio may include certain funds such as Microfinance and some specialist investment trusts. OCF is the ongoing management charges levied by

	the manager of each fund invested in and related to their costs of running the fund.
<b>Transactional costs</b>	Transactional costs are costs incurred by the underlying funds when undertaking transactions.
<b>Platform fee</b>	Pershing Securities Limited, as the custodian and administrator, will charge fees. However, these fees are levied on KSAM as opposed to the client, and are included in our management fee. There are no additional costs to the client.
<b>Adviser fee</b>	As an advised product, our Bespoke portfolios will also attract an adviser fee.

With respect to each of the above charges, the only ones in our control are the AMC, which is between 0.30% and 0.75% excluding VAT, as well as our dealing charges. Combining our fees, the expected total price of the product to the end client will be in the region of 0.4% to 1.75% per annum. Whilst this appears a wide range, the lower end occurs for money market portfolio, the multi asset portfolios will more likely range from 1.1% to 1.5% and smaller portfolios will incur a higher percentage charge.

We have reviewed various alternative providers for comparable products and our AMC is in line with market rates for bespoke portfolios. This is reflective of the costs incurred by the firm in manufacturing and maintaining the product, particularly with respect to the highly personalised nature of both the investment and ethical criteria. Our research showed that there were no comparable products that were priced significantly lower than ourselves.

#### Clients with vulnerable characteristics

This service is tailored to clients and covers a range of risk appetites, investments can range from low-risk money market investments through to high-risk AIM investments depending on the investment and ethical criteria determined by the clients and their advisor. As our distribution strategy requires an investment adviser, we would work with the adviser to achieve good outcomes for any vulnerable clients. This may include switching to a lower risk bespoke portfolio which better caters for the client's needs, providing additional literature or providing additional assistance to the adviser where possible.

## Company Information

King & Shaxson Asset Management Limited (Reg. No. 3870667) has its registered office at 155 Fenchurch Street, London, EC3M 6AL. The Company is registered in England and Wales and is part of the PhillipCapital Group. King & Shaxson Asset Management Limited (FCA Reg. No. 823315) is authorised and regulated by the Financial Conduct Authority, 12 Endeavour Square, London, E20 1JN.

## Disclaimer

Please remember that the value of investments and the income arising from them may fall as well as rise and is not guaranteed. You may not get back the amount invested, especially in the early years.

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