



Mountbatten Portfolios

INVESTMENT MANDATE



The portfolios are aimed to attach itself to the higher growth potential of carefully selected growth stocks with superior long term prospects, and the predictability of retail bonds investing in asset backed lending, a £200bn investment market. Funds are then chosen to ensure diversification – a proven approach to risk management.

The portfolios will be cross correlated with the investors personal risk objectives to ensure suitability. Macro factors such as the UK economy for growth, relative

performance of asset classes, and views on global future returns are taken into account alongside more personal factors such as risk tolerance, degree of acceptance of short term volatility and investment horizon. This is primarily expressed through forward looking asset allocation models.

The portfolios seeks to take advantage of both concentrating investments and the performance characteristics of the following asset classes:

FUND HOLDINGS

Some exposure to the main investment markets is desirable, notwithstanding its inherent and often illogical volatility. This is best achieved through funds demonstrating low volatility.

Most collective investments schemes (funds) will invest in a broad range of investment instruments from individual stocks and shares from a very wide range of indices and jurisdictions to various types of securitised debt of varying degrees of risk such as Government debt (Gilts) and Corporate Bonds. We try to get straight to the actual investment instruments to avoid paying any additional fund managers fees.

LISTED CORPORATE DEBT

Bonds offer predictability of return, capital preservation and regular income payments. Most corporate bond issues are aimed at institutional investors like pension funds so offer long term stability and liquidity. Bonds are also an attractive way to secure exposure to commercial property development projects or invest in companies with strong covenants derived from tangible asset backed security.

AIM INVESTMENTS (ALTERNATIVE INVESTMENT MARKET)

The Alternative Investment Market is the World's most successful growth market, managed by the London Stock Exchange. Companies listed include those at early stage, those that are venture capital backed right up to those companies seeking an IPO, or well established and well known companies.

ISDX GROWTH MARKET (ICAP SECURITIES AND DERIVATIVES EXCHANGE)

The Portfolio will also seek to take advantage of the potential for growth in fast developing companies through preference shares – equity investment with a priority call on the company's profits and often with the rights to convert to ordinary equity. This is an attractive way to gain exposure to high growth opportunities whilst managing downside risk.



HOW WE BUILD YOUR INVESTMENT PORTFOLIOS

The portfolios are constructed to take an overall view of risk when taken as a whole. There is a focus on secured asset backed lending and identifying the "sweet spot" of investment to capture the growth phase of a business. This is widely accepted to be before a full main market listing (known as an "IPO").

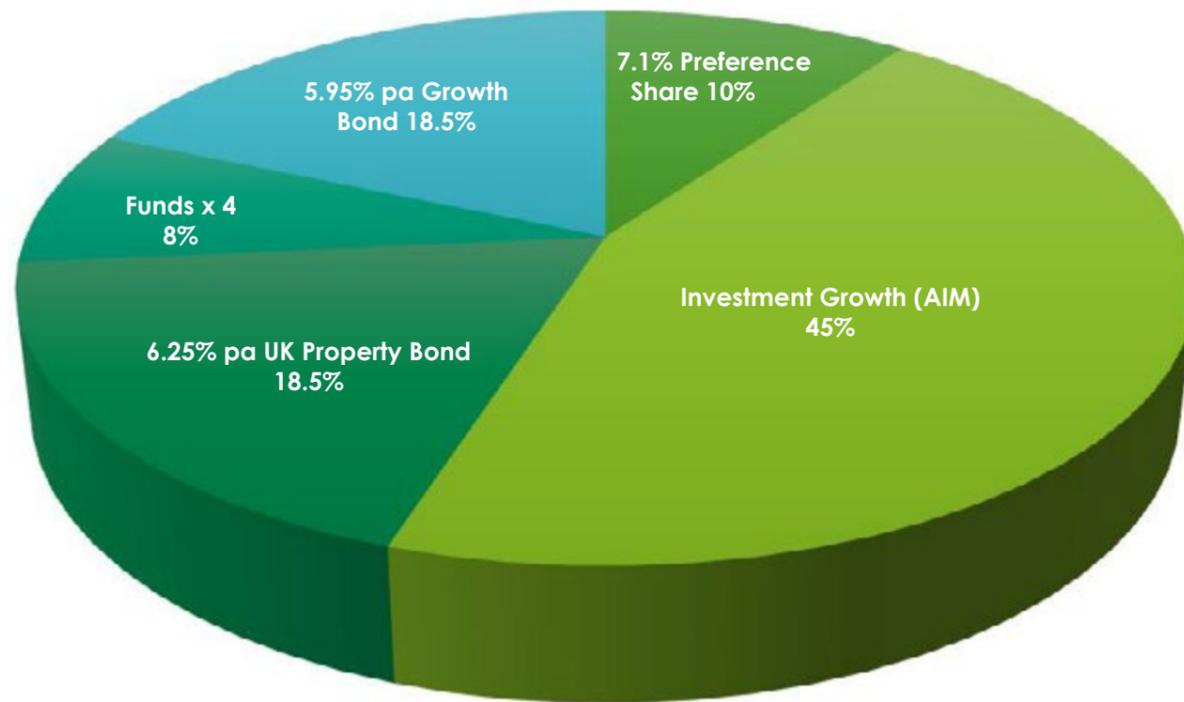
This fact sheet is based on central model portfolios. Where the portfolio is replicated, e.g. through a platform, there may be variances in the portfolio content and investment performance due to timing of executing investment or portfolio composition due to restrictions specific to that platform.

KEY FEATURES

- Risk rated investment portfolios are tailored to personal circumstances
- Investment in the £200bn asset backed lending sector
- Focus on the higher growth potential of selected companies listed on the Alternative Investment Market (AIM)
- Easy to understand fundamentals based investments – to reduce impact of irrational and highly volatile stock-market
- Better alternative to just "funds"
- Focus on superior service



HIGH GROWTH PORTFOLIO



ONE YEAR TARGET RETURN 7.35%*

*This is classed as a medium high risk portfolio with a "risk score" of 7.5 out of 10

Note: The Bond and Preference shares are redeemed at par value in 2020. The current fundholdings have an income focus and include Artemis High Income, Jupiter Strategic Bond, Kames Capital Investment Grade Bond and M&G Strategic Bond funds.

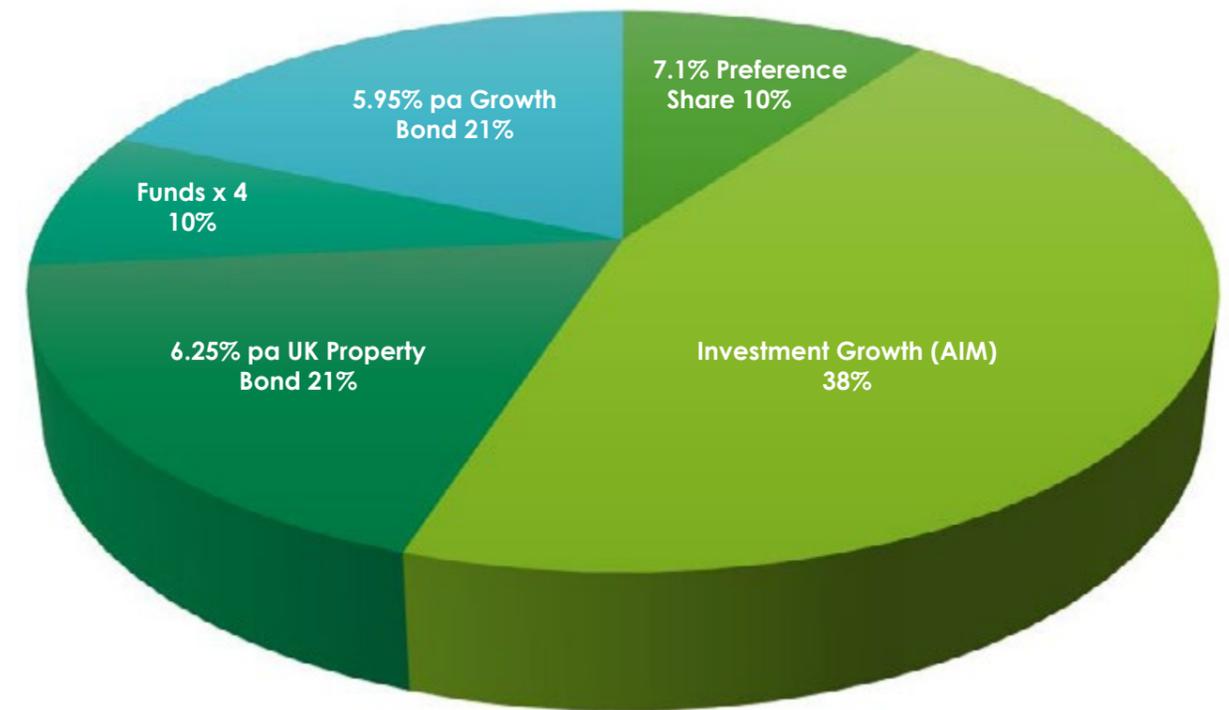
TARGET RETURNS

In assessing allocation of assets within the portfolio a view has been taken as to how the various asset classes will realistically perform over a 3 year rolling period based on our view of the markets. These target returns are as follows:

Asset Class	Target Return	Assumption
Growth Company	8.50% per annum	An "earnings per share" target
Fund Holdings	7.00% per annum	Based on 3 year IMA Strategic Bond Sector
UK Property Bond	6.25% per annum	Contractual Bond Coupon, asset backed
Growth Bond	5.95% per annum	Contractual Bond Coupon, asset backed
Preference Share	7.10% per annum	Contractual Dividend

*Based on these assumptions and the allocation of the portfolio shown in the pie chart, the annual benchmark return of the portfolio is **7.35%**

GROWTH PORTFOLIO



ONE YEAR TARGET RETURN 7.20%*

*This is classed as a medium risk portfolio with a "risk score" of 6 out of 10

Note: The Bond and Preference shares are redeemed at par value in 2020. The current fundholdings have an income focus and include Artemis High Income, Jupiter Strategic Bond, Kames Capital Investment Grade Bond and M&G Strategic Bond funds.

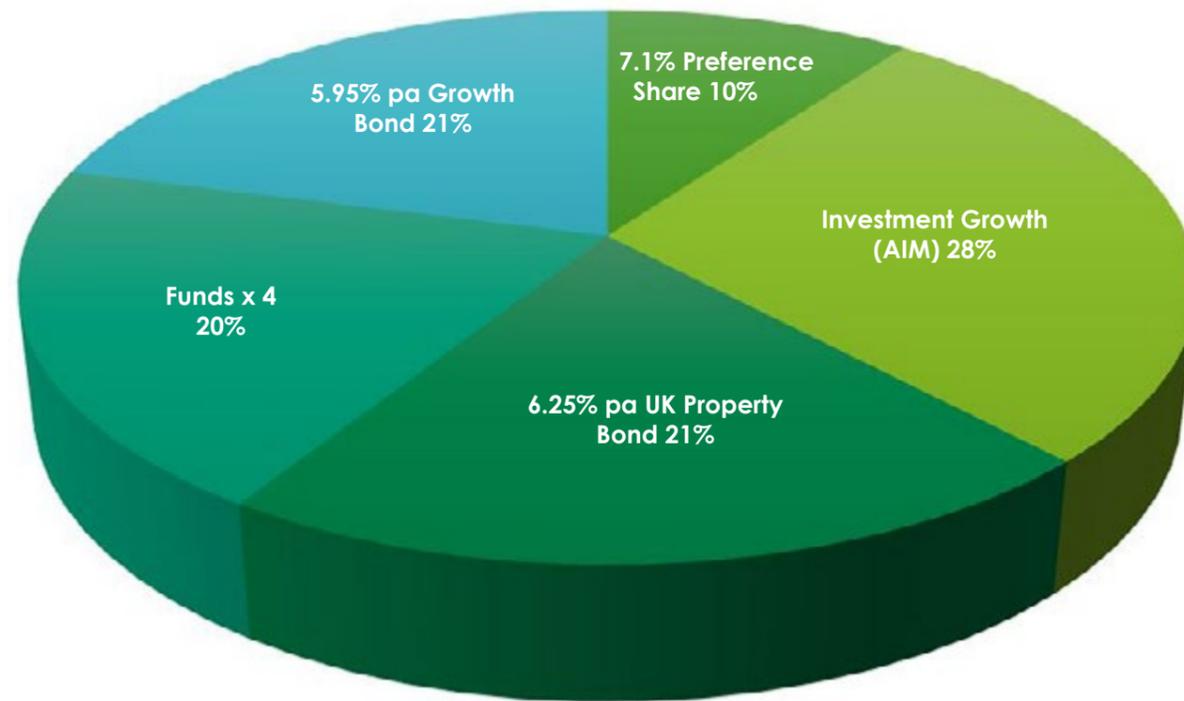
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Growth Bond	5.95% per annum	Contractual Bond Coupon, asset backed
Preference Share	7.10% per annum	Contractual Dividend

*Based on these assumptions and the allocation of the portfolio shown in the pie chart, the annual benchmark return of the portfolio is **7.20%**

BALANCED PORTFOLIO



ONE YEAR TARGET RETURN 7.05%*

*This is classed as a low medium risk portfolio with a "risk score" of 5 out of 10

Note: The Bond and Preference shares are redeemed at par value in 2020. The current fundholdings have an income focus and include Artemis High Income, Jupiter Strategic Bond, Kames Capital Investment Grade Bond and M&G Strategic Bond funds.

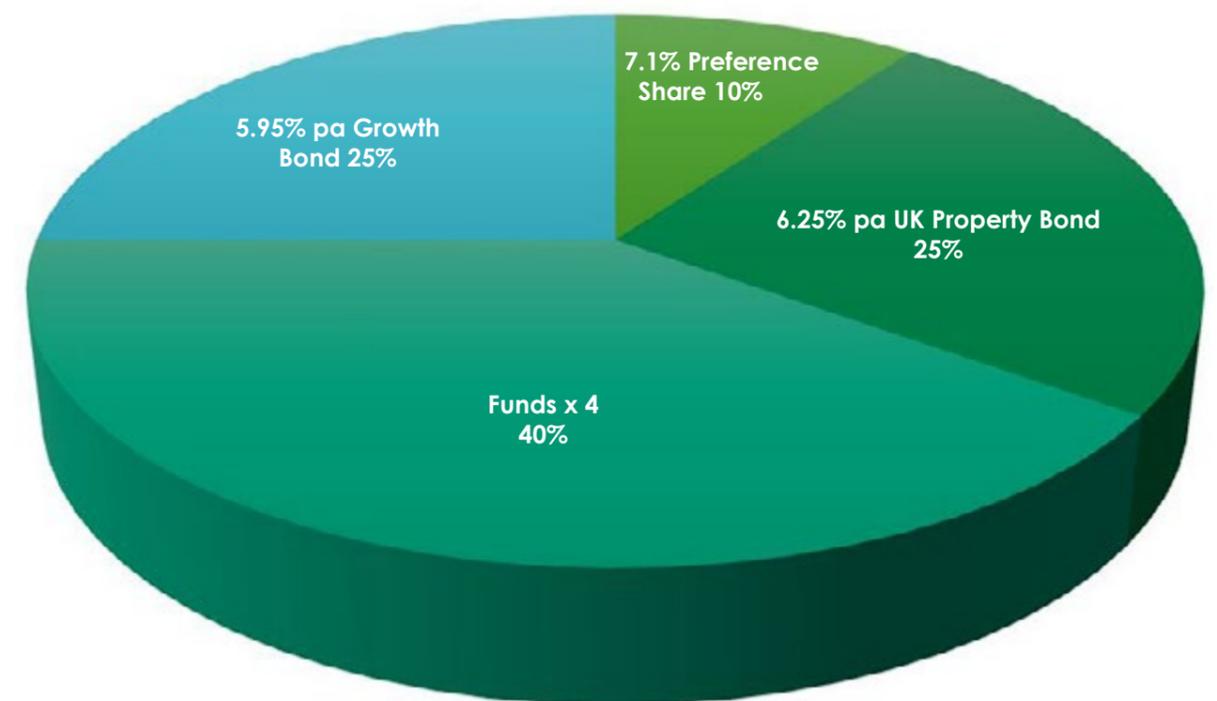
TARGET RETURNS

In assessing allocation of assets within the portfolio a view has been taken as to how the various asset classes will realistically perform over a 3 year rolling period based on our view of the markets. These target returns are as follows:

Asset Class	Target Return	Assumption
AIMS Stock	8.50% per annum	An "earnings per share" target
Fund Holdings	7.00% per annum	Based on 3 year IMA Strategic Bond Sector
UK Property Bond	6.25% per annum	Contractual Bond Coupon, asset backed
Growth Bond	5.95% per annum	Contractual Bond Coupon, asset backed
Preference Share	7.10% per annum	Contractual Dividend

*Based on these assumptions and the allocation of the portfolio shown in the pie chart, the annual benchmark return of the portfolio is **7.05%**

CAUTIOUS PORTFOLIO



ONE YEAR TARGET RETURN 6.56%*

*This is classed as a low risk portfolio with a "risk score" of 3 out of 10

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TARGET RETURNS

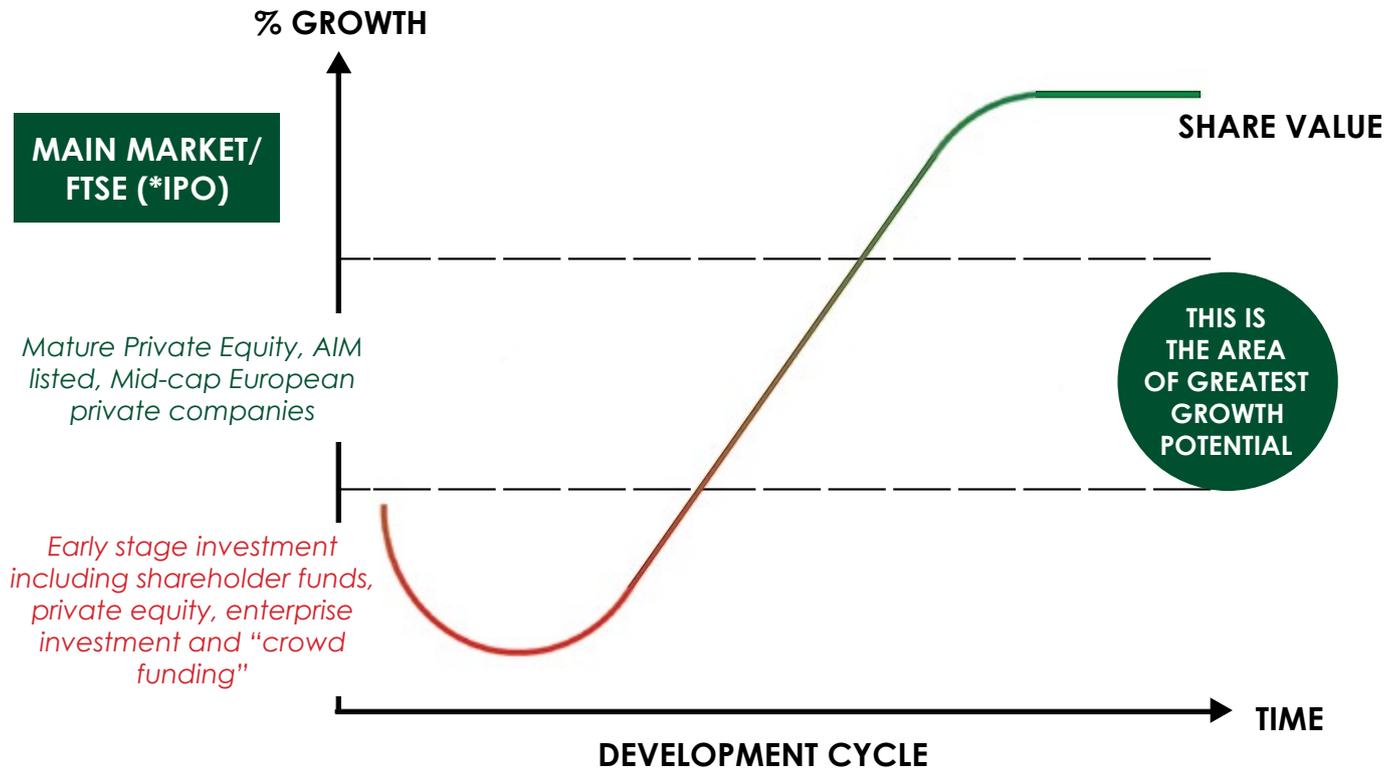
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Asset Class	Target Return	Assumption
Fund Holdings	7.00% per annum	Based on 3 year IMA Strategic Bond Sector
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Growth Bond	5.95% per annum	Contractual Bond Coupon, asset backed
Preference Share	7.10% per annum	Contractual Dividend

*Based on these assumptions and the allocation of the portfolio shown in the pie chart, the annual benchmark return of the portfolio is **6.56%**

J-CURVE DIAGRAM

The typical growth curve of a company share (equity) can be demonstrated by what is known as the J-curve



*NOTE: 'IPO' means Initial Public Offering - the point at which a company is floated on the main stock market



FOR MORE INFORMATION PLEASE CONTACT YOUR FINANCIAL ADVISER. Please note that past performance is not necessarily a guide to the future and investors may not get back the amount originally invested as the value of any investment and the income from it is not guaranteed. The information in this document is not intended to provide the basis for any investment advice or recommendations.