

# QED FINANCIAL ASSOCIATES MANAGED PORTFOLIO SERVICE



**QED FINANCIAL ASSOCIATES**  
INDEPENDENT FINANCIAL ADVISERS



**QUILTER CHEVIOT**  
INVESTMENT MANAGEMENT





**QED FINANCIAL ASSOCIATES**  
INDEPENDENT FINANCIAL ADVISERS

---

#### EXPERIENCED

Our team has decades of experience

#### INDEPENDENT

We're not tied to any company so we can offer truly impartial advice

#### HONEST

We clearly explain your options whilst taking great care and consideration

#### PERSONAL

No financial situation is the same and we offer unique and tailored advice



Wayne Harper and Mark Sanderson



## Honest and independent investment advice.

Choosing a savings or investment vehicle can be daunting and confusing to say the least. At QED Financial Associates Ltd we aim to make this process easy and as simple as possible.

## THE QED FINANCIAL ASSOCIATES MANAGED PORTFOLIO SERVICE IN PARTNERSHIP WITH QUILTER CHEVIOT

**The QED Financial Associates Managed Portfolio Service (MPS) in partnership with Quilter Cheviot is a model based discretionary management service investing exclusively in collective investments (“funds”). The service provides clients of QED Financial Associates with a straightforward, cost-effective way to benefit from Quilter Cheviot’s investment expertise and resources.**

The service offers a broad range of strategies to choose from, each actively managed and designed to deliver a different investment objective. Operating within a defined risk framework, Quilter Cheviot’s experienced investment and research teams seek to analyse markets, identify future trends and position the portfolios to best exploit them. At the same time, the service remains cognisant of controlling cost, with each portfolio strategy incorporating the minimum allocation to index-tracking funds agreed with QED Financial Associates.

## THE QUILTER CHEVIOT EXECUTIVE TEAM



Andrew has over 25 years' experience in investment management having worked at Quilter Cheviot for his entire career, beginning at Quilter Goodison in 1994 as a Trainee Investment Manager. He worked his way up through the private client department before becoming joint head of the newly merged Quilter and Cheviot London front offices in late 2013. Prior to becoming Chief Executive Officer, Andrew served as Managing Director of Quilter Cheviot. Andrew is a Chartered Fellow of the Chartered Institute for Securities and Investments

**ANDREW MCGLONE**  
**CHIEF EXECUTIVE OFFICER**



Nick's primary role is to help ensure Quilter Cheviot continues to grow by seeking out new opportunities to provide the services that our Clients and supporting Financial Advisers want, whilst helping to ensure at all time we are "easy to do business with", improving the experience of using Quilter Cheviot for the end user. To do this, he works with the Business Development, Managed Portfolio Service ("MPS") and Middle Office teams, whilst also sitting on the Executive Committee, supporting the Chief Executive. Nick joined Quilter Cheviot in August 2019, having previously spent 22 years at Brooks Macdonald Group Plc, where he joined as a Trainee Investment Manager in 1996, ultimately serving as Managing Director of the Investment Management business, and sitting on the Board.

**NICK HOLMES**  
**MANAGING DIRECTOR INVESTMENT MANAGEMENT**



Paul was appointed Chief Financial & Operating Officer (CFO) in December 2019, having previously held the role of Head of Operations since 2013. He is a qualified chartered certified accountant with more than 20 years' experience as a finance professional working in the financial services sector. He joined Quilter Cheviot in 2013 following the merger of Quilter & Co with Cheviot Asset Management, where he was one of the founding partners with responsibility for Finance, IT & Operations. Prior to that he worked in senior operational and finance roles at UBS Wealth Management and also Laing & Cruickshank Investment Management

**PAUL BARNACLE**  
**CHIEF FINANCIAL OFFICER**



Michelle has over 30 years' financial services experience and have held several key commercial roles at Quilter including positions across international distribution, UK and international product development, and marketing. Prior to this role, Michelle was Chief Marketing Officer for Quilter and a member of Quilter plc Executive Committee. She has significant Board experience across advice, platform, asset management and wealth management

**MICHELLE ANDREWS**  
**MANAGING DIRECTOR ADVICE**

## QUILTER CHEVIOT INVESTMENT OVERSIGHT AND RESEARCH: KEY PERSONNEL



Duncan joined our organisation from Barclays in 1987 and became chief investment officer with overall responsibility for the firm's investment strategy in 1998. He chairs our investment group and Asset Allocation Committee. He is an Associate of the Chartered Institute of Banking, and a Chartered Fellow of the Chartered Institute for Securities and Investment (Chartered FCSI)

**DUNCAN GWYTHER**  
**CHIEF INVESTMENT OFFICER**



Alan is responsible for global equity strategy. He chairs our UK and International Stock Selection Committees and sits on our Asset Allocation and Investment Funds Committees. Prior to Quilter Cheviot, Alan was a founding partner of Cheviot Asset Management, where he was chief investment officer. Previously he worked for Laing & Cruickshank Investment Management and Credit Suisse Asset Management as senior strategist. This followed on from a 12-year career as an institutional fund manager. Alan graduated with an honours degree in Economics from Heriot-Watt University.

**ALAN MCINTOSH**  
**CHIEF INVESTMENT STRATEGIST**



Chris is Head of Research at Quilter Cheviot with particular responsibility for the Equity Research team. Chris graduated with an Honours degree in Managerial Studies from Aston University in 1992. He completed a Master's degree in International Securities, Investment and Banking from the ICMA Centre, Reading University and began his career in the city. Before joining the company in 2008 Chris was an equity analyst at United Assurance and a fund manager at CCLA Investment Management and Guardian Royal Exchange. He has experience of managing investment portfolios for charities and pension funds. He is a CFA Charterholder.

**CHRIS BECKETT**  
**HEAD OF RESEARCH**



Nick heads up the Investment Fund Research team at Quilter Cheviot, which has dual responsibilities for both Quilter Cheviot and Quilter Investors. The role of the team is to find best of breed collective investments to populate our clients' portfolios, and carry out on-going assessment on those in which we are currently invested. Nick spent the first 10 years of his career at Capital Group, the US asset manager, working as a quantitative analyst within the investment team. He subsequently spent 5 years at investment consultancy Stamford Associates within the Fund Research team.

**NICK WOOD**  
**HEAD OF INVESTMENT FUND RESEARCH**

## THE QUILTER CHEVIOT MANAGED PORTFOLIO SERVICE INVESTMENT TEAM

The Quilter Cheviot Managed Portfolio Service (MPS) team has a 20-year track record of delivering successful client outcomes, and a proud reputation for innovative partnership with financial advisers.

The team is based in Quilter Cheviot's London Head Office, comprising a dedicated Investment Management capability that sits at the heart of the Quilter Cheviot investment process as well as Platform & Services specialists focused on ensuring the smooth running of the infrastructure of our service.

**“Whether your clients want to preserve or grow their wealth, our MPS strategies have been designed with you in mind. Find out how we go the extra mile to ensure you’re supported at every stage of your client’s investment journey.”**

**Simon Doherty**  
Head of Managed Portfolio Services



From left to right:  
Simon Doherty, Head of Managed Portfolio Services;  
Olivia Wingrove, Investment Analyst;  
Antony Webb, Deputy Head of Managed Portfolio Services

## WHAT DOES THE MANAGED PORTFOLIO SERVICE PROVIDE?

### **Investment expertise**

Access to Quilter Cheviot's investment expertise, providing a broad range of strategies and a choice of differing investment objectives.

### **Diversification**

A whole-of-market approach to fund selection, underpinned by twelve investment fund research analysts and implemented by a well-resourced, experienced investment team.

### **Proven track record**

Managed by Quilter Cheviot, who launched their ground-breaking MPS in 2001.

Twenty years later, the Service enjoys a strong, demonstrable track record that stretches across a variety of real market conditions and multiple business cycles.

### **Ongoing information**

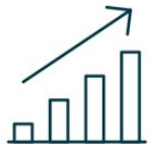
Monthly factsheets, regular rebalancing and investment commentaries.

### **Flexibility**

Ability to move between strategies should personal circumstances or risk appetite change.



## QUILTER CHEVIOT'S INVESTMENT PHILOSOPHY



### FORWARD LOOKING

Quilter Cheviot takes a long-term approach to building and preserving clients' wealth



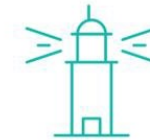
### ACTIVE MANAGERS

Having discretion over investment decisions gives the Quilter Cheviot MPS team the flexibility to take advantage of market changes



### DIVERSIFIED PORTFOLIOS

Investing in uncorrelated asset classes allows Quilter Cheviot to spread risk and capitalise on opportunities



### RESPONSIBLE INVESTORS

Quilter Cheviot is committed to its role as a steward of clients' assets

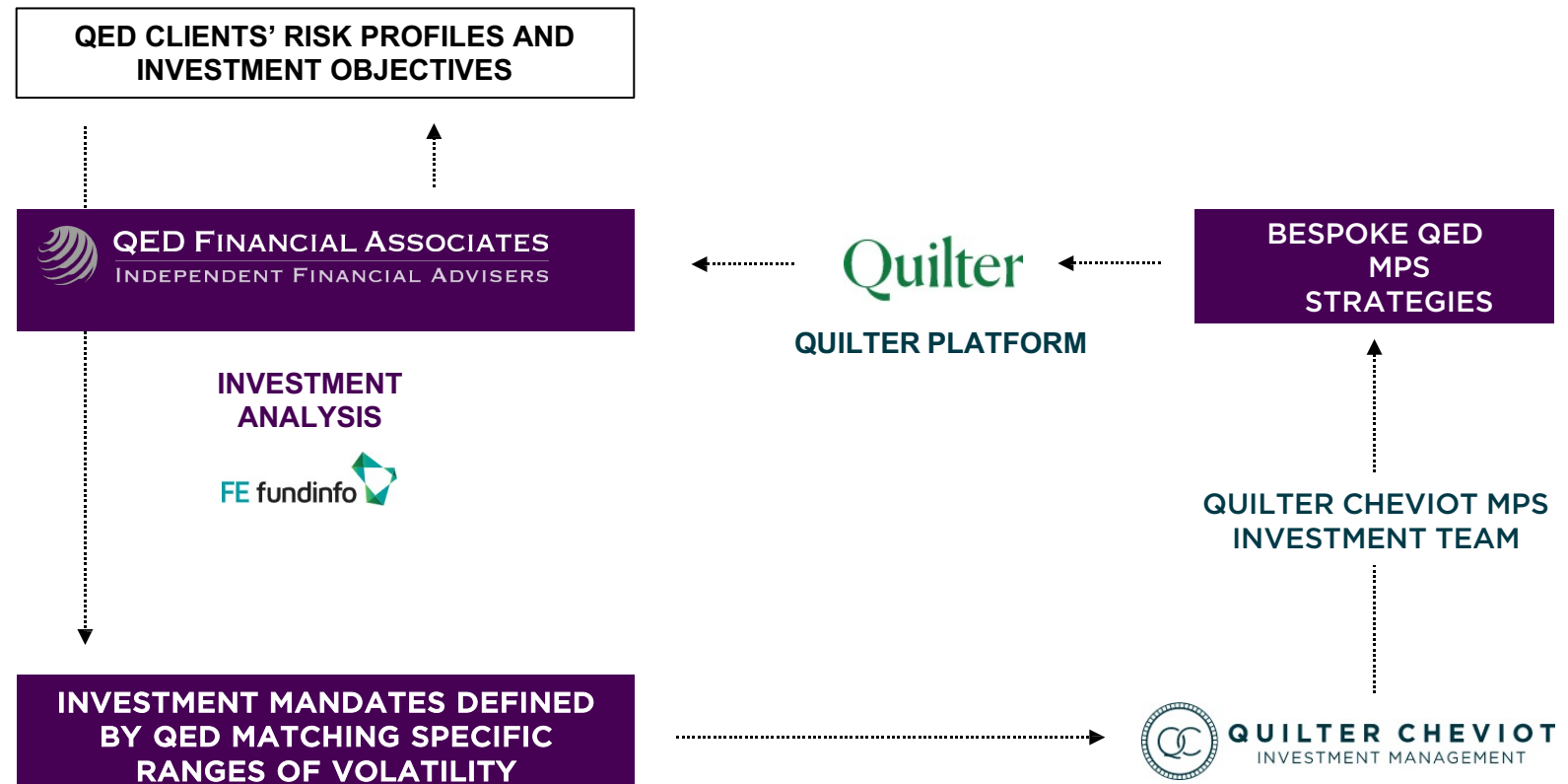
**Quilter Cheviot is a firm believer in active investment management. Their investment process combines a top-down view, based largely on macro-economic inputs and market valuations, with bottom-up recommendations from their team of in-house analysts.**

Quilter Cheviot's team of twelve investment fund research analysts, which works closely with the MPS team, have an average of more than 15 years' industry experience. This level of experience enables the team to conduct in-depth due diligence effectively, challenging fund managers' decisions and investment rationale. In order to do this, the analysts must also keep abreast of the macroeconomic and geopolitical dynamics that drive financial markets.

## STRATEGY CONSTRUCTION AND RISK MAPPING

QED Financial Associates Limited, acting as agents for each of their clients, have entered into a Strategic Partnership with Quilter Cheviot whereby Quilter Cheviot provide bespoke versions of the Quilter Cheviot Managed Portfolio strategies matched to QED's investment risk profiles; each of which target a specific range of volatility.

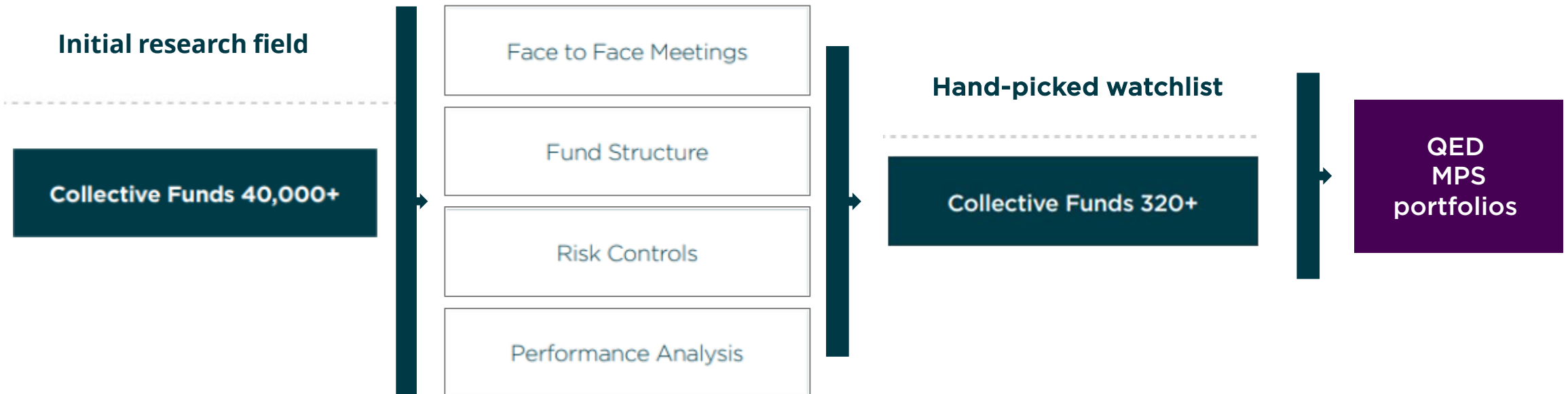
The QED MPS strategies are constructed to meet the risk profiles, volatility ranges and investment objectives confirmed by QED. The Quilter Cheviot MPS investment management team ensure the transactions undertaken and the investments used in each strategy are selected to meet those stated objectives.



## QUILTER CHEVIOT'S RESEARCH CAPABILITY

All of Quilter Cheviot's investment decisions are underpinned by research carried out by their in-house research team. The Fund Research Team are responsible for analysing third-party investments, across all regions, sectors and asset classes. Analysts start with an investment universe, which they review and filter down to the monitored universe, split into the monitor and buy lists.

It is from this list that the assets that make up the QED portfolios are selected.



## DIVERSIFICATION

The QED MPS Portfolios are fully diversified with the strategies invested across a range of geographies and asset classes.

Depending on the strategy risk and investment objectives the portfolios are invested in domestic and/or international equity funds, while also providing exposure to fixed interest funds, cash and/or money market funds.

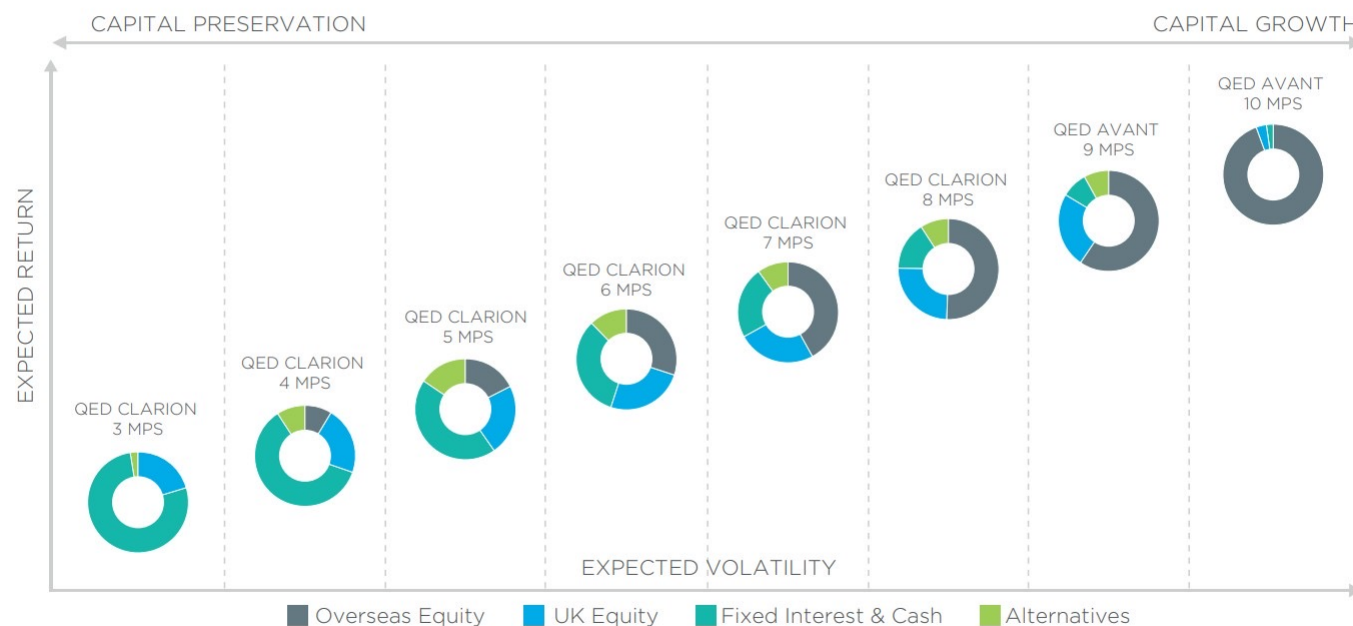
Equity exposure will provide the opportunity for capital and dividend income to grow over time. Fixed interest investments will help to provide stability of capital and a regular level of income.

There may also be exposure to exchange-traded products (ETPs) and funds investing into “alternatives” such as commercial property, private equity, commodities and absolute return strategies.

A minimum of 20% of the Strategies will typically be allocated to index-tracking investments, helping the managers to keep down the costs of underlying investments.

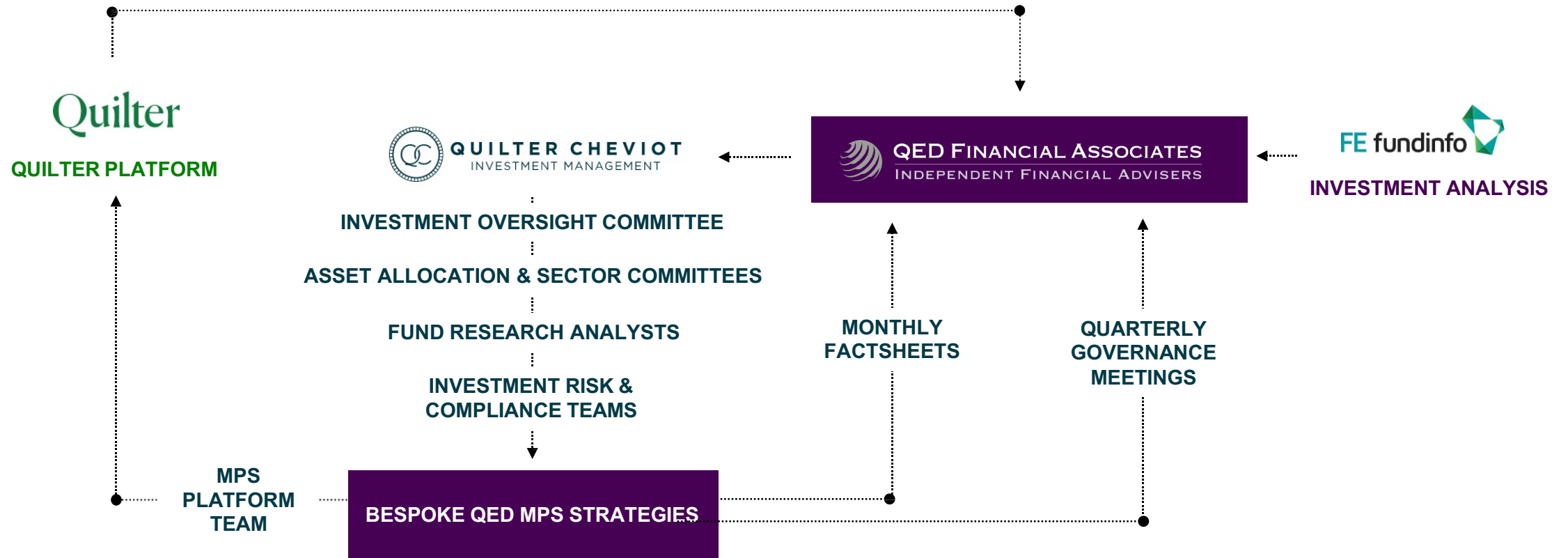
### AT A GLANCE: THE QED MPS STRATEGIES

THE QED MPS strategies contain a blend of equities, bonds, commercial property and alternative investments – as well as an element of cash – designed to meet different objectives and risk profiles. The chart below shows the range of strategies and their underlying asset allocations as at the specified date:



Asset allocations are for illustrative purposes only based upon strategy weightings as of 1 July 2021.

## QED AND QUILTER CHEVIOT OVERSIGHT AND INVESTMENT RISK MANAGEMENT



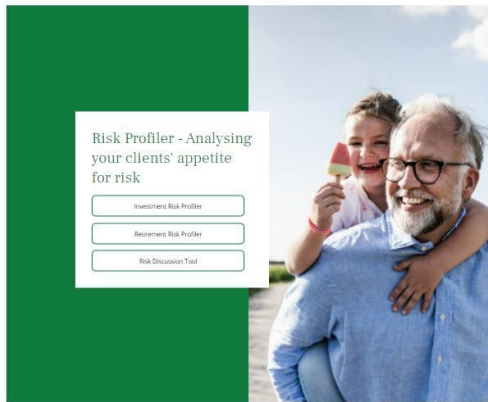
## CLIENT RISK MAPPING TO QED MPS PORTFOLIOS

Clients using the QED MPS service from Quilter Cheviot (QC) complete the Quilter Platform Investment Risk Profiler

Client responses to 13 questions are individually scored and then aggregated to calculate an overall risk score, from 1 (low) to 10 (high). This score is a measure of the client's willingness to accept investment risk.

Individual Risk scores help to inform and assist QED in their decision as to which of the QED MPS strategies they will recommend to each of their clients.

The QED MPS Portfolios are constructed and managed by QC to meet the volatility and asset allocation boundaries set within the investment mandate as being suitable for each of their 10 risk scores. The QED MPS portfolios meet Quilter risk scores from 3 (lowest risk available from the service) to 10 (highest).



**Quilter**



QED match individual investor scores to a QED MPS portfolio that is suitable for their individual ATR as determined by the Quilter Investment Risk Profiler

Risk Profiler Score	QED MPS Strategies
1	Not available
2	Not available
3	QED Clarion 3 MPS
4	QED Clarion 4 MPS
5	QED Clarion 5 MPS
6	QED Clarion 6 MPS
7	QED Clarion 7 MPS
8	QED Clarion 8 MPS
9	QED Avant 9 MPS
10	QED Avant 10 MPS



# REPORTING - FACTSHEETS & QUARTERLY GOVERNANCE MEETINGS

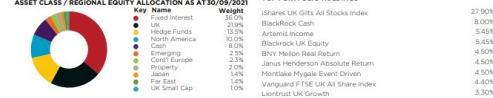
Individual strategy factsheets are provided monthly directly to QED Financial Associates Limited.

**QED Financial Associates Managed Portfolio**  
**QED Clarion 5 MPS Strategy**

OCTOBER 2021

**STRATEGY OBJECTIVE**  
The QED Clarion 5 MPS Strategy is matched to a risk profile (level 5) which targets a specific range of volatility. QED use a 1 to 10 rating system with 1 being low risk and 10 high risk.

The QED Clarion 5 MPS Strategy will typically invest around 50% to 60% in domestic and / or international equity funds, while also providing exposure to fixed interest funds, cash and / or money market funds. Equity exposure will provide the opportunity for capital and dividend income to grow over time. Fixed interest investments will help to provide stability of capital and a regular level of income. There may also be exposure to exchange-traded products (ETPs) and funds investing into 'strategies' such as commercial property, private equity, commodities and absolute return strategies. A minimum of 20% of the Strategy will typically be allocated to index-tracking investments.



Source: Quilter Cheviot, FE Fundinfo. Model Performance is shown in GBP, gross of management fees but net of underlying fund costs, with all income reinvested, actual returns may vary.

**Past performance is not a reliable indicator of future performance. The value of investments and the income from them can go down as well as up. You may not recover what you invest.**

KEY FACTS	STRATEGY VOLATILITY TARGET
Historic Yield: 1.7%	QED Clarion 5: 9.56% - 11.2%
Launch Date: 1 July 2002	

YTD	1 YEAR	2 YEARS	3 YEARS	5 YEARS	SINCE LAUNCH
1 YEAR TO 30/09/2017	1 YEAR TO 30/09/2018	1 YEAR TO 30/09/2019	1 YEAR TO 30/09/2020	1 YEAR TO 30/09/2021	1 YEAR TO 30/09/2021

**IMPORTANT INFORMATION**  
Past performance is not a reliable indicator of future returns. The value of investments and the income from them can go down as well as up. You may not recover what you invest.

Data provided by FE Fundinfo, Quilter Cheviot (30 September 2021).

For information on Yield, Volatility, Asset Allocations, and any benchmark changes since the strategy launch, please refer to the 'Important Information Expanded' section which can be found on page 3.

**QED Financial Associates Managed Portfolio**  
**QED Clarion 5 MPS Strategy**

OCTOBER 2021

**MARKET COMMENTARY**  
Investors saw some profit taking in September after new all-time highs earlier in the month following strong Q2 corporate results. Widespread reports of equity chain disruptions, fuel shortages and rising energy costs increased concern that the uptick in inflation may prove less transitory than previously thought and could lead to central banks raising interest rates sooner than expected.

Despite falling 2% over the month, global equities ended Q3 up by just over 2%, making 55% year-to-date. A combination of dollar strength and strong weakness boosted international returns for strong based investors. The change in Japan's political leadership increased expectations of another stimulus package and Asian equities had a very strong month and were the best performing region over the quarter and year-to-date. Equities also began to edge higher in Europe. Asia Pacific and emerging markets were the worst performing regions over the quarter and year-to-date. Inflation in the US and other major economies has risen, with the Fed raising its key rate in response to rising COVID infections and regulatory tightening after the Evergrande debt crisis. The oil price ended the quarter marginally ahead at \$77 after some volatility caused by supply disruption and stronger than expected non-OPEC demand.

Although equity markets have made reasonably steady progress since January, bonds have been more volatile. Yields rose in the early part of the year as growth accelerated but eased during the summer despite rising inflation. After reaching a low of 1.0% in early August, yields on 10 year US Treasuries ended September at 1.5%. Little changed in G3 - but potentially heading towards 2% over the next six months. Faced with a more serious inflation problem than anticipated, the Bank of England Governor has sounded more hawkish and hinted that interest rates could rise before QE is unwound.

**ABOUT QUILTER CHEVIOT**  
Quilter Cheviot has a heritage that can be traced back to 1878. We are one of the UK's largest discretionary investment management firms focusing on providing and managing bespoke investment portfolios for private clients, trusts, charities and pension funds. The Quilter Cheviot Managed Portfolio Service (MPS) was launched in 2002 and is a regulated discretionary financial services investing exclusively in collective investments ("Funds").

**INVESTMENT MANAGERS**

**Simon Doherty**  
Simon joined Quilter Cheviot in 2007 and is lead portfolio manager of the Quilter Cheviot Managed Portfolio Service (MPS) and chair of the firm's Investment Funds Committee. A graduate of Trinity College Dublin with a first class honours degree, Simon has completed the Investment Management Certificate (IMC), the CIS Masters in Wealth Management and has passed level 1 of the CFA Program.

**Antony Webb**  
Antony is an Investment Manager on the Quilter Cheviot Managed Portfolio Service (MPS) team, and sits on the firm's Investment Funds Committee. He joined Quilter Cheviot in 2010 after graduating from University College London with a BSc (Hons) degree in Economics. Antony has completed the Investment Management Certificate (IMC), the CIS Masters in Wealth Management, and the CIS Masters in Wealth Management.

**QED FINANCIAL ASSOCIATES**  
Regents Court  
St Mary's Street  
Penistone  
Sheffield  
S36 6DT

**01226 767 707**  
**info@qedifa.co.uk**  
**www.qedifa.co.uk**

Investors should remember that the value of investments, and the income from them, can go down as well as up and that past performance is no guarantee of future returns. You may not recover what you invest. This document is for general information purposes only, is subject to change and should not be relied upon. Unauthorised dissemination or copying is prohibited.

QED Financial Associates is authorised and regulated by the Financial Conduct Authority. The guidance and/or advice contained within the website is subject to the UK regulatory regime and is therefore primarily targeted at customers in the UK. We are entered on the Financial Services Register No. 027226 at <http://www.fca.gov.uk>. The Financial Conduct Authority does not regulate some aspects of buy to let mortgages and commercial finance. Full details of the Financial Ombudsman Service can be found on its website at <http://www.financialombudsman.org.uk>

Quilter Cheviot and Quilter Cheviot Investment Management are trading names of Quilter Cheviot Limited. Quilter Cheviot Limited is registered in England with number 0202371, registered office at Savelor House, 65 Queen Victoria Street, London EC4V 4AB. Quilter Cheviot Limited is a member of the London Stock Exchange, is authorised and regulated by the UK Financial Services Commission under the Financial Services (Licensing) Act 1998 by the Jersey Financial Services Commission for the conduct of investment business and fund services business in Jersey and by the Guernsey Financial Services Commission under the Protection of Investors (Bailiwick of Guernsey) Law, 1987 to carry on investment business in the Bailiwick of Guernsey. Accordingly, in some respects the regulatory system that applies will be different from that of the United Kingdom.

## Quarterly Governance Meetings

Quilter Cheviot MPS Investment Management Team report to the Directors of QED Financial Associates Limited on a quarterly basis.

## Quarterly Governance Meeting Agenda

- Funds under management for each QED strategy
- Returns for the range of QED Strategies
- Strategy Performance Overview
- Individual Strategy Performance
- Individual Strategy holdings and asset allocation detail
- Confirmation of investment costs and charges
- Ongoing review of strategy risks against QED mandates

## QED MPS STRATEGIES TOTAL INVESTMENT COSTS

The summary below takes into account Quilter Cheviot's annual management charge (AMC) and the weighted cost of the underlying collective funds held within each strategy. These figures do not take into account the QED adviser charge for their services and associated platform and wrapper fees or charges that may be applied by the Quilter Platform.

Strategy	Quilter Cheviot AMC %	Weighted Cost of Underlying Collective Funds %	Total %
QED Avant 10 MPS	0.18%	0.47%	0.65%
QED Avant 9 MPS	0.18%	0.61%	0.79%
QED Clarion 3 MPS	0.18%	0.50%	0.68%
QED Clarion 4 MPS	0.18%	0.58%	0.76%
QED Clarion 5 MPS	0.18%	0.55%	0.73%
QED Clarion 6 MPS	0.18%	0.59%	0.77%
QED Clarion 7 MPS	0.18%	0.59%	0.77%
QED Clarion 8 MPS	0.18%	0.60%	0.78%

Sources: MorningStar and Quilter Cheviot All figures correct to 31/12/2021

Costs and charges data for the underlying funds held within the MPS Strategies is sourced from Morningstar. Where costs and charges data for a fund is not available from Morningstar, Quilter Cheviot will use alternate data sources or reasonable endeavours to estimate this figure. The Weighted Cost of Underlying Collective Funds figure represents the estimated cost of additional charges paid to external third party collective fund managers. This will include the OCF and Transactional Charges.

Please also note that a direct cost comparison between an MPS Strategy and a fund may not be a reliable indicator. Although Quilter Cheviot does not apply transaction charges when undertaking the rebalancing of strategy holdings, there may be external costs incurred when switching between funds.



## PLATFORM CUSTODIAN AND BANKING

The Platform Custodian is Quilter Investment Platform Limited



## PLATFORM FINANCIAL STRENGTH

- **Assets under management:** £62.5 billion (as at 31 December 2020)
- **Gross sales:** £5.7 billion (as at 31 December 2020)
- **Net Client Cash Flow:** £1.5 billion (as at 31 December 2020)
- Whilst credit/financial strength ratings may not reflect the potential impact of all risks related to a firm, independent financial services research firm, **AKG**, has awarded a financial strength rating of **B+** ('Very strong') to Quilter Life & Pensions Limited and Quilter Investment Platform Limited as at 6 January 2021.
- Quilter Life & Pensions Limited is well capitalised with a solvency II ratio of 139% as at December 2020. This means it operates with sufficient capital and liquidity resources to meet regulatory requirements, together with a capital buffer to help protect against unexpected adverse events.

## SECURITY OF CLIENT ASSETS

- Investor's money and assets are segregated and ring-fenced from Quilter Investment Platform Limited's own money and assets
- Quilter Investment Platform Limited and the asset managers clients are invested with provide extensive financial reports to the regulators, so that they can be assured there are enough assets to meet liabilities
- If all other protection fails, investors may be additionally protected by the Financial Services Compensation Scheme (FSCS).
- To see in detail the protections operated by the Quilter Platform for investors please go to:

[20339\\_protecting-your-money.pdf \(quilter.com\)](#)

Quilter is the trading name of Quilter Investment Platform Limited which provides an Individual Savings Account (ISA), Junior ISA (JISA) and Collective Investment Account (CIA) and Quilter Life & Pensions Limited which provides a Collective Retirement Account (CRA) and Collective Investment Bond (CIB). Quilter Investment Platform Limited and Quilter Life & Pensions Limited are registered in England and Wales under numbers 1680071 and 4163431 respectively. Registered Office at Senator House, 85 Queen Victoria Street, London, EC4V 4AB, United Kingdom. Quilter Investment Platform Limited is authorised and regulated by the Financial Conduct Authority. Quilter Life & Pensions Limited is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority. Their Financial Services register numbers are 165359 and 207977 respectively. VAT number 386 1301 59