

Target Market Assessment for Advisers - Income Model Portfolio Service (MPS)

General

TAM deals through regulated Investment advisers (Advisers) who are knowledgeable and familiar with the product type. TAM operates with a product governance policy.

TAM has always reviewed on an on-going basis its service and products directly with Advisers to ensure that product is fit for purpose and relates to the target market both TAM and its advisers envisage. This has been revisited every quarter to ensure offering continues to be fit for purpose. This Target Market Assessment (TMA) is not designed to replace Advisers' own obligation under the Consumer Duty to conduct their own assessments.

Target Market Assessment (TMA) for Advisers

TAM's Income MPS range comprises seven actively managed, income producing, risk-rated model portfolios that have been designed to meet investors' objectives as described below. These portfolios range from Defensive (Low Risk) to Adventurous (High Risk) and have been risk rated by Dynamic planner. The portfolios are managed on a fully discretionary basis by TAM's investment management team who use their expertise and knowledge to make investment decisions regarding the constituent holdings within the portfolios. Factsheets for each portfolio within the Income range are available on TAM's website and should be read in conjunction with this TMA.

There is no minimum investment and is therefore widely available and not limited by the size of a client's investment.

Below we set out the target market for TAM's Income portfolios:

Investor Type:

Retail

Distribution Channels

Advised (Regulated adviser via TAM Platform or third party platform)

Knowledge/ Experience:

Clients with all levels of experience (Basic; Informed; and Advanced) may access due to the distribution channel being via regulated advisers. There are therefore no restrictions on knowledge and experience for this service as the intermediary retains responsibility for assessment, suitability and client understanding. TAM informs and discusses with IFAs the service proffered to seek good outcomes for clients.

Client Ability to Bear Losses:

This service has no Capital Guarantee – Product is designed for those who can bear losses on capital invested. Whilst long periods of heavy losses are unlikely the client must be able to bear the losses as witnessed in history and have a suitable timescale for risk undertaken.

Risk Tolerance

Clients must be willing to take risk and also understand and accept that they could stand to lose capital in the short term, in the expectation of their investment outperforming cash over the longer term. The level of volatility and potential losses that clients need to be able to tolerate will depend on the risk profile selected. Please refer to factsheets. Risk tolerance is reviewed by adviser and reaffirmed in investment proposal by TAM.

Objectives and Needs

Capital preservation is a core mantra of TAM investment philosophy and capital growth for the longer term. However, this specific model range also focuses on income generation alongside both capital preservation and growth.

Investment Horizon

The minimum investment horizon is dependent on adviser interaction on the risk profile selected. A more defensive orientation would be more appropriate for shorter time horizons with a more aggressive approach considered for more long-term clients. These range generically from three to five years or more for a Defensive (Low Risk) portfolio, to seven years or more for a Adventurous (High Risk) portfolio.

Negative Target Market

Clients should not consider TAM Income:

- a) who wish to access an execution only service (non-advised);
- b) Clients who require bespoke investment management or want to retain control of transactions;
- c) who have no capacity to bear capital loss or are unwilling to take any risk,
- d) Clients who want to invest in accordance with a sustainability-focused mandate or Sharia law;
- e) Clients who have an investment horizon of less than 3 years (or less than the minimum investment horizon outlined in the factsheet for the risk profile selected).
- f) Clients with no Adviser overseeing their financial position in whole; or
- g) Clients who wish to invest in direct stock and share portfolios.