



Heartwood
Wealth Management

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HEARTWOOD LAUNCHES NEW RANGE OF MULTI ASSET FUNDS AS IT ENHANCES ITS INVESTMENT PROPOSITION

Heartwood Wealth Management Limited, the independently owned investment and wealth management business, is enhancing its investment proposition by launching a new range of new Multi Asset Funds. The four new funds follow the firm's core investment strategies and are designed to deliver long-term investment returns at a defined level of risk to its clients.

The company has already launched two of the funds, Cautious and Growth, and intends to launch the Balanced and Balanced Income funds at the end of Q1 2010.

In common with the Heartwood investment approach, the new Multi Asset Funds will invest primarily in third party funds, including alternatives, structured products and derivatives as appropriate. Heartwood has forecast long-term risk and return characteristics for each asset class in which it invests and has used these to create a neutral asset allocation position for each of its strategies. Active positions are then taken against the neutral exposures. A sophisticated risk budgeting process is used. The Funds have the following objectives:

- The CF Heartwood Cautious Multi Asset Fund aims to deliver a total return (the combination of income and growth of capital) through investments in a diversified range of asset types.
- The CF Heartwood Growth Multi Asset Fund aims to deliver capital growth from a diversified equity oriented portfolio.
- The CF Heartwood Balanced Multi Asset Fund and the CF Heartwood Balanced Income Multi Asset Fund, to be launched at the end of Q1 2010, are designed to deliver a total return (the combination of income and growth of capital) through investments in a diversified range of asset types.

Noland Carter, Chief Investment Officer at Heartwood, said: "Heartwood was one of the earliest private client investment managers to deliver a global, multi-asset class style of investing using a number of model investment portfolios. But delivering successful investment returns requires a continuous process of evolution and we have concentrated on bringing greater clarity to our investment strategies in terms of how they relate to each other and how we describe them. We're now able to offer clients a more logical progression of risk and return from one strategy to the next."

Guy Hudson, Head of Client Services and Distribution at Heartwood, commented: "The Heartwood Multi Asset Funds will provide our clients with access to a range of strategies and the associated returns on a cost and tax efficient basis. Our longer-term track record, and particularly the results we have achieved for clients over the period of the credit crunch, provide a very strong foundation for the launch of what will be the most prominent showcase for our investment capabilities. The Cautious and Growth Funds launched in December 2009 have already been well received by existing clients and prospects."

Carter added: "Heartwood has an institutional quality approach to investment, and clients benefit from a team-based philosophy and a robust, repeatable process that has been honed in extremely challenging markets. The Multi Asset Funds provide a compelling means of delivering this process to all our clients in a fully diversified single vehicle."

Heartwood's Multi Asset Funds will have a number of share classes with differentiated minimum investments. The B class will have an annual management charge of 1.25% and a minimum investment of £5,000. The Funds are denominated in Sterling and are structured as a NURS (Non-UCITS Retail Scheme). This structure provides greater flexibility than UCITS in terms of the underlying investments that can be utilised but offers the same level of protection to UK investors.

The new Multi Asset Fund platform will be suitable for the majority of Heartwood's diverse client base, comprising FTSE directors, senior City professionals, entrepreneurs, charities and wealthy families.

Heartwood's investment process is the centrepiece of the firm's offering and is provided on a standalone basis as well as to clients for whom Heartwood provides integrated private wealth management. As at the end of December 2009 Heartwood's total funds under management and administration were £1.15bn.

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Heartwood provides integrated investment, tax and retirement planning solutions for ultra high net worth and high net worth individuals from its offices in London and the South East. Heartwood now manages and administers over £1bn of funds for clients.

Heartwood Wealth Management, part of Heartwood Wealth Group, is authorised and regulated by the Financial Services Authority in the conduct of investment business.

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