

INTERNATIONAL

OFFSHORE INVESTING BESPOKE SOLUTIONS
YOUR GUIDE TO MODEL PORTFOLIOS

For Financial Advisers

INSURE I BANK I **INVEST**

OLD MUTUAL INTERNATIONAL (OMI) – WITH OVER 120 000 FUNDS AVAILABLE WORLDWIDE, TAKE THE GUESSWORK OUT OF MEETING YOUR CLIENTS' INVESTMENT OBJECTIVES



YOUR GUIDE TO OLD MUTUAL INTERNATIONAL'S MODEL PORTFOLIOS

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AN INTRODUCTION TO MODEL PORTFOLIOS

A Model Portfolio is a collection of funds, with the authority delegated by the client to a Discretionary Fund Manager (DFM/Model Manager) to make changes to the portfolio.



HOW DO MODEL PORTFOLIOS WORK?

Model portfolios are a collection of direct funds where professionals take responsibility for the investment decisions.

Each model portfolio consists of funds carefully selected to meet a particular investment objective. You can see in the example below Model Portfolio XYZ comprises three funds where each fund will have its own strategic objective. Due to market movements the actual allocations will drift up or down.

The Model Manager has two responsibilities within the model portfolio, the **allocation** (selecting the funds or changing the weighting of the selected funds) and **rebalancing** (returning to the strategic allocation) of the model portfolio.

The Model Manager rebalances the portfolio when necessary to maintain the intended risk profile.

TARGET %	
MODEL PORTFOLIO FUND XYZ	TARGET %
FUND A (USD)	50.00
FUND B (USD)	30.00
FUND C (USD)	20.00

If the decision is made to change a fund within a model, this can be done without the need for a switch instruction from the client (like a stock change within an actively managed equity fund). Each model will have its own Fact sheet.

BENEFITS OF USING MODEL PORTFOLIOS

With over 120,000 funds available worldwide, choosing the right fund mix can be daunting. This is where the expertise of a Model Manager comes in. Each model created has a defined investment objective; for example a Growth, Balanced or Cautious mandate. This allows you to concentrate on providing the best financial advice for your clients, ensuring that they stay on target to meet their investment needs.

HOW DO YOU SELECT MODEL PORTFOLIOS FOR YOUR CLIENT?

A model portfolio is another fund selection held within your clients' Investment Portfolio+ or Investment Portfolio+ Assured. You can advise your client to switch into or out of a model portfolio.

You can choose the appropriate model portfolio for your client from the latest Old Mutual International (OMI) Model Portfolio Fund List.

Once you have selected a portfolio, your client needs to sign a Delegation of Authority Mandate with the Model Manager to submit with the OMI application or switch form.

New clients can fill in a Funds Only application form, (or a Full Application form if the client has also selected to use an authorised custodian) and select the corresponding fund code for the Model Portfolio.

If an existing client wishes to switch into a model, the client completes a Switch Form detailing the correct model code.

CAN YOU SWITCH OUT OF A MODEL PORTFOLIO?

Yes, switching out of a Model Portfolio into other funds is as simple as completing a Switch Form.

IS THERE A MINIMUM AMOUNT A CLIENT CAN INVEST?

The usual Fund limits of Investment Portfolio+ apply. The minimum additional contribution is £5 000 or 7 500 in the other available currencies, which are euro, US dollar, Australian dollar and Swiss franc. For new investors, the minimum investment amount of £15 000 (20 000 in US$, €, AUS$ or CHF) will apply.



MODEL MANAGER FEES

Model Portfolios benefit from the scale of being in the pooled investments of OMI. The model manager fee is deducted by the platform, making it more cost effective for the client.

ROLES AND RESPONSIBILITIES

The Model Manager

Performs on-going due diligence on fund managers and makes the appropriate investment decisions in line with the given mandate.

You, the Financial Adviser

You provide expert financial advice to your client to ensure that they are able to meet their financial objectives. You also identify the Model Portfolio and Model Manager to assist your clients in achieving their objectives.

Your Client

Your client needs to be open and honest about their financial goals and select an appropriately skilled financial adviser.

CONTACT INFORMATION

If you need any further information about this product, please contact your financial adviser in the first instance.
If you wish to contact us directly, you can do so by either writing to us at:
Old Mutual International
1A Mutualpark
Jan Smuts Drive
Pinelands
Cape Town
South Africa

or contacting Old Mutual International South Africa Service Support on:
email: ominternationalservice@omwealth.co.za or +27 21 509 2187.

Calls may be monitored and recorded for training purposes and to avoid misunderstandings.

DISCLAIMERS

The value of your Old Mutual International Investment Portfolio+ is linked to the value of model portfolios, funds, bank deposits and assets generally managed by third parties such as banks and fund managers. In the event that the provider of any asset, including bank deposits, fails, compensation will depend on the scheme in place where that provider is registered. You should be aware that any compensation arrangements would relate only to Old Mutual Isle of Man's aggregate holdings across all affected policies rather than to individual investors. As a result you may not benefit from any scheme.

To ensure you fully understand all the risks and benefits of the Old Mutual International Investment Portfolio+, you should also read the Key Features document and General Conditions document. At Old Mutual International, we believe strongly in the benefit of financial advice and encourage clients to review their circumstances and financial planning needs with their financial adviser before investing in the Investment Portfolio+.

Old Mutual Isle of Man is a branch of Old Mutual Life Assurance Company (South Africa) Limited. It also forms part of the wealth management business of Old Mutual Limited.

www.omi-int.com

Old Mutual Isle of Man Branch of Old Mutual Life Assurance Company (South Africa) Limited, is registered in the Isle of Man under number 005664F and whose principal place of business is 5A Village Walk, Onchan, Isle of Man, IM3 4EA, British Isles.

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