

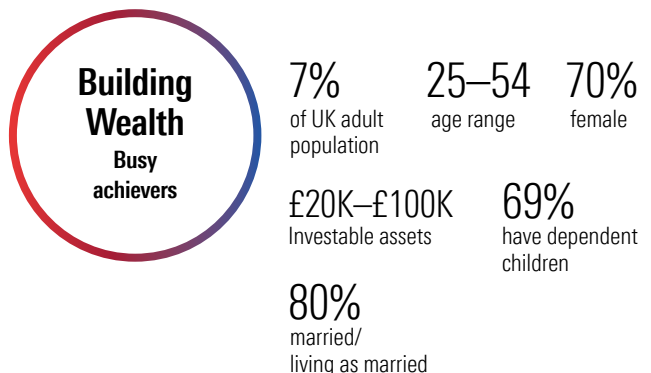
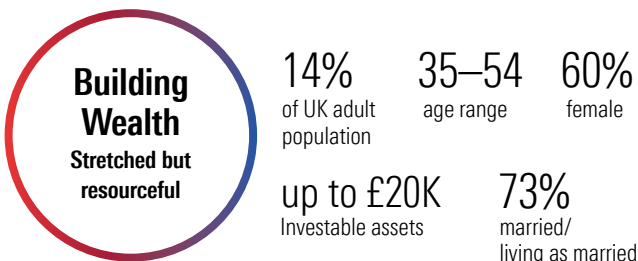
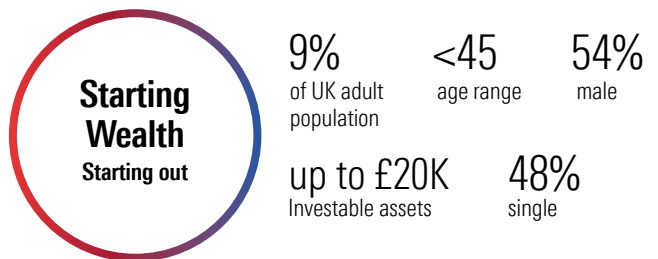
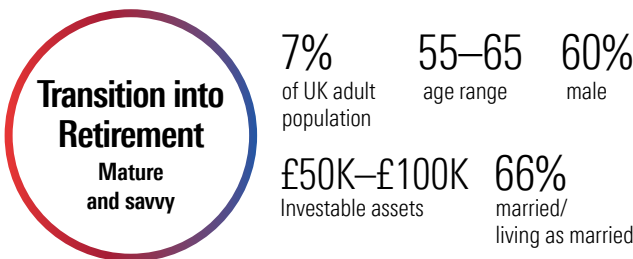
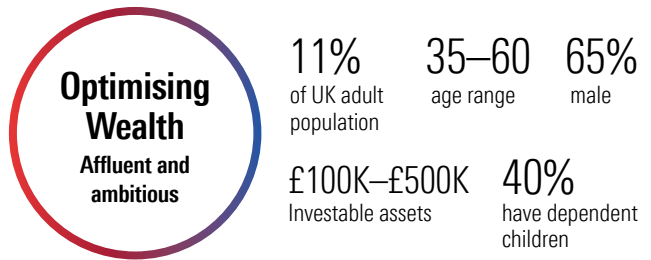
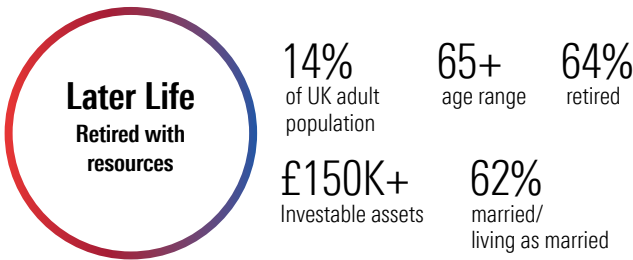
Target Market and Value for Money Assessment

As part of the FCA's requirements for Consumer Duty we have recently carried out an assessment of the target market for the Morningstar Wealth Platform and the value for money it provides. Morningstar Wealth Platform offers a range of model portfolio solutions that are managed by Discretionary Fund Managers (DFM's), or advisers with DFM permissions, who are responsible for ensuring the investment solution is suitable for the customer's needs.

Our target market assessment has been segmented into six separate financial stages of an individual, focussing on their wants and needs at each of these stages of their financial lives rather than just looking at their overall wealth. The life stage segments have been overlaid with the FCA's Consumer Spotlight model*.

This document is intended for use by financial professionals only. Customers should raise any questions regarding its application to them with their financial advisers.

Morningstar Wealth Platform Target Market

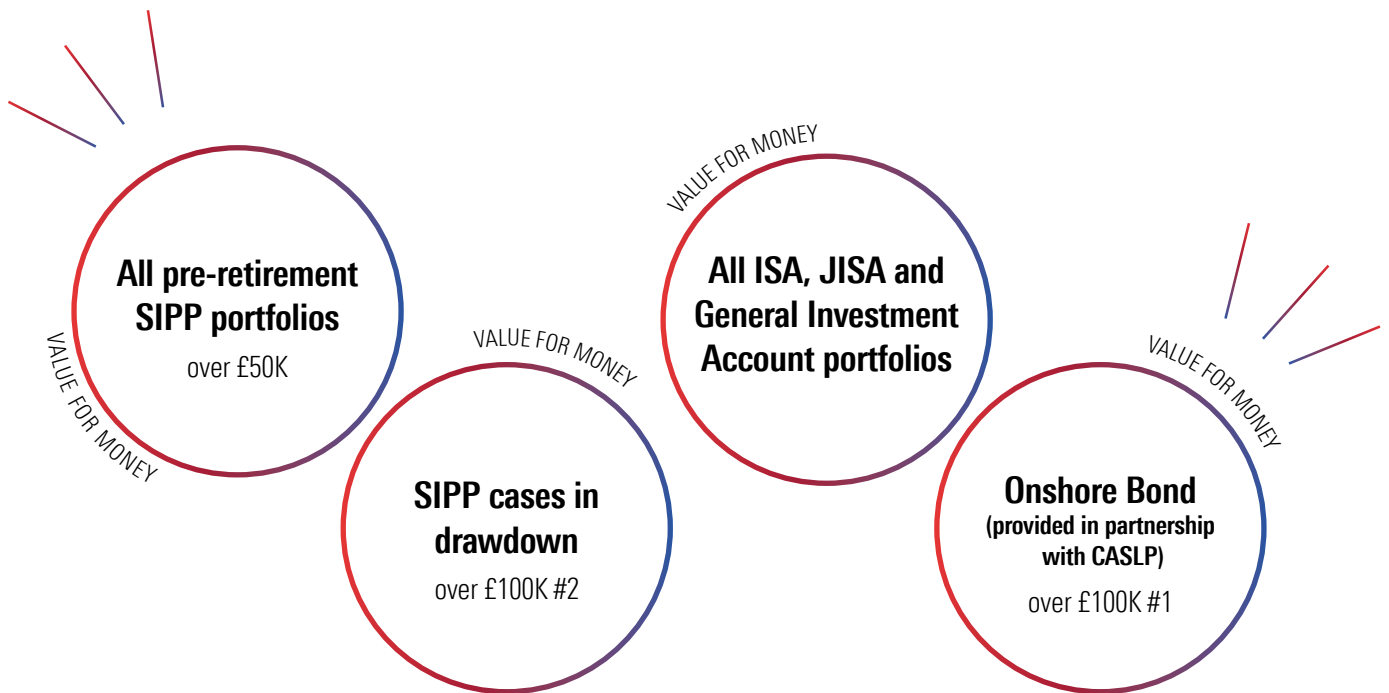


* FCA Consumer Spotlight & Insight, 13.01.2017

Value for Money Assessment

The assessment has been completed against the value for money policy, approved by the Boards of Morningstar Wealth Administration Limited for Platform and Morningstar Wealth Retirement Services Limited for the SIPP.

The **assessment** has been **completed based on a standard charging structure**, relative to overall value delivered to consumers and compared against similar solutions available in the market. There are also assumptions made around expected consumer usage of products and services offered.



Overall score: Value for Money

#1 – subject to confirmation of CASLP own Value for Money assessment.

#2 – for customers with pension pots close to this level, typical behaviour would be a single crystallisation event creating income provision from drawdown for several years i.e. not having multiple crystallisation events in relatively quick succession.

The assessment of value below the level described above, will be heavily dependent on the customer's specific circumstances and reason for holding the investments in the products outlined above.

Morningstar Wealth Platform has a policy of only facilitating access to investment solutions, where positive confirmation of value has been provided in line with FCA requirements. For other 3rd party products (Offshore Bond and SIPP) relationships, value has not been considered due to being in adjacent value chains, meaning neither party is considered a distributor of the other.

Due to Morningstar Wealth Platform being advised, the expectation is customers in the target segments will have higher levels of investable assets when compared to the UK population average.