



Fundamental Asset Management Ltd fact sheet

What is your corporate background?

Fundamental Asset Management is an independent, owner managed, investment management firm with an unrivalled knowledge of the AIM market, the junior market of the London Stock Exchange. It has successfully provided AIM Portfolio Management with Inheritance Tax ('IHT') planning to private investors, trusts and institutions since 2004.

Fundamental has extensive experience investing in AIM and has delivered outstanding returns to clients since inception. At its foundation is our in-depth, in-house research, which includes visiting and meeting senior management of hundreds of companies each year.

In addition to being a leading provider of AIM IHT portfolios, Fundamental also manages general investment portfolios including SIPPs.

Why should I consider using your discretionary fund management service?

The Fundamental AIM IHT Portfolio is a discretionary, actively managed portfolio of AIM listed shares with the objective of generating capital growth and mitigating Inheritance Tax. It is a cost effective and viable alternative to trusts and gifts with wider and more generous tax breaks.

Assets remain under the client's control and are not gifted out of the estate but, after a short 2 year qualifying period, the assets, if held at death, will not form part of the estate and will therefore not be subject to IHT.

Fundamental AIM portfolios have generated significant portfolio growth since inception outperforming its AIM benchmark and portfolios have been run by the same managers since 2004.

Why choose Fundamental?

- Outstanding investment track record established over 15 years.
- Effective, proven and non-contentious tax planning strategy.
- Conservative stock picking approach by in house managers and analysts.
- Established and experienced asset management team.
- Assets held are liquid with client access available at short notice.
- Low minimum investment required with no upper limit.
- Independence of brokerage and corporate finance activities ensures objectivity in investment selection and focus on stock selection and analysis
- Available in a GIA or ISA Wrapper

What is your approach to discretionary fund management?

The investment management process addresses both the risks and rewards associated with investing in AIM with investment into a managed portfolio of largely well-established qualifying AIM quoted companies.

Portfolios are well diversified by name, industry and sector (typically 30 names) for traditional portfolio diversification principles as well as possible liquidity concerns. Stocks are selected from our core list of qualifying AIM companies which have undergone a stringent screening and research process, as detailed below, by our own in-house team.

- Primary criteria for stock screening and selection being AIM qualification, core profitability, growth prospects, balance sheet strength, cash flow, dividend yield (and cover), strong insider ownership, management experience, market capitalisation and stock liquidity.
- A rigorous application of professional portfolio management techniques including thorough in-house research and company visits by the portfolio managers.
- An approach to stock selection and portfolio construction in AIM IHT portfolios that is conservative, value orientated, and focuses on capital preservation.
- Active management of AIM IHT portfolios is allowed but must be done within certain rules.
- Expected turnover levels are very low but regular monitoring of holdings continues for the life of the portfolio.

What investment solutions can you offer through the Nucleus platform?

Fundamental AIM IHT Portfolio

What are your fees?

Our annual management fee is 1% plus VAT per annum.

Who should I contact to discuss the service further?

Please contact Derek McLay at Fundamental Asset Management Ltd.

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