



## EBI fact sheet



### What is your corporate background?

EBI obtained DFM powers early in 2013 and in December 2013 started to provide its adviser clients with a DFM service called Vantage. Vantage follows the research born out of two studies that indicates portfolios are most efficiently rebalanced using tolerance bands. We designed a program to monitor tolerance bands and deliver the instructions to rebalance as and when appropriate.

### Why should I consider using your discretionary fund management service?

EBI provides a Discretionary Fund Management service to allow advisers to free up time with a streamlined rebalancing process that will:

- Control strategic asset class and fund "drift" within pre-set parameters
- Remove the wide dispersion of returns often experienced by clients invested in a given portfolio due to each client being invested and rebalanced on different dates - this dispersion of results can be significant
- Negate client consent required for re-balances and fund swap issues
- Give the adviser the opportunity to show added value to clients

Advisor firms will have many repetitive and time consuming tasks that rapidly decrease efficiency as client numbers grow; in particular, rebalancing and fund swaps. Vantage does this on the adviser's behalf without the need to gain client consent for portfolio changes, instructing rebalancing trades and the associated downtime to explain and document proposed changes to clients. EBI continually measures the effectiveness of the rebalancing process and provides the adviser with data to share with the client so the adviser can demonstrate the value of what is being done, adding to their service proposition.

### What is your approach to discretionary fund management?

Discretionary fund management for EBI is simply a tool to allow us to rebalance efficiently and undertake occasional fund swaps, EBI does not use its discretionary powers to engage in any form of active fund management. Our portfolios are evidence based and employ a long term buy and hold strategy. Our rebalancing strategy is based on research which shows there is a small saving on costs and a small premium from selling high and buying low sufficient to cover the costs of the service and leave a small premium for the client.

### What investment solutions can you offer through the Nucleus platform?

EBI provides three suites of 21 model portfolios (UK Bias, Global, World ETF). Each suite offers various blends of equities and bonds to match a client's attitude to risk.

Prior to any rebalance being undertaken, all advisers with portfolios not inside a tax wrapper are advised to review each client's potential capital gains tax liability prior to a rebalance of each account being instructed.

Prior to any funds being swapped, EBI will typically draft a document explaining the rationale and distribute it to all advisers for feedback prior to the fund being swapped. Again all advisers with non-tax wrapped portfolios will be asked to review their client's account for possible capital gains tax liabilities prior to a swap being instructed. EBI will also provide a client suitable document outlining the reason for the swap.

### What are your fees?

For most portfolios, the cost of our Vantage Portfolio Management Service is 0.10% per annum (ex. VAT), making the service arguably the lowest cost Discretionary Fund Management service available to financial advisers.

A breakdown per portfolio is below:

Portfolio	Cost (inc. VAT) per annum
Vantage Bond	0.024%
Vantage 5	0.060%
Vantage 10	0.096%
Vantage 15 to 95	0.120%
Vantage 100	0.084%

### Who should I contact to discuss the service further?

You can contact EBI on 01922 472226 where a member of staff will happily discuss any queries you may have. Craig Burgess is the Managing Director and can also be contacted on the above number.