

Target Market Assessment

Product: Puma AIM IHT Service

Puma AIM IHT Service is a discretionary portfolio service that invests in a carefully selected portfolio of companies listed on the Alternative Investment Market (“AIM”) that benefit from Business Relief. The primary objective of Puma AIM is to deliver long term returns through capital growth and dividend income whilst mitigating Inheritance Tax.

Type of clients:

Retail and professional clients.

Clients’ knowledge and experience:

Clients have a high level of knowledge and experience of:

- AIM listed company investments and risks involved;
- Potential limitations of portfolio diversification undertaken by the fund manager;
- Potentially illiquid investments where access to capital is not guaranteed;
- Tax Reliefs, understanding that reliefs available for Inheritance Tax may vary as result of changing Tax Rules and personal circumstances; and
- The main assumptions behind the investment proposition and understand the scenario analysis performed by the manufacturer.

Clients’ financial situation and ability to bear losses:

Clients have an estate of a high enough value to benefit from Business Relief investment, and are willing and able to:

- Bear a full loss (100%) of funds invested;
- Invest for a minimum of 2 years to benefit from Inheritance Tax Relief, whilst understanding that although there is no further recommended holding period that the investment is a long-term investment intended to be held until death to benefit from Inheritance tax Relief; and
- Access adequate alternative sources of income and capital to maintain their lifestyle needs given that they may not have easy access to their capital tied up in this investment.

Clients’ risk tolerance and compatibility of the risk/reward profile of the product with the target market:

The Client is willing to accept a higher degree of capital risk in order to obtain tax benefits and potential investment return from investing in smaller, potentially high growth companies. Due to the characteristics of the types of investments held by the Product, it has a high risk and reward profile and is therefore compatible with Clients that have a high-risk tolerance

Clients' objectives and needs:

The objective of the Client is to:

- Target capital growth with the potential of dividend income;
- Invest over a long-term investment horizon; and
- Protect the investment from Inheritance Tax.

Clients who should not invest (the 'negative target market'):

The Product is not intended for Clients that:

- Lack the requisite knowledge and experience of risks associated with long term and potentially illiquid investments, or Clients that have not been suitably advised of these risks;
- Have less than a high tolerance towards risk and tend to be more risk averse;
- Require full capital protection;
- Require regular or high levels of dividend income;
- Require guaranteed, and immediate, access to their investment; and
- Intend to invest over a horizon shorter than 2 years.

Distribution channel:

In respect of the target market analysis detailed above, the optimal retail distribution channel for the product is via advised sales.