

Insider

May 2018

In this month's issue

- Meet LISA
- AJ Bell Passive funds re-price
- AJ Bell Global Growth fund
- Thumbs up from AKG
- New client app
- AJ Bell Luminary shines again
- AJ Bell Investival

Approved investments list – do you approve?

- The dreaded GDPR
- Monthly service performance



Fergus Lyons
Managing Director

As I write this the weather has finally picked up, and things are looking decidedly sunny here at AJ Bell too. As well as sharing some good news about our financial strength, I'm also pleased to report that we have a new product, a new fund, a new venue for Investival and a new seminar date for your diary. I hope you enjoy reading about it all as much as I enjoyed writing it.

Meet LISA

Our range of on-platform products has just got even bigger thanks to the addition of an AJ Bell Investcentre Lifetime ISA. Joining a range that includes SIPP, Junior SIPP, ISA, Junior ISA, GIA and offshore bonds, our new LISA is one of only two available in the adviser platform market, and could make a huge difference to those saving for a first home or planning the best way to fund their retirement. For more details, take a look at our [adviser FAQ document](#).

“ Our range of on-platform products has just got even bigger thanks to the addition of an AJ Bell Investcentre Lifetime ISA. ”

AJ Bell Passive funds re-price

As part of our commitment to keeping costs low, we recently introduced a more competitive pricing structure for the [AJ Bell Passive funds range](#). The new model is designed so that any economies of scale achieved as the fund grows can be passed on directly to your clients.

“ ...we recently introduced a more competitive pricing structure for the AJ Bell Passive funds range. ”

The new cost structure means that AJ Bell will receive a fixed 15bps AMC; additional costs of running the fund and the costs of holding underlying investments are disclosed separately, to create an overall OCF.

As the funds grow in size, the fixed costs associated with running them will decrease proportionately. This will mean a lower OCF and direct benefits of scale for customers. The 50bps OCF cap guarantee remains in place – so regardless of the fund's underlying OCF, customers will pay a maximum of 50bps. The platform fee waiver will also stay in place until January 2019.

Any of your clients who are invested in the Balanced fund will see an immediate fall in costs, as its OCF has reduced from 0.5% to 0.47% – a cost reduction of 6%. The other five funds in the range will adopt the same approach as they increase in size.

AJ Bell Global Growth fund

Some advisers and customers who use our multi-asset AJ Bell Passive fund range have asked us to offer a higher-risk option. In response, we recently extended our range by launching our new [AJ Bell Global Growth fund](#).

The fund has minimal exposure to lower-risk assets like bonds and cash, and aims instead to achieve higher returns by harnessing potential growth in emerging markets and the technology sector over the coming years. As a well-diversified fund there will also be significant exposure to other regions, including Europe, North America, Asia and the UK.

Costs will be kept low by focusing on passive investment strategies, so you can expect an AMC of just 0.15% per annum and OCF capped at 0.5% per annum. We are also waiving the Funds & Shares Service custody charge on investments in the fund until January 2019. After that date the custody charges outlined in our charges and rates document will apply as normal.

The launch offer period for the fund opened on 24 May with a fixed price of £1 per unit that will apply until 11 June 2018. You can apply for this offer on behalf of your clients through their SIPP, ISA, JISA, LISA or GIA – simply place the order online in the usual way.

For more information about the AJ Bell Global Growth fund, please read our [FAQ document](#) or contact your [Business Development Manager](#).

The value of investments can go down as well as up and your client may get back less than they originally invested.

Thumbs up from AKG

As a financial adviser you'll know all too well how important the due diligence process is – especially when it comes to assessing the financial strength of any platform you recommend to your clients. We provide a lot of material to help you with this on our Due Diligence Hub, but there are other sources of information to look at if you need further reassurance that you've made the right choice.

A good example is AKG, which is an independent organisation providing assessment ratings, information and market assistance to the financial services industry. And I'm very pleased to report that, after the most recent review of AJ Bell, they've decided to up our Overall Financial Strength Rating from B (Strong) to B+ (Very strong).

“ ... after the most recent review of AJ Bell, they've decided to up our Overall Financial Strength Rating from B (Strong) to B+ (Very strong). ”

New client app

We are due to release our new client app in the coming weeks. Available for your clients to download free of charge, it will give them easy access to their AJ Bell Investcentre accounts on the move and allow them to:

- check the current value of their portfolio(s)
- access information on the underlying investments on the Funds & Shares Service
- view their cash statement and transaction history
- read their secure messages

If you have set up an F&SS XO account on your client's behalf, the app also makes it possible for them to trade in shares, funds, ETFs, bonds and more.

The app uses 256 bit SSL encryption, which means it has the same high level of security your clients get when they log in to the dealing site from their PC.

We will update you when the app is available to download.

AJ Bell Luminary shines again

In 2016 we welcomed advisers and paraplanners to an innovative new seminar concept called Luminary, which aimed not only to inform and educate, but also to provide inspiration by sharing the stories of some remarkable speakers. That first event was a big hit, so we have brought it back for 2018.

This time we're doing two sessions – one in London on 20 June, and the other in Manchester on 21 June. Both will give you the chance to hear from industry experts on a variety of investment, technical pension and platform issues, as well as enjoying some thought-provoking content from Young Money Blog founder Iona Bain, and the remarkable Corinne Hutton.

Lunch will be provided on the day and the session, which qualifies for three hours of structured CPD, will end with drinks, nibbles and a chance to network with your peers. For further information on the speakers and to see the agenda for each day, please visit www.investcentre.co.uk/luminary-2018.

AJ Bell Investival

Get your diary out – I can now reveal the date for AJ Bell Investival 2018 will be ... 15 November.

This event gets bigger every year, and it has now outgrown the fantastic Royal Institute of British Architects that has served us so well in the past. The good news is that we have found an equally impressive new venue that's big enough to accommodate Investival 2018.

“ Places are going quickly with more than 200 advisers already registered, so if you would like to attend please register now and secure a seat. ”

London's famous Shaw Theatre opened in 1971 and many of the world's greatest bands have graced its stage over the years. Legendary acts like Queen and Elton John played here in the early days of their careers, and in a nod to this we have decided that the musical theme for Investival 2018 will be the 70s.

As ever, the line-up of speakers is outstanding, with the likes of Cormac Weldon, Henry Dixon, Robin Geffin, Nick Martin and Jim Leaviss appearing alongside established Investival favourites like Mark Barnett and Richard Buxton. We're also breaking things up a little by

introducing two panel sessions, featuring Jessica Ground, Linden Thomson, Ainslie McLennan and others.

Places are going quickly with more than 200 advisers already registered, so if you would like to attend please [register now](#) and secure a seat.

Approved investments list – do you approve?

We have been banging on about the need for an approved investments list for SIPPs for ages, but we have never actually sought your opinion on the matter – until now.

In our opinion, a simple list of FCA-approved investments would save a lot of confusion and lead to better outcomes for clients. The question is, do you agree with us? If you could take a second to click and vote in answer to the following question, I'd really appreciate it:

[Would you support the introduction of an 'approved investments' list for SIPPs, with off-list investments only available to professional clients?](#)

The dreaded GDPR

I know - we're slightly tired of hearing about it too. But the fact is the General Data Protection Regulation is serious stuff, and we have worked very hard to ensure our business is fully compliant with all of its requirements.

As a result, we have recently updated our [privacy policy](#), [terms and conditions](#), [cookie policy](#), [web use policy](#) and [adviser handshake](#) to make sure they meet the new standards laid down in the GDPR. By continuing to use our sites, you agree to these updated terms.

There. I won't mention it again for a while. If you have any questions, please [contact us](#).

Monthly service performance

To give you a flavour of our service delivery and how we are performing, our typical turnaround times for a number of key service areas are outlined below. This is not provided as a formal measure of our service levels, but rather to give you an idea of how our Customer Services Team is currently performing.

We will update this in each issue and flag any hotspots which may occur, particularly in the lead-up to peak periods. Looking across all of the areas listed below, we are currently hitting the indicative timescales provided in 86% of cases.



Key contacts

Adviser Support Team

☎ 0345 83 99 060

✉ enquiry@investcentre.co.uk

Business Development Team

☎ 0345 40 89 100

This document must not be copied or reproduced, in part or whole, without permission. This information is for adviser use only.

AJ Bell Management Limited (company number 03948391), AJ Bell Securities Limited (company number 02723420) and AJ Bell Investments LLP (OC355313) are authorised and regulated by the Financial Conduct Authority. All companies are registered in England and Wales at 4 Exchange Quay, Salford Quays, Manchester M5 3EE. See website for full details.