PATHWAY
ASSET MANAGEMENT

EMBRACING INGENUITY

WHO WE ARE

Pathway AM is an international asset management company that is part of IBC Group which has been in existence for nearly 20 years. Registered with CIMA, we currently manage in excess of a third of a billion USD of client capital across several funds and discretionary mandates.

HOW WE INVEST

We believe that Warren Buffett is one of the most successful investors of all time and, having studied his methodology extensively have created portfolios that fit beautifully with his criteria and 'Tenets'. Warren's 'Focus investing' method is for medium to long term investors who, like ourselves, have the conviction to stand firm in good times and in bad. Only in this way do long term investments truly benefit from his 'compound effect' where substantial gains may be seen.

This focus on unearthing value in global equity markets allows us the freedom to be less momentum driven and more fundamental driven in nature. At Pathway, we consider ourselves to be longer term shareholders in the companies in which we invest, relative to many other Fund Managers that are more technical and perhaps speculative in nature. Time invested during our rigorous stock selection process allows us to take a longer term view on a company, while also looking at external factors such as macroeconomics and the regulatory landscape.

WHAT WE INVEST IN

Our investment team extensively researches Global stock's for opportunities on the Dow Jones, NASDAQ and FTSE exchanges primarily, but not exclusively. Investing in stocks or Funds that fit our 'Focus investing' Tenets, ideally at a discount to price among other things, allows us to take calculated, strategic positions in quality companies advantageously where we see value, on an International basis.

BENEFITS OF INVESTING IN OUR MANAGED SECURITIES ACCOUNT

Investing in our range of Model Portfolios (which start at USD 10,000+ or currency equivalent), are designed to take the worry out of investing by allowing us to fully manage the research, execution and subsequent monitoring of, your portfolio. Additionally, if you have a higher lump sum to invest (USD 100,000+ or currency equivalent), we can make a bespoke portfolio that would dovetail with your own time horizon, risk profile and ultimate requirement for the capital. If you wish to simply save on a regular basis (from USD 250 per month or currency equivalent), which is an excellent way to build up capital, we have a facility that allows you to do so.

ACCESS TO CAPITAL

By comparison to typical Insurance based contracts, wherein you may have access to only 50% of what you have contributed after a decade, our Managed securities account gives you unrivalled flexibility allowing substantial access to your money based on current valuations.

FLEXIBILITY

If you are saving monthly via our Managed Regular Account (MRA 10), you can easily cease paying should you prefer. You can elect to reduce or stop contributions giving you maximum flexibility. This is again unrivaled by comparison to Insurance based plans, which typically tie you in to needlessly long contracts with egregious surrender penalties and obscenly high charges.

OUR OPALS APPROACH

OPEN ENDED The account is completely open ended and has no maturity date for clients.

PAYMENT FLEXIBILITY From the second month onwards clients can reduce/stop/take an indefinite payment holiday.

ACCESS TO CAPITAL From the second month onwards clients can withdraw all of their capital.

LOW CHARGES Our charges, depending on payment level, are typically 50% less than traditional insurance products.

STRONG GROWTH Our 'Focus investment' (Warren Buffett's) style, allows us to make gains in good markets and bad.

MANAGED SECURITIES ACCOUNT

Our Managed regular account 10 which starts at USD250 per month + USD 2500 lump sum is, we believe, possibly the most flexible regular investment account available.

We have 5 pooled accounts which start at USD 10,000 and a bespoke account that starts at USD 100,000: all take advantage of our Warren Buffett screeners.

1 Firstly a Retirement account which we believe will excite long term investors.

Using Warren Buffett's 'tenets' the compounded annual gross return (CAGR) over 20 years produced gains of 11.58%, exclusive of an annual income of 4%. The minimum subscription of USD 10,000 would have grown to USD 81,618.

The portfolio showed a significant number of positive periods achieving multiple performance fees along the way.

2 Secondly a High Income account that aims to deliver superior gains focusing on dividend stocks.

The compounded annual gross return (CAGR) over 10 years showed gains of 15.16%. The minimum subscription of USD 10,000 would have grown to USD 48,346.

This portfolio has shown a high number of positive periods achieving multiple performance fees.

3 Thirdly an Education Fees account that has a CAGR of 17% over 20 years.

4 Fourthly a new Global Emerging Markets account aimed at growing capital aggressively by investing in sustainable emerging economies.

5 Fifthly we have a new Defensive account aimed at providing a safer haven in troubled times.

TERMS & CONDITIONS

BESPOKE MANAGED SECURITIES ACCOUNT (MSA)

Investment starts at USD 100,000 or currency equivalent and is individually created to suit sophisticated investors that have larger sums to invest. We tailor make these accounts according to client's time horizon, age, risk and other factors. This account is actively managed.

Minimum Investment	USD 100,000 (or currency equivalent)
Front Load Fee	3%
Annual Management Fee (AMC) - % PA deducted from account value quarterly in arrears.	1.5%
Custody Fee (per quarter in arrears)	GBP 187.50
Performance Fee	10%

All fees will be deducted to the 5th year in the event of a surrender/withdrawal.

POOLED MANAGED SECURITIES ACCOUNT (MSA)

A Managed Securities Account can also be opened with USD 10,000 or currency equivalent into our managed securities account facility or 'model accounts'. Given the lower entry level these accounts are passively managed.

Minimum Investment	USD 10,000 (or currency equivalent)
Front Load Fee	3%
Annual Management Fee (AMC) - % PA deducted from account value quarterly in arrears.	1.5%
Custody Fee (per quarter in arrears)	GBP 187.50
Performance Fee	10%

All fees will be deducted to the 5th year in the event of a surrender/withdrawal.

MANAGED REGULAR ACCOUNT 10(MRA 10)

A minimum contribution per month	USD 250 (or currency equivalent)
Minimum lump sum to open the account	USD 2500 (or currency equivalent)
Annual Management Fee (AMC) - % PA deducted from account value quarterly in arrears.	1.5%
Performance Fee	10%
Front Load on lump sum	3%
Withdrawals	From 2nd month
Holiday payments can be undertaken	From 2nd month

All fees will be deducted to the 5th year in the event of a surrender/withdrawal.

DISCRETIONARY MANAGEMENT FACILITY

Pathway offers a Discretionary Managed facility which aims to manage existing or newly created Life Bonds, or Pension Trusts.

CHARGES

The Performance Fee in respect of each Calculation Period will be calculated by reference to the Net Asset Value ("NAV") before deduction for any accrued Performance Fee.

For each Calculation Period, a Performance Fee shall be payable in the amount of 10% in respect of the Investor Shares on the appreciation of the Sub-Fund's GAV over the previous HWM.

Once a Performance Fee has been paid, additional Performance Fees will be payable only once the Sub-Fund's GAV exceeds the new HWM. The HWM is the higher of: (a) the Initial Offering Price and (b) the highest NAV per Share on which a Performance Fee was paid.

The Performance Fee will be deemed to accrue as at each Valuation Day and shall be payable.

monthly in arrears and normally within fourteen (14) calendar days of the end of each Calculation Period.

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