

CAF CHARITY DEPOSIT PLATFORM

How it Works

PORTFOLIO SUMMARY

30 AUG 2017

PRINT

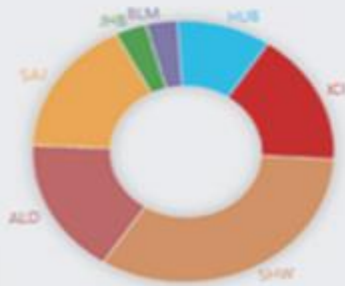
CBP USD EUR

Name	
Total portfolio value	£3,000,000.00 (£)
Hub account balance	£306,000.00
Total funds invested	£2,694,000.00 (£)
Amount available to invest	£200,000.00 (£)
Financial strength score	68.20 (£)
Average weighted portfolio yield	1.85% (£)

Financial strength 91-100	0%
Financial strength 81-90	3%
Financial strength 71-80	42%
Financial strength 61-70	33%
Financial strength < 60	20%

LIQUIDITY PROFILE

Next deposit maturity	18 Apr 2018
Weighted average today	287 days



CONTENTS

Introduction	1
How to get started	2
How to select an account	3
How to move funds	4
How to stay informed	6
How to add additional funds	7
Glossary	8

INTRODUCTION

Welcome to the CAF Charity Deposit Platform, the only dedicated charity platform providing access to market-leading deposit interest rates from a broad range of banks and building societies. Best of all, there's only one application.

It is provided by Flagstone Investment Management Ltd (Flagstone) and introductions are made by CAF Financial Solutions Ltd (CFSL).

The platform offers access to more than 100+ deposit accounts on completion of the application, with a minimum opening deposit of just £50,000. Charities can manage their risk by spreading it over a diversified set of banks, term and account choices, to maximise their FSCS protection.

The Client Services Team at Flagstone are on hand to answer any questions you may have and provide all the support you need. In addition we've created this 'How it Works' guide.

We've also drawn up a Glossary at the back of this document which we hope you will find useful if you are at all unsure about certain terms or phrases used on the platform.

CAF Charity Deposit Platform | Client Services Team at Flagstone

Email: clientservices@flagstoneim.com

Tel: +44 (0)203745 8130



HOW TO GET STARTED

How to filter and view rates and accounts

- To filter and view interest rates and accounts, go to the Portfolio Builder page.
- The 'Default Filter' is set to:
 - GBP Sterling
 - All account types
 - All deposit amounts
 - All banks
- Click on the arrow in the filter tab on the left hand side to reveal the filter. You can then change the filter settings to reflect your charity's deposit amount, account type and duration requirements. Once the filters are set, click on 'Apply' to see the results.
- You can also click 'Save' to name that specific filter setting in order to keep it for future reference.
- The filter settings are displayed in the grey box on the top right of the page. If you change the settings, you have the option to click on 'Revert' to return to the previous named filter.
- Based on your filter selections, you will then see all of the Deposit Accounts that are available to you. You can view these in either a 'Graph' or 'Table' format by clicking on the relevant tab. The 'R/R Ratios' (Risk/Return Ratios) format looks exactly the same as the Table view but the difference is that it is agnostic to any duration filters that have been set and therefore shows all accounts that are available to you ranked by their risk/return ratio.
- In the 'Graph' view, the Deposit Accounts are shown in decreasing order of financial strength (strongest credits on the left hand side). Accounts for each bank (colour-coded) are displayed in order of term (shortest duration to the left hand side).

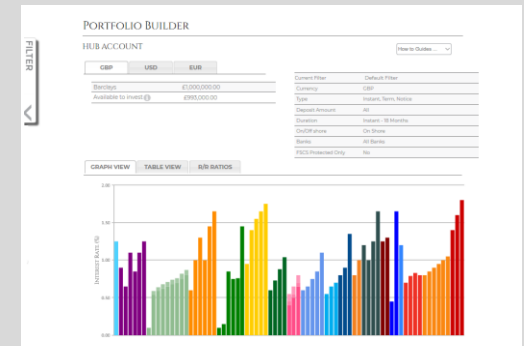
How to sort the accounts which are available to you

- Go to the 'Table' view on the Portfolio Builder page.
- You can then click on any of the column headers (for example Rate, Term, etc.) to sort the table on the basis of each of these criteria to identify those that best meet your charity's needs.

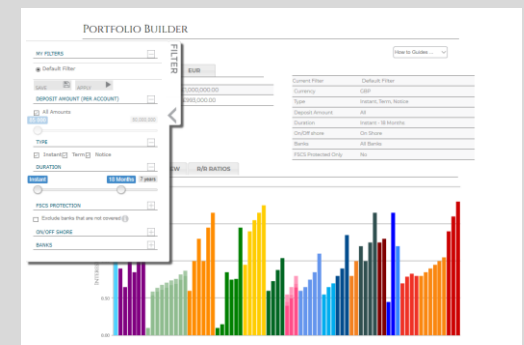
CAF Charity Deposit Platform | Client Services Team at Flagstone

Email: clientservices@flagstoneim.com

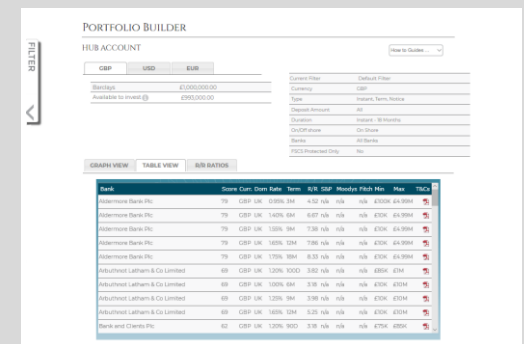
Tel: +44 (0)20 3745 8130



Go to the Portfolio Builder Page.



Click on the arrow in the filter tab then change the settings to reflect your charity's requirements.



Use the 'Table view' to sort the accounts, using the column header, to identify those that meet your charity's needs.

HOW TO SELECT AN ACCOUNT

How to select an account for your charity's portfolio

Graph View:

- In the 'Graph' view, simply click on the relevant bar in the graph.
- You will be asked to confirm that you want to add this account to your charity's portfolio.
- Click on 'ACCEPT' to confirm.
- The account is added in grey at the bottom of the Portfolio Builder page.

Table and Risk/Return Ratios View:

- Move the cursor over the relevant line to highlight it. Once highlighted, left click and then click 'ACCEPT' to confirm that you want to add the account to your charity's portfolio.
- The account is added in grey at the bottom of the Portfolio Builder page.

How to access the Terms & Conditions for a particular deposit account

Once you have selected a particular deposit account, simply click on the PDF icon in the column titled 'T&Cs'.

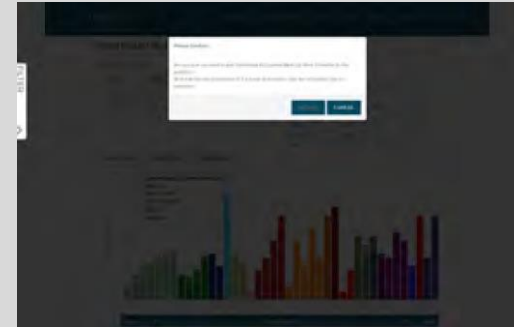
How to see the Financial Strength information for a particular bank

Every bank on the CAF Charity Deposit Platform has a Financial Strength Fact Sheet which provides a range of information on the bank including a description and the financial ratios relevant to that institution.

The Financial Strength Fact Sheet for a particular bank can be viewed in two ways:

1. Click on 'Fact Sheets' in the menu bar, then the 'Fact Sheets' tab and click on the relevant PDF icon.
2. In the Portfolio Builder page 'Graph' view, hover over a bar and click the bank name in the pop up box.

For a full explanation of the Financial Strength Score methodology, please go to 'Fact Sheets' in the menu bar and then the 'Methodology' tab. Alternatively, speak to the CAF Charity Deposit Platform Client Services Team at Flagstone who will be able to provide you with a document explaining the methodology.



To select an account for your charity's portfolio in the 'Graph View', simply click on the bar in the graph.



A Financial Strength Sheet is available for every bank.

CAF Charity Deposit Platform | Client Services Team at Flagstone

Email: clientservices@flagstoneim.com

Tel: +44 (0)20 3745 8130

HOW TO MOVE FUNDS

How to instruct a transfer of funds to a deposit account

- Once you've reviewed the terms and conditions for the selected deposit account, input the amount to be transferred from your charity's Hub Account (ensuring that the amount is within the minimum and maximum limits shown for the account).
- Alternatively, use the '% of total funds available' box to determine the amount of the deposit.
- Tick the box at the bottom of the page to confirm you've reviewed and accept all relevant terms and conditions.
- Click on 'Execute' and the deposit is then added to the 'Pending Transfers' section of your charity's Portfolio page.



Input the amount to be transferred, confirm you've reviewed and accepted the terms and conditions and click execute.

How long will it take to move money from my charity's Hub Account to a deposit account?

The CAF Charity Deposit Platform Client Services Team at Flagstone will send you an email acknowledging receipt of your charity's transfer instruction and will also provide an estimate of the time it will take to open the new account. Generally a new deposit account can take between 2 to 5 business days to set up. Once the deposit has been placed, the team at Flagstone will send you a further email confirming this.

What happens if the interest rate changes between an account being selected and opened?

Assuming the interest rate change is favourable, i.e. is higher than when you selected it, your charity's instruction will be executed at the higher rate. If the interest rate changes and is not favourable, i.e. is lower than when you selected it, the team at Flagstone will contact you to confirm your charity's acceptance of the lower rate before executing the instruction.

Can my charity use offshore accounts in an onshore portfolio?

Some bank partners are happy to receive deposits from UK onshore clients. If your charity is in the appropriate client target category for one of these offshore banks, then you will see the rates on the platform alongside those of the onshore banks. You should pay attention to the 'Important Note' concerning deposit protection when selecting to place a deposit with an offshore bank. This important note can be seen when you review the Terms & Conditions for any offshore account.

CAF Charity Deposit Platform | Client Services Team at Flagstone

Email: clientservices@flagstoneim.com

Tel: +44 (0)203745 8130

HOW TO MOVE FUNDS

What happens at the end of a fixed deposit term?

At the end of a fixed deposit term, the funds (principal and interest) are automatically returned to your charity's Hub Account.

What if my charity needs its money back before the end of the term?

Therefore, when you select a term account, it's important to ensure that the term is appropriate for your charity's needs. Once funds are transferred to a Term Deposit Account they cannot be accessed before the end of the term.

How do I withdraw funds from a Notice Account?

With a Notice Account, the funds remain in the account indefinitely until you provide us with notice that you would like to return the funds to your Hub Account. Once you provide an instruction, we will give notice to the bank and the notice period will start (e.g. 120 days for a 120 day notice account). Once the notice period expires, funds will be automatically returned to your Hub Account. Once funds are back in your Hub Account we will send you a confirmation by email.

How to withdraw funds from the platform

- Go to the Admin page on the platform and click on the '+' sign next to 'Redeem Funds'.
- The 'Amount Available to Withdraw' is shown here, together with details of your charity's 'Nominated Account' to which the funds will be sent.
- Input the amount you would like to withdraw.
- Click on 'Execute'.
- An email will be sent to you by Flagstone confirming receipt of your charity's withdrawal instruction.
- All withdrawals from the platform are sent to the Nominated Account that you designate when the account is set up.
- The details of this Nominated Account are specified in the Redeem Funds section on the Admin page of the platform.

CAF Charity Deposit Platform | Client Services Team at Flagstone

Email: clientservices@flagstoneim.com

Tel: +44 (0)20 3745 8130

The screenshot shows a web interface for 'ADMINISTRATION'. It is divided into two main sections: 'CONTACT DETAILS' and 'ACTIONS'. The 'CONTACT DETAILS' section contains several input fields: ENTITY NAME (with a dropdown arrow), NAME, ADDRESS, POSTAL CODE, and PHONE NUMBER. The 'ACTIONS' section includes a dropdown menu for 'ADD FUNDS', a dropdown menu for 'REDEEM FUNDS', and a 'SAVE' button. There are also some smaller elements like 'GBP', 'USD', 'EUR' and 'EXECUTE'.

Withdraw funds from the platform using the 'Redeem Funds' function.

HOW TO MOVE FUNDS

How to make sure that you're alerted to the best rates and any changes in the financial strength of the banks on the CAF Charity Deposit Platform

- To receive alerts to changes in available deposit rates or the financial strength profile of banks on the platform, go to the Admin page and click on the '+' sign in the 'Alerts' section located in the top right corner of the page.
- Select 'Subscribe'.
- An email will be sent to you confirming that the alert instruction has been received and regular weekly emails will then be sent to you.

How to access statements

- Go to the Admin page on the deposit platform.
- Click on the '+' sign next to 'Statements'.
- Select the period and the preferred format for your charity's statement (Excel or PDF).

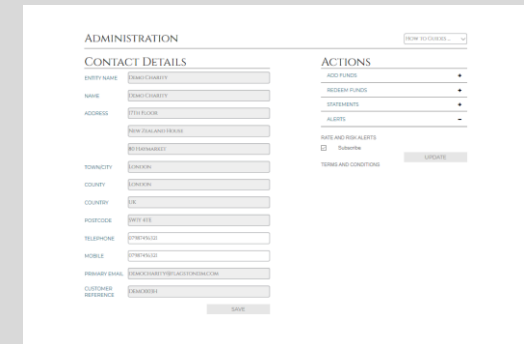
How to access your charity's annual interest summary

- Go to the Admin page on the deposit platform.
- Click on the '+' sign next to 'Statements'.
- We aim to have your charity's annual interest summary available here within two months of the end of the tax year.

CAF Charity Deposit Platform | Client Services Team at Flagstone

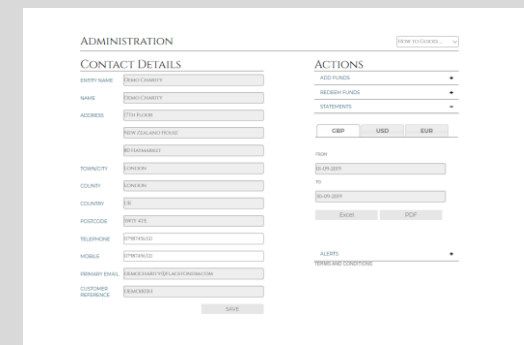
Email: clientservices@flagstoneim.com

Tel: +44 (0)203745 8130



The screenshot shows the 'ADMINISTRATION' page with a 'NEW TO USERS' dropdown in the top right. The main content is divided into 'CONTACT DETAILS' and 'ACTIONS'. The 'CONTACT DETAILS' section contains various input fields for charity information, including name, address, telephone, and email. The 'ACTIONS' section on the right has a '+' sign next to 'ALERTS', indicating it can be expanded. Other actions listed include 'ADD FUNDS', 'REDISEN FUNDS', 'STATEMENTS', and 'TERMS AND CONDITIONS'. There is also a 'SUBSCRIBE' checkbox and an 'UPDATE' button.

Subscribe to 'Alerts' to stay informed.



This screenshot is similar to the one above, but the 'ACTIONS' section has a '+' sign next to 'STATEMENTS', indicating it can be expanded. Additionally, there are buttons for 'GBP', 'USD', and 'EUR' currency selection, and a 'STATEMENTS' section with 'FROM' and 'TO' date pickers, and 'Excel' and 'PDF' format options.

Easily access statements and your charity's annual interest summary via the 'Admin' page.

HOW TO ADD ADDITIONAL FUNDS

How to add additional funds to your CAF Charity Deposit Platform Hub Account

- To add additional funds to your charity's Hub Account you need to instruct your charity's bank to transfer funds to it using the Hub Account account details which can be found on the Admin page under the section entitled 'Add Funds'.
- We will only accept funds from your charity's 'Nominated Account' that you designated when the account was set up. The details of this Nominated Account are specified in the Redeem Funds section on the Admin page of the platform.
- It is important to ensure that all of the details are correct and that the payment **specifically includes your unique client reference number**.
- Payment clearing times vary by bank. If the payment clears after 5pm on any working day, the monies will be allocated to your charity's Hub Account on the next working day.
- An email confirmation will be sent to you by Flagstone once the funds have been received.

The screenshot shows the 'ADMINISTRATION' page with a 'NEW ACCOUNTS' button in the top right. The page is divided into two main sections: 'CONTACT DETAILS' and 'ACTIONS'. The 'CONTACT DETAILS' section contains various input fields for charity information, including 'ENTRY NAME', 'NAME', 'ADDRESS', 'TOWN/CITY', 'COUNTRY', 'POSTCODE', 'TELEPHONE', 'MOBILE', 'PRIMARY EMAIL', and 'CUSTOMER REFERENCE'. The 'ACTIONS' section includes a dropdown menu for 'ADD FUNDS', a currency selector (GBP, USD, EUR), and a 'TRANSFER FUNDS' button. Below these are several red warning messages and a 'REDEEM FUNDS' button.

Add funds from your charity's Nominated Account using the 'Add Funds' function on the 'Admin' page.

CAF Charity Deposit Platform | Client Services Team at Flagstone

Email: clientservices@flagstoneim.com

Tel: +44 (0)203745 8130

GLOSSARY

“Hub Account”

The Hub Account is the first account that we set up for you.

This is the core transactional account from where you can transfer funds to different underlying deposit accounts.

Once a fixed term deposit matures, it always returns to your charity's Hub Account, pending your charity's next instruction.

“Deposit Account”

A Deposit Account is a bank account selected by you, using the platform, to match your charity's preferences with regard to bank, interest rate, Financial Strength Score, type of account and term of deposit. You can use the filters on the Portfolio Builder page to select different Deposit Accounts and provide instructions to transfer funds from your charity's Hub Account to a specific Deposit Account.

“Notice Account”

With a Notice Account, the funds remain in the account indefinitely until you provide Flagstone with notice that your charity would like to return the funds to its Hub Account. Once you provide an instruction, we will give notice to the bank and the notice period will start (e.g. 120 days for a 120 day notice account).

Once the notice period expires, funds will be automatically returned to your charity's Hub Account.

Once funds are back in your charity's Hub Account, Flagstone will send you a confirmation by email.

“Nominated Account”

Your Nominated Account is the only account to which your charity's monies will be paid when you request them back from the platform. This is also the account that your charity must use to make payments into your charity's Hub Account. You will provide the details of the account that your charity wants to use as its Nominated Account in the application form.

“Term Account”

A Term Account has a specific term (e.g. 3 months, 12 months, etc.) Once a Term Account is open and funded, it cannot be broken until the end of the term.

This means that your charity's cash is locked up in the account for the full length of the term, after which it automatically returns to your charity's Hub Account.

“Total Portfolio Value”

Your charity's 'Total Portfolio Value' can be seen on the Portfolio page of the platform. This amount is equal to the value of the balance in your charity's Hub Account, plus the value of all deposits placed with other banks. It does not include accrued but unpaid interest.

CAF Charity Deposit Platform | Client Services Team at Flagstone

Email: clientservices@flagstoneim.com

Tel: +44 (0)20 3745 8130

GLOSSARY

“Amount Available to Withdraw”

The 'Amount Available to Withdraw' is equal to the balance of your charity's Hub Account, less any fees due in accordance with the terms and conditions.

“Amount Available to Invest”

The 'Amount Available to Invest' is shown on the Portfolio Builder page and in the Hub Account section of the Portfolio page.

It is equal to the balance of your charity's Hub Account, less any pending transfers or withdrawals and less any fees due in accordance with the terms and conditions.

“Average Weighted Portfolio Yield”

This can be found on the Portfolio page. The 'Average Weighted Portfolio Yield' takes the interest rate for each bank deposit and creates an average yield for your charity's portfolio, weighted by the amount that your charity has deposited with each bank.

For example, a £10 million portfolio with £5 million (50%) deposited with Bank A (interest rate 2.00%) and £5 million (50%) deposited with Bank B (interest rate 1.00%) would have an Average Weighted Portfolio Yield of 1.50% ($2.0 * 0.50 + 1.0 * 0.50$).

“Liquidity Profile”

The 'Liquidity Profile' can be found on the Portfolio page. It indicates the next upcoming maturity date for any deposit that your charity has placed with a bank. It also calculates the weighted average liquidity profile of your charity's cash holdings, weighted by the amount your charity has deposited in each bank account.

For example, a £10 million portfolio with £5 million (50%) deposited with Bank A (term 365 days) and £5 million (50%) deposited with Bank B (term 180 days) would have an average weighted liquidity profile of 273 days ($365 * 0.50 + 180 * 0.50$).

“Risk/Return (R/R Ratio)”

The 'Risk/Return ratio' or 'R/R Ratio' is a measure of the unit of return (interest rate) per unit of risk (the Financial Strength Score). A higher R/R Ratio therefore implies a better rate of return relative to the Financial Strength Score of the bank.

The R/R ratio is calculated by taking the interest rate offered on a particular deposit, dividing it by 100 minus the Financial Strength Score of the relevant Bank and multiplying the result by 100.

As with the Financial Strength Score, the Risk/Return Ratio is not intended to imply that one deposit is better than another. The intention is solely to provide a transparent framework for you to measure the unit of return per unit of risk on any individual deposit you wish to enter into and judge deposits on a relative basis using a consistent metric.

CAF Charity Deposit Platform | Client Services Team at Flagstone

Email: clientservices@flagstoneim.com

Tel: +44 (0)203745 8130

The CAF Charity Deposit Platform is provided by Flagstone Investment Management ('Flagstone') and introductions are made by CAF Financial Solutions Limited (CFSL)

Flagstone
+44 (0)20 3745 8130
clientservices@flagstoneim.com
www.flagstoneim.com

Flagstone is registered as a limited company in England and Wales No. 08528880.
Registered Office: 1st Floor, Clareville House, 26-27 Oxendon Street, London SW1Y 4EL.
Flagstone is authorised and regulated by the Financial Conduct Authority (Reference Numbers 676754 and 605504).

CAF Financial Solutions Limited (CFSL) is authorised and regulated by the Financial Conduct Authority under registration number 189450.
Authorisation can be checked on the financial services register at www.fca.org.uk.
CFSL Registered office is 25 Kings Hill Avenue, Kings Hill, West Malling, Kent ME19 4TA.
Registered under number 2771873. CFSL is a subsidiary of Charities Aid Foundation (registered charity number 268369).

Telephone calls to the CAF Charity Deposit Platform Client Services Team at Flagstone may be monitored or recorded to comply with relevant legislation and for training purposes. Lines are open Monday to Friday 9am - 5pm (excluding English bank holidays).