

PACIFIC
IFA

Welcome to Pacific Focus

Welcome to the first edition of Pacific focus, our new quarterly client newsletter! Communication is the lifeblood of any relationship, so it's our intention to keep all of our clients updated on important financial information that affects them personally, key market news, changes in government legislation and what's happening here at Pacific IFA. This edition is highlighting a call to action for taking out an ISA (Individual



Savings Account). Several tax increases were announced in the June 2010 emergency Budget, including an increase in capital gains tax to 28% for higher rate tax payers, making ISAs even more valuable. The deadline is looming to maximise your ISA allowance, so please read the information enclosed without delay.

Pacific eFocus

In addition to our quarterly newsletters, we have recently launched a monthly email service for all our clients. eFocus will keep you updated, on a monthly basis, with important information on a number of topics and includes a humorous element as well (like the Pacific directors Disco dancing youtube clip!). February's edition contained information on financial planning, inheritance tax, pension changes, protection planning and a Valentines section. If you're not on our mailing list and would like to receive your regular eFocus monthly edition, then please email andrewgarrido@pacificifagroup.com and we will make sure you receive it.

Pacific launch a Corporate Division

A Corporate Division of Pacific IFA was launched in January 2011. It all started when Co-Directors Mark Pentelow and Stephen Davis talked to companies about financial planning and found the conversation often turned to corporate financial issues rather than individual investment matters. "We often run seminars about individual investment opportunities but lately we found that businesses got much more excited about capital management, tax savings and other corporate-type issues," explains Davis. In fact, they ended up fielding so many questions about capital management, tax liabilities, design of remuneration packages, accountancy and pension issues among others, that they decided to launch a dedicated unit within the practice. And the Corporate Division of Pacific IFA is the result. Its purpose? Our Corporate Division's services starts where Pacific IFA leaves off. The financial planning function is chiefly for individuals, although we often find it has a corporate application too, for instance in such instruments as remuneration trusts. (And if you haven't talked to us about remuneration trusts, now might be a good time.)

If you would like to receive a copy of our new Corporate brochure, please email andrewgarrido@pacificifagroup.com

In this issue: Help us make a difference - sponsorships and charities • Elevate - a modern way to invest • Architas - a smarter way to invest • Now its time to talk to us about your ISA

pacificfocus

This newsletter is for general information only and is not intended to be advice to any specific person. You are recommended to seek competent professional advice before taking or refraining from taking any action on the basis of the contents of this publication. The Financial Services Authority (FSA) does not regulate tax advice, so it is outside the investment protection rules of the Financial Services and Markets Act and the Financial Services Compensation Scheme. The newsletter represents our understanding of law and HM Revenue & Customs practice as at January 2011.

Help us make a difference



Pacific IFA is proud to support some amazing Charities.....

PACIFIC CHARITIES AND SPONSORSHIP

Pacific IFA is proud to support a number of amazing Charities

Pacific IFA support a number of Charities who provide incredible care and assistance to the young, the sick and the visually impaired. All these Charities rely on voluntary contributions to fund the invaluable care and support which is tirelessly provided day-in and day-out.

By means of our new Charity referral program our clients are directly supporting these worthwhile causes every time they refer a family member, a friend or work colleague to us for a financial review meeting which is funded by Pacific IFA.

During 2010, we raised 132% of our annual Charity donation target, so with the ongoing support of our clients and business partners, we aim to raise even more in future years.

To make a Charity referral please visit: www.pacificifagroup.com/charity

Pacific IFA are also keen to sponsor up and coming British sports talent.



Robert Dinwiddie is a former England and Walker Cup International player and is the only person ever to hold the English, Scottish and Welsh Amateur Championships at the same time.

He has won 3 times on the Challenge Tour in his three years as a professional and currently holds the course record on the West Course at Wentworth. In 2010 he played on both the Challenge and European Tours.

Pacific IFA will be following Robert's progress with interest during the current season and wish him great success during the many tournaments he will be competing in during 2011.

Pacific IFA has selected the award winning* AXA Elevate, as their wrap platform of choice for their clients.

We all have different objectives for our money...

But at Pacific IFA, we think there is one objective that many people share – the desire to make investing as simple as possible.

That is why we use Elevate, an online system that could help you manage your investment portfolio through the choice of appropriate product wrappers, investments and planning tools. It aims to be a flexible solution that can grow and develop as your financial needs change. We believe that it can help you plan investment strategies and monitor them more easily.

We believe something as important as your investment portfolio shouldn't be based simply on buying and selling investments. Instead, we think the best way to build a portfolio that's right for you is to develop a close relationship with you. A relationship which provides greater clarity to you about your investments, the way they perform.

What is Elevate - A modern way to invest?

Elevate is the wrap platform from AXA which gives you, and us, a 'platform' from which to manage your portfolio. We will work with you to fully understand your current financial circumstances, future aims and your attitude to risk. We will then give you guidance on which financial products may be right for you and recommend some that could be held as part of your portfolio.

A sophisticated, online system

We will use Elevate, where appropriate, to set up and manage your portfolio. As well as buying and selling investments online, Elevate can be used to provide statements, reports and analysis which can help you make decisions about your portfolio. Because it is an online system, Elevate allows deals to be placed electronically and, because the information is regularly updated, monitor their progress.

A range of financial options

The options available through Elevate are wide ranging and can be used to tailor your particular requirements. They fall into two main categories that work together: product wrappers and investments. Product wrappers are things like Individual Savings Accounts (commonly called ISAs) and pensions. They provide a framework or set of rules governing how much money you can invest, what taxes apply to your money and how you can use the money e.g. for an income in retirement. Investments are what you buy to hold in each product wrapper. Investments are things like stocks and shares and investment funds, such as unit trusts, Open-Ended Investment Companies (or OEICs) and Exchange Traded Funds (or ETFs).



Elevate®

A way of building a better relationship

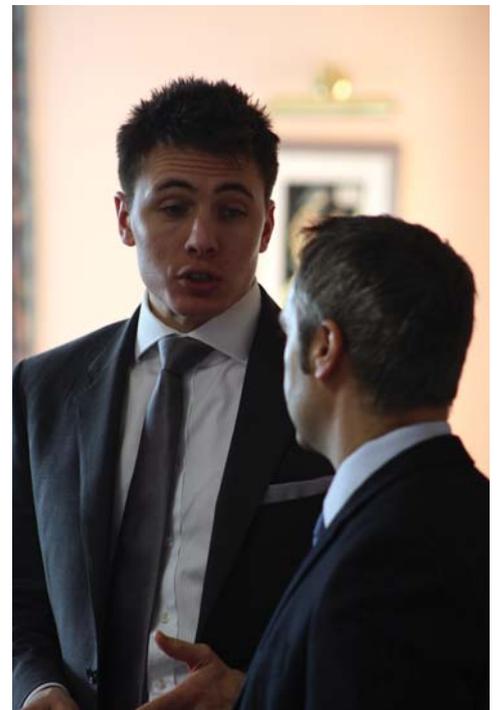
Elevate is designed to help improve a person's experience of financial services. We hope that by embracing modern technology to reduce the administration burden and provide important information faster, we will all be able to work together in a more efficient way that adds value for everyone.

The potential benefits of Elevate - An overview of your investments

At the moment you may be receiving different statements for different investments, and perhaps won't have a simple view of your portfolio. With this approach, getting a clear picture of your investments, or changing and updating your investments, can be a cumbersome process. This is exactly what Elevate could help resolve. Because it is an online system that is able to hold a range of products and investments, you can easily see how your portfolio is performing.

A summary of what AXA Elevate offers our clients:-

- A secure online investment platform which is available 24/7
- Over 100 fund managers and over 2,000 funds are available
- Most funds can be instantly switched, as and when required
- Reduced institutional rates are available across the platform
- Pensions, Savings, ISA's (Individual Savings Account), Bonds, Unit trusts, Cash, etc are all joined together into one secure online account
- Link family members portfolio's together (with their approval) to potentially reduce costs even further
- Purpose built from the ground up to provide a robust and fully scalable platform



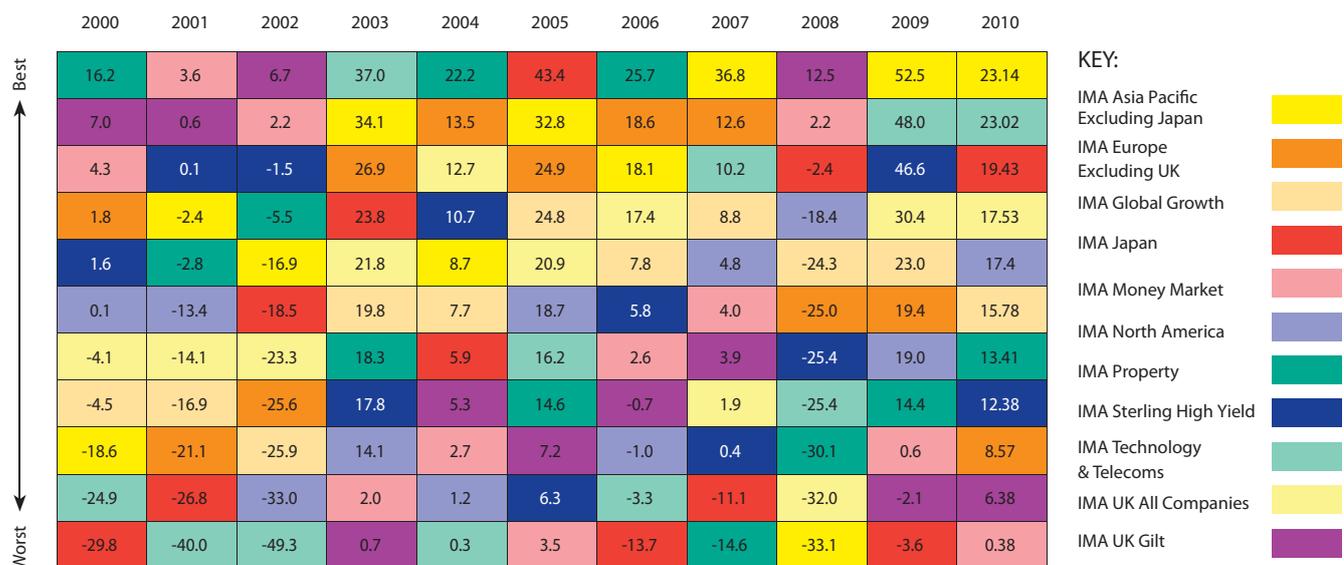
*In November 2009 AXA Distribution Services, the provider of Elevate, achieved a four-star 'Excellence in Customer Experience' accreditation in the UK Customer Experience awards. In July 2010 Elevate received a 5 star rating from independent comparison company Defaqto. In September 2010 the Elevate platform received an 'eee' award from Finance & Technology Research Centre in association with Money Marketing. Also in September 2010 Elevate achieved 'Best New Platform' at the Aberdeen UK Platform Awards.

The Importance of Diversification

- Diversification is key to any investment portfolio. The concept of ‘putting all of your eggs in one basket’ can lead to high risk and a potentially volatile experience.
- The chart below illustrates the concept of diversification. It shows the returns for 11 of the IMA sectors, ranked from best to worst for each one year period. The chart demonstrates that no one sector has constantly performed better than any other, for example if you had invested in just UK Gilts in 2001 when they had high returns, by 2003 you would be receiving the lowest.
- By investing in all asset classes through diversification, you could potentially benefit from the best performance and may have more consistent returns than a fund which invests in one single asset class.

Please note: Past performance is not a guide to the future. The value of investments can fall as well as rise and is not guaranteed. You could get back less than you invest.

IMA Sector Average Returns



Source: Financial Express. Past performance is not a guide to future performance. The value of an investment can fall as well as rise and is not guaranteed. Investors could get back less than they invest.

Architas a smarter way to invest

Architas is a dedicated Multi-Manager resourced with the right people, tools and robust investment process. Their whole business is built around researching and monitoring managers.

What is Multi-Manager

Multi-management is a way of investing where a group of investment managers, each a specialist in their own field, are brought together into one portfolio. The Multi-Manager is responsible for:

- * Fund design
- * Manager research and selection
- * Ongoing monitoring
- * Manager and fund changes
- * Pricing negotiations

Manager of managers – key points

- * Brings together different investment managers into a well-diversified portfolio
- * Managers are hired to run a separate investment account for the Multi-Manager
- * The Multi-Manager can choose from a wide universe of managers including some usually only available to institutional investors
- * The Multi-Manager needs to have a very large investment with each manager
- * Portfolio managed to a strategic asset allocation

Investment Challenges

Finding good investment managers is difficult. Working out how to blend them together in a properly diversified portfolio and then monitoring them on an ongoing basis is even harder. Some of the key challenges in investing are:

- * The sheer number of choices available. There are over 30,000 investment funds to choose from in the UK. How do you get to know them all in order to be able to make a sound choice?
- * Finding sufficient information to feel confident you know what you're getting. Where do you go to get information on different funds? Each fund promotes its performance but how do you establish what drove that performance?
- * Making the time to do the right level of research into all the options
- * Keeping track of all the manager changes that take place. Managers are joining and leaving all the time and its really hard to keep track of all the movements and working out who was truly responsible for the performance
- * Creating a well diversified blend of managers. Without information on each manager's investment style and the type of investment they're making its very difficult to know how much diversification you're really getting or whether you have several managers investing in similar things
- * Keeping it up to date. This is the hardest challenge of all – getting access to meaningful information to judge whether change is needed and having the necessary objectivity to make changes.

The Architas Answer

Architas Multi-Manager addresses these challenges in a highly effective way. Their investment process is designed to identify consistent, good managers who are specialists in their field and then bring them together in a properly diversified portfolio. They have built a wide range of investment solutions giving flexibility in meeting client needs.

Call to Action

now is the time to talk to us about your ISA's

Why invest in a Stocks and Shares ISA?

Investing in an ISA (Individual Savings Account) is one of the simplest ways of building your own tax haven and protecting your investments from the taxman. Less tax may mean higher returns for you. For those with money to save or invest, and once a suitable emergency fund has been established, there is little reason not to open an ISA. We believe most investors shouldn't even consider investing outside an ISA until they (and their spouse) have used their full ISA allowance.

The easiest way to think of a Stocks & Shares ISA is to consider it as a 'tax free wrapper'. Within that wrapper you can hold (almost) whatever investments you like, and those investments will be sheltered from tax.

Making changes to your portfolio in an ISA is simple and all your profits are your own. There's no need for complicated capital gains tax calculations and timing sales to reduce your tax bill. You don't even need to declare ISAs on your tax return. This leaves you free to make changes to your holdings to suit your needs and appetite to risk.

Tax benefits of an ISA

Several tax increases were announced in June's emergency Budget, including an increase in capital gains tax to 28% for higher rate tax payers, making ISAs even more valuable.

Everyone can now shelter £10,200 each tax year in ISAs (meaning a couple can shelter as much as £20,400).

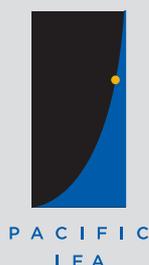
If you invest your full ISA allowance each year, it's possible to build up a sizeable tax free savings pot – with all future gains, and all future income protected from the taxman. Remember – less tax means higher returns for you.

Open your ISA today with a lump sum payment or by setting up a monthly direct debit from as little as £50 a month.

Please don't delay, speak to your financial advisor now

To arrange a meeting with your Pacific IFA Independent Financial Advisor, please contact us by the email or telephone numbers shown below.

If you have any feedback that you would like to make on this first edition of Pacific Focus, please email our Marketing Director with your comments at andrewgarrido@pacificifagroup.com



Head office: Pacific House, The Tye, East Hanningfield, CM3 8AA
T: (01245) 403500 F: (01245) 401550

London Office: 20 Hanover Square, London, W1S 1HZ
T: (0207) 096 3396

Kent Office: McLaren House, 3 Alefe Way, Iwade, Kent ME9 8TX
T: (01795) 883200 F: (01795) 477779

Group Email: invest@pacificifagroup.com



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