



**HILBERT**  
Investment Solutions

For financial advisers only

# CORPORATE BROCHURE & DUE DILIGENCE GUIDE

This document gives you instant access to the due diligence questions we are frequently asked by UK financial advisers.



# WHO ARE HILBERT INVESTMENT SOLUTIONS?



Hilbert Investment Solutions is an award-winning investment house helping institutions, intermediaries and individuals across the UK, France and Belgium meet their goals, fulfill their ambitions, and prepare for the future. As the world and the economic climate change, so do our clients' needs. That's why we have a strong-track record of adapting to suit the times and keeping our focus on protecting and growing our clients' money.

Established in 2012, Hilbert Investment Solutions has built a reputation for developing innovative investment products for a wide range of clients across Europe. Drawing on research, market knowledge and technical expertise, we offer solutions to suit a wide range of investment objectives and risk profiles. Our goal is to ease concerns about what lies ahead by helping investors save for the future.

Working in partnership with Independent Financial Advisers, as well as Institutional and Private Management teams, we aim to provide the highest standard of expertise and professionalism. We offer a competitive suite of retirement and bespoke structured investment solutions, also available via our Managed Portfolio Service (MPS). Our investment solutions complement traditional investment strategies by providing exposure to a range of markets and counterparties. Designed to gain value in rising markets and protect your assets when markets are falling, they're structured to encompass a variety of features, profiles and payoffs to accommodate your needs.

Hilbert Investment Solutions is fully authorised and regulated by the Financial Conduct Authority (FCA), and our solutions are available via Independent Financial Advisers, Institutional and Private Wealth Management teams.

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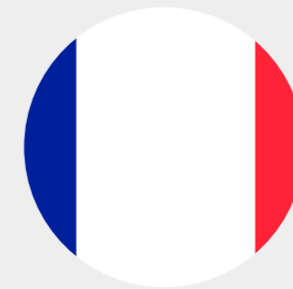
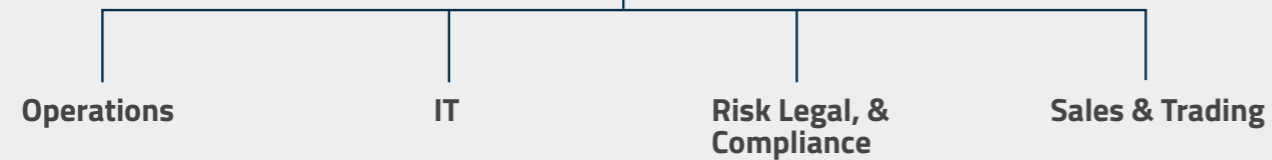
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# ORGANISATION STRUCTURE



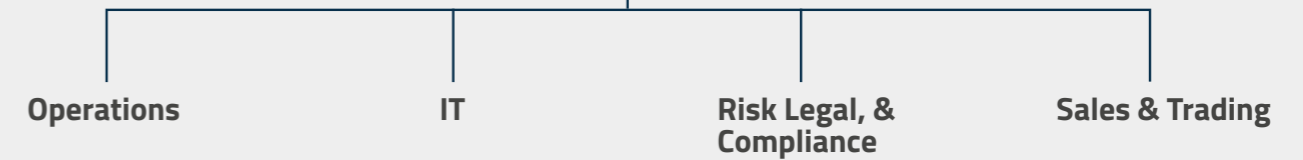
## LONDON

Operations led from London  
Clients are all contracted to London  
Front line IT support



## PARIS

Paris subsidiary operates as a sales hub for European clients and markets  
Front line IT support



Regulated entities



## BELGIUM/ LUXEMBOURG

Bond & SPs  
Distribution to  
Institutional &  
Corporate

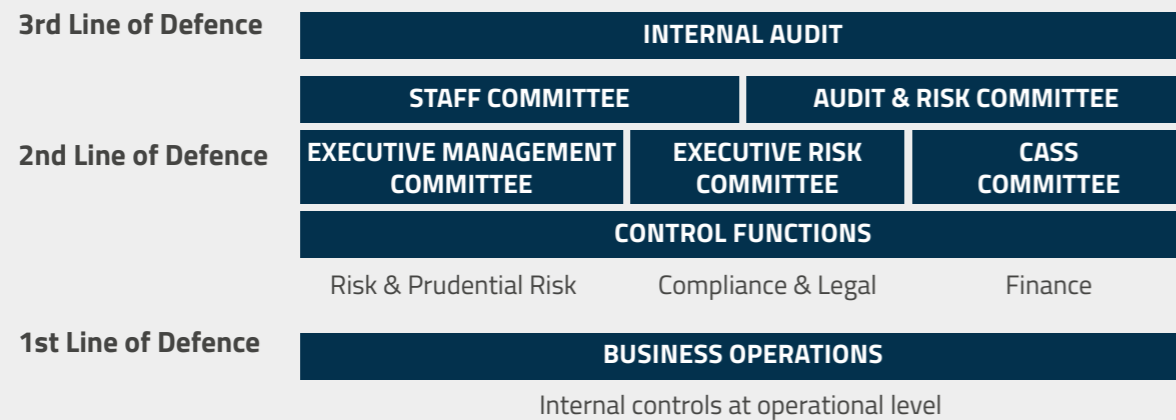


## LYON

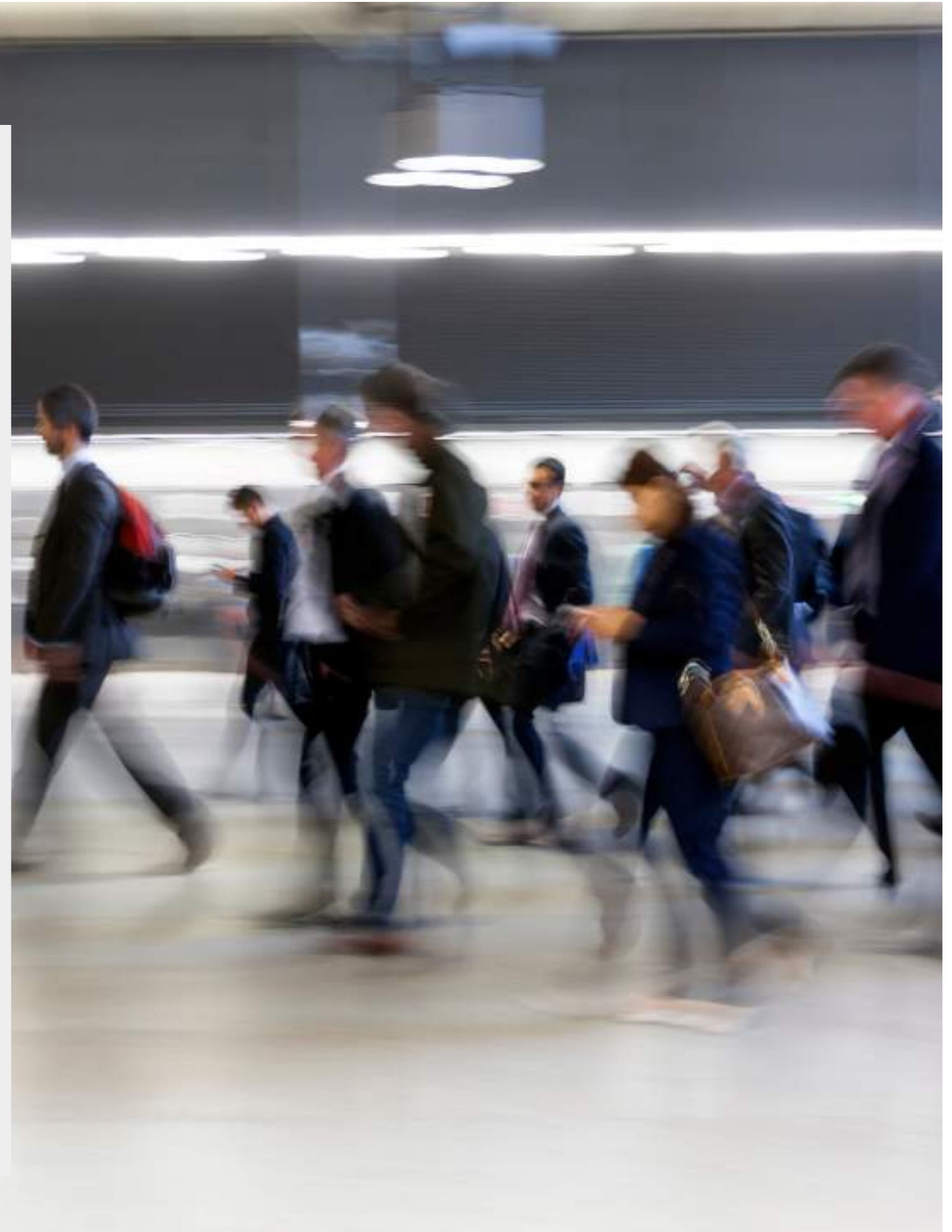
IFAs Wealth  
Management Unit  
with Direct clients  
access

Regulated entity

# CORPORATE & GOVERNANCE CHARTS



*Further description of risks and mitigants on following pages*



# COMPANY STATISTICS



## Key Stats

- Total assets under management of £500M in 2023
- £50M invested in Structured Active Management
- Over €1bn traded volume in bonds for institutional clients
- Over 5,000 products marketed in France and the UK
- Network of 300+ IFA partners in France and the UK
- Over 3,500+ end-investors



## Services

- Bespoke managed portfolios tailored to clients' specific requirements
- Trade execution and direct market access
- Banking & custody services
- Derivatives hedging
- White-labelled online platform



## Products

- Hilbert Protect 90: available as a registered Self Invested Personal Pension (SIPP) and as a Manage Portfolio Services (MPS)
- A range of growth and income products linked to the performance of a specific market or basket of assets
- Autocall (Kick-out) products which can mature early if certain conditions are met
- Actively managed portfolio service: Defensive Income Portfolio



## Track Record

- 300+ structured products launched in the UK and France since 2013
- Best-performing UK retail structured product 2020, Q1 2021 & Q2 2021\*
- Winners of eight industry awards since 2018

\*Source: Lowes Financial Management. Best-performing structured product in the UK retail sector, based on average annualised returns of plans maturing during the period.



## Clients

- 3,500+ retail clients and 50+ institutional clients consisting of:
- Asset/wealth managers
  - Corporate treasurers
  - Regional banks
  - Medium-sized insurers
  - Occupational health and life insurers
  - Pension funds



## Presence

- Established in four countries: France, the UK, Belgium and Luxembourg
- 40+ strong team (employees and strategic advisers)
- Dedicated local sales representatives
- Network of 300+ IFA partners in France and the UK

### Hilbert provides Advisor support services

Advisors will have access to a dedicated Business Development Managers who will be able to provide technical support and will be supported by an inhouse account manager.

Our dedicated Operation team members will be your point of contact for all of your administrative needs. Our office is open 9am-5pm, Monday to Friday and all members within the team will be able to assist with an enquiry.

### Hilbert provides Intermediaries with clearing, custody, prime brokerage and multi asset execution services

Intermediaries are asset managers servicing professional clients' assets.

### Hilbert provides Fund Managers with services

Fund Manager are classified as investment vehicles that pool capital (typically offshore) from a number of investors and invest in securities and other instruments via a professional management firm (typically onshore).

Hilbert's clients come to Hilbert because of its competitive pricing relative to the global banks and its "one stop shop" approach to providing a full range of services.

### Hilbert provides Broker Dealers with settlement and prime brokerage services

Broker Dealers match buying and selling interests in bonds and equities and direct client orders to regulated venues for execution. They typically do not hold positions and trade purely on client instructions in either a matched principal or agency capacity.

The Hilbert teams ability to assist with the execution of specialised trades differentiates them from the larger bank providers.

### Staff Training and Development

To ensure that our staff members are providing our clients with the finest service, Hilbert IS invest time and resources to their ongoing professional development from the market recognised training institutions like: London Governance & Compliance Academy, CFA Institute, Chartered Institute for Securities and Investment and Association of Governance Risk & Compliance.



### Hilbert provides Proprietary Traders with clearing, settlement and prime brokerage services

- Proprietary Traders trade financial instruments (stocks, bonds, currencies, commodities, derivatives etc.) using their own (company or individual) funds. They do not manage third party assets.
- Hilbert's longest standing client segment; the Infinity platform was originally developed to service Proprietary Traders' needs and today Hilbert's smaller clients rely on its infrastructure for their books and records.

### Hilbert provides Wealth Managers with clearing, settlement and custody and multi-asset execution services alongside a full suite of client relationship and portfolio management tools

- Wealth Managers manage the assets of mass affluent or high net worth individuals.
- New service launched with a number of clients already online and new clients going through onboarding process.
- Clients provided with best of breed end-to-end technology platform which has been integrated with Infinity's market-leading back office platform Infinity.

### Hilbert provides Family Offices with prime brokerage services

- Family Offices are usually private companies that manage investments and trusts for a single wealthy family.
- Family Offices can often originate from existing Fund managers looking to invest their own capital.
- Family Office clients increasingly run similar investment strategies to Funds.



# INFINITY PLATFORM

## MANAGING INVESTMENTS ONLINE

### A better way to manage your clients' wealth

Our investment platform is a central online portal allowing advisers and their clients to manage their wealth. Thanks to Infinity platform, you can enjoy:

- A wider choice of investments, tools, and services to tailor your advice.

- Greater convenience to access everything you need in one place.
- More control over how you manage your clients' investments.
- Less time required during the application process.

### Helping to get your clients online

The Infinity Platform isn't just for advisers, it's for your clients too. When your client becomes a Hilbert customer, they'll get access to their own account, they can:

- Open a SIPP, ISA or Trading account.
- Invest in one of our Structured Solutions, Pension, or Managed Portfolios Services.
- Securely access everything they need about their investments.
- Keep track of their investment performance.
- Easily set up and manage payments and keep personal details up to date.

### An outstanding service

Our technology enables application and account management processes to be carried out online helping you to:

- Instruct business as quickly as possible.
- Manage your clients' assets more easily.
- Present your clients with an outstanding online service.

This means you will handle and post less paper and make fewer telephone calls, ultimately saving you time.

### Ten online features to manage your clients' investments

1. Know Your Customer: Initial Client screening, Risk assessment, Ongoing monitoring.

2. Online Pension & ISA: During a busy tax-year end, quickly instruct us to move money from a privately owned (single or joint) to an ISA or Pension.
3. Asset Custody and Settlement: Safe custody is provided by the Bank of New York Mellon (BNY Mellon).
4. Set up and manage regular investments and withdrawals online: Both can be collected/paid.
5. Manage pension assets online.
6. Fully integrated: Including up to five years of transactions on your client's account and money weighted returns. Perfect for client reviews.
7. Automated cash management: Ensures sufficient cash is available to pay adviser fees and charges, without you actively having to manage cash and reduces the number of trades on your client's account.
8. Track transfers online: Our transfer tracker means you can track pension and ISA transfers with no need to call to find out what stage your client's transfer is at.
9. Access more account information: At the click of a button, enabling you to clearly see what has happened on an account and how it has performed. You can also produce historic valuations, ad hoc client statements and performance history.
10. Enhanced online Customer Centre: We provide a rich source of client information, including performance tracking, reducing the queries you receive. And clients can still access their online documents, reducing the paper they receive.

### Our Protect 90 products and services

With Hilbert Retirement Protect 90, we manage clients investments to offer both growth potential and limit downside risk. We do this by dividing assets between two baskets; a performance basket and a conservative basket. Hilbert Retirement Protect 90 is a fully flexible retirement solution. Clients can access their money at any time with the freedom to start or stop their income, increase or decrease the amount received, and switch between Secure Income Option and Secure Capital Option.

### Performance Vs. Conservative Basket

The performance basket includes Blackrock's Exchange Traded Funds (ETFs), which focuses on investing in stocks that bring higher returns. These ETFs balance risk by spreading the investments across a wide range of industries and regions, using a bespoke model portfolio designed by BlackRock to determine the exact exposure — meaning how much you'll invest in a particular asset.

The conservative basket invests in safer assets such as cash, deposits, money market securities and bonds.

### Backed by leading investment technology

How your investment is split between the performance and conservative baskets is determined by an algorithm managed by leading fintech firm Quantessence.

This algorithm adjusts the portfolio's investment mix based on how the financial market is performing. When the market is buoyant, more goes into the performance basket, and when the market is unpredictable, more goes into the conservative basket.



### Providing clients peace of mind

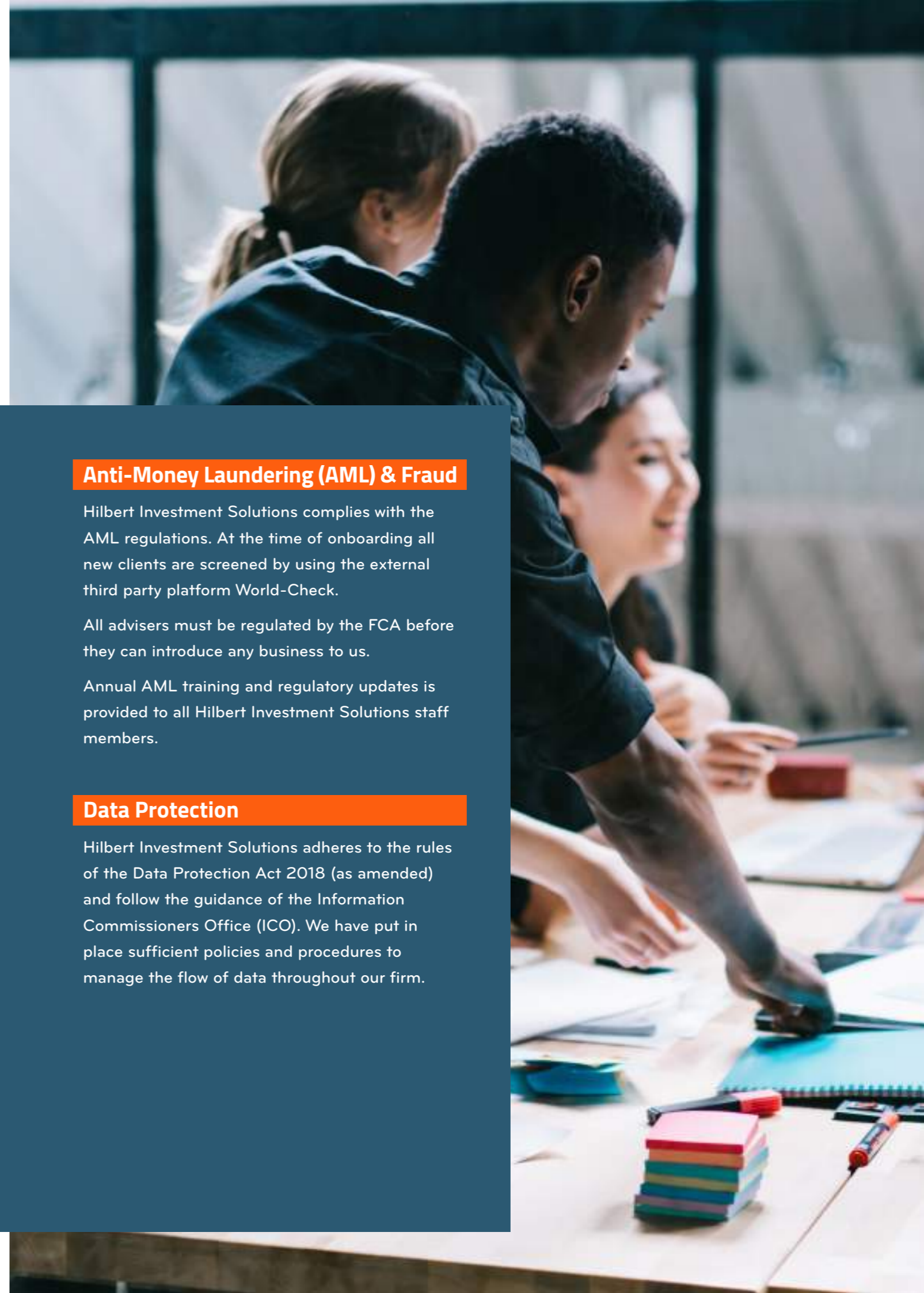
The main benefit of Hilbert Retirement Protect 90 is the protection it provides from the ups and downs of the financial markets — 90% of all contributions invested are protected. We've taken out an insurance contract with a primary insurance company of the Munich Re Group, which helps us meet our financial liabilities towards our customers.

**“We are very proud to launch our mandate, six years after designing Hilbert’s defensive income portfolio, our first Managed Portfolio Service. Hilbert Protect 90 presents an extremely low risk of capital loss, which is by definition reassuring for the saver. It’s also a 100% digital solution adapted to the new requirements of our customers.”**

Steve Lamarque, CEO Hilbert Investment Solutions.



# COMPLIANCE & LEGAL



Hilbert Investment Solutions is regulated by the Financial Conduct Authority (FCA). We must adhere to the regulatory standard set by the FCA to ensure the safety and security of client's assets.

## Consumer duty

We have implemented the Consumer Duty requirements in alignment with the FCA guidelines. Our commitment to prioritising the best interests of our clients is reflected in the careful implementation of this regulation. We have taken proactive measures to ensure that our practices align with the FCA's guidelines, exercising the requisite care, skill, and diligence in our service provision. Our communication strategies have been revamped to adhere to the principles of clarity, fairness, and transparency. As a result, we believe our clients will experience enhanced protection and a more informed and secure financial service experience.

## How we are covered by the FSCS

We participate in the Financial Services Compensation Scheme (FSCS) which pays compensation for financial loss only to eligible claimants when an authorised firm is in default and will carry out an investigation to establish whether or not this is the case. The scheme provides protection if an authorised investment firm is unable to pay claims against it. The amount of compensation depends on the basis of a claim.

Compensation levels are subject to change and for up-to-date details please refer to [www.fscs.org.uk](http://www.fscs.org.uk)

## Client money

We hold all client money within an acknowledged client money bank account, similarly we hold all client's assets within an acknowledged clients transaction account, ensuring that we are complying with all CASS rules and regulations. All client money is protected under FSCS.

## Anti-Money Laundering (AML) & Fraud

Hilbert Investment Solutions complies with the AML regulations. At the time of onboarding all new clients are screened by using the external third party platform World-Check.

All advisers must be regulated by the FCA before they can introduce any business to us.

Annual AML training and regulatory updates is provided to all Hilbert Investment Solutions staff members.

## Data Protection

Hilbert Investment Solutions adheres to the rules of the Data Protection Act 2018 (as amended) and follow the guidance of the Information Commissioners Office (ICO). We have put in place sufficient policies and procedures to manage the flow of data throughout our firm.

# REGULATORY CAPITAL OVERVIEW

## Background

The Capital Requirements Directive ('the Directive') of the European Union establishes a revised regulatory capital framework across Europe governing the amount and nature of capital that must be maintained by credit institutions and investment firms. In the United Kingdom, the Directive has been implemented by the Financial Conduct Authority ('FCA') in its regulations through the General Prudential Sourcebook ('GENPRU') and the Prudential Sourcebook for Investment Firms ('IFPRU').

The Firm is mindful of the FCA's comments regarding confidentiality and of the comment that both qualitative and quantitative data must be disclosed.

As such, the Firm's policy is to disclose that information required under the FCA Rules but to treat further information as proprietary if sharing that Information with the public would undermine its competitive position. Proprietary information may include information on products or systems which, if shared with competitors, would render the Firm's investments therein less valuable. Further, the Firm will regard Information as confidential if there are obligations to customers or other counterparty relationships binding the Firm to confidentiality. In the event that any such information is omitted, we shall disclose such and explain the grounds why it has not been disclosed.



The FCA framework consists of three pillars. Pillar 1 deals with minimum capital requirements; Pillar 2 deals with Internal Capital and Risk Assessment ("ICARA") undertaken by a firm and the Supervisory Review and Evaluation Process through which the firm and regulator satisfy themselves on the adequacy of capital held by the Firm in relation to the risks it faces and; Pillar 3 which deals with public disclosure of risk management policies, capital resources, capital requirements and remuneration policy. The regulatory aim of the disclosure is to improve market discipline and transparency.

## Regulatory Capital at March 2023

For its Pillar 1 regulatory capital calculation of Credit Risk, under the credit risk capital component the Firm has adopted the Standardised approach and calculating risk weights. Credit Risk calculation @ 31st March 2023 - Credit Risk Capital Requirement £99,000.

Risk Management Objective: The Firm has a risk management objective to develop systems and controls to mitigate risk to within its conservative risk appetite.

Risk Framework: The Managing Board is responsible for risk management and reviews the effectiveness of the Firm's system of internal controls to manage and mitigate the risks identified. Overall, Pillar 2 Rule: The Firm has adopted the "Pillar 1 plus" approach to the calculation of its ICARA Capital Resources Requirement as outlined in the Committee of European Banking Supervisors Paper, 25 January 2006.

The ICARA is reviewed by the Managing Board of the Firm annually, or when a material change to the business occurs.

Disclosure: Credit Risk and Dilution Risk. The Firm is primarily exposed to Credit Risk from the risk of non-collection of fees and the exposure to banks where cash held is deposited.

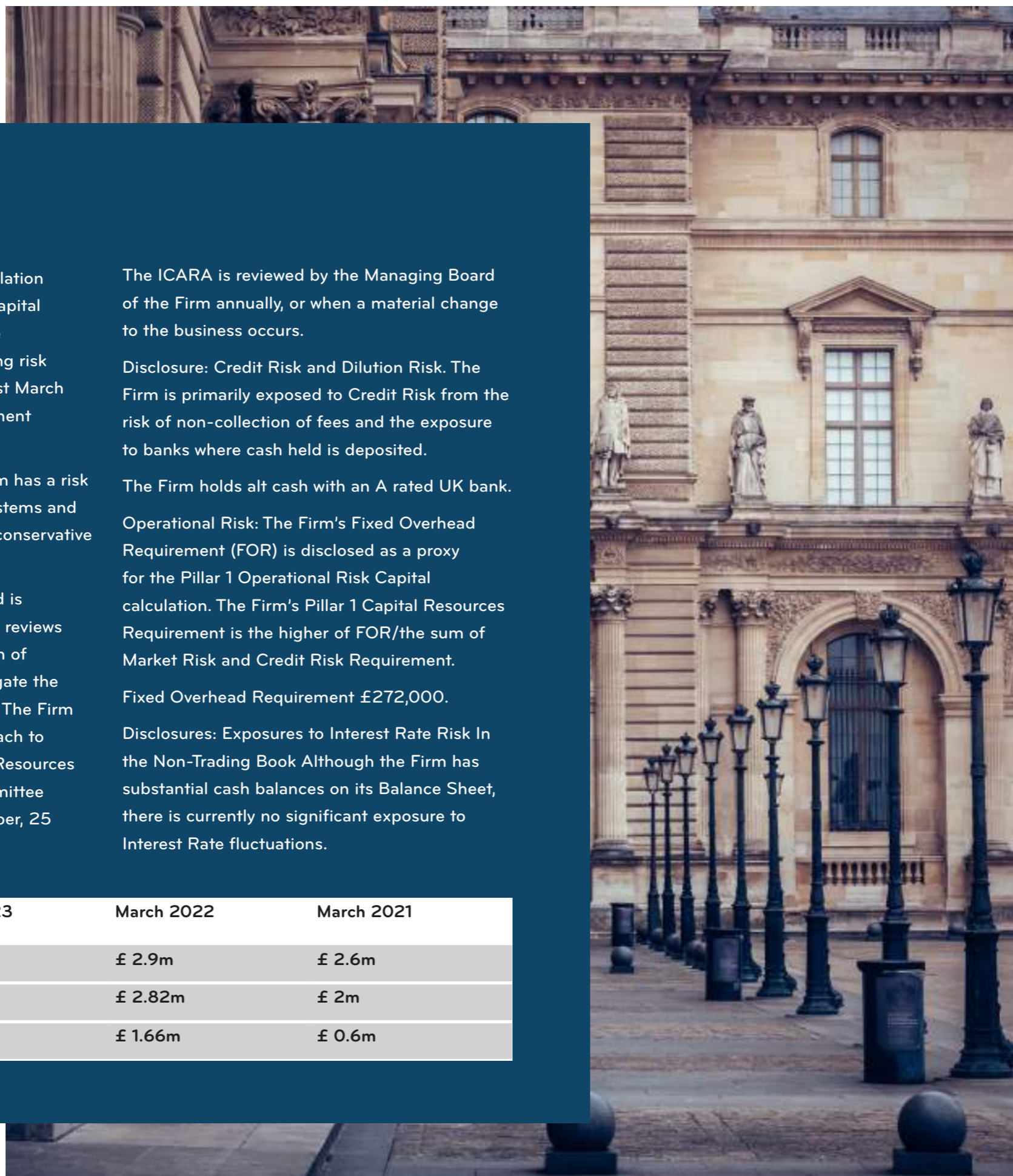
The Firm holds all cash with an A rated UK bank.

Operational Risk: The Firm's Fixed Overhead Requirement (FOR) is disclosed as a proxy for the Pillar 1 Operational Risk Capital calculation. The Firm's Pillar 1 Capital Resources Requirement is the higher of FOR/the sum of Market Risk and Credit Risk Requirement.

Fixed Overhead Requirement £272,000.

Disclosures: Exposures to Interest Rate Risk in the Non-Trading Book Although the Firm has substantial cash balances on its Balance Sheet, there is currently no significant exposure to Interest Rate fluctuations.

	March 2023	March 2022	March 2021
Turnover	£ 4.1m	£ 2.9m	£ 2.6m
Total Assets	£ 4m	£ 2.82m	£ 2m
Net Assets	£ 3m	£ 1.66m	£ 0.6m





Hilbert are proud to to have launched structured products in the UK and France since 2013.

We were voted the “Best-performing structured product plan” for the UK retail market in 2020 and 2021 based on research by Lowes and won “Best Structured Products Service” at the 2022 Investment Life & Pensions Moneyfacts Awards.

2022 marked the fifth year Hilbert was recognised by Moneyfacts and we were also highly commended as “Best Structured Products Provider” making us winners of 8 industry awards since 2018.



**Thank you for taking Hilbert Investment Solutions into consideration. Should you have additional inquiries not addressed in this document, kindly reach out to your Business Development Manager or email us at [hilbert@hilbert-is.com](mailto:hilbert@hilbert-is.com).**

**Please be aware that the value of your clients' investments can fluctuate, and there is a possibility they may not recover the initial investment. This document can be provided in a range of formats, including large print. If you have difficulties reading this document please contact your financial adviser, who will be able to request an alternative format.**

**Visit: [www.hilbert-is.com](http://www.hilbert-is.com)  
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