

# Share Dealing.

## Costs and charges.

### What do I have to pay?

Every time you buy or sell shares or funds or other types of investment, you will pay dealing commission. There are also administration charges for some of our accounts, and charges for other services, like reinvesting dividends or providing a replacement tax certificate.

This guide lists all our costs and charges, and shows how they work in practice, with examples of how much you might pay each year.

### Dealing Costs

These are charges you pay if you trade on any of our accounts – if you don't trade, then you won't pay any of these charges.

Dealing charges are taken directly from available money you have in your Share Dealing Account or ISA.

| How much does it cost?                                    |  |
|---|--|
| Charge  | Amount   |
| Online dealing commission                                 | £12.50 per trade   |
| Phone dealing commission                                  | £25.00 per trade   |
| Regular investments                                       | £2.00 per trade  |
| Dividend reinvestment                                     | 2% of dividend (max £12.50)  |
| Trade Plans   | £2.00 per Trade Plan (taken off your dealing commission when the trade goes through) |
| Share certificate sales                                   | 1.25% of deal value (min £25, max £125)  |
| Foreign currency charges (international trades only)      | 1.25% of exchange rate   |
| Stamp Duty (UK stock purchases only)                      | 0.5% of value (1% for Irish stocks)  |
| Panel of Takeovers and Mergers (trades over £10,000 only) | £1.00  |

### Account Administration Charges

These are charges you pay for account management if you have an ISA, and other services for all our accounts.

The ISA admin charge is taken from your nominated bank account. However, if we are unable to collect this it will be taken from available money within your ISA.

Charges for other services are collected from available money within your share dealing account or ISA. If there is no money available, we will collect it from your nominated bank account.

| How much does it cost?   |                         |
|--|-------------------------|
| Charge   | Amount                  |
| ISA admin charge   | £12.50 per year         |
| Other admin charges (cash withdrawal by cheque, ad hoc statement/valuation, voiding of ISA or repair of ISA).* | £12.50 for each service |
| CHAPS/Same day payment   | £25.00                  |
| Withdrawal of stock in certificate form (CREST stocks only)*   | £25.00 per stock        |

### Transfers

We will not charge you to transfer in or out of our Share Dealing Account or ISA.\*\*

\*\* Please note, some providers will not accept stock transfers, so we will have to sell your holdings first. You can sell your holdings online at a commission rate of £12.50 per trade, or we can do this for you at a higher commission rate of £25 per trade.



## Fund Charges

If you invest in a fund, you will also pay 'Ongoing Charges' and transaction costs to the fund manager each year for looking after the fund and buying and selling other assets that the fund invests in. This is taken from the value of the fund and the exact amount varies. Fund charges are taken out of your holding in the fund by the fund manager.

| Charge                   | Amount  |
|--------------------------|---|
| Typical ongoing charge   | 0.25% to 1.5% of your investment (exact charges are listed in the fund's information documents) |
| Typical transaction cost | 0.5% of your investment (you'll be provided with the exact costs before investing in a fund)    |

## SIPP Account Charges

These are charges you pay for the management of a SIPP account.

| How much does it cost?  |   |
|---|---|
| Charge  | Amount  |
| Set-Up  | Nil   |
| Quarterly SIPP admin charge <sup>1</sup>  | £22.50 (SIPP value of £50,000 or less)<br>£45.00 (SIPP value of greater than £50,000) |
| Transfer in of another pension scheme   | £60.00 per transferring plan (max £300.00)  |
| Transfer out to another registered pension scheme/Transfer out to a Qualifying Recognised Overseas Pension Scheme (QROPS) | Nil   |
| Annuity purchase  | £90.00  |
| Ad hoc statement or valuation on request  | £12.50  |

## SIPP Income Drawdown Charges

These are additional charges you'll pay when you start to take income from your SIPP at retirement.

| How much does it cost?   |   |
|--|---|
| Charge   | Amount  |
| Flexi-access drawdown <sup>2</sup>   | £180.00 per annum   |
| Capped drawdown before age 75 <sup>2</sup>   | £180.00 per annum   |
| Capped drawdown from age 75 <sup>2</sup>   | £300.00 per annum   |
| Designate additional funds to drawdown/review income levels <sup>3</sup>   | £90.00  |
| Convert from capped drawdown to flexi-access drawdown  | £90.00  |
| Take a one-off payment (Uncrystallised Funds Pension Lump Sum)   | £90.00  |
| CHAPS/Same day payment   | £30.00  |
| Closure charge through drawdown or lump sums (e.g. UFPLS) where the balance is reduced below £1,000 <sup>4</sup> | £300 within the first 12 months of opening £90 where the SIPP account has been opened for 12 months or more |
| Payments on death or if your pension is to be split/shared as part of a divorce                                  | Time/cost basis (typically £250-£500)   |

## Notes on SIPP Charges

1. Payable in arrears at the end of March, June, September and December (also applies when your SIPP is in drawdown). Full details can be found in the Key Features Document.
2. This will become payable immediately where funds are designated to provide drawdown income, even if you select 'nil' income. Payable annually in advance.
3. Payable each time you designate additional funds to drawdown, once your SIPP is in drawdown stage.
4. We will be entitled to close your account and return the remaining funds to you, after deducting our charges.
5. All prices include VAT where applicable.
6. All charges will be deducted from your SIPP.

## Examples of costs and charges

This section shows how much you might pay depending on what account you have, how often you trade and what you do with your account.

### Tom the Trader

Tom has a Stocks and Shares ISA and a Share Dealing Account and trades regularly, clocking up three share trades a month, apart from at Christmas and when he's on holiday. This year, Tom will pay:

| Charge  | Amount         |
|---|----------------|
| ISA admin charge  | £12.50         |
| Online dealing commission (33 trades at £12.50 each)                      | £412.50        |
| Stamp Duty (0.5% of £74,587.50 – his investment minus dealing commission) | £372.94        |
| <b>TOTAL</b>  | <b>£797.94</b> |

Tom's investments total £75,000, which means that his charges are 1.06% of this.

### Inga the International Investor

Inga has an ISA and enjoys investing in a wide range of international shares – she's a big fan of the tech sector. This year she's placed four trades of £5,000 each into overseas stocks and will pay:

| Charge  | Amount         |
|---|----------------|
| ISA admin charge                                    | £12.50         |
| Online dealing commission (4 trades at £12.50 each) | £50.00         |
| Foreign exchange charges (1.25% of exchange rate)   | £250.00*       |
| <b>TOTAL</b>  | <b>£312.50</b> |

If Inga has invested £20,000, this year her charges represent 1.56% of her total investment.

\*This cost can vary depending on the currency involved and the current exchange rate.

### Reg the Regular Investor

Reg has a Share Dealing Account with a regular investment set up to buy shares each month, which costs £2 dealing commission per month.

He likes filing paperwork, so asked us for a paper copy of his statement. This year, Reg will pay:

| Charge  | Amount        |
|---|---------------|
| Dealing commission (12 regular investments at £2 each)      | £24.00        |
| Stamp Duty (0.5% of £576 – total invested after commission) | £2.88         |
| Copy statement  | £12.50        |
| <b>TOTAL</b>  | <b>£39.38</b> |

If Reg invests £50.00 each month, this year his charges are 6.56% of his total investment.

### Sarah the SIPPer

Sarah is starting to think about retirement and has recently opened a SIPP.

If she carries on at this rate, she's likely to buy shares three times this year. She also plans to transfer in an existing pension scheme. This year, Sarah will pay:

| Charge  | Amount         |
|---|----------------|
| Quarterly admin charges (£22.50 for a SIPP of less than £50,000)          | £90.00         |
| Transfer in of existing pension   | £60.00         |
| Dealing commission (3 trades at £12.50 each)                              | £37.50         |
| Stamp Duty (0.5% of £962.50 – the amount she's invested minus commission) | £4.81          |
| <b>TOTAL</b>  | <b>£192.31</b> |

Sarah currently has £43,000 in her SIPP. This year, her charges are 0.45% of her investment.

### Farouk the Fund Fan

Farouk likes to invest in funds to get a bit of variety, and has invested £1,000 each into three different funds this year, each with its own ongoing charges and transaction costs. This year, if his funds don't go up or down in value, Farouk will pay:

| Charge                                       | Amount        |
|--|---------------|
| Dealing commission (3 trades at £12.50 each) | £37.50        |
| Ongoing fund charge (1.11%)                  | £11.10        |
| Ongoing fund charge (1.19%)                  | £11.90        |
| Ongoing fund charge (0.86%)                  | £8.60         |
| Transactions costs (0.50% of each fund)      | £15.00        |
| <b>TOTAL</b>                                 | <b>£84.10</b> |

Farouk has invested £3,000 this year, and his charges represent 2.80% of his total investment.

### Tara the Telephone Trader

Tara uses her ISA to trade shares a few times a year and prefers to use the phone as her internet connection's a bit patchy. This year, Tara will pay:

| Charge   | Amount         |
|--|----------------|
| ISA admin charge   | £12.50         |
| Telephone dealing commission (5 trades at £25.00 each)                   | £125.00        |
| Stamp Duty (0.5% of £4,874 – Tara's investment minus dealing commission) | £24.38         |
| <b>TOTAL</b>   | <b>£161.88</b> |

Tara has invested a total of £5,000 this year, which means that her charges are 3.24% of this.

### Ethan the ETF Investor

Ethan isn't a big trader, but tends to use his Share Dealing Account to invest in Exchange Traded Funds. This year, he invested a lump sum of £10,000 in one UK ETF. If the ETF doesn't change in value, this year he'll pay:

| Charge                    | Amount        |
|---------------------------|---------------|
| Dealing commission        | £12.50        |
| Ongoing charge (0.20%)    | £20.00        |
| Transaction costs (0.50%) | £50.00        |
| <b>TOTAL</b>              | <b>£82.50</b> |

This year, Ethan has invested £10,000, so his charges are 0.83% of his investment.