

SCHEME PARTICULARS

THE CENTAURUS

RETIREMENT BENEFIT SCHEME

Sovereign Pension Services Limited

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Sovereign Pension Services Limited is licensed as a Retirement Scheme Administrator by the Malta Financial Services Authority ("MFSA"). The Centaurus Retirement Benefit Scheme is licensed and regulated by the MFSA as a personal retirement scheme. The licence of the Scheme is not an endorsement by the MFSA of the Scheme's financial performance. There exists no statutory provision for compensation in the case where the Scheme is unable to satisfy the liabilities attributable to it.

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The logo for Sovereign Group, featuring the word "SOVEREIGN" in white capital letters on a black rectangular background, with a red horizontal bar below it.

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CENTAURUS RETIREMENT BENEFIT SCHEME - SCHEME PARTICULARS

Sovereign Pension Services Limited is licensed as a retirement scheme administrator by the Malta Financial Services Authority ('MFSA'). The Centaurus Retirement Benefit Scheme (the "Scheme") is licensed and regulated by the MFSA as a personal retirement scheme. The licence of the scheme is not an endorsement by the MFSA of the scheme's financial performance and the MFSA shall not be liable for the performance or default of the Scheme. There exists no statutory provision for compensation in the case where the scheme is unable to satisfy the liabilities attributable to it.

Structure

The Scheme was established by deed of trust on the 13th July 2012 and is registered as a retirement scheme by the MFSA in terms of the Retirement Pensions Act (cap. 514 of the Laws of Malta) and meets the requirements to operate as a Qualifying Recognised Overseas Pension Scheme (QROPS).

Admission to the Scheme requires that members agree to be bound by the terms of the Scheme Trust Deed and the rules which are set out in that Deed. Each member shall be required to sign the Scheme's application form

Below are scheme particulars relative to the Scheme in line with the standard operational conditions issued by the MFSA.

Purpose

The Trustee shall administer the Scheme in order to provide retirement annuities and other benefits to Members in retirement and after their death for the Members' Beneficiaries while maintaining the approval granted to it in terms of the Retirement Pensions Act.

Trustee

The Trustee must always be a company operating in and having an established place of business in Malta and authorised by the MFSA to act as a retirement scheme administrator.

The Trustee and Administrator of the Scheme is Sovereign Pension Services Limited whose registered office and place of business is at Level 5, St Julian's Business Centre, Elia Zammit Street, St Julian's STJ 3153, Malta (the "Trustee" or the "Administrator"). The Managing Director responsible for administration of the Scheme is Ms Cristina Cassar Difesa to whom all enquiries and requests for further information may be directed (tel: +356 278 88132, email: maltapensions@sovereigngroup.com).

Cristina has over 10 years' experience working in the financial services industry. Cristina graduated with a degree in Business from the London School of Economics. She joined the Sovereign Group in 2012 and has taken on the role of Operations Director in 2017 and eventually as Managing Director in 2019. Cristina is a member of the Malta Association of Retirement Scheme Practitioners. The Managing Director is assisted by various other functionaries, namely: Dr Maria Delia, Director, has graduated and obtained her notarial warrant in June 2012. She is the Trustee's legal and compliance director, has been working in compliance for the past 8 years and she currently heads the legal and compliance department.

Ms Louisa Savasta, Pensions Manager, currently heads the pension administration teams, which teams are managed by two team leaders. Louisa has been working in the pensions sector for 9 years.

Ms Graziella Vella Marquette, Finance Manager, is a certified accountant since 2015 and has been working in finance for 12 years. Graziella currently heads the finance department. Graziella is a member of the Malta Institute of Accountants as well as a member of the Association of Chartered Certified Accountant.

Sovereign Asset Management, trading as Sovereign Wealth, assists the Trustee in monitoring investments ensuring that the investments chosen are in line with the investment guidelines mentioned hereunder. Sovereign Wealth is regulated by the Gibraltar Financial Commission. Edward Bermingham is the Managing Director of Sovereign Wealth since 2018. Edward holds the Investment Management Certificate and is working towards his UK Level 4 qualifications with the Securities Institute.

Auditor

The Auditor of the Scheme is Grant Thornton, Malta.

Eligibility for admission as a Member

Membership of the Scheme shall be open to any individual accepted at the discretion of the Trustees. Members must agree to be bound by terms of the Scheme Trust Deed and the rules set out in that Deed. Each member is required to sign the Scheme's application form. The Trustee's associated companies may assist with collation of information and documentation required for the Trustee to consider the member's application.

On being accepted as a member of the Scheme, the individual must transfer assets comprising their pension plans or schemes to or under the control of the Trustee whereupon an individual account is created for that member.

Cooling Off Period

Any applicant of the scheme may cancel their membership within 30 calendar days of being notified of their admission to the Scheme. There is no penalty applied by the Trustee for cancellation of membership within the 30-calendar day period referred to above. A Member is not required to provide the Trustee with any reason for cancellation.

If a Member does not exercise their right of withdrawal from the Scheme within the 30-calendar day period, their membership will be formalised, and the investment of their assets will be progressed in line with instructions received in the application form, once the 30 day period has expired. While the cooling off period is valid, the Trustee will NOT be in a position to request any pension transfer fund(s). The transfer process will be kept on hold until the cancellation period has expired or the rights to the cancellation period are waived.

An applicant for membership of the scheme also has the right to waive the rights to this cooling off period by submitting a request in writing to the Trustee in the form prescribed by the Trustee.

Administration of the Scheme

The Trustee shall administer the Scheme in accordance with the terms of the Scheme.

The Trustee shall assist by requesting the transfer of the assets comprising the member's pension plans or schemes to the Scheme and will be responsible for the ongoing administration of the Scheme following receipt of those assets. The Trustee's associated companies will provide assistance to the Trustee by way of collation of information and documentation required to enable the Trustee to consider the acceptance of any member.

Contributions to the Scheme

The member shall transfer their assets comprising the member's pension plans or schemes to the Scheme. The initial value of the assets transferred shall be the value of those assets on receipt by the Trustee into an account opened by the Trustee for that purpose. At its discretion the Trustee shall be at liberty to accept additional assets as an addition to the Scheme from time to time and all such assets shall be administered in accordance with the terms and rules of the Scheme.

Nature of the Scheme

The Scheme is a defined contribution scheme and is a member directed scheme. Benefits are calculated on the value of the fund which may be built up through the transfer of existing retirement or pension funds and or other contributions made to the Scheme.

Benefits upon Retirement

A member's normal retirement age is the earliest date permitted by the proper law, not being earlier than the 50th birthday of the member (and not being earlier than the 55th Birthday of the member to the extent that the trust fund comprises United Kingdom relevant transfer funds) or such date as agreed between the member and the Trustee not being later than their 75th birthday.

Upon reaching normal retirement age a member shall be entitled to an annual benefit payable for the remainder of the member's life or until the fund is exhausted. Prior to the benefit becoming payable a member may elect that the benefits be payable in one or more of the following methods:

- a lump sum payment, provided that the lump sum shall not exceed thirty per centum of the fund available or such greater amount as the MFSA may from time to time permit (or it shall not exceed twenty five per centum of the fund to the extent that it comprises United Kingdom relevant transfer funds) - such lump sum shall be payable on the date that the benefit is due to come into payment either immediately or at occasional intervals from the date of retirement; provided that any remaining assets which are not paid in the form of a lump sum must be sufficient to generate enough income to the member;
- drawdown through occasional withdrawals; and the frequency and amounts of such withdrawals shall be determined by the actuary, if one is appointed.
- Where the member has been in drawdown for three years or more, and subsequent to a valuation of the member's remaining assets in the Scheme it is established that there is adequate provision for retirement income, then, subject to any conditions stipulated by the MFSA, fifty per centum of any surplus may be withdrawn as an additional lump sum in the valuation year and each subsequent year.
- To the extent that the member's retirement fund originates from United Kingdom relevant transfer funds drawdown may be taken as Flexible Access Drawdown (FAD) whereby part of the retirement fund may be commuted for a lump sum, provided that the lump sum shall not exceed one quarter of the total fund available and residual funds may be taken as additional lump sums or be taken as variable income either immediately or through occasional withdrawals from the said assets, which stay invested.
- With regards to European Commission members, as defined in the Scheme's trust deed, the member will be entitled to benefits in accordance with the terms of the European Commission Regulation, as defined in the trust deed.

Benefits upon Death

Subject to mandatory provisions of the applicable law and the specific requirements of the relevant UK legislation where applicable, upon death, the Trustee shall pay the balance in the member's fund by transferring a cash lump sum or a series of cash lump sums or by transferring in specie to the beneficiaries' interest, nominated by the member in writing to the Trustee in such proportion as the Trustee shall determine. Alternatively, the trustee may arrange for the funds to be settled in a trust on such terms as the Trustee sees fit. The Trustee shall have regard to the member's wishes but shall not be bound by them.

Payment of Benefits

The member may elect to commence drawing benefits by completing a Benefit Election Form and returning it to the Trustee.

The payment of benefits may be made monthly, quarterly, half yearly or yearly.

Investment Objective and Strategy

The investment objective of the Scheme is to accumulate a fund from which to provide benefits in retirement. Investments may be made in a wide selection of bonds, equities and similar investments but subject to any condition imposed by law or by the MFSA and the Trustee must ensure that the member's funds are:

- invested in the best interests of the said member;
- invested in such a manner as to ensure the security, quality, liquidity and profitability; and
- properly diversified in such a way as to avoid accumulations of risk.

Members are required to appoint their own investment adviser and/or investment manager who shall indicate the Member's preferred investment strategy. If the member fails to nominate such an investment adviser and/or investment manager within a reasonable time, the Trustee may then use its discretion and appoint an investment adviser and/or investment manager on the member's plan. Alternatively, members can opt to manage their own investments if two out of the three criteria for "professional member" are satisfied, being:

- (i) having worked in a professional position, in the financial services industry, for a minimum of three years in the last ten years having knowledge of the transactions envisaged;
- (ii) the Member's account within the Scheme is to exceed EUR 500,000;
- (iii) having carried out transactions, in significant size, on the relevant market at an average frequency of 10 per quarter over the previous four quarters.

In all instances, the Trustee shall ensure compliance with the investment objective of the Scheme and any applicable investment restrictions.

All investment requests and instructions must be submitted to the Trustee in writing by the appointed investment adviser on maltadealings@sovereigngroup.com.

Permitted Investment Products

Investments may be made in a variety of investment vehicles, investment platforms, life insurance bonds and capital redemption bonds which may offer an element of life insurance. Investment vehicles vary in fee structure.

Investment Platforms

Investment platforms are managed accounts that offer advisers and their clients the opportunity to build bespoke portfolio solutions in a number of currencies.

Investment Restrictions

The Scheme is member directed in respect of the investments. This means that the Member has responsibility for choosing how the funds within their pension are invested. This allows a Member to choose which investment specialists they appoint to assist them with such investments (if applicable), including investment advisers, investment managers and custodians.

The Trustee does not accept any liability for any decisions relating to the purchase, retention and sale of the investments within a Member's pension. The Member agrees to hold the Trustee fully indemnified against any claim in respect of such investment decisions or instructions.

However, the Trustee is involved with the investment process and plays a role in the administration of a Member's investments, and investments are always made by the Trustee in the name of a Member's retirement plan.

All investment instructions received from Members, or their appointed specialist advisers, are considered by the Trustee in light of the Member's risk profile, as detailed by the Member in their application form.

Members should be aware that the value of investments can fall as well as rise and is not guaranteed. Past performance is no guide to future performance. Investments may be made into a range of product wrappers and funds. Investments may also be made via platforms or using the services of discretionary investment managers.

The Trust Fund and the member's funds shall be subject to any investment restrictions imposed by licensing conditions stipulated by the MFSA such as:

- the Scheme shall not engage directly or indirectly in transactions with any of its members or persons connected thereto;
- the Scheme shall not engage directly or indirectly in borrowing in connection with property purchases on behalf of its members or connected persons thereto, other than on fully commercial terms, provided that the Scheme may borrow up to 50% of the amount of property purchased which must be valued by an independent qualified valuer and only on a short-term basis in relation to the management of its assets and should not engage in any leverage.

In addition, the Scheme's investment restrictions with regards to the Member's fund are as follows:

- Investments may be made into a range of product wrappers and funds. Investments may also be made via platforms or using the services of discretionary investment managers.
- Investments may be made via recognised exchanges in stocks, funds, bonds, shares and other securities, cash, money market instruments, commodities and structured notes.
- Unless a member is classified as a Professional Member, only retail investments will be accepted.
- Unless a member is classified as a Professional Member, investments into professional or sophisticated are not permitted.
- Investments into unregulated collectives are not permitted.
- Investments in funds that contain exit charges are not permitted.
- Broker funds are not permitted.
- Funds deemed to have a high expense ratio/ongoing figure (over 2.5%) are not permitted.
- Structured notes are permitted, provided they meet the following criteria:
 - Not more than 30% of the total pension fund value of the Member's account may be invested in structured notes
 - Not more than 20% may be invested in structured notes with one issuer
 - Major indices only (no single equities or sectors)
 - Minimum 30% barriers
 - Minimum rating of BBB by Standard & Poor's, Moody's or Fitch
- Loans to members or connected parties are not permitted.
- The purchase of residential property is not permitted.
- Options, futures, swaps, forward rate agreements and other derivative contracts will not be permitted except for risk hedging purposes.
- Investments in private equity and contracts for differences will not be permitted.
- Investments into cryptocurrencies, including cryptocurrency ETFs, and Initial Coin Offerings (ICOs) are not permitted.
- Of the initial funds transferred 3% will be retained in cash from which the Trustee's fees and other agreed fees will be paid.
- Introduced in January 2020, a commission cap of 5% is applicable to investment products (insurance and platform) in conjunction with all QROPS, SIPP's and De-listed Guernsey QROPS. Any commissions paid in excess of the 5% cap will be refused by Sovereign. In addition, investment products must not exceed an establishment period of five years.
- For pension funds valued at £100,000 or less, life insurance bonds are permitted provided that there are no quarterly charges.

Additional investment restrictions may apply, which restrictions shall be stipulated in the Scheme Document.

Risk Measurement and Management

When making investments, as well as taking into account the investment objective, strategy and restrictions as described above, the Trustee will take into account the tolerance to risk as declared by the individual member and shall, where possible, endeavour to score or assess the risks of the proposed funds or investments.

Notwithstanding the stated investment objective and strategy members are reminded that past performance shall not necessarily be a guide to future performance and that the value of investments can go down as well as up. The value of overseas investments may be influenced by changes in exchange rates. Some investments may take longer to sell than others, and the sale price may be lower than expected.

Investment Performance Benchmark

The Trustee may determine investment performance benchmarks in consultation with the member and/or any appointed investment adviser and/or any appointed investment manager and may periodically review performance against any such benchmarks to measure performance and manage risk.

Fee Structure

Establishment fee	€800
Annual fee - flat fee payable annually in advance	€1,200
If more than one investment is chosen, fees will be as follows:	
Establishment fee	€1,000
Annual fee - flat fee payable annually in advance	€1,400

Termination Fees

Transfer to another Sovereign Group scheme:	Nil
Transfer to another retirement benefit scheme provider or closure (including but not limited to full Flexi-Access Drawdown ('FAD') and death) within:	
- Within one year of establishment:	€3,000
- Within two years of establishment:	€2,000
- Within three years of establishment, and thereafter:	€1,000

Ad hoc Fees

Appointing or changing an investment adviser	€200
Appointing or changing an investment manager	€200
Making an additional contribution to your pension	€200
Changing your investment provider	€250
Detailed annual transaction statement	€50
US reporting	€350

Benefit Payment Charges

Set-up of PCLS		Nil
Set-up of regular income payment, Capped Drawdown ('CDD') or part Flexi Access Drawdown ('FAD')		Nil
On-going CDD or FAD	Monthly	€100 per annum
	Quarterly, Half yearly, Annually	Nil
Additional <i>ad hoc</i> pension payment (First <i>ad hoc</i> pension payment per calendar year is free of charge.)		€ 50

The Trustee shall be entitled to increase its annual fees from time to time taking into account the usual and reasonable fees charged by trustees of similar retirement schemes.

The Trustee will always sell the largest liquid asset in a Member's pension to settle its annual fee should there be insufficient cash in the investment transaction account. Please advise the Trustee at your earliest convenience should you wish for alternative arrangements to be made in the event that there are insufficient funds in such an account.

To the extent that third party fees, charges and other costs and expenses are incurred partly or wholly in relation to a member's plan, the Trustees shall be entitled to allocate those fees, charges, costs and expenses, or so much of them as the Trustee in its absolute discretion consider appropriate to that particular member's Scheme.

When a Member appoints an investment adviser, the Member shall sign a Fee and Commission Disclosure form which lists the investment adviser fees or any commissions, the investment provider fees and underlying investment fees.

When a member appoints an investment manager, the Member shall sign a form that lists the annual management fee charged by the investment manager, any fee payable by the investment manager to the investment or financial adviser, any ongoing fees and/or total expense ratio. The investment manager shall disclose to the member all relevant fees that the member is being charged. The member's signature confirms that he has read, understood and agreed to the said fees and charges being incurred.

An estimation of the charges imposed by the investment houses and the underlying funds are detailed in the Appendix.

Taxation

No tax is payable in Malta by the Scheme on income and capital gains with the exception of immovable property situated in Malta. Payments of retirement benefits to non-Malta residents are not taxable in Malta where an appropriate double tax agreement exists between Malta and the member's country of tax residence. Members are required to obtain their own tax advice in relation to tax due in their country of residence. Where there is no suitable double tax agreement then a withholding tax of 25% or more (which may go up to 35% depending on the level of income) may be applicable. However, no withholding tax is payable under Maltese law on the payment of lump sums from the Scheme.

The Trustee shall deduct any amount due for taxation if applicable, from the benefit payable and shall pay all taxation due by the Scheme to the relevant authority, prior to making the payment of the benefit.

Potential Conflicts of Interest

Potential conflicts of interests may occur if the member is or becomes employed or obtains a stake holding with any company or individual of the Trustee, any service provider to the Scheme or auditors of the Scheme. Furthermore, the Trustee, its officers or employees, may be involved in professional activities which, in the course of their business, will or may, on occasion, give rise to potential conflicts of interest. Such persons shall remain at liberty to undertake such business independently of their involvement with the Trustee or the Scheme.

In such circumstances, however, such persons will have appropriate regard to their respective obligations at law (where applicable) or under the agreements appointing them (where applicable) to act in the best interests of the members, when such potential conflicts of interest may arise. Every effort is made to avoid conflicts of interest by appointing independent service providers and investing in assets that have no connection with the Scheme or the Trustee and should such a conflict be identified it will be managed or mitigated through disclosure or by implementing the necessary management actions.

Legal and Tax Advice

Prospective members should not construe the contents of this document as legal, tax or financial advice. Each prospective member should consult their own professional advisers as to the legal, tax, financial or other matters relevant to the suitability of the Scheme for their requirements and as to the tax payable by them.

Accounts and Reports

Accounts shall be drawn up as at the 31st day of December of every year.

The member is entitled to inspect at the registered office of the Trustee, any accounts or reports relating to the Scheme or their individual account. The member shall be sent a valuation of their scheme assets as at the 31st December each year.

The Trustee may utilise an investment fund through which to invest funds from the Member's Account and will use the valuation of the Trustee's interest in that fund as a measure or indication of the value of the Member's Account. The Administrator will also be relying on the valuation of assets as reported by the respective investment house or investment manager of the selected investment instrument (such as an insurance bond) or the investment manager in the case of investment in a retirement fund, in order to obtain any valuation of assets so that the Administrator will be able to comply with the reporting obligations in terms of the Pension Rules and in order to enable the Trustee to pay out any benefits or make any transfers as permitted by the Scheme Rules.

Liability

The Trustee shall not be liable for any actions, claims or demands arising out of anything done or caused to be done or omitted by the Trustee (whether by way of investment or otherwise) in connection with the Scheme and costs arising therefrom except for a breach of trust arising from the Trustee's own fraud, wilful misconduct or negligence.

The Trustee (and where a corporate body is a Trustee, any and all of its directors officers or servants are entitled to be indemnified out of the Scheme to the extent permitted by law against any actions claims or demands arising out of anything done or caused to be done or omitted by them (whether by way of investment or otherwise) in connection with the Scheme and all costs arising therefrom, except an act or omission which the Trustee concerned knew to be a breach of trust and which the Trustee concerned knowingly and wilfully committed or omitted as the case may be.

The Trustee shall not be liable in respect of any payment to any person erroneously made in the bona fide belief that the person was entitled to it and a receipt issued to the Trustee by the person shall be a good and sufficient discharge of the obligations of the Trustee. The Trustee shall not be liable if the assets of the Scheme are insufficient to pay the benefits under the Scheme by reason of any loss or depreciation of any of the assets of the Scheme.

Residents in Malta

The Scheme should not be considered as the primary or only source for retirement provision of residents in Malta and should be considered in light of other retirement provisions including (mandatory/voluntary) occupational schemes that the Government of Malta may introduce in the future.

Complaints Procedure

Any problems or reasons for complaints are to be made in writing and should be accompanied where appropriate with copies of all relevant documentation and correspondence. This should be addressed to the Trustee on maltapensions@sovereigngroup.com. An acknowledgement of the complaint is sent within 24 hours together with a copy of the Trustee's complaints procedure. Your complaint will then be investigated and a final letter confirming the outcome of the investigation will be sent within 15 working days from the date the written complaint is first received. If the redress proposed is not considered acceptable, or where a complaint has not been upheld, the complaint may be lodged in writing with the Office of the Arbiter for Financial Services established under the Arbiter for Financial Services Act.

Further Information

These particulars contain a brief overview of the key features of the Centaurus Retirement Benefit Scheme. Applicants should read them carefully and seek independent financial advice before completing the membership application form. Full details of the Scheme are contained in the Scheme Document and Rules which are available from the Administrator on request, which request should be sent to malta pensions@sovereigngroup.com. In the event of any discrepancy between these particulars and the Scheme Document and Rules, the latter shall prevail.

The Administrator of the Scheme is unable to and does not provide advice of any sort, whether financial, legal, tax, investment or on pensions transfers or benefits. Members of the Scheme may be subject to different laws according to their domicile or country of residence and applicants should seek advice from suitably qualified experts before proceeding. Whilst every effort has been made to ensure that the details contained herein are correct and up to date, this information does not constitute legal or other professional advice and the Trustee does not accept any responsibility, legal or otherwise for any error or omission.

Appendix

Investment Fees

There are various fees associated with investments and these will all depend on the investment product and underlying investments which are recommended by the investment adviser and/or investment manager. Below are indications of the underlying investment fees which one could expect. Please note that fees will be specific to your chosen product and can vary from the indications noted below. Before confirming your choice of investment product and the investment, it is important that you ensure that you are aware of all fees which will be incurred.

Bond/Platform Establishment Charges

Where the investment house offers 100% allocation of funds, fees ranging from 0–12% on the premium invested or current value (depending on the product chosen) can be charged and deducted from the member's policy over a period of 0–5 years.

Bond/Platform Early Surrender Charges

This percentage charge will reduce on a sliding scale over the lifetime of the product. These can range from 0–5 years and is dependent on several factors including the product chosen, the time of surrender and the agreed fees.

Regular Policy Management Charge

This charge will be taken from the investment's cash/transaction account on the premium invested or current value over an agreed period which can be 3–5 years. It reimburses the Investment provider for paying commission to the introducing broker whilst allowing the investor 100% allocation of their premium, this is usually between 1–1.5% annually.

Initial Commission to the investment adviser:

This charge usually ranges from 0–5% of the initial premium invested. As explained above, this will be paid by the investment provider and is clawed back from the regular policy management charge mentioned above.

Administration Fees

These fees are usually charged quarterly and range from £104–£150 per quarter. They are deducted from the cash/transaction account within the Bond/Platform.

Fund Initial Fees (Bid/Offer Spread)

These are fees charged when collective investments are purchased within Bonds/Platforms as recommended by your investment adviser and/or investment manager and can range from 0% to 5.50% on the asset value, if applicable.

Exit Penalties

These are fees on collective investments where no bid/offer spread is charged but a 5% commission is paid to the introducing adviser. An exit fee of 5% in year 1 reducing to 1% in year 5 will be charged on funds withdrawn. The fee will cease after the investment's fifth anniversary.

Fund Annual Management Charges

These are the charges made by the fund manager for using their collective investment fund. They can range from 0.75% for Institutional Funds to 2.25% for retail funds. The fee is taken each time the fund is priced.

Commissions paid to advisers

Part of the Fund Annual Management charge may be paid to your investment adviser as commissions. These fees can range from 0–5% of the fee stipulated above on the asset value, product sold or accounts opened, if applicable.

Investment Management Charges (DFM)

These are the fees charged by discretionary Investment Managers for managing the member's portfolio on a discretionary basis. The fees can range from 0.25% – 2% per annum value of the assets being managed.

Custody Fees

These are fees charged by Investment Managers for safe custody of the member's investments. They can range from 0.05% to 1% per annum on the fund value or premium invested.

Performance Fees

These are fees paid to Investment Managers for generating positive returns. Performance fees are usually 20% of the growth above an agreed return and are used to align the interests of investment managers and their investors.

Investment Advisory Charges

These are charges levied by financial advisers for monitoring client's portfolios and suggesting changes as and when deemed necessary. These fees are paid from the cash/transaction accounts within Bonds/Investment platforms and range from 0.1%–2% per annum on the value of the portfolio.

Dealing Fees

These are fees charged to any security bought and sold within a Bond, Fund, Platform or portfolio. They can be a fixed fee (£5–£50) per trade or a percentage of the amount invested/sold ranging between 0.1%–0.5%.

Total Expense Ratio

This is a measure of the costs of the investment company to operate a fund or investment portfolio. It considers all of the above fees and represents the true cost to the investor of the fees being charged for managing their portfolio. This fee will be a maximum of 3% on the underlying asset.