

Alliance Trust Savings

# Charges Guide for Advised Clients

April 2018



## ABOUT OUR CHARGES

When you work with a Financial Adviser to invest through Alliance Trust Savings you can expect to pay three types of charges. This guide explains the charges for our services and how we apply them to your Alliance Trust Savings Account.

1. Charges for our services	2. Charges for your investments	3. Charges to your Financial Adviser
<p>We charge you for holding an Account with us and for using the different Services we provide (including our dealing and Model Portfolio services).</p> <p>This guide gives the details of our charges.</p>	<p>Most investments on our platform incur a charge. For funds (OEICs, Unit Trusts and ETFs) and PRIIPs (Packaged Retail and Insurance-based Products) such as Investment Trusts, the details of these charges are contained in the <i>Fund Prospectus</i> or the <i>Key Investor Information Document (KIID)/Key Information Document (KID)</i> for each investment available at <a href="http://alliancetrustsavings.co.uk">alliancetrustsavings.co.uk</a>.</p> <p>If you and your Financial Adviser use a Discretionary Fund Manager or a Model Portfolio service to manage some or all of your money, they will charge you for their services on top of these investment charges. You may also have to pay UK Stamp Duty when you buy certain types of investment.</p>	<p>Your Financial Adviser charges you for the services they provide and you can ask us to pay these charges from your Account.</p> <p>They will agree the details of their charges directly with you, including how you will pay them.</p>

### We charge flat fees

We charge flat fees for our Accounts and Services. The idea is that you cover your own costs. So the amounts you pay depend on the Accounts you hold, the Services you use and how often you use them.

Many other platforms charge for at least some of their services based on the value of your investments. This means that people with larger Account values pay more and end up subsidising the costs for those with smaller ones.

We don't do this because we don't think it is fair. No matter what the value of your Account, it costs us roughly the same to manage it and to provide Services to you.

### A balanced view of flat fees

If you only plan to invest a small amount of money through us and not add to it over time, flat fees mean you may pay more compared to other platforms, especially if you plan to buy and sell investments very frequently (even allowing for our Inclusive Account fee option that lets you do up to 35 trades a year at no additional cost – see Section 1 for details). But if you plan to make a larger investment, or build a smaller investment into a larger one over time, the opposite is more likely to be true.

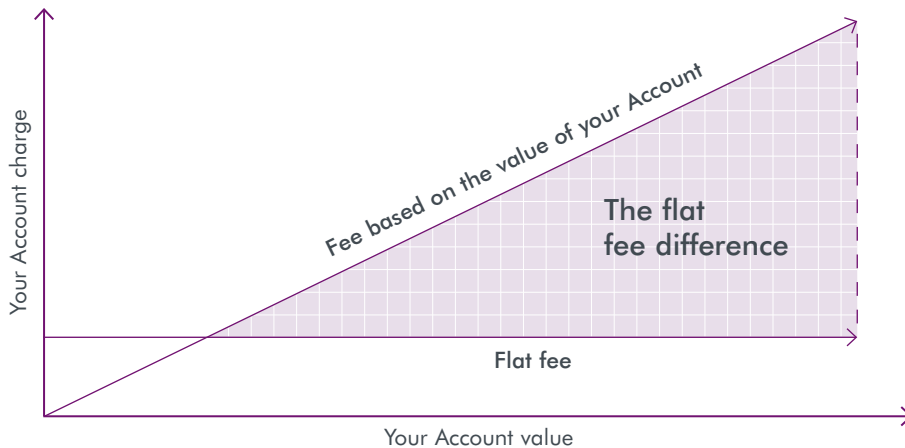
Your Financial Adviser should have completed an assessment of whether the Alliance Trust Savings platform is right for you as part of their advice to invest through us. How much we charge, and the way that we charge, would normally be part of that. If you have any doubts whether our flat fee approach is right for you, please discuss this with your Financial Adviser. We can't give you financial advice.

As your wealth grows, the charges you pay to us won't.

Please remember the value of your investments and any income from them can go down as well as up and you may get back less than the amount you originally invested.



## THE FLAT FEES DIFFERENCE



## WHAT OUR CHARGES COVER

We have three different types of charges. This table gives you an idea of what each covers.

1. Account charges	2. Dealing Service charges	3. Other Service charges
<p>Covering the basic ongoing cost to us of administering an Account for you on an online service basis:</p> <ul style="list-style-type: none"> <li>– Standard Account includes 4 online trades, Inclusive Account 35 online trades</li> <li>– arranging safe custody of your standard Investments</li> <li>– maintaining and regularly checking your Account records</li> <li>– preparing your statements and valuations</li> <li>– preparing your annual statement and illustration (for SIPP Accounts)</li> <li>– preparing your consolidated tax statement (for GIA Accounts)</li> <li>– making reports to HMRC (for ISA and SIPP Accounts)</li> <li>– claiming tax relief for you from HMRC (for SIPP Accounts)</li> <li>– a contribution towards the running of our technology platform and the client support services available to you</li> </ul>	<p>Covering the costs to us of arranging to buy and sell investments through your Account:</p> <ul style="list-style-type: none"> <li>– taking all sufficient steps to get the best price for you when buying or selling standard Investments, in line with the <i>Order Execution Policy</i> in your <i>Terms and Conditions</i> document</li> <li>– arranging for payment (when you buy), or collecting the proceeds (when you sell), and changing the ownership of the investments ('settlement')</li> <li>– updating your Account records</li> <li>– sending you Contract Notes to confirm that your orders have been completed</li> </ul>	<p>Covering the costs to us of other types of one off transaction we might arrange for you:</p> <ul style="list-style-type: none"> <li>– transferring investments on and off of our platform</li> <li>– sending you paper documents</li> <li>– managing income payments to you from a SIPP Account</li> <li>– managing the impact of a divorce or death</li> <li>– a few other one-off administration Services you might ask us to provide</li> <li>– supplementary Account charge, may apply for non-standard accounts and non-standard investments</li> </ul>

## COLLECTING OUR CHARGES

We collect our Account charges in advance. We don't refund them if you close your Account during the period to which they apply.

There are two options for Account charges: Inclusive or Standard (see Section 1 for the details).

### Collecting Inclusive Account charges

Under the Inclusive Account option, Account charges are collected yearly. The first year's charges are collected on the day you open your Account, or the next available business day. Then on the anniversary of that in each following year.

### Collecting Standard Account charges

Under the Standard Account option, quarterly Account charges for General Investment Account (GIA) and Individual Savings Account (ISA) are collected on the 1 February, 1 May, 1 August and 1 November, or the next available business day.

Yearly Account charges for the SIPP Account are first collected on the day you open your Account or the next available business day. Then on the anniversary of that in each following year. If you opened your Account before 1 January 2016, unless we advise you otherwise, your Yearly Account charge will be collected on 1 February each year.

### Collecting Service charges

Service charges are collected when we provide the Service to which they relate, apart from the Model Portfolio Service charge (see Section 3.1).

For the Model Portfolio Service charge we collect the first year's charges in advance when you first access the service, or the next available business day. Then on the anniversary of that in each following year.

### Other important information

It is up to you and your Financial Adviser to make sure there is enough money in your Account to cover your charges when they fall due. If we are not able to collect your charges when they fall due, we will sell investments in your Account to collect them. Your *Terms and Conditions* document explains how we will do this.

We do not currently pay interest on cash deposits within our platform product range. Alliance Trust Savings may itself earn and retain interest on amounts which are placed on deposit. The amount of such interest may vary from time to time.

## 1. Account charges

There are two options for Account charges: Inclusive or Standard.

The Inclusive option is designed for people who expect to buy or sell investments fairly frequently. It lets you do this online up to 35 times a year at no additional cost. If we have to sell investments from your Account to cover the cost of any charges that are due to us or to your Adviser this will count towards your total of 35 inclusive trades.

The Standard option is designed for people who don't expect to buy and sell investments very often. With this option, you have 4 online trades included each year (does not apply to child accounts) and for any additional trades you pay a Dealing Service charge every time you buy or sell an investment. Online trades does not include regular online dealing or dividend reinvestment trades.

For accounts opened prior to 1 February 2017 – 4 trades are applied to your Account on 1 February each year, and any remaining trades expire on 31 January each year.

For accounts opened after 1 February 2017 – 4 trades are applied to your Account on the anniversary of your Account opening each year, and any remaining trades expire at close of business on the day before that anniversary.

Your Financial Adviser will agree with you which option to apply in your case.

The Inclusive option is not available on Accounts designed for investing for children.

### Inclusive Account charge option

Type of Account	Charge
ISA	£225 a year
General Investment Account (GIA)	£225 a year
SIPP Account 'Savings'*	£350 a year
SIPP Account 'Income'*	£440* a year

### Standard Account charge option

Type of Account	Charge
ISA	£30 a quarter
General Investment Account (GIA)	£30 a quarter
SIPP Account 'Savings'*	£210 plus VAT a year
SIPP Account 'Income'*	£285 plus VAT a year
Junior ISA	£10 a quarter
First Steps GIA	£10 a quarter
Child SIPP Account	£80 plus VAT a year

#### \* Note about SIPP Accounts

Your yearly Account charge increases at the next collection date after you have taken any income or tax free lump sums from your SIPP Account (which you can normally do from the age of at least 55). This is because facilitating the payment of income from your SIPP Account involves more work for us.

The increase applies if:

- you are currently in capped drawdown
- you are currently in flexi-access drawdown
- you ask us to make 'uncrystallised funds pension lump sum payments' on anything other than a one off or very occasional basis.

Your Financial Adviser will let you know if any of these apply in your case. Once you are on the 'Income' annual Account charge this will be the charge that applies annually thereafter. If you are not familiar with the terminology we have used here and need an explanation, please visit [alliancetrustsavings.co.uk/glossary](http://alliancetrustsavings.co.uk/glossary) or speak with your Financial Adviser.



## 1.1 Supplementary Account charge

There are some cases in which more work is involved than others for us to look after your Account and we must take on more risk than usual in doing so. Three such cases are:

### 1. Where you are a non-UK resident for tax purposes or your permanent address is not in the UK

Our Services are designed to meet the needs of UK tax resident investors and this is covered in clauses 3.1.3 to 3.1.5 of our *Terms and Conditions*. For the purpose of the Supplementary Account charge, UK includes Republic of Ireland, Guernsey, Jersey and Isle of Man.

Serving investors resident outside of the UK requires additional and complex administration, including additional Anti-Money Laundering checks and manual reporting.

### 2. Where you hold non-standard Investments

Our Services are designed for trading in funds (Unit Trusts and OEICs) and listed securities (including Investment Trust and ETF shares) that can be settled in Sterling (£) through CREST (UK-based central securities depository).

Supporting other types of investment (non-standard investments) means additional, manual administration for us, as well as increased custody and transaction costs.

For a list of investments that we consider to be non-standard, please see [alliancetrustsavings.co.uk/non-standard-investments](https://alliancetrustsavings.co.uk/non-standard-investments).

### 3. Where the Account is held by a Corporate entity or Trust

Our Services are designed to meet the needs of UK Individuals. Servicing Accounts that are held by Corporate entities or by Trusts requires additional ongoing entity-specific administration, including regular reviews of the entities and registration details.

In addition to your Standard Account charge, the Supplementary Account charge detailed in the table below will be applied to all Accounts outlined in points 1-3 above.

Account type	Annual charge
ISA	£375
General Investment Account (GIA)	£375
SIPP Account 'Savings'	£375 + VAT
SIPP Account 'Income'	£375 + VAT

The Supplementary Account charge will be applied to your Account within 14 days of you either:

- Notifying us of a change of address or tax residency to a non-UK country
- Purchasing a non-standard Investment, or
- Changing your Account to be held by a Corporate entity or Trust

This charge will then be applied to your Account every year on the anniversary of the Supplementary Account charge date.

The Supplementary Account charge will not be refunded if you move your address or tax residency back to the UK, sell the non-standard Investment, or you change your Account to not be held by a Corporate entity or Trust within the year. This is due to the fact that the administration for these Accounts is ongoing throughout the year.

Unless you notify us, at least 7 working days in advance of your annual charge being taken, of a change of permanent address to the UK, you become a UK resident for tax purposes, you sell the non-standard Investment, or you change your Account to not be held by a Corporate entity or Trust, we will continue to collect the Supplementary Account charge annually on your charge anniversary date, or the following business day.

Your Standard Account charge will continue to be taken on a quarterly or annual basis, depending on the charging option you are on (Standard or Inclusive).

## 2. Dealing Service charges

Our Dealing Service charges apply to each individual transaction we arrange on your behalf. If you want to 'switch' an investment – sell one investment and replace it with another – we count that as two transactions.

The charges you pay depend on whether you are paying an Inclusive Account charge or a Standard Account charge for the Account you are dealing through.

### Inclusive Account option

Type of Transaction	Charge
Buy or sell online (first 35 transactions each year)	Included in your Account charge
Buy or sell online (additional transactions each year)	£6.25
Buy or sell over the phone	£50.00
Buy or sell by post	£50.00
Regular buy (direct debit) or phased investment from cash	No charge
Regular dividend reinvestment	No charge

Remember, if we have to sell investments from your Account to cover any charges that are due to us or to your Financial Adviser this will count towards the 35 transactions included in your Account charge. You and your Financial Adviser can also access our Model Portfolio Service through the Inclusive Account option. See Section 3.1 for the details.

### Standard Account option

Type of Transaction	Charge
Buy or sell online (without any loyalty discount)	£9.99
Buy or sell over the phone (without any loyalty discount)	£50.00
Buy or sell by post	£50.00
Regular phased investment from cash	£5.00
Regular buy (direct debit) instructed by post	£5.00
Regular buy (direct debit) instructed by online monthly dealing service	£1.50

Type of Transaction	With loyalty discount (based on Account age)			
	5-10 years	11-15 years	16-20 years	>20 years
Buy or sell online	£8.99	£8.49	£7.99	£7.49
Buy or sell by telephone	£45.00	£42.50	£40.00	£37.50

For one off deals, it's always more cost effective to deal online.



### 3. Other Service charges

Your Account charge covers the cost of many of the Services we provide. But where Services are more complicated and can take up a lot of our time without any realistic prospect of covering costs through your Account charge (transferring investments out is a good example of this), we do ask you to pay for those.

That goes back to our flat fees philosophy. You cover the costs of the Services you use. It's only fair.

#### 3.1 Model Portfolio Service charge

If you and your Financial Adviser choose the Inclusive Account option, we offer a Model Portfolios Service. This lets your Financial Adviser set up your investments in a way that means they can be more easily managed on an ongoing basis, in line with a particular strategy agreed between you.

You and your Financial Adviser can also access Model Portfolios managed by our Discretionary Fund Manager partners through the Model Portfolios Service.

If you agree to use the Model Portfolio Service you will pay us a yearly Model Portfolio Service charge of £120. We then won't charge you anything extra for regular dealing to keep your portfolio(s) on track (known as 'rebalancing').

Once you are paying the Model Portfolio Service charge you can use the Service for as many Accounts as you like, at no additional cost, as long as these are set up on the Inclusive Account option.

We collect the Model Portfolio Service charge from your GIA (if you have one). If we can't collect it from a GIA, we will collect it from your ISA Account (if you have one). If we can't collect it from an ISA, we will collect it from your SIPP Account. Only one Account will be charged and we will collect the charge in the order described irrespective of which of your Accounts actually uses a Model Portfolio.

#### 3.2 Transferring investments in and out of your ISA or GIA

The re-registration or transfer of investments into your Account is free except for the following specialist cases.

Account	Transaction	Charge
ISA, Junior ISA	Transferring investments in from a maturing employee share scheme	£15 per investment
GIA, First Steps GIA	Transferring investments held in your own name into a GIA using our Share Exchange service	£40 per investment

When it comes to transferring out, we charge for transferring investments out of your Account and directly to either another provider or in to your personal ownership.

If you are transferring out your account to another provider in its current form (any existing Investments are transferred in-specie), because it is a one-off process for us, you just pay a one-off charge regardless of how many Investments you hold in each Account. If you decide to sell Investments to transfer as Cash and you do not carry this out yourself online, a postal/phone dealing charge will be applied to each sell transaction.

Transaction	ISA, Junior ISA	GIA, First Steps GIA
Any transfer out to another provider	£100 plus VAT	£60 plus VAT
Transferring an investment out into a share certificate in your name	£20 per investment	£20 per investment



### 3.3 Transferring investments in and out of your SIPP Account

There is no charge to transfer investments into your SIPP Account from another provider, except for the following specialist cases.

Transaction	SIPP, Child SIPP
Transferring investments in from maturing employee share scheme	£15 per investment
Transfer in of any pension that contains "safeguarded benefits" in excess of £30,000. Safeguarded benefits include defined benefit pensions (sometimes referred to as final salary or career average schemes) and pensions with guaranteed annuity rates (GARS). Alliance Trust Savings only accepts these transfers where financial advice has been given by a Financial Adviser, with the required regulatory permissions and who has advised that the transfer is in your best interests. We do not accept transfers in respect of "insistent clients".	£150 plus VAT

If you are transferring out your account to another provider in its current form (any existing Investments are transferred in-specie), because it is a one-off process for us, you just pay a one-off charge regardless of how many Investments you hold in each Account. If you decide to sell Investments to transfer as Cash and you do not carry this out yourself online, a postal/phone dealing charge will be applied to each sell transaction.

A change in legislation means that the fee that we charge you for moving to another pension provider will depend on when you opened your SIPP and what age you are at the date of transfer. This applies to transfers out and annuity purchases.

Opened SIPP prior to 31 March 2017		Opened SIPP on or after 31 March 2017	
<b>Under 55</b>	<b>55 and over</b>	<b>Under 55</b>	<b>55 and over</b>
1% of transfer value or annuity purchase price up to a maximum of £150+VAT	1% of transfer value or annuity purchase price up to a maximum of £150+VAT	1% of transfer value or annuity purchase price up to a maximum of £150+VAT	No charge

The following transfer scenario is also chargeable.

Transaction	SIPP, Child SIPP
Any transfer out to an overseas pension scheme	£200 plus VAT

### 3.4 Issuing paper documents

Paper document	Charge
Your paper documents (statements and valuations, contract notes, tax certificates)*	£25 plus VAT
A one-off valuation	£10 plus VAT
A paper duplicate of any document we have already issued to you, either online or in paper form	£15 plus VAT

Our platform is designed to work as an online service, so we don't charge for issuing any documents to you online.

\* This charge will be taken from the fees Account by deducting £12.50 + VAT twice a year when your statement is produced, and will be taken in the following order – General Investment Account, SIPP, Stocks and Shares ISA. If you hold multiple Accounts you will only be charged for one Account. We will not allocate this charge to a child Account (Junior ISA, First Steps or Child SIPP Accounts). You can choose to receive all your documents online free of charge.

### 3.5 Other one off events

Finally, we charge for managing the following types of one-off event.

Event	Charge
Valuing your Account and making future arrangements for it following your death	£200 plus VAT per Account
Implementing a 'Sharing Order' following a divorce (only applicable to SIPP Accounts)	£200 plus VAT per Account
For ISAs and Junior ISAs only, 'repairing' or 'voiding' your ISA when required under HMRC rules	£100 plus VAT per Account
Writing to a third party (a mortgage provider for example) to confirm the value of your Account	£30 plus VAT per letter
Making a one-off cash payment to you using CHAPS (we don't charge for payments by BACS)	£20 per payment
Make a one-off 'uncrystallised funds pension lump sum' (UFPLS)	£40 plus VAT
Sending any money (for example, a late payment from your employer or any late income from your investments) to a receiving pension scheme after your Account has closed	£50 plus VAT

## SERVICE CHARGES – SOME EXAMPLES

### Getting started with a SIPP Account (Savings)

Mr Smith has two personal pensions that he would like to transfer to a SIPP Account with Alliance Trust Savings. One of the pensions is worth £60,000 and the other is worth £80,000. In both cases they are currently invested in a single fund each and these are funds that Alliance Trust Savings does offer, so the transfer in will be made in the form of investments rather than cash.

Mr Smith has been advised to spread his risk in future by splitting his money across six different funds. His Financial Adviser plans to use online services to set up his SIPP and, once the transfers have been made, sells out of Mr Smith's two original funds and then buys into his six new funds online. He plans to manage Mr Smith's SIPP fairly actively and so has recommended the Inclusive fee option for his client.

#### Mr Smith's Alliance Trust Savings (ATS) charges at set-up

Yearly SIPP Account charge, collected in advance	£350
Fund sale charges x 2 (£0, inclusive Account charge)	£0
Fund buy charges x 6 (£0, inclusive Account charge)	£0
<b>Total charges paid to ATS</b>	<b>£350</b>

### Taking money out of a SIPP Account (Income)

After a number of years, Mr Smith reaches the age of 55 and decides to start taking money out of his SIPP.

Based on Mr Smith's personal needs and circumstances, his Financial Adviser recommends the flexi-access drawdown method is used. He sets this up for Mr Smith online, in the process selling Mr Smith's six funds and re-investing him into a Model Portfolio on the Alliance Trust Savings platform.

#### Mr Smith's Alliance Trust Savings (ATS) charges

Yearly SIPP Account charge, collected from next anniversary of opening the Account	£440
Fund sale charges x 6 (£0, inclusive Account charge)	£0
Model Portfolios Service charge, collected from the date of accessing the service	£120
<b>Total charges paid to ATS</b>	<b>£560</b>

### Account and dealing service charges

Mrs Jones has had an ISA and a GIA with Alliance Trust Savings for the past 3 years. She pays into both of her Accounts monthly by direct debit and buys into three different funds in each Account each month through the regular buy service (set up by her Financial Adviser online). She is on the Standard Account charge option because other than her regular buys she does not anticipate trading a lot on her Accounts.

#### Mrs Jones' Alliance Trust Savings (ATS) charges this year

ISA Account charge (4 x £30.00)	£120
GIA Account charge (4 x £30.00)	£120
ISA Monthly buys ((12 x £1.50) x 3)	£54
GIA Monthly buys ((12 x £1.50) x 3)	£54
<b>Total charges paid to ATS</b>	<b>£348</b>

These examples are for illustrative purposes only and should not be relied upon when making investment decisions.

## INCREASES, CHANGES AND SPECIAL OFFERS

We may increase or change our charges from time to time. We will normally tell you at least 30 days in advance. Full details can be found in your *Terms and Conditions* document.

Sometimes we run special offers to waive or suspend our charges for a set period of time. We will tell your Financial Adviser about these and also advertise them on our website.

## YOU SHOULD READ THIS DOCUMENT ALONG WITH:


- the *Terms and Conditions* for Alliance Trust Savings Accounts – for Advised Clients
- the *Key Facts Document* for your Account
- if you have a SIPP Account, the *SIPP Scheme Rules*

Together with your Application they give the full picture of how we manage your Account and the legal relationship between us.

If you have questions, please speak with your Financial Adviser or contact us. We may update this guide from time to time. You will always find the most up to date version at [alliancetrustsavings.co.uk](http://alliancetrustsavings.co.uk).

## Alliance Trust Savings

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