

# Charges Guide



This is an important document which you should keep.

## About our charges

When you invest through Alliance Trust Savings you can expect to pay two different types of charge. This guide explains the charges for our services and how we apply them to your Alliance Trust Savings Account.

### Charges for our services

We charge you for holding an Account with us and for using the different Services we provide. This guide gives the details of our charges.

### Charges for your investments

Most investments on our platform incur a charge. For example funds, ETFs and investment trusts will apply charges against your holding. For funds (OEICs and Units) the details of these charges are contained in the Fund Prospectus or the Key Investor Information Document (KIID) for each fund available at [www.alliancetrustsavings.co.uk](http://www.alliancetrustsavings.co.uk)

You may also have to pay a tax charge (e.g. UK stamp duty or foreign taxes) when you buy certain types of investment.

### 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. The only exception to flat fees is for foreign exchange because of the way that particular service works.

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 may mean you pay more than to some other platforms, especially if you plan to buy and sell investments very frequently. 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.

Alliance Trust Savings can't give you financial advice. If you feel you need advice to decide whether our flat fees approach is right for you and don't already have a financial adviser, you can search for one near you at [www.unbiased.co.uk](http://www.unbiased.co.uk)

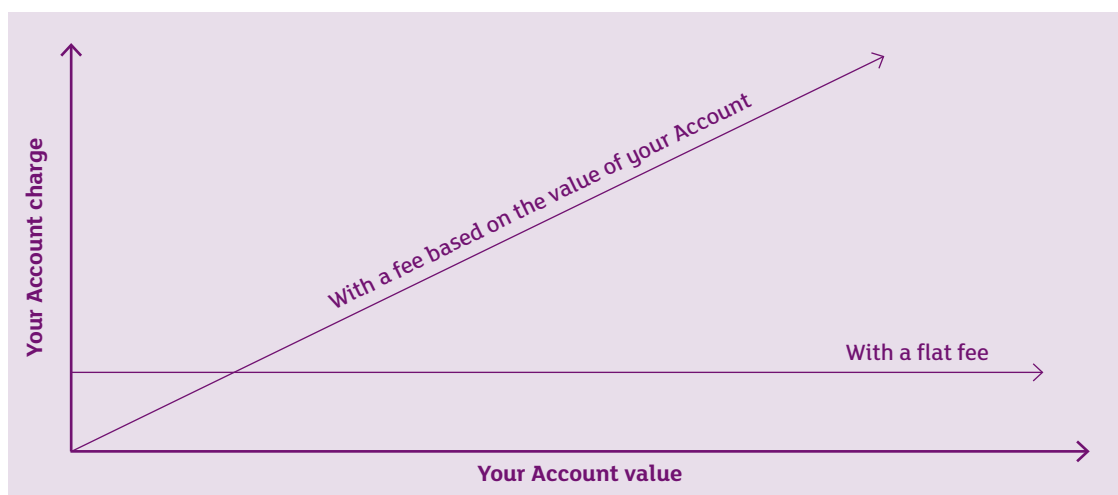
As your wealth grows, the charges you pay to us won't.



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 managing an Account for you on an online service basis:</p> <ul style="list-style-type: none"> <li>• arranging safe custody of your investments</li> <li>• maintaining and regularly checking your Account records</li> <li>• preparing your half-yearly statement and valuation</li> <li>• preparing your annual statement and illustration (for SIPP Accounts)</li> <li>• preparing your consolidated tax statement (for IDA 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 reasonable steps to get the best price for you when buying or selling investments, in line with the 'Order Handling Policy' in your Terms and Conditions 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> </ul>

No hidden charges. All of our charges are in this guide.



## 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.

Day of the month	Action
1st of each month	We collect the monthly SIPP Account (Savings or Income) charge*
1st of each month	We collect the monthly IDA and ISA Account charge

\* If you open a SIPP Account before 1st May 2016 these charges will apply to you from 1st February 2017. In your case we will collect an Account charge in advance for the period up to 31st January 2017. This will be the appropriate proportion of the yearly Account charge for SIPP that we used to collect on 1st February each year (£155 plus VAT for 'Savings' and £230 plus VAT for 'Income' and £80 plus VAT for Child SIPP).

Monthly Account charges are collected on the 1st of each month or the next available Business Day.

Service charges are all collected when we provide the Service to which they relate.

It is up to you 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 your Terms and Conditions document explains what we will do.

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**

Type of Account	Charge
ISA Account	£7.50 a month
Individual Dealing Account	£7.50 a month
SIPP Account 'Savings'	£15 plus VAT a month
SIPP Account 'Income'	£21.25 plus VAT a month
Junior ISA Account	£3.33 per month
First Steps IDA	£3.33 per month
Child SIPP Account	£6.65 plus VAT a month

**\* Note about SIPP Accounts**

Because more work is involved for us, your monthly 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 do from the age of at least 55). This charge applies if:

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

Once you are on the 'Income' annual Account charge this will be the charge that applies monthly thereafter. If you are not familiar with the terminology we have used here and need an explanation, please visit [www.alliancetrustsavings.co.uk/glossary](http://www.alliancetrustsavings.co.uk/glossary) or contact us.

**2. Dealing Service charges**

The charges you pay to buy and sell UK and international investments depend on:

- how you give us instructions (online, by phone or by post)
- whether you are buying or selling on a one off basis or have asked us to make regular investments on your behalf
- for online deals, how long you have continuously held an Account with Alliance Trust Savings (loyalty discount).
- for international deals a Foreign Exchange rate will apply

These charges apply to each individual transaction we arrange on your behalf. So if you want to 'switch' an investment – sell one type of investment and replace it with another – you pay one charge for the sell transaction and one charge for the buy transaction.

Type of Transaction	Charge
Buy or sell online (without any loyalty discount)	£12.50
Buy or sell over the phone	£40.00
Buy or sell by post	£40.00
Regular dividend reinvestment	£5.00
Regular buy (direct debit) instructed by post	£5.00
Regular buy (direct debit) instructed by online monthly dealing service	£1.50

A loyalty discount starts to apply for online trading if you have continuously held an Account with Alliance Trust Savings for 5 years or more.

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	£11.25	£10.63	£10.00	£9.38

\* Our loyalty discount only applies to market orders. If you place limit orders online (orders with conditions attached to them) you will still pay £12.50 for each transaction. Find out about market and limit orders in our Platform Guide at [www.alliancetrustsavings.co.uk](http://www.alliancetrustsavings.co.uk)

Unless we show otherwise, you don't pay VAT on our charges.



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



## 2.1 Government taxes and levies

Where government taxes and levies apply to any deals you make we collect these following each relevant transaction.

Tax or Levy	Transaction	Charge
UK Stamp duty	Buying UK shares	0.50%
Irish Stamp duty	Buying Irish shares	1.00%
French Financial Transactions tax	Buying French shares	0.20%
Italian Financial Transactions tax	Buying Italian shares	0.12%
Greece Financial Transactions tax	Buying Greek shares	0.15%
Greece Transfer tax	Buying and redeeming Greek shares	0.16%

## 2.2 Foreign exchange rate

International investments are bought and sold at our standard dealing charges (on previous page). Where deals are made in a currency other than Sterling, prices are converted to Sterling at a rate based on the prevailing interbank exchange rate. This is done by a specialist UK based 'market maker' to get the best rates we can. We then add a fee to cover our costs in arranging this for you. Because of the way the foreign exchange market works in practice, this is the only time we have to charge you a percentage fee.

Value of trade	International Trading Fee
£0 - £24,999	1.50%
£25,000 - £49,999	1.00%
£50,000 - £99,999	0.50%
£100,000+	0.35%

## 3. Other Service charges

Your Account charge covers the cost of many other 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 Transferring investments in and out of your Account

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

Account	Transaction	Charge
ISA, Junior ISA, SIPP, Child SIPP	Transferring investments in from a maturing employee share scheme	£15 per investment
IDA, First Steps	Transferring investments held in your own name into an IDA using our Share Exchange service	£40 per investment
SIPP, Child SIPP	Transferring in an investment 'in specie' (without selling it first) as a Contribution to a SIPP Account, other than from a maturing employee share scheme or another Registered Pension Scheme	£500 plus VAT per investment

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

If you are transferring out to another provider/pension scheme, 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.

Transaction	ISA, Junior ISA	IDA, First Steps IDA	SIPP, Child SIPP
Any transfer out to another provider/ UK Registered Pension Scheme	£100 plus VAT	£60 plus VAT	£150 plus VAT
Any transfer out to an overseas pension scheme	n/a	n/a	£200 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 a SIPP or Child SIPP Account has been closed	n/a	n/a	£50 plus VAT
Transferring an investment out into a share certificate in your name	£20 per investment	£20 per investment	£20 per investment

Our platform is designed to work as an online service, so we don't charge for issuing any documents to you online. But in some cases we do charge for issuing paper documents.

### 3.2 Issuing paper documents

Paper document	Charge
Your half-yearly statement and valuation*	£5 plus VAT
A one off valuation	£30 plus VAT
A paper duplicate of any document we have already issued to you, either online or in paper form	£15 plus VAT

\* This charge will be taken from the fees Account in the following order – Investment Dealing 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 your consolidated statements and valuations online and free of charge.

### 3.3 Taking money out of a SIPP Account

If you ask to take money out of a SIPP Account on a one-off basis, rather than a regular basis, your monthly Account charge does not increase. You pay us a one off Service charge instead.

And if you want to take any tax free lump sum in the form of investments rather than cash (on a regular or a one-off basis) this means more administration work for us so we charge for each individual investment transfer you ask us to make.

Transaction	Charge
Make a one-off 'uncrystallised funds pension lump sum' (UFPLS)	£40 plus VAT
Make arrangements with another provider to buy an annuity for you	£150 plus VAT
Pay your tax free lump sum by transferring investments rather than paying you cash	£15 per investment

### 3.4 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 ISA Accounts 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 cheque or BACS)	£20 per payment

## 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 decided to spread his risk in future by splitting his money across six different funds. He sets up his SIPP Account online and, once the transfers have been made, sells out of his two original funds and then buys into his six new funds online.

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

Total monthly account charges for the year ahead (£15.00 plus VAT x 12)	£216 (£180 plus VAT)
Fund sale charges x 2 (£12.50 x 2)	£25
Fund buy charges x 6 (£12.50 x 6)	£75
<b>Total charges paid to ATS</b>	<b>£316</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.

He decides to use flexi-access drawdown, selling investments online from one of his funds to generate the maximum allowed tax-free lump sum. He asks for this to be paid to his bank account. He then switches three of his remaining investments into two new funds which he feels are better suited to the future drawdown strategy he has decided on, which is to take a quarterly income payment from the next year onwards.

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

Total monthly account charges for the year ahead (£21.25 plus VAT x 12)	£306 (£255 plus VAT)
Fund sale charges x 4 (£12.50 x 4)	£50
Fund buy charges x 2 (£12.50 x 2)	£25
<b>Total charges paid to ATS</b>	<b>£381</b>

## Service charges

Mrs Jones has had an ISA Account and a Individual Savings Account (ISA) with Alliance Trust Savings for the past 3 years. Her Accounts are run online. She pays into both of them monthly using the online monthly dealing service, buying into three different funds in each Account every month.

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

ISA Account charge (12 x £7.50)	£90
ISA Account charge (12 x £7.50)	£90
ISA Monthly buys (12 x £1.50) x 3)	£54
ISA Monthly buys (12 x £1.50) x 3)	£54
<b>Total charges paid to ATS</b>	<b>£288</b>

## 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. More detail is in your Terms and Conditions document.

Sometimes we run special offers to waive or suspend our charges for a set period of time. If you have not stopped us sending promotional information to you we will tell you about these. We will also advertise them on our website.

## You should read this document along with:

- the Terms and Conditions for Alliance Trust Savings Accounts
- 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 contact us. We may update this guide from time to time. You will always find the most up to date version at [www.alliancetrustsavings.co.uk](http://www.alliancetrustsavings.co.uk)

Investments can go down as well as up. You may get back less than you originally invested.

## Get in touch:

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