

MAKING THE COST OF INVESTMENT CLEAR



When you make an investment on the Old Mutual Wealth's platform there are three main parties involved, in addition to you as the investor:

- Your financial adviser
- Old Mutual Wealth, the provider of your account or bond
- The managers of the funds you choose for your account or bond

The purpose of this document is to explain the separate roles of each of them and how their charges or fees are calculated and taken.

This information applies to investments on Charge Basis 2.

For specific details of how much your own charges will be, and their effect on your investment, please refer to your personalised [Key Features Illustration and to the Funds List](#) for Charge Basis 2.

WHO IS INVOLVED AND WHAT DO THEY DO?



YOUR FINANCIAL ADVISER – Your adviser can help you manage your money better at every stage in your life. Depending on your financial needs and attitude to risk, they will agree with you the services you require – whether it's reviewing your savings and investments, planning for retirement or advice on tax matters. Working closely with you, they can recommend solutions that match your criteria and help you reach your financial goals.



OLD MUTUAL WEALTH – We are the providers of the account or bond you are investing in. This involves setting up and administering your investment on the platform. This is an innovative place where you and your financial adviser can build, manage and monitor your investments. It gives you online access to a wide choice of funds and a range of tax-efficient ways to hold them in a single place.



FUND MANAGERS – Typically your account or bond will contain one fund or a number of funds from different fund managers. These managers are responsible for creating and managing the funds; researching, selecting and buying the investments that make up the funds; and additional administrative duties such as appointing trustees and auditors.

HOW THE CHARGES ARE CALCULATED AND TAKEN



YOUR FINANCIAL ADVISER'S FEES

It is up to you and your financial adviser to agree the amount and frequency of any charges for their services.

Your adviser will explain their scale of fees for the services they provide. You can either pay these fees directly to your adviser, or you can ask us to pay them for you by taking the money from your investment. Your adviser will tell you which method of payment is the most suitable, depending on the type of investment you are making and your tax situation.

Options if you want us to pay your financial adviser's fees by taking money from your investment

If you ask us to pay your financial adviser's fees from your investment, we can do so according to the options below, in any combination you choose. You can specify these fees either as monetary amounts or as percentages.

ADVISER INITIAL FEE – this will be taken from each regular contribution or lump sum payment.

ADVISER SERVICING FEE – this is for ongoing monitoring and management of your investments.

ADVISER FUND SWITCH FEE – this is for arranging fund switches within your investment.

ADVISER AD HOC FEES – if you ask us to do so, we can also pay your financial adviser for other specified reasons.

Adviser Fee arrangements can be cancelled by informing Old Mutual Wealth in writing, however it is not possible to cancel fees that have already been deducted from your investment. We always recommend speaking to your financial adviser before cancelling any Adviser Fees.

Details of any fees you have asked us to pay will be shown in your personalised **Key Features Illustration** together with their effect on the future value of your account or bond. If you choose to make payments directly to your financial adviser, your **Key Features Illustration** will not show this.



OLD MUTUAL WEALTH CHARGES

Investor Charge

The Investor Charge is an annual charge of £77.12. If you have more than one product on the same Charge Basis you only pay one Investor Charge. It is taken from just one of your products, by cashing in units from your largest fund holding in that product.

We take this charge from the first investment you make onto the platform and then in instalments every six months from the day you made that investment. If you also hold a product jointly with a spouse or civil partner, a separate Investor Charge may apply. Every June, this charge will increase in line with the increase in average weekly earnings as published by the Office of National Statistics, over the previous year.

We do not make a charge if the only investments you hold with us are ones that have been re-registered to our platform. ('Re-registered' means that the funds involved have been moved onto the platform from another investment without having to be sold first and then re-purchased.)

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ADDITIONAL CHARGES APPLICABLE ONLY TO THE COLLECTIVE INVESTMENT BOND (CIB):

Life Fund Tax Charge

We are taxed by HM Revenue & Customs on taxable income and gains arising from the investments we make on your behalf. The amount we charge is based on the estimated tax liability to us.

The taxation charge is additional to the Investor Charge above. For more information on this please see your [Terms and Conditions for the Collective Investment Bond](#).

Capital Protected Death Benefit Charge

If you apply and are accepted for this option, we will make a charge based on the difference between the value of the death benefit and 101% of the value of the bond. If the death benefit value is greater than 101% of the value of the bond then this charge is made monthly by cashing in units. For more information please see your [Terms and Conditions for the Collective Investment Bond](#).



FUND CHARGES

You don't pay fund manager charges as separate monetary amounts. Instead, fund managers deduct their charges on a daily basis from the overall value of their funds and this is reflected in the changing daily fund prices.

Included in the fund charge are:

- one off costs, such as the charge some funds make when you buy or sell them. The majority of funds available to you do not make this charge.
- ongoing costs – these are the fund manager's administrative costs, such as their annual management charge (AMC)
- transactional costs, when managers buy and sell the underlying investments in their funds
- incidental costs such as performance fees, if applicable.

This combination of costs is referred to in the Funds Lists as the TER (Total Expense Ratio). This term is now increasingly being replaced by the OCF (Ongoing Charge Figure).

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FUND MANAGER REBATES

Charge Basis 2 involves an arrangement whereby fund managers repay us a proportion of their annual charge. This is known as the rebate. The amount of rebate varies from fund to fund and can vary over time.

We retain a proportion of this rebate to offset our administrative costs and pay a proportion to you in the form of extra fund units. This has the effect of reducing the fund manager charge on your chosen funds.

Details of the fund manager charges and rebates for the funds you have chosen are shown in your personalised **Key Features Illustration** in a table like this:

Fund Name	Fund manager charge before rebate (TER***)	Rebate paid to you as additional fund units†	Rebate retained by Old Mutual Wealth	Effective annual fund manager charge you pay
Fund A	2.80%	0.50%	0.37%	2.30%
Fund B	1.70%	0.35%	0.28%	1.35%
Fund C	0.80%	0.00%	0.13%	0.80%

*** The average TER of all the funds available to Old Mutual Wealth investors is 1.70% a year, before any rebate.

† When you invest in a fund, you buy 'units'. The number of units you own represents your share of the fund's total value. As the fund's price rises and falls, so does the value of your units.

For details of fund manager charges and the rebates for all funds available for you to invest in through Old Mutual Wealth, please refer to the **Funds List** available from the literature library on our website: www.oldmutualwealth.co.uk/fundslist

The charging basis described in this document is Charge Basis 2. Details of Charge Bases 1 and 3 can be found on our website at www.oldmutualwealth.co.uk/Library/charges/platform/ Your adviser can explain when these might apply.

Your investment may fall or rise in value and you may not get back what you put in.

www.oldmutualwealth.co.uk

Please be aware that calls and electronic communications may be recorded for monitoring, regulatory and training purposes and records are available for at least five years.

Old Mutual Wealth is the trading name of Old Mutual Wealth Limited which provides an Individual Savings Account (ISA) and Collective Investment Account (CIA) and Old Mutual Wealth Life & Pensions Limited which provides a Collective Retirement Account (CRA) and Collective Investment Bond (CIB).

Old Mutual Wealth Limited and Old Mutual Wealth Life & Pensions Limited are registered in England and Wales under numbers 1680071 and 4163431 respectively. Registered Office at Old Mutual House, Portland Terrace, Southampton SO14 7EJ, United Kingdom. Old Mutual Wealth Limited is authorised and regulated by the Financial Conduct Authority. Old Mutual Wealth Life & Pensions Limited is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority. Their Financial Services register numbers are 165359 and 207977 respectively. VAT number 386 1301 59.

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