

## Discretionary Portfolio Management

### Schedule of fees and commissions

We offer a choice of two services depending on the starting level of investment or your preference for how you wish your money to be invested.

#### Discretionary Equity Service

For investors with a minimum of £150,000 your portfolio will be constructed using a mixture of fixed interest securities, direct equities and collective investment funds. This service is subject to a combined charging structure of a competitive annual management fee together with dealing commission on transactions undertaken on your behalf.

#### Dealing Commissions

Equities, Collectives, Preference shares and other securities

MINIMUM £20

1.75%	on first	£7,000	consideration
1.0%	on next	£8,000	consideration
0.5%	on next	£10,000	consideration
0.3%	on next	£25,000	consideration
0.2%	on balance		

Example cost: Purchase of a UK equity with a transaction value of £10,000.

Commission	£152.50
Stamp Duty	£50.00
PTM levy	£1.00

British Government Securities

MINIMUM £20

1.0%	on first	£2,500	consideration
0.3%	on next	£15,500	consideration
0.16%	on next	£982,000	consideration
0.125%	on balance		

Example cost: Sale of a UK Gilt with a transaction value of £8,000.

Commission	£41.50
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Government Stamp Duty is payable on most UK equity and preference share purchases at a rate of 0.5% and is rounded to the nearest penny (to the nearest £5 on certain transfers). PTM levy is charged at the rate of £1 on contracts of £10,000 or more. All costs will appear in our regular reporting schedules.

#### Fee table

0.50%	on first £250,000
0.375%	on next £250,000
0.25%	on the balance

Discretionary Equity Service fees are quoted annually and charged six monthly in arrears on all assets under management from the commencement date of the service. This service is subject to a minimum charge of £750.

#### Discretionary Funds Service

For investors with a minimum of £50,000 but with no upper limit, we offer a 'funds only' alternative, your portfolio being constructed of both active and passive collective investments such as Exchange Traded Funds, Investment Trusts, Unit Trusts and OEICS. This service is offered on a 'fee only' basis.

#### Fee table

1.0%	on the first £50,000
0.75%	on the next £100,000
0.675%	on the next £200,000
0.50%	on the balance

Discretionary Funds Service fees are quoted annually and are charged six monthly in arrears on all assets under management from the commencement date of the service. This service is subject to a minimum charge of £500.

There is no dealing commission but certain investments will attract Stamp Duty or PTM levy as applicable.

**Illustrative (ex-ante) costs of setting up a £150,000 Discretionary Equity Service portfolio held for a 12 month period. A near actual calculation will be made on any subsequent scheme proposal.**

Type of charge	Description	Assumptions	Cost
<b>Transaction costs</b>	All costs and charges relating to buying or selling shares or other investments	Purchase of twenty investments in lots of £7,500 each at our standard dealing commission plus stamp duty at 0.5%	£3,300
<b>Ongoing charges</b>	All costs and charges related to providing ongoing services such as custody and valuations	Annual administration charge of 0.5% of the total market value of the portfolio at the valuation date, inclusive of VAT, charged six monthly in arrears.	£900
<b>Incidental or ancillary costs</b>	Any costs associated with the administration of the account	May include obtaining/renewing LEI for Trusts or Companies (min. £100), CHAPS payment (£20)	
<b>One-off charges</b>	All costs and charges paid to Farley & Thompson at the beginning and/or end of the service eg. Initial charge, switch to another broker	Initial Charge  Transfer to another provider may include a pro rata closing management fee, ISA closing fee (£100), in specie transfer (£20 per stock).	
<b>Our first year total charges</b>			<b>£4,200</b>
Transaction charges are usually significantly lower in the second and subsequent years. If the value of the portfolio increases or decreases in subsequent years, the fee will increase or decrease proportionately, subject to a minimum annual charge of £750. VAT is payable on all fees.			

**Illustrative (ex-ante) costs of setting up a £50,000 Discretionary Funds Service portfolio held for a 12 month period. A near actual calculation will be made on any subsequent scheme proposal.**

Type of charge	Description	Assumptions	Cost
<b>Transaction costs</b>	All costs and charges relating to buying or selling shares or other investments	None made by Farley & Thompson but some transactions may incur stamp duty and PTM levy. For example ten equity purchases of £5,000 each will incur stamp duty at 0.5% but no PTM levy.	£250
<b>Ongoing charges</b>	All costs and charges related to providing ongoing services such as custody and valuations	Annual administration charge of 1.0% of the total market value of the portfolio at the valuation date, inclusive of VAT, charged six monthly in arrears.	£600
<b>Incidental or ancillary costs</b>	Any costs associated with the administration of the account	May include obtaining/renewing LEI for Trusts or Companies (min. £100), CHAPS payment (£20)	
<b>One-off charges</b>	All costs and charges paid to Farley & Thompson at the beginning and/or end of the service eg. Initial charge, switch to another broker	Initial Charge  Transfer to another provider may include a pro rata closing management fee, ISA closing fee (£100), in specie transfer (£20 per stock).	
<b>Our first year total charges</b>			<b>£850</b>
If the value of the portfolio increases or decreases in subsequent years, the fee will increase or decrease proportionately, subject to a minimum annual charge of £500. VAT is payable on all fees.			

**Illustrative (ex-ante) costs of buying and holding an instrument with product costs.**

Collective investment funds such as Unit Trusts, Investment Trusts and Exchange Traded Funds have embedded management charges of their own as well as other expenses associated with running the fund such as marketing and distribution. These charges combine to form the 'ongoing charge' (OGC) which can reduce the potential growth of your investment. This charge is levied by the fund manager and taken directly from the fund at source and is in addition to any charges made by Farley & Thompson. The OGC is typically made up of:

Type of charge	Description	Assumptions	Cost
<b>Transaction costs</b>	All costs and charges that are incurred as a result of buying or selling investments <u>within</u> the fund.	None	
<b>Ongoing charges</b>	All ongoing costs related to the management of the fund that are deducted from the value of the investment product during the period (usually annually)	Total ongoing charge of 1.15% on an investment of £5,000	£57.50
<b>Incidental or ancillary costs</b>	Any other costs associated with the running or administration of the fund.	eg. performance fees	
<b>One-off charges</b>	All costs and charges (included in the price or in addition to the price of the instrument itself) paid to the fund manager at the beginning and/or end of the investment	None	
<b>Total product cost charges</b>			<b>£57.50</b>