

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 the portfolio is constructed using a mix of fixed interest securities, direct equities and collective investment funds. The service is subject to a combined charging structure of an annual management fee and transactional dealing commission.

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
------------	--------

Stamp Duty is payable on most UK main market listed purchases at 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.

Fee table

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

This service is subject to a minimum annual charge of £750.

Fees are quoted annually and charged six-monthly in arrears on all assets under management at the valuation date.

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 Investment Trusts, Unit Trusts, OEICS and Exchange Traded Funds. This service is offered on a 'fee only' basis.

Fee table

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

This service is subject to a minimum annual charge of £500.

Fees are quoted annually and charged six-monthly in arrears on all assets under management at the valuation date. There is no dealing commission, but certain investments will attract Stamp Duty or PTM levy as applicable.

Segregated CREST account

If you opt to hold eligible assets in a segregated CREST account there is an additional annual fee of £1,000.

OTHER CHARGES

Registering death, POA or a name change with company registrar, certification of a shareholding or broker to broker in specie transfer: £20 per line of stock. CHAPS payment: £20. ISA closure, transfer or flexible withdrawal request: £100. LEI application/renewal: Variable (from £80 + LSE fee). Inheritance tax payment facility: 0.15% of value raised.

Administrative work may be invoiced at an hourly rate and we will inform you in advance if this is the case. We reserve the right to charge for ad hoc or additional copies of valuations or consolidated tax certificates. Full details of our Estate and Probate service charges are available on a separate sheet.

All costs will appear in our regular reporting schedules. All fees are subject to VAT.

Please see overleaf for illustrative aggregate costs and charges.

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
Transaction costs	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
Ongoing charges	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
Incidental or ancillary costs	Any costs associated with the administration of the account	May include obtaining/renewing LEI for Trusts or Companies (min. £100), CHAPS payment (£20)	
One-off charges	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).	
Our first year total charges			£4,200
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
Transaction costs	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
Ongoing charges	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
Incidental or ancillary costs	Any costs associated with the administration of the account	May include obtaining/renewing LEI for Trusts or Companies (min. £100), CHAPS payment (£20)	
One-off charges	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).	
Our first year total charges			£850
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
Transaction costs	All costs and charges that are incurred as a result of buying or selling investments <u>within</u> the fund.	None	
Ongoing charges	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
Incidental or ancillary costs	Any other costs associated with the running or administration of the fund.	eg. performance fees	
One-off charges	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	
Total product cost charges			£57.50