

## What is this document for?

This document provides information on the fees and charges you will pay for investing through a Coutts Invest General Investment Account, a Coutts Invest ISA and/or a Coutts Invest Pension. Section 1 of this document sets out our Coutts Invest Platform Fee and Coutts Invest Pension additional charges and the terms and conditions around them. Section 2 explains the fund manager's charges and costs and explains about Dilution Levy.

## Section 1

### Coutts Invest Platform Fee

Our platform fee is calculated as a percentage of the total value of your investment. The platform fee is set out as an annual percentage of your investment, and charged to you at the end of each quarter in which you had your investment with us. The platform fee varies depending on the value of your investment – see the table below for how it works:

Tier	Investment value	Platform fee rate
1	£0 to £250,000	0.35%
2	>£250,000 to £500,000	0.25%
3	>£500,000	0.10%

### How we work out the platform fee

We work out the platform fee based on the value of all your investments with Coutts Invest at the end of the quarter at 31 March, 30 June, 30 September and 31 December. We will include any money you have in the ISA cash account in this calculation. Note that this does not include other investments you hold with Coutts.

Firstly, we work out the charge that applies to you. If the value of all your investments is less than or equal to £250,000 your rate will be 0.35%. If you have more, we apply the percentage rate for the tier to the amount of investment you have within the tier. We add these figures together to give your total charge.

For example, on an investment that is worth £550,000 at the end of June:

On the first £250,000 of investments the rate is 0.35% – so your fee would be £875 (£250,000 x 0.35%).

On the next £250,000 up to £500,000 of investments the rate is 0.25% – so your fee would be £625 (£250,000 x 0.25%).

On the £50,000 of investments over £500,000 the rate is 0.10% – so your fee would be £50 (£50,000 x 0.10%).

The total would be £1,550 (£875 + £625 + £50), which we divide by four to give your quarterly fee. Continuing the example above:

$£1,550/4 = £387.50$  quarterly fee

Where you hold investments in more than one wrapper, eg if you hold a Coutts Invest ISA and a Coutts Invest Pension, for the purposes of deduction of the platform fee the amount attributable to each wrapper will be based on the value of the investments held in each wrapper. So, for example, if you hold £150,000 in a Coutts Invest Pension and £50,000 in a Coutts Invest ISA, the £175 platform fee owed for the quarter would be 75% (£131.25) attributed to the pension and 25% (£43.75) attributed to the ISA.

\*Important note: As markets fluctuate, the value of your investment will rise and fall. Because the platform fee is percentage-based, if your investment value rises, the amount you will pay will increase, and if your investment value falls, the amount will decrease.

### How is the platform fee taken?

We take the platform fee quarterly. We deduct the fee on the next business day after the quarter end date plus one month. For example, a fee due on 31 December will be taken on 1 February. Please note that if the date of payment falls on a non-business day, fees will be taken on the next business day.

The amount of the platform fee that applies to your Coutts Invest General Investment Account and your Coutts Invest ISA will be taken from your selected Coutts bank account. We will give you two weeks' notice via email before taking it. The amount of the platform fee that applies to your Coutts Invest Pension will be taken by selling the number of units from your investment required to raise the relevant amount.

If there are insufficient funds in your chosen bank account to pay the platform fee that applies to your Coutts Invest General Investment Account and your Coutts Invest ISA, your bank account may become overdrawn, in which case, additional fees and charges may apply (in accordance with the terms and conditions of your bank account). If we try to collect our platform fee from your selected Coutts bank account but there is not enough in it (including overdraft), we will make a second attempt to collect our platform fee from your selected Coutts bank account five business days after our first attempt. If there still is not enough (including overdraft) in your selected Coutts bank account, we will take the platform fee as provided for in the Coutts Invest Service Terms and Conditions.

### Coutts Invest Pension additional charges

Where a pension sharing order with regard to divorce applies to your Coutts Invest Pension or where death benefits become payable under your Coutts Invest Pension an additional charge of £350 will apply in each case which will be taken by selling the number of units from your investment required to raise the relevant amount.

### Statements and contract notes

A statement of your Coutts Invest transactions will be available online. This includes a summary of all trading activity, including charges and an annual consolidated statement of income.

We will also issue a contract note online after you have placed a trade confirming what we have done.

### Changes to fees and charges

Our fees and charges are reviewed from time to time – we will let you know in advance if there are any changes that will affect you.

The fees and charges set out in this document are subject to Value Added Tax where applicable.

## Section 2

### **Charges and costs that can be taken by RBS Asset Management (Dublin) Limited (the ‘Manager’)**

Coutts Invest does not charge you the following charges and costs – they are taken by the Manager. This section does not represent part of the Agreement between you and Coutts but is here to provide information on the fund charges and costs.

### **Fund Ongoing Charge/OCF**

The Fund Ongoing Charge is also known in the investment industry as the ‘Ongoing Charges Figure’ or OCF. This goes partly to the underlying investment providers for their costs, and partly to the Manager, to cover investment management, custody and related administration costs.

Each Personal Portfolio Fund will have its own OCF depending on the costs of the underlying investments. You will find the OCF on the Key Investor Information Document for the fund.

The OCF is taken directly from the fund by the Manager. It is made up of an annual management charge averaged out over the year and taken on a daily basis, and other expenses relating to the underlying investments that are taken when they arise. The Manager pays Coutts a proportion of the annual management charge for their services as investment manager.

### **Transaction Costs**

In addition to the Fund Ongoing Charge, there will be the trading costs associated with buying and selling the shares and other investments that make up the fund. They are equivalent to the costs you would incur if you decided to buy and sell shares yourself.

The trading costs incurred by the fund include commission paid to stockbrokers and stamp duty on UK shares.

These costs will be higher for funds that trade regularly. The funds available through Coutts Invest predominantly invest in investments which follow an index-tracking approach, which means less trades and so minimises costs.

### **Dilution levy**

A dilution levy is an exceptional charge applied by the Manager to investors’ purchases or sales of units in the fund. When the levy is deducted the Manager adds it into the fund, leading to an adjustment in the price of units.

It is made to reflect a fund’s transaction costs as a result of requests for unusually large values or volumes of purchases or sales in proportion to the fund’s size. The intention is to protect existing or remaining investors from suffering detriment (‘dilution’ of the value of their units) as a result of the actions of other investors buying into or selling out of the fund.

The dilution levy is not a standard charge and will not normally apply – it will only be triggered by the policy of the Manager if your transaction is unusually large or forms part of an unusually large number of transactions being made in proportion to the fund’s size.

If you pay a dilution levy, it will appear on the contract note issued after your purchase or sale.

**Please note the value of investments can go down as well as up, and you may not get back the amount of your original investment.**