



# Platform Charge

## What we'll charge your clients and how our fees are calculated

Cofunds Explicit Pricing is designed to be fair and flexible while clearly separating the costs of investing for your clients. All new business on Cofunds, and any 'disturbed' legacy business, is subject to our Explicit Pricing.

Explicit Pricing it enables your clients to be charged directly for our platform services instead of our charge being paid out of a fund's Annual Management Charge. Here we explain what we'll charge and how your clients will pay us.

### What will we charge clients?

Our competitive Platform Charge rewards clients as they increase their assets on the platform.

Our Platform Charge has a rate that reduces as assets increase - this is tiered from 0.29% to 0.15% (see below).

There are no additional fees when clients want to move to commission-free share class funds and the Platform Charge is VAT-free.

Investment value	Rate at which we charge	Charge frequency
1. £0 - £100,000	0.29%	Charged in monthly instalments
2. >£100,000 - £250,000	0.26%	
3. >£250,000 - £500,000	0.23%	
4. >£500,000 - £1m	0.20%	
5. >£1m	0.15%	

### When is the Platform Charge deducted?

Explicit pricing ONLY comes into effect for charging once a client holds commission-free share class funds.

We take the Platform Charge once a month for as long as your client holds commission-free share class funds. The table above shows our standard annual charge rates.

### The Cofunds advantage

**Rewarding** - incentivises clients to consolidate more assets on the platform

**Fair** - the Platform Charge ONLY applies to a clients commission-free share class funds but is calculated on ALL assets to minimise the rate paid

**Flexible** - gives clients a choice in how the platform charge is paid.

### How do we work out the Platform Charge?

To work out the Platform Charge each month, we use the previous table to calculate the blended rate\*, based on the client's average assets for the previous month.

For example on a portfolio of £150,000:	
Platform Charge on first £100,000 = £100,000 x 0.29%	<b>£290</b>
Platform Charge on second £50,000 = £50,000 x 0.26%	<b>£130</b>
Total Amount	<b>£420</b>
Blended Rate = £420/£150,000	<b>0.28%</b>

\* blended rate  
- The average rate charged per pound invested, based on all assets held within your portfolio.

We then multiply the total value of your client's average commission-free share class funds for the previous month by the blended rate. That amount is divided by the number of days in the calendar year and then multiplied by the number of days in the previous month to get the Platform Charge we'll deduct.

### So using the same example and assuming all the assets in your client's portfolio are commission-free share class funds:

Total value of £150,000 x blended rate of 0.28%	<b>£420</b>
365 days in the calendar year = £420 ÷ 365	<b>£1.15</b>
31 days in the previous month = £1.15 x 31	<b>£35.65</b>
Platform Charge that month	<b>£35.65</b>

### But if £50,000 of the portfolio was invested in commission-included share class funds the Platform Charge would not be applied to those funds, so:

£100,000 (£150,000-£50,000) x blended rate of 0.28%	<b>£280</b>
365 days in the calendar year = £280 ÷ 365	<b>£0.77</b>
31 days in the previous month = £0.77 x 31	<b>£23.87</b>
Platform Charge that month	<b>£23.87</b>

**NOTE:** only commission-free share class funds are available for new advised business on Cofunds.

## How is the Platform Charge taken?

We collect the Platform Charge on a monthly basis. The account(s) we take this from depends on the products your client holds:

Product	Account used to pay Platform Charge
ISAs and investment funds	Cofunds Cash Account
Legal & General products	Cofunds Cash Account
Cofunds Pension Account (CPA)	Pension Trading Account
Suffolk Life SIPPs, AJ Bell Investcentre SIPP and Canada Life International Portfolio Bond	Product Trading Account

We work out the Platform Charge for the previous month. That's done on the third or fourth business day each month (the actual day we work it out doesn't affect the amount paid).

Then, on the fifth business day of the month, if there's enough money in the relevant account we ring-fence the Platform Charge. If there isn't enough in the relevant payment account to take the Platform Charge, what we do next depends on whether there is a Sale for Regular Payment set up on the account.

If you have set up a Sale for Regular Payment on your client's account we'll sell funds under that process to pay the Platform Charge owed. If you haven't set up a Sale for Regular Payment we'll still sell funds to pay the Platform Charge, but instead we'll follow the Fund Sale for Platform Charges process.

For further information on the Sale for Regular Payment and/or Fund Sale for Platform Charge, please see the Terms and Conditions of the Cofunds Platform and/or the relevant Sale for Regular Payment form, all available on Cofunds Document Centre.

## Payment of rebates

If a commission-free share class fund continues to include a payment to Cofunds in its Annual Management Charge, we'll rebate all of this (in line with our current fund group agreement) to a client's payment account (Cofunds Cash Account, Pension Trading Account or Product Trading Account).

Rebates are paid on a product-by-product basis by the sixth business day to be available for any offset against that month's Platform Charges. If you hold (or have ever held) any commission-free share class funds within a product, then all rebates will be paid as units, which we'll invest into your highest-value commission-free share class fund in that product. Please refer to the Terms and Conditions of the Cofunds Platform for details on how we process commission-included rebates.

## Key platform payment dates



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