

## PENFOLD SAVINGS LIMITED

### Charges Guide

#### 1. WHAT IS THIS DOCUMENT?

We hate hidden fees and you probably do too. That's why we've written this summary of all fees and charges for the Penfold Pension to hopefully make everything crystal clear.

Although you should read this alongside the **Penfold Terms**, you won't find any other hidden fees buried elsewhere. Please do contact us with any questions.

#### 2. ANNUAL FEE

The only fee Penfold charges is the Annual Fee, which is calculated as a small fixed percentage of the amount you have saved up in your Penfold Pension.

This fee covers absolutely everything, even the underlying costs of managing your investments that are paid to the money managers.

The appropriate monthly proportion of the Annual Fees is deducted each month from your pension portfolio. As of 1<sup>st</sup> March 2021 we have reduced our fees by 0.35% on savings amounts over £100,000.

Penfold Plan	Total Annual Fee (%)		Illustrative Fee on a £10k pot	
	On your first £100,000	On amounts over £100,000	Each month	Each year
<b>Basic Plan*</b> (Vanguard LifeStrategy range)	0.80%	0.45%	£6.67	£80.00
<b>Standard Plan</b> (Blackrock MyMap range)	0.75%	0.40%	£6.25	£75.00
<b>Sustainable Plan</b> (Blackrock MyMap 5 ESG Select)	0.75%	0.40%	£6.25	£75.00
<b>Shariah Plan</b> (HSBC Islamic Global Equity)	0.88%	0.53%	£7.33	£88.00

\* As of 8<sup>th</sup> November 2019 the Basic Plan is no longer available to new users. Existing users can stay invested in these plans, or are free to transfer to the other plans at any time. We may add further options over time.

The Annual Fee is made up of two parts:

- (i) an Administration Fee of 0.58% on your first £100,000 and 0.23% for savings in excess of £100,000 which pays for Penfold's service (and our Partners)

- (ii) an Annual Management Charge (AMC) from the money manager. The Annual Fees for each plan shown in the above table are different because the money manager charges a different AMC for each Plan.

The Administration Fee is calculated daily based on the end of day value of your Cash and Investments, from the point that you first add cash or transfer investments to your Penfold Pension, until the day before you have no Cash or Investments left in your portfolio. The AMC is also calculated daily and deducted by the money manager directly from your Investments.

### **3. BENEFITS WITHDRAWAL FEES**

After you reach retirement age, some pension providers charge further administrative fees when you decide to take out your pension money, which are different depending on how you choose to draw the money. These are called Benefits Withdrawal Fees.

We do not currently charge any Benefits Withdrawal Fees to existing or new customers. We will however let you know if we ever intend to change this policy.

### **4. WHATS INCLUDED**

The Annual Fee includes everything from setting up your Penfold Pension with us, making any type of contribution, transferring in or moving money between Penfold Plans, drawing money after you turn 55 or even if you decide to leave us before then.

If you then decide that you want to transfer all your pension pots to one place we will transfer those into your Penfold Pension all for free too. However, there may be some rare circumstances where we are unable to offer this service to you, which we will discuss and explain at the time of the transfer request.

### **5. OTHER COSTS AND CHARGES THAT MAY APPLY**

#### **Post**

All documentation and communications in relation to your Penfold Pension will be provided electronically through our website. If you want us to provide you any paper documents through the post, additional postal and administrative fees may be applied. If you ask for this, we will tell you the administrative fee we charge for sending by post.

#### **Transaction costs**

All investments include transaction costs which occur when the money manager buys and sells investments within your Plan. These include taxes such as stamp duty or levies charged by the regulatory or tax authorities. The effect of these fees is to marginally reduce the growth of your investments, by up to a maximum of 0.06% per year, although usually much less than this. The money manager separately discloses these costs and as they are two of the largest money managers in the world they are able to keep these costs as low as possible. These are not earned by Penfold.

#### **Fee reviews**

The fees described in this Charges Schedule may be varied from time to time in response to inflation, regulatory changes or other good reasons. Where possible we will give you advance notice via email of any changes to these fees.

#### **Interest on Cash in your Penfold Pension**



No interest is currently paid on cash held in the Penfold Pension. This reflects our aim of investing your money in funds promptly when it is received. We review this and from time to time we may apply or vary or remove entitlement to interest. We may earn and retain interest on cash which is placed on deposit. If we do we will disclose this. The amount of such interest may vary from time to time.

### **Non payment of Annual Fee**

The Penfold Pension is designed to have your money invested promptly. This means that there is usually no cash from which to take the Annual Fee. The Annual Fee (including money manager fee) is therefore deducted from your investments directly. If we are unable to be paid our fees directly by selling down investments because there is insufficient value in the investments within your Penfold Plan, we may sell whatever investments are in the Plan to partially settle your fees and then close your account.