



**Nationwide**

Building Society

**FINANCIAL PLANNING**

# Tariff of Charges

## Adviser Charges

For customers receiving personalised advice through a Nationwide Financial Adviser

This document sets out the charges that apply when you invest through our Financial Planning Service, including examples of the effects that these charges will have on your investments, having received advice from a Nationwide Financial Adviser. Payments made from current accounts via CHAPS or BACS may carry additional charges from the current account provider, which will be applied at their discretion.

Please refer to the Self-Directed Tariff of Charges if you would like further details of the charges that apply to customers investing without advice. This is available online at [nationwide.co.uk/investments](https://nationwide.co.uk/investments)

## Initial Advice Charge

The charge for Initial Advice is taken whenever you invest via a Nationwide Financial Adviser in return for advising and setting up investment products to meet your needs. You can invest in two ways: with a regular premium, or with a lump sum.

### Lump sum investments

Initial Advice is charged each time that you take out an investment with a Nationwide Financial Adviser and applies as follows:

- Portion of investment value between £0 and £100,000: 2.50%.
- Portion of investment over £100,000: no charge.

The Initial Advice Charge will not apply to any further investments made without advice.

The Initial Advice Charge on transfers will be charged on the value transferred, not the value at the time of the appointment.

#### Example - investment of £20,000

Investment value + Initial Advice Charge = **Total money paid by you**

For example, £20,000 + £500 = **£20,500**

### Regular premium contributions

Initial Advice is charged each time you set up or increase a regular investment via a Nationwide Financial Adviser. The charge is applied at a rate of 2.50% of the value of the new contributions that you're expected to make over 48 months, as follows:

- Portion of monthly contribution value between £0 and £2,083.33: 48 month's contributions x 2.50%.
- Portion of monthly contribution value over £2,083.33: no charge.

You pay this to Nationwide upfront as a one-off payment at the point of investment in return for advising and setting up regular premium products to meet your needs.

**The fee is non-refundable, even if you do not make the expected contributions over 48 months. If you do not make the expected contributions the initial advice charge will represent more than 2.5% of your investment.**

#### Example - £500 regular premium

(Regular Premium x 48) x 2.5% = **Initial Advice Charge**

(£500 x 48) x 2.5% = **£600**

# Ongoing Advice Charge

## What benefits will I receive under Ongoing Advice?

If you choose to receive our optional Ongoing Advice you will receive the following benefits and services:

- At your request you will have access to a Nationwide Financial Adviser should you wish to review your Investment(s), implement any changes or want to discuss any aspect of the advice you have received.
- We'll send you a personalised Annual Customer Report that shows how your Investments are performing.
- The services of our Investment Committee, who on your behalf:
  - select additional and alternative funds for our panel where necessary;
  - will continue to negotiate reduced charges and fees;
  - monitor the performance of our existing range of investment funds regularly to check that they continue to perform as we expect; and
  - meet with the relevant fund manager to ensure their objectives align with our expectations.
- If the Investment Committee feel that a change of fund is necessary, we will let you know so that you can decide whether you want to take any action to ensure your money continues to work hard for you.
- On an annual basis, we will contact you to ensure that your investments remain suitable for your needs. Generally this will be by telephone although we may also contact you by post, email, in person or any other way that is reasonable and appropriate at the time.

As a result of this contact, we may also:

- help you make appropriate changes to your investments; or
- arrange an appointment with a Nationwide Financial Adviser if you would like one or where a need is identified.

## How much will I pay?

Ongoing Advice is charged at a rate of 0.75% p.a. of the value of your Nationwide Investment(s), including any sums invested into these products without advice. Please refer to the relevant Product Terms and Conditions for details of how the Ongoing Advice Charge is collected each month.

### Example - £20,000 investment

If you invested a £20,000 lump sum, your ongoing advice at a rate of 0.75% would be £12.50 a month.

**If you choose to not receive our Ongoing Advice Service, you may opt back into Ongoing Advice at any time by booking and completing a financial review with a Nationwide Financial Adviser. The Ongoing Advice Charge is a percentage of the value of your Investment(s), which means that the amount deducted may change over time. If the value of your Investment(s) increases then your charge will also increase.**

# Pay As You Go Charge

Customers who choose to opt out of Ongoing Advice, whether immediately after Initial Advice was given, at any point thereafter, or as a result of removing all their money from a Nationwide Investment, will not receive the benefits of Ongoing Advice as set out above.

Should you request a review of your Investment(s), a Pay As You Go Charge will apply as follows:

- The charge will be based on the value of your existing Nationwide Investment(s) at the date of your investment review and will be paid from your investment value. Please note that the charge will not apply to any investments on which you are continuing to pay commission.
- The charge will vary depending on the length of time you have opted out of Ongoing Advice:

Year(s) opted out of Ongoing Advice	Up to 1 year	1 - 2 years	2 - 3 years	3 years +
Pay As You Go Charge	1%	1.5%	2%	2.5%

- The Pay As You Go Charge will be capped at 2.5% at Year 4 and any years after.
- The Pay As You Go Charge will be capped at £2,500.
- Any new money invested made when you carry out a review of your existing Investment(s) will be subject to the Initial Advice Charge.

# Full Financial Review Charge

**The following is only applicable to new customers**

You can choose to have a full financial review, including generic information about your pension, estate planning and inheritance tax. If you would like to address any needs we discover in these areas, we can refer you to a third party who can help. There is an additional flat fee of £350 for this review, which must be paid at the presentation meeting.

## Annual Charge - Paid to Aegon

The platform handles your transactions, and allows you to access your latest valuation and transact on your account. The charge is collected by Aegon to cover their costs in administering your investment(s). This charge is calculated and collected monthly based on the value of your investments and any cash held.\*

### How much will I pay?

Your Annual Charge will be applied as one rate, as outlined below, regardless of how much you have invested. The amount of the charge will also depend on which fund range you have access to:

- **Primary Fund Range.** If you have access to a range of funds provided by Aegon only, a flat rate charge of 0.31% will be applied. Existing investors may hold Legal & General funds.
- **Model Portfolio Fund Range.** If you have access to the full range of funds from different fund managers, a flat rate charge of 0.39% will be applied.

\* Interest is paid on any cash held within your investment accounts. See The Aegon Platform Terms and Conditions for details.

## Fund Charges

### Ongoing Cost Figure

This charge is taken into account when working out the unit price and is used to pay the fund managers (e.g. Aegon) who monitor, buy and sell assets to match the objective of the fund.

### How much will I pay?

The Fund Charge varies by each fund with each charge negotiated on your behalf to ensure that you have access to competitive rates. In some instances we have been able to negotiate that part of the Fund Charge is returned to you. This is called a 'rebate'. Rebate amounts will be invested as units (once the amount reaches a minimum of £1.00) into the largest fund of the product that the rebated fund is held in.

Rebates on funds held within a General Investment Account are taxable as income and any amount used to buy units will be net of basic rate tax at 20%. This means that if you're a higher rate or additional rate taxpayer, you may have a further tax liability to pay. If you're not liable to income tax, you may be able to reclaim some or all of the tax deducted from HM Revenue & Customs. Please note that for Stocks & Shares ISA investments, rebates on fund charges will not be subject to income tax.

**Please refer to the most recent fund tables or Key Investor Information Documents/Key Information Documents for the most up to date fund charges.**

### Transaction Costs

Transaction costs are the costs incurred by fund managers buying or selling securities within a fund. These costs include broker commissions, taxes and levies, but other factors such as the bid-offer spread, the size and timing of the transaction, and the movement in an asset price can all contribute to additional trading costs.

These costs vary from fund to fund and can change from year to year. The most recent cost available for any fund you invest in will be included in any calculations you receive before you invest.

## Cumulative Effect of Charges

We have provided the following examples to give you an idea of what effect the Initial Advice, Fund, Platform and Ongoing Advice charges may have on your investment. The investment growth figure and fund charges are based on capital market assumptions on a typical, medium-risk Primary Fund investment.

### Assumptions

We have used the following assumptions when calculating these examples:

- Investment growth 3.53% p.a
- An Initial Advice Charge of 2.50%
- An Ongoing Cost Figure of 0.25%
- Transaction Costs of 0.10%
- An Ongoing Advice Charge of 0.75%
- An Annual Charge of 0.31%

# Lump Sum Investment

**Scenario:** A £20,000 lump sum into Accumulation units (i.e. any income generated by the funds is reinvested)

	End of year 1	End of year 6	End of year 10
What you may get back if there were no charges at all <sup>1</sup>	£20,706	£24,628	£28,294
Effect of Charges applied <sup>2</sup>	£802	£2,577	£4,359
What you may get back after charges <sup>3</sup>	£19,904	£22,051	£23,935
Potential net annual return after charges <sup>4</sup>	Reduction of 0.48%	Gain of 1.64%	Gain of 1.81%

# Regular Premium Contribution

**Scenario:** A £500 regular premium into Accumulation units (i.e. any income generated by the funds is reinvested)

	End of year 1	End of year 6	End of year 10
What you may get back if there were no charges at all <sup>1</sup>	£6,720	£40,772	£72,683
Effect of Charges applied <sup>2</sup>	£650	£2,356	£5,810
What you may get back after charges <sup>3</sup>	£6,069	£38,417	£66,872
Potential net annual return after charges <sup>4</sup>	Gain of 3.55%	Gain of 3.53%	Gain of 3.53%

<sup>1</sup>If no charges were applied to your investment, this is what you may get back based on the assumptions outlined earlier.

<sup>2</sup>The effect of charges equals the charges applied to the investment plus the loss of growth the customer receives as a result of the application of charges.

<sup>3</sup>This is what you may get back when charges are applied to your investment based on the assumptions outlined earlier.

<sup>4</sup>The return on your investment for that particular year based on the assumptions outlined earlier.

# Protection

There is no additional charge for any discussion regarding protection needs.



Nationwide cares about the environment - this literature is printed in the UK with biodegradable vegetable inks on paper from FSC® certified and other controlled material.

We are able to provide this document in Braille, large print or audio format upon request. Your local branch will arrange this for you or you can contact us on **03457 30 20 11**.

## Important Information

Cofunds Limited provide Stocks & Shares ISAs, General Investment Accounts, the Aegon Platform and the Aegon Dashboard, and make trades on your behalf.

Nationwide Building Society is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority under registration number 106078. You can confirm our registration on the FCA's website [fca.org.uk](http://fca.org.uk)

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