



# Managed Portfolio Service Costs and Charges Information

Target Return Investment Strategy 5

In this document, "abr dn" means "abr dn Capital Limited".

## abr dn charge and other fees

The information on the next pages provide you with expected costs and charges information that could apply to your portfolio. Please note the illustration below does not include adviser, Wrap platform or product charges.

### abr dn Discretionary Investment Management Charge

Managed Portfolio Service Portfolio	Initial Amount invested	Discretionary Investment Management Charge p.a.	Estimated First Year Total Costs and Charge
Target Return Managed Portfolio Service - Portfolio 5	£100,000	0.30%	1.36%

**Our Discretionary Investment Management Charge** for a total investment of £100,000 would be **0.3%** p.a. or **£300** (inc VAT) per annum. The **total cost payable in the first year** is estimated to be **1.36%** p.a. or **£1,360**.

Figures are indicative and to ease comparison, assume the amount invested remains valued at £100,000.

## Costs and charges information

For illustration purposes the impacts of fees and charges per annum has been provided for the first year and subsequent years of investment. Please note; where possible abr dn has used actual costs incurred based on the portfolio composition as at October 2018 as a proxy for the expected fees and charges. Where actual costs are not available, reasonable estimations of these costs have been assumed. The total charges deducted will have an impact on the investment return you might get. Detailed below are the Costs and Charges descriptions:

- [1] **abr dn Discretionary Investment Management Charge:** based on the total assets held in your MPS portfolio and deducted quarterly in arrears.
- [2] **Ongoing Fund Charges:** when abr dn invests in funds on your behalf, fund charges will apply (which include annual management charges plus additional fund expenses) based on the funds held within each portfolio.
- [3] **Fund Transaction Costs:** there will be third party costs and market-based charges or taxes incurred when a trade is made within a fund such as dilution levies, stamp duty, broker commission.
- [4] **Total Aggregated Costs:** this is the total of the underlying fund costs and the abr dn Discretionary Investment Management Charge.

Ref	Costs and charges breakdown	First Year of Investment		Subsequent Years	
		£ Costs	% p.a.	£ Costs p.a.	% p.a.
	<b>Total portfolio size £100,000</b>				
	<b>Service costs</b>				
	One-off charges	£0	0.00%	£0	0.00%
[1]	On-going abr dn charges	£300	0.30%	£300	0.30%
	Transaction costs	£0	0.00%	£0	0.00%
	Ancillary Service costs	£0	0.00%	£0	0.00%
	Incidental costs	£0	0.00%	£0	0.00%
	<b>Total Service Cost</b>	<b>£300</b>	<b>0.30%</b>	<b>£300</b>	<b>0.30%</b>
	<b>3rd party payments received</b>	<b>£0</b>	<b>0.00%</b>	<b>£0</b>	<b>0.00%</b>



Costs and charges breakdown		First Year of Investment		Subsequent Years	
Ref	Total portfolio size £100,000	£ Costs	% p.a.	£ Costs p.a.	% p.a.
<b>Product costs</b>					
	One-off fund charges	£0	0.00%	£0	0.00%
[2]	On-going fund charges	£660	0.66%	£660	0.66%
[3]	Transaction costs levied by third parties	£390	0.39%	£390	0.39%
	Incidental costs	£10	0.01%	£0	0.00%
<b>Total Product Costs</b>		<b>£1,060</b>	<b>1.06%</b>	<b>£1,050</b>	<b>1.05%</b>
[4]	<b>Total Aggregated Costs</b>	<b>£1,360</b>	<b>1.36%</b>	<b>£1,350</b>	<b>1.35%</b>

Assumes zero % portfolio growth

[1] The on-going charges in the table above represents the abrdn Discretionary Management Charge of 0.30% p.a.

### The cumulative effect of costs on return

The example below is based on you investing £100,000. The total charges deducted for the portfolio will have an impact on the investment return you will get. The table below illustrates the effect that charges have when comparing the expected return before and after fees.

Past performance is not a guide to future performance. The value of investments may go down as well as up and cannot be guaranteed; an investor may receive back less than their original investment.

Total portfolio size £100,000	Year 1		Year 0 to 5	
	£ Value	%	£ Value	%
What you might get back if no charges at all	£104,074	4.07%	£122,100	22.10%
What you might get back after charges	£102,671	2.67%	£114,118	14.12%
<b>Cumulative effect of costs &amp; charges on return</b>	<b>£1,403</b>	<b>1.40%</b>	<b>£7,982</b>	<b>7.98%</b>

#### Assumptions:

- £100,000 initial investment
- No additional investment or withdrawals
- An illustrative 4.0742% p.a. gross portfolio return performance
- Holding period 5 years
- Zero entry and exit charges at portfolio level
- abrdn discretionary mgmt charge deducted quarterly in arrears
- Other charges deducted monthly in arrears

In Year 1, without fees the performance you could have achieved would be 4.07%, after fees the performance achieved is 2.67%. This equates to a reduction in return of £1,403.

Over 5 years, without fees the performance you could have achieved would be 22.1%, after fees the performance achieved is 14.12%. This equates to a reduction in return of £7,982.

#### For information; Wrap platform and product administration charges

Please note that this illustration is solely in relation to the costs and charges that would be incurred by you in relation to the proposed portfolio(s) to be managed by us and does not include any costs incurred by you in relation to your advice fees, third party Wrap Platform or product charges. You should always receive cost and charges information from your financial adviser before investing in the abrdn Managed Portfolio Service.



This document sets out typical ex ante costs and charges for the Managed Portfolio Service and is not specific to any selected Managed Portfolio Service or platform provider (which hosts and services each Managed Portfolio Service). Your selected Platform Provider will facilitate and provide you with costs and charges disclosures relevant to your selected Managed Portfolio Service on that platform. This document is for information only and is not to be considered as your ex ante cost and charges disclosure should you decide to select our Managed Portfolio Service on any of the platforms.



Please contact your financial adviser for more information.

For more information visit [abrdn.com](http://abrdn.com)

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