

# Barclays Plan & Invest Overview of costs and charges



## Why it's important to read this document

It's important to understand how the costs for Plan & Invest work. In this document we show the different types of costs, explain what they cover and how they are calculated.

In your personalised Investment Plan, we'll give you a full breakdown of the specific costs that will apply to your Plan & Invest accounts. We do this because the costs will vary slightly depending on the specific investments we propose.

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## How do Plan & Invest costs work?

We won't charge you up front to go through the process of developing your initial personalised Investment Plan. You'll only be charged once you've set up your accounts and the money you've paid in has been invested.

**The overall, on-going annual cost for Plan & Invest ranges from 1.39% to 1.59% and is split into two types of costs – service costs and product costs.**

Both types of costs are taken automatically so you don't need to remember to pay them or set up a Direct Debit.

We won't charge you to buy or sell investments on your behalf and we won't charge you to leave the service.

## Understanding service costs

The annual service cost for Barclays Plan & Invest is:

**0.95% + VAT (1.14% currently)**

Service costs are taken automatically from the cash held in your Plan & Invest accounts. They're calculated as a percentage of the value of your accounts (including any cash) and are charged at the end of each month in arrears (i.e. the cost is charged at the end of the period to which the cost applies).

This is broken down into three separate costs.

Planning cost	Investing cost	Safekeeping cost
<b>0.25% + VAT (0.30% currently)</b>	<b>0.50% + VAT (0.60% currently)</b>	<b>0.20% + VAT (0.24% currently)</b>
This covers making sure that your Investment Plan always includes the strategy we believe is the best way we can help you achieve your goal, based on your financial circumstances.	This covers the management of the investments within your accounts. When needed, we'll adjust the overall mix of your investments in response to changes in market conditions or to reflect any changes to your personal circumstances. It also covers any dealing costs when we buy or sell investments on your behalf.	This covers the safekeeping of your investments, the regular valuation and reporting of your accounts and the collection of dividends, distributions and interest payments.

In your personalised Investment Plan and your statements, these costs will be shown using the industry standard terms; on-going and transaction service costs.

## How are service costs calculated?

Your costs are calculated based on the value of your accounts at the end of each day, and applied monthly.

Here's a simple example that helps explain how they're calculated, based on an illustrative growth rate of 3%.

Account value	£15,000			
	Annual %	Monthly %	Annual £	Monthly £
Service cost breakdown				
Planning cost	0.25%	0.02%	£37.86	£3.16
Investing cost	0.50%	0.04%	£75.64	£6.30
Safekeeping cost	0.20%	0.02%	£30.30	£2.52
VAT @20%			£28.76	£2.40
<b>Total</b>			<b>£172.56</b>	<b>£14.38</b>

## Understanding product costs

These are costs related to the products you're invested in e.g. funds. You may be invested in multiple funds and each one will have its own on-going costs to cover fund management fees and transaction charges. These costs are taken directly from fund holdings so have already been deducted from the valuation of your accounts.

The total product costs applicable to your Investment Plan will depend on which funds we select and the amount or 'weight' we put in each one. Different funds have different costs which is why we give a range here.

### Product costs range from 0.25% to 0.45%.

If you hold more than one fund in your account, your product costs will be the sum total of the weighted costs of those funds.

For example, if you're invested equally (50/50) in two funds, with one charging 0.3% and the other charging 0.5%, your yearly product costs will be roughly based on this sum:

$$(50\% \times 0.3\%) + (50\% \times 0.5\%) = 0.4\%.$$

So, for the £15,000 example above, that would mean an annual product cost of £60.

## How will you know how much you've paid?

The service costs that have been charged will be itemised for each of your Plan & Invest accounts in your quarterly statements. At the end of each year, in your fourth statement, we'll also provide a breakdown of all the product and service costs you've incurred over the previous 12 months.