

# One Retirement – charges

One Retirement is designed around a transparent, customer-focused charging model. We know how important it is that you understand how much you'll be charged and why.

If your personal circumstances mean you need any additional support, or if you'd like a large print, Braille or audio version of this document, please visit [aegon.co.uk/additionalsupport](https://aegon.co.uk/additionalsupport) or call us on 03456 081 680 (call charges will vary).

This guide covers the charges that could apply to your investment with us – these charges apply as at June 2024. We may vary these charges in the future, if we do, we'll let you know.

The charges and calculations we show throughout this guide are our current standard charges and calculation methods. Your own charges may vary from those detailed. To find out the charges that apply specifically to you please see your personal illustration. Once a year, we'll send you details of the costs and charges you've paid in the last 12 months.

If you already have a One Retirement account, you can view your personal illustration by logging into your online account and viewing it in the document library. If you've not yet taken out a One Retirement account, your financial adviser will be able to explain the charges to you.

---

# Contents

<b>One Retirement charges</b>	<b>3</b>	<b>Adviser charges through your One Retirement account</b>	<b>7</b>
Annual charge	3	Initial adviser charge	7
Drawdown fee	4	Ongoing adviser charge	8
		Ad hoc adviser charges	8
<b>Fund and investment charges</b>	<b>5</b>		
Fund charges	5		
<b>Paying your charges</b>	<b>6</b>		
About your cash facility	6		
Paying fund and investment charges	6		

# One Retirement charges

## Annual charge

Your annual charge is to pay for the administration of your One Retirement account.

### How much is the annual charge?

The table below details the charge. The charge is based on the **total value of your One Retirement account** and how much of that value falls into the two different charging bands.

Charging band	One Retirement account value	Annual charge
1	First £249,999.99	0.30%
2	£250,000 or more	0.00%

As you can see from the table above, we only take a charge on the first £249,999.99 of your One Retirement account value. Based on the charging bands in the table above you'll never pay a total annual charge of more than £750 a year.

### How often do you take the charge?

Even though it's an annual charge, we take the charge each month throughout the year. We take it on or around the first business day of the month.

### How do you calculate the annual charge?

On the first business day of the month, we'll look at the value of your One Retirement account on the last business day of the previous month. We'll then apply the percentages we show in the table above. **We won't apply the annual charge on cash held in a products cash facility.**

It's important to note that this charge will change month to month depending on the value of your One Retirement account.

The example below shows how we calculate the charges.

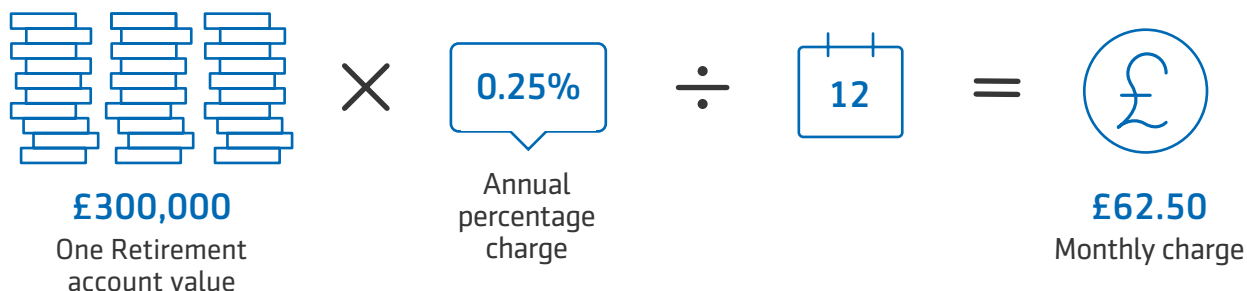
Let's assume the total value of your One Retirement account is £300,000 – this will take us over the two charging bands we show in the table above. We look at the charge from each band and use this total to work out the overall percentage charge we apply to your One Retirement account.

So the charge would be:

Charging band	One Retirement account value	Annual percentage charge	Value of account falling into band	Calculated yearly charge
1	First £249,999.99	0.30%	£249,999.99	£750
2	£250,000 or more	0.00%	£50,000.01	Nil
		<b>Total</b>	£300,000	£750

So, as you can see in the table above the total charge is £750 which means we'd apply a charge of 0.25% to your One Retirement account ( $£750/£300,000 \times 100 = 0.25\%$ ).

We apply this percentage to the value of your One Retirement account and divide by 12 to calculate the monthly charge.


$$\begin{array}{ccccccc} \text{£300,000} & \times & 0.25\% & \div & 12 & = & \text{£62.50} \\ \text{One Retirement} & & \text{Annual} & & & & \text{Monthly charge} \\ \text{account value} & & \text{percentage} & & & & \\ & & \text{charge} & & & & \end{array}$$

### Drawdown fee

If you choose to take an income (either regular or ad hoc) from your One Retirement account there's a charge to cover ongoing administration.

#### How much is the charge?

The drawdown fee is £75.00 per year.

#### How often do you take the charge?

We'll take this charge the first time you take an income payment and every year after that.

If you don't take any income in the year following your last income payment, there will be no charge.

The charge will become payable the next time you decide to take income.

#### How do you calculate the charge?

It's a flat rate each year.

If you have more than one income stream from your One Retirement account, you'll only pay a single £75.00 charge each year. We'll take the charge equally across all the accounts you're taking income from.

# Fund and investment charges

## Fund charges

These charges cover the cost of managing the funds you invest in and checking if they're performing as expected. It's sometimes known as the total expense ratio (TER) or ongoing charges figure (OCF). As noted on our factsheets, the 'Fund Charge' shown is on top of any product or adviser charge you pay and includes a fixed management fee plus expenses that vary with the day to day costs of running the fund. This charge applies to insured funds. Expenses can include costs paid by Aegon to third parties.

### How much is the charge?

The charge depends on the funds you and your adviser select.

You can find out which funds are available to you and how much they cost by selecting the One Retirement option on our website [one.aegon.co.uk/InvestmentsList/fund\\_list.aspx](https://one.aegon.co.uk/InvestmentsList/fund_list.aspx)

### How often do you take the charge?

We calculate and deduct fund charges daily.

### How do you calculate the charge?

We calculate the charge as a percentage of the funds invested. It's taken directly from your fund which means it's already been taken into account when you view your fund performance. You won't see a separate charge for this in your One Retirement account statement.

For example, if an investment fund has a yearly charge of 0.20% then each day we calculate and take 1/365th of 0.20% (0.00055%) to cover the fund charge.

# Paying your charges

When we set up your One Retirement account for you, we'll automatically set up a cash facility. The cash facility is where we deduct most of the charges from.

## About your cash facility

- You must hold a minimum balance of 0.25% of the value of your One Retirement account in your cash facility.
- It's up to you and your adviser to make sure there's always enough money in the cash facility to meet any charges due.
- Each month we'll check the minimum cash balance in the cash facility of your One Retirement account. If the amount you hold in your cash facility falls below 0.15% of the value of your One Retirement account we'll sell some of your investments, starting with the highest value investment to bring the balance back up to the minimum of 0.25%.

If there's not enough in your cash facility to pay any charges due, we'll sell some of your investments. How we sell the investments will depend on the value of the payment out. If the amount is:

- **less than 0.25% of the current value of the wrapper** – we'll sell enough from the the highest value investment in the product wrapper to meet the payment out.
- **0.25% or more of the current wrapper value** – we'll sell investments proportionately from the product wrapper to meet the payment out, meaning your investment allocation will stay the same.

Take a look at the examples below to see how this works in practice if you have a product wrapper valued at £40,000, split as we show below:

Product wrapper split	Value
Fund A	£10,100
Fund B	£9,950
Fund C	£9,950
Fund D	£9,900
Cash facility	£100 (minimum cash value of 0.25%)
<b>Total product wrapper value</b>	<b>£40,000</b>

- **Highest value investment sale** – you're due a regular income payment of £90.00, which is less than 0.25% of the total value of their product wrapper. As a result, we'll automatically sell £90.00 from the highest valued investment in your product wrapper – Fund A.
- **Proportionate sale** – you're due a regular monthly income payment of £190.00, which is more than 0.25% of the total value of their product wrapper. As a result we'll sell their investments proportionately across your product wrapper, as we show below:

Product wrapper split	Sale value
Fund A	£48.10
Fund B	£47.38
Fund C	£47.38
Fund D	£47.14

## Paying fund and investment charges

Fund charges on the funds you hold are taken by the fund manager and are reflected within the daily price of the fund.

We'll only take fund charges from the cash facility if the fund manager for your fund asks us to. Your adviser will be able to tell you if this applies to any of your investments.

# Adviser charges through your One Retirement account

You and your financial adviser will agree how much you'll pay for the financial advice you receive. The good news is that we can facilitate these charges (known as adviser charges) through your One Retirement account if you wish.

If you and your financial adviser agree when you're setting up your One Retirement account to pay adviser charges, we'll clearly show them on your personal illustration. If you agree to add these at a later date, your financial adviser will provide you with the information to show how these will impact your One Retirement account.

There are three ways to pay your financial adviser.

- Initial adviser charge
- Ongoing adviser charge
- Ad hoc adviser charge

## Initial adviser charge

This can be a percentage of the amount you invest in your One Retirement account – whether that's a regular contribution, single contribution or transfer payment – or a set monetary amount.

We'll take any initial adviser charge from your cash facility that we spoke about in the [Paying your charges section](#).

## Regular contributions

- We take initial adviser charge payments monthly – they can be made up to a maximum of 36 months.
- If there isn't enough money in your cash facility to meet the payment, we'll automatically sell some investments take a look at the [Paying your charges](#) section to find out more.
- We'll take the initial adviser charge after basic-rate tax relief has been applied, where relevant.

For example, if you pay a regular contribution of £160 each month, after basic-rate tax relief (currently 20%) has been applied this brings the amount up to £200 each month. If you agree to pay your financial adviser a 10% initial adviser charge from the regular contributions over 24 months, we'll pay your financial adviser £20 each month, so after 24 months we'll have paid your financial adviser the £480 you agreed with them.

## Single contributions and transfer payments

- We calculate the initial adviser charge on the amount of your single contribution, after adding basic-rate tax relief where relevant, or transfer payment. We take the charge from the cash facility of your One Retirement account after the single contribution or transfer payment has been added.

For example, if you pay a single contribution of £8,000, after basic-rate tax relief (currently 20%) has been applied this brings the amount to £10,000. If you agree to pay your financial adviser a 3% initial adviser charge, we'll pay your financial adviser £300 (3% of the £10,000) from the £10,000 paid into the cash facility and invest the remaining £9,700 in your selected investments within your One Retirement account.

- If you take tax-free cash straight away, and you want to pay your financial adviser a percentage of the transfer payment, we'll calculate the initial adviser charge after deducting your tax-free cash (and any other charges we may have to deduct to meet any regulatory requirements).

For example, if you transfer £100,000 into your One Retirement account and you take 25% tax-free cash (£25,000) this leaves £75,000. If you agree to pay your financial adviser 3% initial adviser charge, we'll pay your adviser £2,250 (3% of £75,000) from the £75,000 paid into the cash facility and invest the remaining £72,750 in your selected investments within your One Retirement account.

This information is based on our understanding of current, taxation law and HMRC practice, which may change.

Your financial adviser will be able tell you if any charges are due to be deducted to meet any regulatory requirements.

### Ongoing adviser charge

If you've agreed with your financial adviser to pay them for ongoing advice and services through payment from your One Retirement account, this can be done through what we refer to as an ongoing adviser charge.

- Ongoing adviser charge can be a percentage of the value of your One Retirement account or a fixed amount – the frequency of payment is monthly.
- We can facilitate quarterly payments but only where you select to have the ongoing adviser charge as a fixed amount.
- You and your financial adviser should agree the frequency and level of payment. You can change this in the future.

### Ad hoc adviser charges

This is a lump sum payment you can ask us to make to your financial adviser from your One Retirement account. We'll make payment as and when we receive a request and there must be enough in the cash facility for this to be paid.

That's an overview of the One Retirement charges. If you've any questions, or want more information about the charges mentioned, speak to your financial adviser.

[aegon.co.uk](https://aegon.co.uk)

 @aegonuk

 Aegon UK



Aegon is a brand name of Scottish Equitable plc (No. SC144517) and Aegon Investment Solutions Ltd (No. SC394519) registered in Scotland, registered office: Edinburgh Park, Edinburgh, EH12 9SE. Both are Aegon companies. Scottish Equitable plc is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority. Aegon Investment Solutions Ltd is authorised and regulated by the Financial Conduct Authority. Their Financial Services Register numbers are 165548 and 543123 respectively.

© 2024 Aegon UK plc

RET00270124 06/24