

For customers

Aegon Platform – SIPP and GIA charges guide

Aegon Platform is designed with you in mind. When it comes to charges, that means being clear on how much we charge you and why.

If your personal circumstances mean you need any additional support, or if you'd like a large print, Braille or audio CD version of this document, please contact us on 0345 604 4001 (call charges will vary) or visit us at – aegon.co.uk/support

This guide explains the charges that could apply to your investment with us. The charges and calculations shown are our current standard charges and calculation methods.

The charges you'll pay may vary from those detailed. To find out the charges that apply specifically to you, please see your illustration. You can find a copy by logging into your online dashboard if you have access, and viewing it in the document library.

You can also contact us at any point to request a copy of your current charges. Alternatively, if you have an adviser they can explain the charges to you.

If the charges change, we'll write (as detailed in the terms and conditions) explaining how this impacts you.

Contents

Introduction	3
Section 1 – the Aegon Platform annual charge	4
Section 2 – Drawdown fee	6
Section 3 – Investment charges	
Investment charge	7
Discretionary fund manager charge	7
Other investment charges	8
Section 4 – Paying an adviser through the Aegon Platform	
Paying initial adviser charges	9
Paying ongoing adviser charges and service charges	11
Paying ad hoc adviser charges	11

Introduction

Products covered by this guide

- Aegon Self-invested personal pension (SIPP); and
- Aegon General Investment Account (GIA).

Please note that this document doesn't cover Aegon Retirement Choices.

Understanding the Aegon Platform charges

The Aegon Platform has a clear and flexible charging structure so you'll know exactly what you're paying for. There are three main charges associated with your Aegon Platform account:

- Annual charge – this pays for the administration of your Aegon Platform account;
- Investment charge – this covers the investment manager charge for your chosen investments; and
- Adviser charges – if you have an adviser, you'll agree a fee for the advice or service they provide. If you want to, you can pay your adviser from your Aegon Platform account.

If you have an Aegon SIPP you may also pay a drawdown fee. This is a fee that covers the administration involved in paying you either a regular or an ad-hoc income from the flexi-access drawdown part of your Aegon SIPP.

Please see the 'Understanding and opening your product' FAQs in the [Aegon SIPP key features](#) for more information on the structure of your SIPP.

When we set up your Aegon Platform account, each product you open will have its own cash facility. The cash facility is where we deduct charges from, unless specified otherwise in this guide.

Money in your cash facility earns interest. We'll calculate interest on any cash held in your cash facility each day, and credit that amount to your cash facility once a month. You can find the current [interest rate](#) on our website.

Please refer to your key features for details of how we take your charges.

How do we tell you how much you've paid?

We send you a statement showing the total costs and charges, paid over the previous 12 months once a year.

The order we take your regular charges in

Where more than one charge is due on the same day, we'll deduct those charges in the following order:

- Annual charge;
- Ongoing adviser charge;
- Service charge, and
- Discretionary investment manager charge.

Section 1 – the Aegon Platform annual charge

The annual charge pays for using the Aegon Platform service and the administration involved in managing your account.

How much is the annual charge?

The amount you'll pay is based on the value of your Aegon Platform account. This means your monthly charge usually changes month to month along with the value of your investments.

To ensure you know how much you'll have to pay, we give you a breakdown of your charges in your illustration.

You can view your illustration anytime by logging into your online dashboard, if you have access, and viewing it in the document library. You can also contact us at any point to request a copy of your current charges.

Alternatively, if you have an adviser they can explain the charges to you.

How do you calculate the annual charge?

Although it's called an annual charge, we take payments from your product(s) once a month, rather than once a year. This means we spread the cost for you over the course of the year.

We work out the charge due each month as follows:

- We work out the value of your Aegon Platform account, including cash in a product's cash facility, on the last business day of each month.
- We then apply the charge percentage(s) shown in your illustration to this value to get the annual charge amount. We convert this to a monthly charge by dividing it by 12. **We won't apply the annual charge on cash held in a products cash facility.**

When do you take the annual charge?

We'll deduct the charge from the cash facility of your relevant product(s) on or around the first business day of each month.

How do you take the annual charge?

If an Aegon SIPP has more than one cash facility, we'll apply the charge proportionately across each part of the SIPP.

We follow the process below to take the charge:

- we take the charge from the cash in the cash facility.
- If there isn't enough cash available, we sell from your chosen investment.
- If you haven't selected an investment, or there's an insufficient amount available in your chosen investment, then we sell any remaining balance required from the largest investment available to the smallest to cover the charges. This means there may be a delay in us taking the charge whilst we wait on the money becoming available.

You can find out how the cash facility works in part 1 of your key features.

What if I have more than one product in my Aegon Platform account?

We'll apply the charge proportionately across your products based on the value of each product.

I have a number of products on the one Aegon Platform account but I use more than one adviser

If this applies to you, you'll pay separate annual charges on the products associated with each adviser. For example, if you had a value of £150,000 in products across two advisers, £110,000 with adviser one and £40,000 with adviser two, you'll pay two separate Aegon Platform annual charges. The annual charges would be based on the values of the product(s) associated with each adviser:

- one charge based on the product(s) valued at; £110,000 with adviser one, and
- a second charge based on the product(s) valued at £40,000 with adviser two.

We won't base the annual charge on a single £150,000 Aegon Platform account value which may mean that you pay more.

I no longer have a relationship with a particular adviser

If:

- you instruct us you no longer want to be associated with an adviser for one or more of your products, or
- your adviser instructs us they no longer want to service one or more of your products,

we may agree for you to continue those products on a non-adviser basis. This means you may be moved on to a different annual charge used for customers without an adviser. This may mean your annual charge will increase. We'll contact you if this applies to you.

What if I change my adviser?

If you change adviser, your annual charge might change for the products they represent.

If I have a joint Aegon GIA, how does that impact my annual charge?

We hold joint Aegon GIA products as separate Aegon Platform accounts. We automatically include the value of the joint Aegon GIA when calculating the annual charge on your Aegon Platform account if:

- you're the primary holder of the joint Aegon GIA, and
- you have the same adviser relationship for your joint Aegon GIA and your own Aegon Platform account products.

If you're a secondary holder of the joint Aegon GIA, we don't take the joint Aegon GIA into account when calculating the annual charge on your Aegon Platform account.

Section 2 – Drawdown fee

What's a drawdown fee?

This is a fee that covers the administration involved in paying you either a regular or an ad-hoc income from the flexi-access drawdown part of your Aegon SIPP.

Please see the 'Understanding and opening your product' FAQs in the Aegon SIPP key features for more information on the structure of your SIPP.

How much is the fee?

The drawdown fee is a flat rate of £75.00 per year.

If you have more than one drawdown income stream from your Aegon Platform account, you'll only pay a single £75.00 fee. We'll take the fee equally across all the drawdown accounts you're taking income from.

What triggers a drawdown fee and how often is it taken?

We charge a drawdown fee once a year if you take income from the flexi-access drawdown part of your Aegon SIPP.

The fee is triggered the first time you take an income payment and every year thereafter that you continue taking drawdown income payments.

If you stop taking drawdown income for a period of one year after your last income payment, we won't take the fee.

We'll only take the fee again you if you restart your income.

How do we take the fee?

We follow the process below to take the fee:

- we take the fee from the cash in the cash facility.
- If there isn't enough cash available, we sell from your chosen fund.
- If you haven't selected a fund, or there's an insufficient amount available in your chosen fund, then we sell any remaining balance required from the largest value investment available to the smallest to cover the fee.

How do we tell you how much you've paid?

Your yearly statement will show the total costs and charges including any drawdown fee, paid over the previous 12 months.

Section 3 – Investment charges

Investment charge

What's the investment charge?

This is the charge the investment manager¹ takes to cover the cost of managing your investments available through your Aegon Platform account.

¹Investment managers (also known as investment providers) manage and provide the different investment options available through the Aegon Platform.

How much is the investment charge?

The charge varies from investment to investment. This means the amount you'll pay depends on the investments you select.

You'll pay the fund's ongoing investment charge as shown on the fund's Key Investor Information Document (KIID) or fund factsheet. You can find out more about the investment options available and how much they cost on our website.

How and when is the charge taken?

The investment charge is calculated daily and the charge is either taken directly from the investment or is taken into account in the fund's investment price, so you won't see it as a separate charge on your account.

For example, if an investment has an annual charge of 0.20% then each day 1/365th of 0.20% (i.e. 0.00055%) would be calculated as a percentage of the investments held with the investment manager and taken to cover the investment charge.

Please note, if your fund annual management charge increases we'll write to let you know. If it reduces we won't write to you.

Rebates

Some investments provide a portion of the investment charge back in the form of a rebate. We'll invest any rebates of £1 or more received in the same product, by buying new units in the investment with the highest value. Rebates of less than £1 are paid into the cash facility.

Rebates from funds held in an Aegon General Investment Account will be paid net of basic rate income tax. Depending on your individual circumstances you may be able to reclaim this tax from the HM Revenue and Customs, or be liable for additional tax. Rebates from funds held in an Aegon SIPP are paid in full without any tax being deducted. Please speak to an adviser for further information.

The tax treatment depends on your individual circumstances and may be subject to change in future.

Discretionary fund manager charge

What is a discretionary fund manager (DFM)?

A DFM is a specialist investment manager who you authorise to change the mix of investments you hold on your behalf, without them needing to gain your consent for each change they make.

Will I have to pay a DFM charge?

You'll only be charged a DFM charge if you decide to use a DFM. You'll need an adviser to do this.

How much is the charge?

The charge is a percentage of the value of the investments in your product managed by that DFM. The percentage charged by different DFMs will vary. Your adviser can explain how much you can expect to pay.

How often is the charge taken?

The charge is taken monthly.

How is the charge calculated?

The charge is calculated using the value of the investment managed by the DFM on the last business day of the month. We'll pay the charge on your behalf on or around the first business day of the following month. For more details please refer to your illustration, or speak to your adviser.

How do we take the charge?

We follow the process below to take the charge:

- we take the DFM charge from cash in the cash facility.
- If there isn't enough cash available, we sell from your chosen investment.
- If you haven't selected an investment, or there's an insufficient amount available in your chosen investment, then we sell any remaining balance required from the largest investment available to the smallest to cover the charges. This means there may be a delay in us taking the charge whilst we wait on the money becoming available.

Dealing related charges

Stamp duty

Stamp duty will apply to company share and investment trust transactions.

PTM levy

A £1 PTM levy is charged for company share transactions over £10,000. The PTM levy goes to the Panel of Takeovers and Mergers.

Investment entry and exit charges

Investment entry and exit charges may also apply. Please refer to your Key Investor Information Document, fund factsheet and Aegon SIPP key features for details.

Section 4 – Paying an adviser through the Aegon Platform

If you have an adviser, you'll agree a fee for the advice and/or service you receive from them. Adviser charges will be clearly shown on your illustration. If you want to, you can pay this fee from your Aegon Platform account.

If you agree to add an adviser charge at a later date, your adviser will provide you with the information to show how these will impact your Aegon Platform account.

Options for paying your adviser through your Aegon Platform account

How you pay your adviser depends on whether or not you're receiving advice. Your options:

Adviser provides advice	Adviser doesn't provide advice
Initial adviser charge (this is usually a one-off amount taken from the initial investment)	Service charge (a regular amount taken from your product)
Ongoing adviser charge (OAC) (a regular amount taken from your product)	
Ad hoc adviser charge (this is a single lump-sum payment)	

Paying initial adviser charges

The payment options available depend on the type of contribution you make. These can be:

- Single contributions or transfer payments, or
- Regular contributions.

Your adviser will confirm if VAT applies.

Single contributions or transfer payments

An initial adviser charge would be taken from the cash facility of your product. We do this either as a specific monetary amount, or as a percentage of either your single contribution or transfer payment amount. We calculate any percentage based initial adviser charge on single contributions after we've added any basic rate tax relief.

Worked example 1 – percentage of your transfer payment

If you pay a transfer of £100,000 into the savings part of your Aegon SIPP, and you agree to pay your adviser 3% of the transfer amount, the charge would be £3,000. You'll pay your adviser from your Aegon SIPP as shown below.

Step	Details
SIPP transfer amount received and paid into your cash facility	£100,000
We immediately deduct the agreed Initial adviser charge	£3,000 (3% of the £100,000 transfer amount)
We invest the balance	We invest the remaining £97,000 according to your instructions.

Worked example 2 – percentage of your immediate drawdown on a transfer payment

You take tax-free cash and immediate drawdown on an Aegon SIPP transfer payment of £100,000. You'll pay your adviser from your Aegon SIPP as shown below.

Step	You pay the charge from your SIPP
We receive a SIPP transfer and pay it into the cash facility in the savings part of your SIPP.	£100,000 received
You take 25% tax-free cash	£25,000
We move the balance after taking tax-free cash to the cash facility of your flexi-access drawdown account	£75,000 balance
We calculate the initial adviser charge amount	£2,250 (3% of the £75,000 balance)
We deduct the initial adviser charge from the cash facility of your flexi-access drawdown account	We take £2,250 from the £75,000 balance to pay your adviser.
We invest the balance	of £72,750 according to your instructions.

Regular contributions

You can choose to pay your adviser an initial adviser charge when you start paying in regular contributions.

If you do this, you can pay your adviser an initial adviser charge over a period of up to 36 months. The payment can be up to 100% of the regular contribution amount each month for the agreed term

It's important to understand how we manage initial adviser charge payments. We'll deduct the agreed initial adviser charge amount from your product's cash facility on or around the first business day of each month for the agreed term. Stopping or changing the regular contribution amount won't change the initial adviser charge amount or the agreed term.

How do we take the initial adviser charge?

We follow the process below to take the charge:

- we take the charge from the cash in the cash facility.
- If there isn't enough cash available, we sell from your chosen investment.
- If you haven't selected an investment, or there's an insufficient amount available in your chosen investment, we sell any remaining balance required from the largest investment available to the smallest to cover the charge.

You can find out how the cash facility works in part 1 of your Aegon SIPP key features document.

We won't pay the charge if we can't raise enough money from selling investments. It will remain unpaid until sufficient cash becomes available. Please note that you may still be liable to pay your adviser, even if we can't take it from your product.

Please see part 1 of your key features document for more information on how the cash facility works.

A worked example – percentage of your regular SIPP contributions

You want to pay in regular contributions of £500 each month to your Aegon SIPP, and you agree to pay your adviser £240 over a 24 month period. The payments will work as shown below:

Step	Value
Your initial regular monthly contribution	£500
We immediately deduct the agreed Initial adviser charge	£240 over a 24 month period.
The payments to your adviser	We'd take £10 per month for 24 months (ie 2% of £500). Assuming there's enough cash in the SIPP's cash facility each month to pay the charge, your adviser will get 24 payments of £10 on the first business day of each month.

Paying ongoing adviser charges and service charges

You may have agreed to pay your adviser an adviser charge, or a service charge on an ongoing basis. If this is the case, you can pay for this from the appropriate product(s) on your Aegon Platform account. You'll find details of the payment option agreed with your adviser and their rates in your illustration. Please contact your adviser if you have any questions regarding this charge.

Ongoing adviser charge

You and your adviser should agree the level and method of payment – this can be changed in the future. Your adviser will also confirm if VAT applies. The payment options are:

Payment option	Payment frequency
A fixed amount of money	Monthly
A fixed percentage of the value of the product	Monthly
A tiered percentage ¹ of the value of the product	Monthly

¹Tiered percentage – a percentage charge based on the value of your investments that generally reduces as the value of your investments grows above certain levels as defined by your adviser.

If you choose to pay a fixed or tiered percentage, the amount you'll pay will vary each month depending on the value of your relevant investments.

If you need to, you can arrange different adviser charges for each of your products. For example, you might agree to pay one amount for your GIA product for ongoing advice, and a different amount for your SIPP product for monitoring investment performance.

If you agree either a fixed or tiered percentage, you may set a minimum and/or maximum amount you'll pay. We'll add VAT if it applies after calculating any minimum or maximum amount.

How do we take the charge?

We follow the process below to take the charge:

- we take the adviser charge from the cash in the cash facility.
- If there isn't enough cash available, we sell from your chosen investment.
- If you haven't selected an investment, or there's an insufficient amount available in your chosen investment, then we sell any remaining balance required from the largest investment available to the smallest to cover the charges. This means there may be a delay in us taking the charge whilst we wait on the money becoming available.

Service charges

Service charges are deducted in the same way as adviser charges, but they are not advice related.

Paying ad hoc adviser charges

This is a lump-sum payment. You can pay this either as a fixed amount, or a percentage of your product value. We'll only make the payment when we receive a request and when there is enough money in the cash facility for this to be paid. Your adviser will also confirm if VAT applies.

If you have any questions about the charges that apply to your Aegon Platform account, please speak to your adviser, or if you don't have one, contact us.

 @aegonuk  Aegon UK  Aegon UK



Aegon is a brand name of both Scottish Equitable plc (No. SC144517) registered in Scotland, registered office: Edinburgh Park, Edinburgh EH12 9SE, and Cofunds Limited, Registered in England and Wales No.03965289, registered office: Level 26, The Leadenhall Building, 122 Leadenhall Street, London, EC3V 4AB. 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. Cofunds Limited is authorised and regulated by the Financial Conduct Authority (FCA). Their FCA Financial Services Register numbers are 165548 and 194734 respectively. An Aegon company. © 2022 Aegon UK plc

APLT 379372 08/22