

Costs and charges

What do I have to pay?

Every time you buy or sell shares or funds or other types of investment, you will pay dealing commission. There are also administration charges for some of our accounts, and charges for other services, like reinvesting dividends or providing a replacement tax certificate.

This guide lists all our costs and charges, and shows how they work in practice, with examples of how much you might pay each year.

Dealing Costs

These are charges you pay if you trade on any of our accounts - if you don't trade, then you won't pay any of these charges.

Dealing charges are taken directly from available money you have in your Share Dealing Account or ISA.

How much does it cost?

Charge	Amount
Online dealing commission	£12.50 per trade
Phone dealing commission	£25.00 per trade
Regular investments	£2.00 per trade
Dividend reinvestment	2% of dividend (max £12.50)
Trade Plans	£2.00 per Trade Plan (deducted from your dealing commission)
Share certificate sales	1.25% of deal value (min £25, max £125)
Foreign currency charges (international trades only)	1.25% of exchange rate
Stamp Duty (UK stock purchases only)	0.5% of value (1% for Irish stocks)
Panel of Takeovers and Mergers (trades of over £10,000 only)	£1.00

Account Charges

These are charges you pay for account management if you have an ISA, and other services for all our accounts.

The ISA admin charge is taken from your nominated bank account. However, if we are unable to collect this it will be taken from available money within your ISA.

How much does it cost?

Charge	Amount
ISA admin charge	£12.50 per year
Other admin charges (cash withdrawal by cheque, ad hoc statement/valuation, voiding of ISA, or repair of ISA).*	£12.50 for each service
Withdrawal of stock in certificate form (CREST stocks only).*	£25.00 per stock form

Transfers

We don't charge to transfer in to our Share Dealing Account or ISA.

Charge	Amount
Transfers out*	£25.00 per stock (max £125.00)

*Any of these charges will be taken from your nominated bank account.

Fund Charges

If you invest in a fund, you will also pay 'Ongoing Charges' and transaction costs to the fund manager each year for looking after the fund and buying and selling the assets that the fund invests in. This is taken from the value of the fund and the exact amount varies. Fund charges are taken out of your holding in the fund by the fund manager.

Charge	Amount
Typical ongoing charge	0.25% to 1.5% of your investment (exact charges are listed in the fund's information documents)
Typical transaction costs	0.5% of your investment (you'll be provided with the exact costs before investing in a fund)

SIPP Account Charges

These are charges you pay for the management of a SIPP account.

How much does it cost?	
Charge	Amount
Set-Up	Nil
Quarterly SIPP admin charge ¹	£22.50 (SIPP value of £50,000 or less) £45.00 (SIPP value of greater than £50,000)
Transfer in of another pension scheme	£60.00 per transferring plan (max £300.00)
Transfer out to another registered pension scheme/annuity purchase	£90.00 + £25.00 per investment (max £215.00)
Transfer out to a qualifying overseas pension	£510.00
Ad hoc statement or valuation on request	£12.50

SIPP Income Drawdown Charges

These are additional charges you'll pay when you start to take income from your SIPP at retirement.

How much does it cost?	
Charge	Amount
Flexi-access drawdown ²	£180.00 per annum
Capped drawdown before age 75 ²	£180.00 per annum
Capped drawdown from age 75 ²	£300.00 per annum
Designate additional funds to drawdown/review income levels ³	£90.00
Convert from capped drawdown to flexi-access drawdown	£90.00
Take a one-off payment (Uncrystallised Funds Pension Lump Sum)	£90.00
Closure charge through drawdown or lump sums (e.g. UFPLS) where the balance is reduced below £1,000 ⁴	£300 within the first 12 months of opening £90 where the SIPP account has been opened for 12 months or more
Payment of death benefits	Time/cost basis (typically £250-£500)

Notes on SIPP Charges

1. Payable in arrears at the end of March, June, September and December (also applies when your SIPP is in drawdown). Charges are shared between AJ Bell Management Limited and Bank of Scotland Share Dealing. Full details can be found in the Key Features Document.
2. This will become payable immediately where funds are designated to provide drawdown income, even if you select 'nil' income. Payable annually in advance.
3. Payable each time you designate additional funds to drawdown, once your SIPP is in drawdown stage.
4. We will be entitled to close your account and return the remaining funds to you, after deducting our charges.
5. All prices include VAT where applicable.
6. All charges will be deducted from your SIPP.

Examples of costs and charges

This section shows how much you might pay depending on what account you have, how often you trade and what you do with your account.

Tam the Trader

Tam has a Stocks and Shares ISA and a Share Dealing Account and trades regularly, clocking up three share trades a month, apart from at Christmas and when he's on holiday. This year, Tam will pay:

Charge	Amount
ISA admin charge	£12.50
Online dealing commission (33 trades at £12.50 each)	£412.50
Stamp Duty (0.5% of £74,587.50 – his investment less charges)	£372.94
TOTAL	£797.94

Tam's investments total £75,000, which means that his charges are 1.06% of this.

Isla the International Investor

Isla has an ISA and enjoys investing in a wide range of international shares – she's a big fan of the tech sector. This year she's placed four trades of £5,000 each into overseas stocks and will pay:

Charge	Amount
ISA admin charge	£12.50
Online dealing commission (4 trades at £12.50 each)	£50.00
Foreign exchange charges (1.25% of exchange rate)	£250.00*
TOTAL	£312.50

If Isla has invested £20,000, this year her charges represent 1.56% of her total investment.

*This cost can vary depending on the exchange rate.

Robert the Regular Investor

Robert has a Share Dealing Account with a regular investment set up to buy shares each month, which costs £2 dealing commission per month.

He likes filing paperwork, so asked us for a paper copy of his statement. This year, Robert will pay:

Charge	Amount
Dealing commission (12 regular investments at £2 each)	£24.00
Stamp Duty (0.5% of £576 – the total Robert's invested after commission)	£2.88
Copy statement	£12.50
TOTAL	£39.38

If he invests £50 each month, this year his charges are 6.56% of his total investment.

Shona the SIPPer

Shona is starting to think about retirement and has recently opened a SIPP.

If she carries on at this rate, she's likely to buy shares three more times this year and invest a total of £1,000. She also plans to transfer in an existing pension scheme. This year, Shona will pay:

Charge	Amount
Quarterly admin charges (£22.50 for a SIPP of less than £50,000)	£90.00
Transfer in of existing pension	£60.00
Dealing commission (3 trades at £12.50 each)	£37.50
Stamp Duty (0.5% of £962.50 – her investment less charges)	£4.81
TOTAL	£192.31

Shona currently has £43,000 in her SIPP. This year, her charges are 0.45% of her investment.

Fraser the Fund Fan

Fraser likes to invest in funds to get a bit of variety, and has invested £1,000 each into three different funds this year, each with its own ongoing charges and transaction costs. This year, if his funds don't go up or down in value, Fraser will pay:

Charge	Amount
Dealing commission (3 trades at £12.50 each)	£37.50
Ongoing fund charge (1.11%)	£11.10
Ongoing fund charge (1.19%)	£11.90
Ongoing fund charge (0.86%)	£8.60
Transaction costs (0.5% of each fund)	£15.00
TOTAL	£84.10

Fraser has invested £3,000 this year, and his charges represent 2.80% of his total investment.

Tessa the Telephone Trader

Tessa uses her ISA to trade shares few times a year and prefers to use the phone as her internet connection is a bit dodgy. This year, Tessa will pay:

Charge	Amount
ISA admin charge	£12.50
Telephone dealing commission (5 trades at £25.00 each)	£125.00
Stamp Duty (0.5% of £4,875 – Tessa's investment after commission)	£24.38
TOTAL	£161.88

Tessa has invested a total of £5,000 this year and has paid £161.88 in charges, which is 3.24% of her investment.

Ethan the ETF Investor

Ethan isn't a big trader, but tends to use his Share Dealing Account to invest in Exchange Traded Funds. This year, he invested a lump sum of £10,000 in one UK ETF. If the ETF doesn't change in value, this year he'll pay:

Charge	Amount
Dealing commission	£12.50
Ongoing charge (0.20%)	£20.00
Transaction costs (0.50%)	£50.00
TOTAL	£82.50

This year, Ethan has invested £10,000, so his charges are 0.83% of his investment.

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