

# Frequently asked questions

## Costs and Charges (Post-Sale) Disclosure Statement

The Markets in Financial Instruments Directive II (“MiFID II”) which took effect on 3rd January 2018 requires investment firms, such as Witan Investment Services Limited (“WIS”), to provide clients with an annual post-sale (ex-post) disclosure that is tailored to their investment.

The disclosure covers all the costs and charges levied by WIS to administer the investment (known as service costs such as the annual management fee or dealing fees), together with those costs associated with “manufacturing and managing” of the investment trust(s) in which you are invested (known as products costs such as transaction costs incurred by the trust(s) in buying and selling underlying investments).

### Where can I get more information on the level of costs and charges on my investment?

Further information on the costs and charges applied to your investment can be found in our Witan Wisdom and Jump Savings Scheme Terms & Conditions and the Key Information Document (KID) for the Trust(s) in which you are invested (Witan Investment Trust plc and/or Witan Pacific Investment Trust plc). These documents are available to view and download on our website(s) [www.witan.com](http://www.witan.com) and/or [www.witanpacific.com](http://www.witanpacific.com).

### Can you tell me what One-off/Ongoing/Transaction/Ancillary costs/Incidental costs are and what they cover?

Descriptions of the different types of costs and charges applied to your investment can be found on the reverse of the Costs & Charges statement “Guide to your Costs and Charges Disclosure”. For ease of reference these are also included below:

### Investment Service Costs Descriptions

All costs and associated charges incurred for the investment services and/or ancillary services provided to you:

| Charge Type             | Fee Description   |
|-------------------------|---|
| One-off Charges         | All costs and charges paid to us at the beginning or at the end of the provided investment service(s).<br>Note: there are no direct entry or exit costs for both Wisdom and Jump products                                     |
| Ongoing Costs           | On-going costs and charges paid to us for our services provided to the client e.g. Annual plan charge (£30.68 + VAT for Wisdom products and £31.60 + VAT for Jump products)   |
| Transaction Costs       | All costs and charges that are related to transactions performed by the investment firm or other parties. e.g. Dealing fees (£15/trade, but waived for regular savings where appropriate) and PTM Levy, Government Stamp Duty |
| Ancillary Service Costs | Any cost or other expense involved in a transaction but not directly related to it e.g. Transfer out costs (£20 + VAT)  |
| Incidental Costs        | All other costs e.g. the impact of the performance fee  |

# Frequently asked questions continued

## Investment Product Costs Descriptions

All costs and associated charges related to the shares that can be traded.

| Charge Type       | Fee Description  |
|-------------------|--|
| One-off Charges   | All costs and charges (included in the price or in addition to the price of the financial instrument) paid to us as product suppliers at the beginning or at the end of the investment in the financial instrument.<br>Note: there are no direct entry or exit costs for both Wisdom and Jump products |
| Ongoing Costs     | On-going costs and charges related to the management of the financial product that are deducted from the value of the financial instrument during the investment in the financial instrument. e.g. the Annual Management Charge and other fund expenses  |
| Transaction Costs | Costs and charges that incurred as a result of the acquisition and disposal of investments. e.g. costs incurred by us buying and selling underlying investments, including Government Stamp Duty   |
| Incidental Costs  | Performance fees e.g. the impact of the performance fee  |

Alternatively, for more information you can visit our website(s) [www.witan.com](http://www.witan.com) and/or [www.witanpacific.com](http://www.witanpacific.com) where you can view and download the Terms and Conditions and the Key Information Document (KID) for the trust(s) you are invested in and view additional information on costs and charges.

## Why haven't I received this information for other investments I hold elsewhere?

As noted above, under the MiFID II regulation which came into effect on 3rd January 2018, there is a requirement for investment firms, such as WIS, to provide its clients with an annual statement of the costs and charges your investment incurs. Prior to 3rd January 2018, this requirement did not exist.

## How are the percentages derived?

The percentages are derived in line with the MiFID II regulation. Charges are reported as a percentage of your investment i.e. the average monthly holdings value for the reporting period. The monthly holdings value is the month end value of your account which is based on the share price of your underlying investment plus any cash held on your account.

## Why does my statement cover a 12-month period?

The MiFID II regulations require that investment firms, such as WIS, provide an annual statement of costs and charges therefore the statement covers a full 12-month period.

## Are Investment Financial Advisor ("IFA") charges included?

No. The costs and charges disclosure does not include IFA charges.

# Frequently asked questions continued

## **I want to know what I have been charged over the lifetime of my investment, I haven't seen these before?**

Unfortunately we are unable to provide this. Although these costs and charges are not new and have always been incurred, we are not able to provide historic costs and charges data given the mechanism/processes to gather and calculate these costs have only been prescribed by the MiFID II regulation and in place (as required) since the 3rd January 2018.

## **Why have I been charged these when my investment has a negative return?**

These costs and charges are not new and have always been incurred. As Witan Investment Trust plc and Witan Pacific Investment Trust plc are equity investments the value of these investments and the income from them can fall as well as rise as a result of currency and market fluctuations and you may not get back the amount originally invested. As is the nature of your investment, costs and charges are incurred whether your investment has a positive or negative performance. For example, the annual management fee payable (for WIS's administration of your account) on your Jump/Wisdom investment is payable (and always has been) whether your investment increases or decreases in value.

## **Can you tell me how you have arrived at these figures for costs and charges?**

The costs and charges figures have been calculated in accordance with the methods prescribed in the MiFID II regulation. The description of service costs and product costs are available in the "Guide to your Costs and Charges Disclosure". The costs and charges statement breaks down service and products costs into subcategories and adds up the total cost in each over a 12-month period.

## **The costs and charges seem far too high, I don't remember agreeing to these?**

These costs and charges are not new and have always been incurred. The MiFID II regulation now requires more detailed transparency/disclosure of these to clients. Please see the Wisdom and Jump Terms and Conditions, KID(s) documents and Pre-sale (ex-ante) cost disclosures for additional detail on costs and charges which are available on [www.witan.com](http://www.witan.com) and/or [www.witanpacific.com](http://www.witanpacific.com).

## **How have you calculated the impact of costs and charges on fund performance?**

The impact of costs and charges on fund performance (over the 12-month period) has been calculated at a gross and net level (please refer to the "Your Costs and Charges Breakdown Disclosure" (i.e. your costs and charges statement) and see the "Impact of Costs and Charges on fund performance return" section).

Gross Return is the return before the deduction of costs and charges. Net Return is the return after the deduction of costs and charges. The impact of costs and charges on your investment's performance is the difference between the Gross and Net return percentages.