



## New Scheme Charging Structure Effective from Summer 2016<sup>1</sup>

- The Scheme's Annual Management Charge (AMC) is deducted from members' funds at the rates shown below. The deduction is made by the Scheme's investment manager, Legal & General Investment Management Ltd (LGIM) by adjustment to each fund's unit price.
- LGIM retains its investment management fees from the AMC deducted and pays the administration element on a quarterly basis to the Scheme administrator, Welplan Ltd.
- The AMC covers all investment management and administration fees and there are no other member-borne charges.
- The Scheme currently offers three Lifestyle investment choices, which automatically move funds from growth to less volatile investments in the 10 years prior to retirement, and a Freestyle option allowing any combination of available funds<sup>2</sup>. The AMC for the three Lifestyle options will vary slightly as funds are moved from Growth/Moderate Growth into one or more of the Liquidity, Pre-Retirement and Retirement Income Funds. The maximum AMC rates for each Lifestyle option are:
  - Default Cash Lifestyle: **up to 0.6% pa**
  - Optional Annuity Lifestyle: **up to 0.6% pa**
  - Optional Drawdown Lifestyle: **up to 0.785% pa**
- All funds are managed on a passive basis unless otherwise stated.

Fund	Current AMC	New AMC	Default Cash Lifestyle	Optional Drawdown Lifestyle	Optional Drawdown Lifestyle	Freestyle
Global Equity Fixed Weights 50:50 Index Fund	0.6	0.58	×	×	×	✓
Growth Fund	0.6	0.6	✓	✓	✓	✓
Moderate Growth Fund	0.6	0.6	✓	✓	✓	✓
Diversified Fund (actively managed)	0.8	0.75	×	×	×	✓
Active Corporate Bonds – All Stocks Fund (actively managed)	0.7	0.7	×	×	×	✓
Property Fund (actively managed)	1.15	1.13	×	×	×	✓
Over 15 year Gilts Index Fund	0.55	0.55	×	×	×	✓
Over 5 year Index-Linked Gilts Index Fund	0.55	0.55	×	×	×	✓
Liquidity Fund (actively managed)	0.575	0.56	✓	✓	✓	✓
Pre-Retirement Fund (actively managed)	-	0.6	×	×	✓	✓
Retirement Income Fund	-	0.785	×	✓	×	✓

<sup>1</sup> As at June 2016, the precise timing of introduction of new fund choices and AMC rates remains flexible pending possible market volatility after the UK referendum on EU membership. See Welplan website for further information.

<sup>2</sup> Refer to the Scheme's Investment Options Guide for detailed information.