

# Aspire Savings Trust: Guide to costs and charges

## Introduction

**As is usual with most financial products, a charge will be taken from your savings to cover the costs of managing and running the Aspire Savings Trust. This is a bit complicated, but stick with us because we want you to understand everything about how the Aspire Savings Trust works.**

## What do the costs cover?

The charges cover several services and benefits; the governance and management of the Scheme, the day to day administration, the legal and accounting services, the documents and literature and the investment management and transaction costs of your savings. For this reason they are taken in different ways:

- Management and administration costs are deducted from your account in the Aspire Savings Trust, and
- Investment costs are allowed for within the daily price of the investment units you buy.

So, what does this mean in practice?

## Management and administration costs

These cover all the management and administration costs of running the Aspire Savings Trust.

The management and administration charge is 0.30% per year of the value of your account in the Aspire Savings Trust. We work this out daily, which means that 1/365th of the 0.30% yearly charge is calculated each day based on the value of your savings on that day.

The daily costs are then added together at the end of each month, and deducted in the following month so you always pay them in arrears. We always round the daily cost down to two decimal places, which means you will usually pay slightly less than the full charge.

If a payment is made for you to the Aspire Savings Trust in a month, then the money we receive will be used to buy new investment units and meet the previous month's costs. This helps save you money because we reduce the number of investment units we need to buy and sell, unlike some other pension schemes.

If a payment is not received in a month, then on the 23rd of the month we will sell some of your investment units to the value of the costs that have been calculated for the previous month.

## Investment costs

As we mentioned above, the costs for managing the investment funds that are available through the Aspire Savings Trust are all allowed for within the daily price of the investment units you buy. These costs are broken down as follows:

## Ongoing charge:

These are the fund managers' costs, which include the annual management charge and expenses covering custodian, audit, accounting, regulator and professional fees paid to advisers relating to the investment funds, amongst others. Details about the investment fund manager can be found on each fund's factsheet at [MyAspire.com](http://MyAspire.com) or at [PSAspire.com/AspireSavingsTrust](http://PSAspire.com/AspireSavingsTrust) along with a breakdown between the annual management charge and the expenses.

## Fund management cost:

Some of the investment funds we use are called 'Fund of Funds' because they invest primarily in other investment funds. We have marked these clearly on the next page so you know which ones they are.

When you invest in a 'Fund of Funds', a fund manager will select the investment funds into which your savings are to be invested. Their costs, and similarly the expenses for running each of the 'Fund of Funds', including Value Added Tax (VAT), make up the 'Fund Management Cost'.

Where an additional cost is shown, it reflects more active investment management and ongoing governance of your savings in those funds by the fund manager. Information about who selects the investment funds and where your savings are invested can be found on each fund's factsheet at [MyAspire.com](http://MyAspire.com) or at [PSAspire.com/AspireSavingsTrust](http://PSAspire.com/AspireSavingsTrust)

In all cases, expenses may increase and decrease the overall percentage charge on the fund. For this reason they are monitored regularly as part of the oversight by the Trustee of the Aspire Savings Trust and its advisers.

The 'Ongoing Charge' and 'Fund Management Cost' make up the 'Ongoing Charges Figure' (OCF) you will see on the fund factsheet.

## So, what are the costs?

We have pulled together all the costs we have described previously into a single table below. This shows the charges as at 30/06/2020:

Fund	Fund of Funds?	Management and administration	Ongoing charge:	Fund Management cost:	Overall charge:
Aspire One	Yes	0.300%	0.227%	0.102%	0.629%
Aspire Two	Yes	0.300%	0.244%	0.102%	0.646%
Aspire Three	Yes	0.300%	0.206%	0.102%	0.608%
Aspire Annuity Focus	Yes	0.300%	0.251%	0.102%	0.653%
Retirement Builder	Yes	0.300%	0.175%	-	0.475%
Liquidity*	No	0.300%	0.100%	-	0.400%

\*The Liquidity fund is currently the Mobius Life Sterling Liquidity fund.

**Or put another way, if you have an Overall Charge of 0.653%, your yearly cost is £6.53 for each £1,000 of savings**

**Unit prices:** The price of each investment unit is worked out every day for each investment fund. There is only one price that is used for buying and selling investment units.

### What is the overall charge?

The Overall Charge is the total charge you will pay as a member of the Aspire Savings Trust if you invest in the investment funds we have listed. As we mentioned previously, the expenses will go up and down from time to time and for this reason we will update the 'Guide to costs and charges' on MyAspire.com or at PSAspire.com/AspireSavingsTrust

### Important

The costs are not guaranteed and will change over time.

As with all investments of this type, the value of your savings can go down as well as up, and may be worth less than you paid in.

### Where can I get more information?

There is an investment guide that summarises all the investment funds that are available through the Aspire Savings Trust and how some have been combined into 'Pathways' that are designed to help you get the best from your savings.

If you are invested in one of the Pathways, then your costs will reflect the combination of investment funds used in that Pathway. Sometimes you may be invested in more than one fund, and the Trustee can change which funds are used from time-to-time based on investment advice.

A factsheet is available at MyAspire.com or at PSAspire.com/AspireSavingsTrust for each of the investment funds listed here.

