

INVESTING IN FUNDS

Examples of costs

How will charges affect my investment?

Any charges you pay will reduce the value of your investment. The table below shows how charges would affect the investment in the example if its value remained unchanged, or if it grew by 2%, 5% or 8% over the course of three years (these are just example growth rates provided by our regulator, the Financial Conduct Authority).

This example assumes the investment is sold at the end of the third year and the total charges include dealing commission for this trade.

The value of any investment can go down as well as up and you could get back less than you originally invested.

Amount invested	£10,000				
Example growth rate per year	Value of investment after 3 years: before charges	Impact of charges on return	Value of investment after 3 years: after charges	Total growth after 3 years: before charges	Total growth after 3 years: after charges
0%	£10,000.00	-£528.58	£9,471.42	0.00%	-5.29%
2%	£10,612.08	-£577.86	£10,034.22	6.12%	0.34%
5%	£11,576.25	-£603.70	£10,972.55	15.76%	9.73%
8%	£12,597.12	-£652.15	£11,944.97	25.97%	19.45%

Examples of costs and charges

When you invest in a fund, you will pay some charges to us, and other charges to the fund manager.

The example on the following page shows how much you would pay in charges if you invested £10,000 in a fund with our Share Dealing ISA and it grew by 5% each year. This is just an example growth rate and is not a guarantee or prediction of performance. This has been divided to show how much you would pay in your first year

including any opening charges, what you would pay in the second year you held the investment, and what you would pay if you sold the investment at the end of the third year. Fund managers' charges are different for each fund. They are usually a percentage of your investment, so can vary depending on how much your investment is worth – we have shown the percentages in the table overleaf.



LLOYDS BANK

When you first invest – set up charges and first year

Amount invested	£10,000	
Our charges		
Dealing commission	£1.50	
ISA administration charges	£40.00	
Fund managers' charges		
Initial charge	£0.00	0.00%
Transaction costs	£50.38	0.50%
Ongoing charges	£90.68	0.90%
Performance fees	£0.00	0.00%
Plus growth – 5% assumed	£10,494.96	
Less total charges	£182.56	
Investment after charges	£10,312.40	

The second year you hold the investment (we've assumed it's grown by 5%)

Our charges		
ISA administration charges	£40.00	
Fund managers' charges		
Transaction costs	£51.96	0.50%
Ongoing charges	£93.53	0.90%
Performance fees	£0.00	0.00%
Plus growth – 5% assumed	£10,822.94	
Less total charges	£185.49	
Investment after charges	£10,637.45	

The year you sell your investment (we've assumed it's grown another 5% and you sell it after 3 years)

Our charges		
Dealing commission	£1.50	
ISA administration charge	£40.00	
Fund managers' charges		
Transaction costs	£53.60	0.50%
Ongoing charges	£96.49	0.90%
Performance fees	£0.00	0.00%
Exit charges	£0.00	0.00%
Plus growth – 5% assumed	£11,164.13	
Less total charges	£191.59	
Investment after charges	£10,972.54	

That means that if you held the investment for 3 years, your charges would total £559.64.

Important information

The Lloyds Bank Direct Investments Service is operated by Halifax Share Dealing Limited. Registered Office: Trinity Road, Halifax, West Yorkshire HX1 2RG. Registered in England and Wales No. 3195646. Halifax Share Dealing Limited is authorised and regulated by the Financial Conduct Authority under Registration number 183332. A Member of the London Stock Exchange and an HM Revenue & Customs Approved ISA Manager.