



# FUND CHARGES FOR THE ARCHITAS MULTI-MANAGER (MM) INCOME GENERATING FUND RANGE

Following recent European regulation changes (MiFID II), the UK asset management industry has consolidated the way they display fund's costs and charges. The aim is to improve transparency and to make comparisons easier for investors.

In this guide we explain for each fund what the latest costs and charges are and what they are charged for. Please note that the data provided in the table is correct as at 30 June 2019 and is subject to change.

All funds incur various costs and charges. As an investor, you aren't billed separately for these items; they are deducted from your investment during the time you are investing with us.

Costs and charges will have an effect on the value of your investment, so it's important to us that you understand clearly what you will be paying, to whom and for what. Consequently, we encourage you to read this information carefully and speak to your financial adviser about anything you're not clear on.

The information here is accurate but is a summary. The prospectuses and annual reports relevant to the fund in which you are invested provide further information and are available on request from us.

- The types of costs and charges that are permitted to be deducted from each Architas fund are confirmed in greater detail in the funds prospectuses.
- A detailed breakdown of exactly what costs and charges have been paid from each Architas fund in any given financial year are available from the fund's annual reports.

In the table opposite, each fund is listed along with the various charges payable and the current amount of each charge.

The key information for an investor to focus on is:

- 'Entry Charge' – this shows the cost – in percentage terms – deducted from your initial investment amount when you first invest with Architas.
- 'Total Costs and Charges' – this shows the total of all relevant charges – in percentage terms – deducted from your investment over a 12 month period; and,
- 'Total Charge Per £10,000' – this shows the 'total costs and charges' expressed as monetary amount.

The charges shown in the other columns in the table are elements of the 'Total Costs and Charges' and are shown to help you understand the make up of the total. More information is provided overleaf.

Fund	Share class	Charges				Ongoing charges figure (OCF)	Transaction costs (TCs)	Total costs and charges (TCC) (EC + MOC + TC)	Total charge per £10,000 invested
		Entry charge (EC)	Ongoing charges		MiFID II ongoing charge (MOC)				
			Annual Management Charge (AMC)	Other charges					
Architas Multi-Asset (MA) Active Reserve	R Acc	0.00%	1.00%	0.35%	1.35%	1.29%	-0.14%	1.21%	£121.03
Architas Multi-Asset (MA) Active Reserve	R Inc	0.00%	1.00%	0.35%	1.35%	1.29%	-0.14%	1.21%	£121.03
Architas Multi-Asset (MA) Active Reserve	A Acc	0.00%	0.60%	0.35%	0.95%	0.89%	-0.14%	0.81%	£81.03
Architas Multi-Asset (MA) Active Reserve	A Inc	0.00%	0.60%	0.35%	0.95%	0.89%	-0.14%	0.81%	£81.03
Architas Multi-Asset (MA) Active Reserve	S Acc	0.00%	0.55%	0.35%	0.90%	0.84%	-0.14%	0.76%	£76.03
Architas Multi-Asset (MA) Active Reserve	S Inc	0.00%	0.55%	0.35%	0.90%	0.84%	-0.14%	0.76%	£76.03
Architas Multi-Asset (MA) Active Moderate Income	R Acc	0.00%	1.50%	0.59%	2.09%	2.04%	0.09%	2.17%	£217.23
Architas Multi-Asset (MA) Active Moderate Income	R Inc	0.00%	1.50%	0.59%	2.09%	2.04%	0.09%	2.17%	£217.23
Architas Multi-Asset (MA) Active Moderate Income	A Acc	0.00%	0.75%	0.59%	1.34%	1.29%	0.09%	1.42%	£142.23
Architas Multi-Asset (MA) Active Moderate Income	A Inc	0.00%	0.75%	0.59%	1.34%	1.29%	0.09%	1.42%	£142.23
Architas Multi-Asset (MA) Active Moderate Income	S Inc	0.00%	0.55%	0.59%	1.14%	1.09%	0.09%	1.22%	£122.23
Architas Multi-Asset (MA) Active Moderate Income	S Acc	0.00%	0.55%	0.59%	1.14%	1.09%	0.09%	1.22%	£122.23
Architas Multi-Asset (MA) Active Intermediate Income	R Acc	0.00%	1.50%	0.58%	2.08%	2.03%	0.15%	2.23%	£222.54
Architas Multi-Asset (MA) Active Intermediate Income	R Inc	0.00%	1.50%	0.58%	2.08%	2.03%	0.15%	2.23%	£222.54
Architas Multi-Asset (MA) Active Intermediate Income	A Acc	0.00%	0.75%	0.58%	1.33%	1.28%	0.15%	1.48%	£147.54
Architas Multi-Asset (MA) Active Intermediate Income	A Inc	0.00%	0.75%	0.58%	1.33%	1.28%	0.15%	1.48%	£147.54
Architas Multi-Asset (MA) Active Intermediate Income	S Acc	0.00%	0.55%	0.58%	1.13%	1.08%	0.15%	1.28%	£127.54
Architas Multi-Asset (MA) Active Intermediate Income	S Inc	0.00%	0.55%	0.58%	1.13%	1.08%	0.15%	1.28%	£127.54
Architas Global Equity Income	A Inc	0.00%	0.50%	0.49%	0.99%	0.99%	0.16%	1.15%	£115.26
Architas Global Equity Income	A Acc	0.00%	0.50%	0.49%	0.99%	0.99%	0.16%	1.15%	£115.26
Architas Multi-Manager (MM) Monthly High Income	R Acc	0.00%	1.30%	0.57%	1.87%	1.75%	0.17%	2.04%	£203.74
Architas Multi-Manager (MM) Monthly High Income	R Inc	0.00%	1.30%	0.57%	1.87%	1.75%	0.17%	2.04%	£203.74
Architas Multi-Manager (MM) Monthly High Income	A Acc	0.00%	0.60%	0.57%	1.17%	1.05%	0.17%	1.34%	£133.74
Architas Multi-Manager (MM) Monthly High Income	A Inc	0.00%	0.60%	0.57%	1.17%	1.05%	0.17%	1.34%	£133.74
Architas Multi-Manager (MM) Monthly High Income	S Acc	0.00%	0.40%	0.57%	0.97%	0.85%	0.17%	1.14%	£113.74
Architas Multi-Manager (MM) Monthly High Income	S Inc	0.00%	0.40%	0.57%	0.97%	0.85%	0.17%	1.14%	£113.74
Architas Diversified Global Income Fund+	A Inc	0.00%	0.60%	0.81%	1.41%	1.30%	0.17%	1.58%	£157.55
Architas Diversified Global Income Fund+	A Acc	0.00%	0.60%	0.81%	1.41%	1.30%	0.17%	1.58%	£157.55
Architas Diversified Global Income Fund+	S Inc	0.00%	0.40%	0.91%	1.31%	1.20%	0.17%	1.48%	£147.55
Architas Diversified Global Income Fund+	S Acc	0.00%	0.40%	0.91%	1.31%	1.20%	0.17%	1.48%	£147.55

+ Architas has 'capped' the level of the ongoing charges for these funds by making, or undertaking to make, payments into the funds from its own money. Architas reserves the right to withdraw any of these caps but will not do so without first informing all investors.

## COSTS AND CHARGES EXPLAINED

Charges payments are either deducted from your initial investment amount (via an entry charge, or EC) or deducted from a fund's bank account by its administrator and paid to a company or institution in return for providing a service to the fund.

### Entry charge

This is sometimes referred to as an 'initial charge' and it is an upfront cost paid when you invest money in a fund. It is deducted from your initial investment amount. However no such charge is payable on these funds.

### Ongoing charges

These are deducted from the fund's bank account by the administrator and paid to various companies or institutions in return for providing certain services to the fund.

Under the heading 'Ongoing charges', our table includes three categories:

- Annual Management Charge (AMC);
- Other Charges; and,
- MiFID II Ongoing Charge (MOC). The 'MOC' is the sum of the 'AMC' and the 'Other Charges'.

The total amount of 'Ongoing Charges' deducted over the course of a year cannot be determined exactly in advance. This is because suppliers often charge a fixed amount rather than an annual percentage and also, because the investments held in each Architas fund change, so do the associated costs. For this reason, the figures shown in the table are based on the previous year's charges as stated in the audited annual accounts of the fund.

Many charges, most notably the 'AMC', do not change over time. So the overall amount of the 'AMC' should not change too drastically from year to year. However; there will be occasional changes.

### Annual management charge

This is our charge for carrying out the investment management (including deciding which underlying investments to buy and sell), as well as other business costs.

Historically, if a financial adviser recommended you to buy R class shares, then the 'AMC' may also cover the cost of commission payments by Architas to your adviser.

Adviser charges agreed between you and your adviser are not included in the 'AMC'.

### Other charges

In addition to the 'AMC', various other charges are deducted in return for services provided to the funds. These include charges for:

- Custody. This covers the safeguarding the assets of the funds. The Custodian is usually a specialist bank. The custodian is responsible for ensuring that the fund has accurate records of all the investments it owns and that legal title is properly established and recorded.
- Administration. This includes administering the funds' accounts, producing daily prices and producing the funds' annual and

half-yearly accounts

- Registration. Maintaining the shareholders' register, receiving and processing shareholders' orders, dealing with enquiries and other communications
- Depositary. The depositary has overall responsibility for overseeing the operation of the fund's Audit. The auditor provides independent validation of the funds' annual accounts
- Underlying funds' charges. Architas is a multi-manager, which means our funds invest in other investment funds (the 'underlying funds'). Underlying funds all deduct their own charges. We include these underlying funds' charges in our calculation of 'Other Charges'. The underlying funds' charges are liable to change over time as we change the mix of underlying funds.

Our annual reports contain full details of all charges deducted from the full range of Architas funds over the course of the year. They are available from Architas on request.

### MiFID II ongoing charge (MOC)

This figure is the sum of the 'AMC' and the 'Other Charges'.

The 'MiFID II Ongoing Charge' (MOC) is calculated in line with regulations that apply to investment firms (namely the 'Markets in Financial Instruments Directive', or MiFID). If you invested with us through a financial intermediary, such as a financial adviser or an online investment platform, then they will use the 'MOC' figure to calculate the figures they report to you about costs and charges.

### Ongoing charges figure (OCF)

The OCF for an individual fund is the figure published in the KIID for that fund. The OCF is calculated in line with regulations that apply to FCA-authorized collective investment schemes (usually known as 'UCITS rules'). The OCFs in the table show the amount deducted in the course of a year (as an annual percentage).

Like the MOC, the OCF is meant to reflect the total amount of charges you will be paying. Unfortunately, MiFID regulations are not identical to UCITS rules, so there may be a slight difference in the MOC and OCF figures for your fund. This will likely be due to the fact that the MOC includes the management charges for certain investment schemes known as investment trusts. The OCF figure does not include these charges. Neither the MOC nor the OCF include the TCs. The TCC comprises the MOC plus the TCs.

We update each fund's OCF every year, but will issue additional updates if the OCF changes significantly in the course of a year. So the OCF shown in the accompanying table may not be the same as that shown on the KIID you were provided with before you first invested.

### Transaction costs (TCs)

Expenses arise in the course of buying and selling investments on financial markets. Your fund incurs such expenses when we carry out transactions on your behalf.

The 'TCs' can't be determined with precision in advance because they depend on circumstances that change over time.

Therefore, the figures shown in the table are the figures for the last financial year.

The 'TCs' figures in the table include both the costs your fund incurs directly through its own transactions and the transaction costs incurred by the underlying funds the Architas funds invest in. Below is a summary of the principal types of 'TCs' incurred (for full details, you can refer to your fund's audited annual report, available from Architas on request):

### Spread

Certain investments may be subject to a dealing 'spread', which means the selling price is lower than the buying price. The spread can be seen as the premium the investor pays to be able to trade immediately. The higher the trading volumes of an investment, the lower its spread tends to be.

An easy way to understand the effect of a buy-sell spread on the value of an investment is to imagine you exchanged some sterling for a foreign currency and then immediately exchanged the full amount back into sterling again. You would end up with less than you started with, due to the effect of the buy-sell spread.

### Broker commission

Brokers bring together buyers and sellers of certain investments. In return for this service they charge a commission, either as a percentage of the price or a fixed sum.

### Taxes

Transactions in certain investments are subject to tax. For example, transactions in UK company shares are subject to Stamp Duty of 0.5% payable to HM Revenue and Customs.

### Total costs and charges (TCC)

The figures in the table overleaf show percentage deductions made from the value of your investment. It includes the 'TCs' and the 'OCF'.

### The total charge per £10,000

We also show the 'TCC' per £10,000 invested. A figure of 1% would mean a deduction of £100 on a £10,000 investment; a figure of 0.5% would mean a deduction of £50, and so on.

The figures are based on a year's worth of deductions, but the money is actually deducted every working day the fund or underlying fund is valued, which is generally every weekday, excluding (England and Wales) bank holidays. There are roughly 250 working days in a particular year. So a 1% TCC would equate to around 40p being deducted from a £10,000 investment each working day (although this will vary from day to day, as the price of the fund's shares you hold varies).

# IMPORTANT INFORMATION

The value of your investment and any income provided can go down as well as up and you may not get back what you originally invested.

The value of funds and the income from them can fall as well as rise purely as a result of exchange rate fluctuations. The Architas funds featured in this document can invest entirely in units of collective investment schemes. Clients can invest in the funds mentioned within this document through a number of financial products. These funds may not be appropriate for investors who plan to withdraw their money within five years.

If you require further information on any of our funds, the Key Investor Information document (KIID) and the prospectus are both available free of charge on request from Architas Multi-Manager Limited. The KIID is designed to help investors make an informed decision before investing. You can view or download all our funds' KIIDs via our website at [architas.com](https://www.architas.com) on the home page and the Literature Library.

AXA is a worldwide leader in financial protection and wealth management. Architas operates three legal entities in the UK; Architas Multi-Manager Limited (AMML), Architas Advisory Services Limited (AASL) and Architas Limited. Both AMML and AASL are owned by Architas Limited, which is 100% owned by AXA SA (a company registered in France).

AMML is an investment company that provides access to other investment managers' services through a range of multi-manager solutions, including regulated collective investment schemes. AMML in the UK works with strategic partners and AXA Group internal fund managers, to find out more information about this please visit [architas.com/inhousestratpartners/](https://www.architas.com/inhousestratpartners/). AMML is a company limited by shares and authorised and regulated by the Financial Conduct Authority (Firm Reference Number 477328). It is registered in England: No. 06458717. Registered Office: 5 Old Broad Street, London, EC2N 1AD.



## CONTACT

The Architas customer support team is on hand to answer your questions.

**0800 953 0197**  
**architas.com**

*(Monday to Friday 9.00am–5.30pm; calls may be recorded. Calls are free from landlines and mobiles within the UK)*