

CAF MANAGED PORTFOLIO SERVICE

Fees and charges as at July 2018

Charges – General

Details of the fees and charges which apply to the CAF Managed Portfolio Service are set out in this document. Potential investors should also refer to the CAF Managed Portfolio Service product brochure, which lays out the risks and benefits of investing, before making the decision to invest.

Your capital may be at risk and you may not get back the full amount invested.

By using the CAF Managed Portfolio Service, your organisation agrees to pay the applicable fees and charges set out in this document. All fees set out are expressed exclusive of any applicable VAT (which may also be charged).

The selection of the appropriate Investment profile to meet the investment needs of your organisation is the responsibility of your trustees and we recommend that you seek professional advice before making any investment decision.

Please note, the Portfolio Fee (Table 1) is in addition to the underlying costs (Table 2) of the investments in each Investment profile.

Portfolio Fee

The Portfolio Fee is an annual management charge. It is Octopus Investment's fee for managing the portfolio which they will create for you once you have selected an Investment profile.

The level of the Portfolio Fee will be accrued on a daily basis, based on the value of your portfolio, and charged quarterly in arrears.

More details of how the Portfolio Fee accrues and is deducted are set out in Section 10 of the CAF Managed Portfolio Service Terms and Conditions.

Table 1 – Portfolio Fees

Portfolio size	Fee
Up to £250k	0.25% + VAT
£250k – £500k	0.20% + VAT
£500k – £5m	0.15% + VAT
Above £5m	0%

Underlying Investment Cost

The underlying investment in each Investment profile comprises some or all of the FP CAF Investment Funds. Table 2 provides an estimate of these costs, based on the blend of funds that form the long-term Strategic Asset Allocation of each profile. The underlying annual cost of investment is the charge for the management of the FP CAF Investment Funds within the portfolio. It is an estimate based on the buying and selling activity in the funds and the mix between the active and passive holdings within the funds. The cost incorporates all the fund management and administration charges associated with the FP CAF Investment Funds and their underlying holdings. As this cost is charged within the funds, it is not liable for VAT and is accrued on a daily basis. The blend of funds will change with market fluctuations and tactical investment changes, so the figures quoted cannot be guaranteed.

Table 2 – Estimated underlying annual cost of investment (excluding the Portfolio Fee)

Investment profile	Estimated cost per annum*
Cash Plus	0.74%
Defensive Capital Growth	1.11%
Conservative Capital Growth	1.10%
Moderate Capital Growth	1.10%
Progressive Capital Growth	1.10%
Managed Equity Growth	1.08%
Advanced Equity Growth	1.07%
Global Equity Opportunities	1.05%

Source: Octopus Investments
Based on the TERs of the FP CAF Investment Funds as quoted in the Annual Report and Financial Statements dated 30 April 2018.

Full details of the FP CAF Investment Funds can be found in the Simplified Prospectus and Report and Accounts. These documents are available on request.

Illustration

To help you understand the charging position, we have provided the following illustration:-

A charity investing £500,000 in the Moderate Capital Growth profile would pay the following charges on an annual basis:

Portfolio Fee:	0.18% (0.15% + VAT)
Underlying cost of investment*:	1.10%
Total:	1.28%

*estimate based on the TERs of the FP CAF Investment Funds as quoted in the Annual Report and Financial Statements dated 30 April 2018.

As an example, for an investment of £500,000 in the Moderate Capital Growth profile, over 10 years, and assuming an annual growth rate of 4.5%, the effect of charges and expenses could amount to £88,876 by the end of year 10. This is equivalent to annualised charges and expenses of 1.1%. This would have the impact of reducing growth from 4.5% per annum to 3.4% per annum.

Definitions

CAF Managed Portfolio Service

Investment offering developed and operated by Octopus Investments for CAF.

Charities information line:

03000 123 444
www.cafonline.org/cafmps

Please be aware that charges could change in the future. **CAF Financial Solutions Limited (CFSL)** is authorised and regulated by the Financial Conduct Authority under registration number 189450. Authorisation can be checked on the financial services register at www.fca.org.uk

CFSL Registered office is 25 Kings Hill Avenue, Kings Hill, West Malling, Kent ME19 4TA. Registered under number 2771873. CFSL is a subsidiary of Charities Aid Foundation (registered charity number 268369).

Telephone calls may be monitored or recorded to comply with relevant legislation and for training purposes. Lines are open Monday to Friday 9am - 5pm (excluding English bank holidays).

Octopus Investments limited is authorised and regulated by the Financial Conduct Authority. Registered Office: 33 Holborn, London, EC1N 2HT. Registered in England and Wales number 03942880. FundRock Partners Limited (formerly Fund Partners Limited) is the Authorised Corporate Director of the FP CAF Investment Fund and is authorised and regulated by the Financial Conduct Authority. FRN 469278. Registered Office: 8-9 Lovat Lane, London EC3R 8DW.

All information correct as at April 2018. Further product information for the FP CAF Investment Fund, including full details of charges and risks, is set out in the Simplified Prospectus which is available from www.cafonline.org. The full prospectus is available from FundRock Partners Limited.