

COMPLIANCE UPDATE – March 2020

In order to comply with Provision 4.58A of the Central Bank of Ireland's September 2019 Addendum to the Consumer Protection Code, all intermediaries must make available in their public offices, or on their website if they have one, a summary of the details of all arrangements for any fee, commission, other reward or remuneration provided to the intermediary which it has agreed with its product producers.

This requirement is effective from 31 March 2020.

To assist in ensuring you meet your compliance obligations, the text below is how you should categorise fees and commissions related to the clients you advise on the Conexim Platform.

We note a number of other providers have issued guidance and templates in relation to this, and may utilise different language in describing fees and commissions which assume the Product Producer is remunerating the advisor via commission and trail. For the avoidance of doubt, that is not the case in relation to how you are remunerated on the Conexim Platform, and you should use only the text provided below.

CONEXIM PLATFORM:

DEDUCTION AND REMITTANCE OF ADVISORY FEES

Please note that all fees and commissions processed on the Conexim Platform meet the definitions required to be considered '**independent advice**' as defined under the MiFID Regulations and the Consumer Protection Code 2012 (as amended).

Accounts on the Conexim Platform are legally and beneficially owned by the client in the case of Personal, Joint and Corporate Accounts, and beneficially owned by the client in the case of Trust based accounts (e.g. where the Trustee is the legal owner). Under Central Bank of Ireland guidance, in the case of single member pension schemes, the firm looks through to the underlying beneficiary in terms of conduct of business rules under MiFID.

When a client opens an account on the Conexim Platform, the client states on the application form that: *"The charges payable to my financial advisor which will be levied and deducted from my account are X%/€X Implementation, X%/€X Annual Charge. I hereby consent to the deduction of these charges from my account(s)."*

From the above, **the client agrees to a specified fee payable to their financial advisor (not Conexim)**, and also agrees for it to be deducted from their accounts and paid to their financial advisor – i.e. Conexim are acting on the client's behalf in paying the advisor the fee from the client's assets. The narrative on the client account when deductions are made, separate the Conexim Platform fee from the advisor fee, and they are recorded separately in the books and records of the firm.

Conexim does not set the level of remuneration payable to a financial advisor – it is agreed between the client and the advisor. Conexim therefore is collecting what is clearly identified as a standalone advisor charge and remitting it to the advisor from the client account, based on a fee level agreed between the advisor and the client when using the Conexim Platform. This advice may be provided on an independent or non-independent advice basis by the advisor, but in no cases do Conexim and the advisor have bundled fee arrangements.

For the avoidance of doubt, **Conexim does not pay any remuneration to advisors for account referrals, persistency lapse rates, volume considerations, soft commissions or other metrics, and as there are no 'lock in periods' for investments on the Conexim Platform - there are no exit penalties, clawbacks or other detrimental fees levied on redemption or account closure.**

If you are therefore building a template across all providers where you want to achieve consistency with Life Company supplied tables, please use the below table. Should you wish to replace the variable language below with your typical or standard range of charges, please feel free to do so.

Product	Implementation Charge	Recurring Annual Charge	Other Commissions/ Remuneration
Conexim Platform Accounts: Personal, Joint, Corporate, Trust, Pension and ARF	Variable – as agreed with the client	Variable – as agreed with the client	None

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Platform Charging Schedule

PLATFORM PORTFOLIO ACCOUNT

For Clients of Conexim with regular trading and portfolio rebalancing requirements who require institutional execution rates

At the heart of our service proposition is a commitment from Conexim and the Advisors who work with us to be open and transparent around pricing. The below schedule details the underlying costs of the services from Conexim and Pershing. Separately, on the Application Form or in the Statement of Suitability / Investor Policy Statement issued by your Advisor, your Advisor charges will be detailed. We trust this commitment to open and transparent pricing is useful to you, and should you have any questions on this, please contact your Advisor.

Conexim and Pershing Global Custody and Assets Under Instruction ("AUI") Commission

Account Type	Asset Types	Global Custody and AUI Commission
Personal, Corporate and Private Trust Accounts	All financial assets reflected in your portfolio account, including cash ⁺ and all invested assets	0.30% Per Annum*
Pension or ARF Accounts Held with 3rd Party Trustees, QFMs or Life Companies	All financial assets reflected in your portfolio account, including cash ⁺ and all invested assets	0.30% Per Annum* (3rd Party Provider charges may be charged separately)
Conexim Approved Retirement Funds ("ARFs")	All financial assets reflected in your portfolio account, including cash ⁺ and all invested assets	0.40% Per Annum*

These charges are applicable for platform portfolio accounts with regular trading and portfolio rebalancing requirements which require institutional execution rates of between 0.00% and 0.20% (as detailed overleaf).

To avoid unnecessary transactional costs being incurred by investors where they may have small debit balances, we require each account held on platform to retain 1% of the overall account value in cash, subject to a minimum amount of €300.

* The Conexim and Pershing Global Custody and Assets Under Instruction ("AUI") Commission is collected each month by calculating 1/12th of the annual charge against the value of the assets in your account on the 20th day of each month, subject to a minimum monthly charge of €25.

* As an institutional custodian, Pershing can levy and Conexim can incur negative interest rates in relation to cash held on accounts. Where negative interest rates are incurred, Conexim will charge additional global custody and AUI commission, but only on cash balances in excess of €10,000 (or currency equivalents). This is accrued daily and calculated each month on the 20th day of each month. Should you close your account within an accrual period, a pro-rata adjustment may be made. The exact charge will be communicated via our charging schedule. Currently Pershing do not levy negative interest rates. Please note Conexim do not pay credit interest on any cash balance, across any currency.

Advisor, Model Portfolio Construction and Monitoring Charges and 3rd Party Fund Manager Charges

Advisor Implementation Charges	Variable (as agreed with your Advisor, and detailed on Application Form) Advisor Implementation Charges are calculated and collected once cleared funds are received into your account, and paid to your Advisor.
Advisor Ongoing Charges	Variable (as agreed with your Advisor, and detailed on Application Form) Advisor Ongoing Charges are collected each month by calculating 1/12th of the annual charge against the value of the assets in your account on the 20th day of each month, and paid to your Advisor.
Bespoke and Model Portfolio Construction and Monitoring Charges	Variable (as detailed in Key Features document for each Model Portfolio) Model Portfolio Construction and Monitoring Charges are calculated and collected each month by calculating 1/12th of the annual charge against the value of the assets in your account on the 20th day of each month.
3rd Party Fund Manager Charges	Variable (as detailed in the Key Investor Information Document (KIID) for each fund) These charges are not chargeable separately in your account - they are implicit in the price of the underlying collective investment scheme.

Ancillary and 3rd Party Commissions

3rd Party Commissions	Where Conexim receives an upfront or trail commission from a 3rd Party, it automatically rebates these to your account.
3rd Party Commissions payable to your Advisor	Where Conexim receives an upfront or trail commission from a 3rd Party payable to your Advisor, as allowed under applicable regulations, it will be the Advisor's responsibility to disclose and account to you for that commission.
Foreign Exchange Transactions	Where Conexim earn a commission from a foreign exchange transaction enacted on your account this will not be more than 0.75%. Clients may elect to hold multiple currency accounts to avoid such charges.

Trading Commissions

	Dealing Commission	Minimum Commission	Trade Processing Fee
On Platform Funds	0%	€0	€0
Off Platform Funds (a fund which requires manual processing)	0%	€0	€12.50
Equities, ETFs, Fixed Income Securities on Regulated Markets	0.20%	€40	€30
Structured Product Investments and Other Investment Instruments requiring manual processing	0.30%	€40	€30

The Commissions and Charges above are calculated and collected at point of trade. For non-Euro transactions, the commission and trade processing fee are converted at the prevailing exchange rate, subject to the Foreign Exchange notice overleaf.

Additional charges may apply if you wish to purchase an off platform Hedge Fund, a fund not currently available on our platform, or a fund not generally designed to be made available to retail clients (such as funds which are generally restricted to accredited or professional clients or which have minimum subscription levels and which may have other characteristics requiring additional trading and administration costs). Any costs related to such an investment will be communicated to you in advance.

Ad hoc Valuations and Asset Transfer Costs

	Charge
Electronic transfers into your account - per line of security	€0
Certificated transfers into your account - per line of security	€50
Transfers from your account - per line of security	€50
Ad-hoc Valuation requested by you and provided by Conexim client services (not via your Portal)	€25
Probate Valuation Report for On-Platform Assets	€100

Shareholders Rights Directive Proxy Voting Charges

	Charge
SRDII Corporate Action Proxy Voting Ballot Position Update	€4 (for every position reported)
SRDII Corporate Action Proxy Voting Notification Charge	€30 (charged only if you vote on the meeting)
SRDII Corporate Action Proxy Voting Charge	€90 (for every vote cast, charged only if you vote on the meeting)

3rd Party Fees and Taxes – Pass through charges

Stamp Duty	Stamp Duty will be charged on the purchase of Irish and UK shares, and in some foreign markets. (1% is chargeable on Irish shares, and 0.5% on UK shares)
Panel of Takeovers and Mergers Levy	This is applied when buying or selling Irish or UK shares. (€1.25 on Irish shares over €12,500, and €1 on UK shares over €10,000)
Hong Kong Market	On all buys and sells: 0.1% Stamp Duty, 0.004% Transaction Levy, 0.005% Trading Fee.
Singapore Market	0.0075% chargeable on buys and sells.
Swiss Market	0.007% chargeable on buys and sells.
Financial Transaction Taxes	A number of countries have implemented/plan to implement Financial Transaction Taxes (including France and Italy). Where these taxes are levied these will be passed through at the prevailing rate and will appear on your contract note.
Value Added Tax	Unless indicated otherwise on each line item or the Key Features Document for a Model portfolio, VAT is not chargeable.

3rd Party PRSA Charging Schedule

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Account Type	Asset Types	Global Custody and AUI Commission			
PRSA Accounts Held with 3rd Party PRSA Providers	All financial assets reflected in your portfolio account, including cash+ and all invested assets		Banding		Rate
		Band 1	€ 100,000.00 +		0.30% Per Annum*
		Band 2	€ 75,000.00	€ 99,999.99	0.35% Per Annum*
		Band 3	€ 50,000.00	€ 74,999.99	0.50% Per Annum*
		Band 4	€ 25,000.00	€ 49,999.99	0.80% Per Annum*
		Band 5	€ 0.00	€ 24,999.99	2.5% Per Annum*
		(3rd Party Provider charges may be charged separately)			

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