

Pershing Securities Limited

The administration platform we have selected to operate the service from is supplied by Pershing Securities Limited ("Pershing").

Pershing

Pershing is part of the Bank of New York Mellon (BNY Mellon) group, the world's largest custodian and one of the world's leading investment services groups with in excess of \$35 trillion in assets under custody and administration as at Q1 2020. Pershing itself has circa \$1.8 trillion under custody and administration globally. There were three main considerations in selecting Pershing from its rivals:

1. The security of your assets held on the Pershing platform is exceptional. Not only are your assets held by the largest custodian in the world, cash held within portfolios is managed across a wide range of banks to ensure diversification, and is covered by the Financial Services Compensation Scheme (FSCS) up to the £85,000 limit.

Pershing has specialised in the provision of custody, execution and settlement services since 1939 and has been present in the UK since 1987. It is highly selective in working exclusively on a business-to-business basis and has chosen to partner with over 180 organisations in the UK.

2. As one of the largest global players in this market, our clients can have every confidence that Pershing systems and software will always be competitive and state-of-the-art.

3. Pershing's wealth management platform, NexusComplete, offers unrivalled facilities for client firms who would like to benefit from an investment management and administration tool that can embrace their assets through various wrappers.

Pershing will provide you with quarterly valuations, annual tax documents and contract notes, all accessible electronically via an investor portal or via post. Quarterly custody statements confirming the holdings in your accounts on the Pershing platform will also be issued to you via post.

Pershing – Capital Gains Tax (CGT) service – If you are invested in a taxable multi-holding portfolio this applies

For taxable portfolios, Pershing can provide a CGT service for which the charge is £50 per account, per year. We will switch this service on for multi-holding taxable portfolios, unless you opt out via the application form, and deduct £50 in May each year for the previous tax year's report. Pershing will then produce and send you a CGT report (which will be combined with your consolidated tax voucher) every year. The service also allows us to calculate notional CGT on your account upon request.

Investment services charge

Charges relating to the provision of investment services are 0.2% per annum of the total value of applicable assets administered by Pershing.

This charge is calculated and deducted from your Pershing portfolio account quarterly in arrears. This charge is for the provision of investment services associated with the processing and servicing of investments and other costs incurred on behalf of clients, including access to the Pershing client portal. Pershing currently retains between 0.10% and 0.11% of this charge for the services it provides including dealing, clearing, settlement, safe custody and other associated services. The actual figure retained by Pershing will be dependent on the aggregate value of assets held by Mattioli Woods' clients with Pershing. A full breakdown of the services provided by Pershing and their respective costs is available on request.

The balance of this charge is paid to Mattioli Woods. The actual figure paid to Mattioli Woods currently ranges between 0.09% and 0.10% and is dependent upon the aggregate value of assets held by Mattioli Woods' clients with Pershing. This charge is in addition to any advice or product fees Mattioli Woods may charge you and is explicitly detailed within all our literature as the investment services charge.

Management fee

Pershing charges a 0.5% fee for managing the uninvested cash balance on your account (known as the money management fee) and this fee will be calculated daily and applied to the cash balance on your account. This charge may be higher than any interest that would otherwise have been credited to your account, in which case a charge in the form of *debit* interest may be charged for that balance.

Please note the cash balances within the Pershing account are entitled to interest at the central bank base rate for sterling, US dollars and the euro, and the applicable agent credit rate for other currencies less the 0.5% money management fee.

Additional Pershing transactional charges

In addition to the charges detailed within the cost disclosure table there are transactional charges applied by Pershing in addition to the platform and custody service charge. These are known as transactional costs and are applied when specific transactions are undertaken for your account. For Advised and Execution Only clients these fees will be disclosed on the formal contract note. It is important to note that any of the charges applied will be disclosed formally under our annualised aggregated disclosure statement when issued.

An indication of these fees is as follows:

Transaction type	Charge
UK market tradable security transactions through Pershing's Retail Service Provider Facility	£10.00
UK market tradable security transactions through Pershing's dealing desk	£10.00 plus 0.05% execution charge calculated by reference to value of your investment
Non-UK tradable security transactions	£20.00 plus 0.05–0.10% execution charge

All transfers away from Pershing	£10.00 per line of holding
Transfers within Pershing	£10.00 per line of holding
Spot foreign exchange (FX) transactions	£15.00 per FX transaction