

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 approximately \$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, quarterly custody statements, annual tax documents and contract notes, all accessible electronically via an investor portal or via post.

Pershing – capital gains tax service *(only applicable if invested in taxable multi-holding portfolio)*

For taxable portfolios, Pershing can provide a capital gains tax (CGT) service for which the charge is £50 (plus VAT) 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 (plus VAT) 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 on 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 on 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. The investment services charge will be deducted from your investment via Pershing.

Provision for ongoing fees will be made via twice-yearly sales of units if required.

Cash balances

Any cash balance within the Pershing account is subject to the Bank of England base rate, which is currently 2.25% less 0.5% for Pershing's cash management fee, accrued daily; therefore, Pershing will currently apply credit interest of 1.75% to your account six-monthly.

Additional Pershing transactional charges

In addition to the charges detailed within the cost disclosure section of the letter there may be transactional charges applied by Pershing when specific transactions are undertaken for your account in addition to the platform and custody service charge. These are known as transactional costs. For advised and execution-only clients these fees will be disclosed on the formal contract note.

An indication of these fees is as follows:

Transaction type	Charge
UK market tradable security transactions through Pershing's retail service provider facility	£10
UK market tradable security transactions through Pershing's dealing desk	£10 plus 0.05% execution charge calculated by reference to value of your investment
Non-UK tradable security transactions	£20 plus 0.05% to 0.10% execution charge
All transfers away from Pershing	£10 per line of holding
Transfers within Pershing	£10 per line of holding
Spot foreign exchange (FX) transactions	£15 per FX transaction

When you invest in certain markets in both the UK and around the world, additional non-Pershing local exchange fees and local market taxes may apply. Details of UK and Ireland are shown in the table below:

Market	Market fees and taxes
UK	Stamp duty: 0.50% on purchase
UK	Panel of Takeovers and Mergers levy: £1 on trades over £10,000
Ireland	Stamp duty: 1.0% on purchase

Other charges may apply in other markets

The full terms and conditions of the services Pershing provides to you are set out in your Pershing Terms of Business document. In the event of any conflict between the terms as described in this section and the Pershing Terms of Business, the Pershing Terms of Business takes precedence.