

Platform Key Information Document



The Cofunds investment platform enables you and your intermediary to manage and administer your investments in one place. Cofunds Limited is authorised and regulated by the Financial Services Authority under FSA Registration No.194734.

This document gives you an overview of the services provided by Cofunds. The information that follows is accurate to the best of our knowledge and belief as at 31/10/2011.

This document should be read alongside the Terms and Conditions of the Cofunds Platform, or in the case of the Junior Individual Savings Account (JISA), the Terms and Conditions of the Cofunds Junior Investment ISA, as well as the relevant product Key Features Documents and/or Fund Prospectuses/Key Investor Information Documents, which provide detailed information about your investments and a helpful glossary of the terms used in this document. Your Guide to Investing with Cofunds <https://www.cofunds.co.uk/docs/IFISAKFD.pdf> also provides the relevant information about the Cofunds platform for investors aged 18 and above.

For more information on investment platforms in general or more specific information on Cofunds, please contact your intermediary.

1 About the Cofunds platform	
Q. How long has the platform been in operation?	A. Cofunds was founded in 2001. Cofunds was one of the first platforms to enter the market. As a result, we have a great deal of experience in helping people to manage investments more effectively. Cofunds was founded in direct response to the need for an independent platform provider that administered investment funds.
Q. Who uses the platform?	A. Number of investors who use the service: 500,000. Assets under administration at Q3 2011: over £33bn. Cofunds is the largest independent investment platform, and is used by more investors and intermediaries to administer their assets than any other platform not owned by a product provider.
Q. What is the ownership structure?	A. Cofunds is a private limited company. Its shareholders are: Legal & General 25%, IFDS 24%, Threadneedle 20%, Newhouse Capital Partners 18%, Jupiter 10%, Prudential 3%.
Q. How financially secure is the platform?	A. Cofunds is backed by some of the largest financial institutions in the UK, so you can be confident in its financial security, robust infrastructure, knowledge and expertise. As an independent platform, Cofunds can work with the best product providers to bring together a top quality range of products and services designed to suit its users – without limits on access to products or funds.
Q. What is the role of the platform in my investment?	A. The Cofunds platform is designed to enable intermediaries and their clients to manage their investments more easily. Through your intermediary, you can instruct us to buy, sell and switch collective investment funds (available in a number of tax wrappers – see section 2 below) directly with the fund manager. We are responsible for holding your investments safely on your behalf. Cofunds has a separate subsidiary company, Cofunds Nominees Ltd, which is dedicated to holding your investments separately from Cofunds' own corporate assets and prevents Cofunds from mixing investors' money with its own. We also offer an Individual Savings Account (ISA) and Junior Individual Savings Account (JISA), and act as an ISA plan manager on investors' behalf. We do not assess or advise on the suitability or appropriateness of your investments nor do we provide investment management services. This is the role of your nominated intermediary. Others involved in your investment: INTERMEDIARY: Arranges to buy and sell investments on your behalf, and may provide other ongoing services. Cofunds only operates with intermediaries authorised and regulated by the Financial Services Authority (FSA). BANK: Responsible for holding investors' money in separate accounts while the money awaits investment in or settlement by funds. This is protection for you as it ensures that the platform cannot mix investors' money with its own. As a further level of protection we use a number of banks to spread any potential risk. PRODUCT PROVIDERS: (a) Parties who offer savings and investment wrappers, such as ISAs, JISAs and pensions. (b) Fund managers who allow access to their funds, where investors' money is pooled together and invested according to the managers' strategies.

2 Details of platform service

<p>Q. Who is this platform designed for?</p>	<p>A. Our service is designed for all UK residents who wish to invest to meet their savings goals. You need to nominate an intermediary in order to use the Cofunds service.</p>
<p>Q. What investments are available on the Cofunds platform?</p>	<p>A. Product wrappers: Stocks and shares Individual Savings Account (ISA), stocks and shares Junior Individual Savings Account (JISA), Personal Pension, Self-Invest Personal Pension (SIPP), UK Investment Bond, International Investment Bond.</p> <p>Cash Services: Cofunds Cash Account, Cash accounts within product wrappers: ISA cash reserve, JISA cash reserve, CPA Pension Trading Account.</p> <p>Asset classes: UK investment funds, Luxembourg SICAV, Dublin-based OEICs.</p>
<p>Q. How much can I invest/What are the investment limits?</p>	<p>A Investment funds: You must invest a lump sum of £1,000 per fund or as a regular saver invest £100 per month.</p> <p>Investment ISA: You must invest a lump sum of £1,000 or as a regular saver invest £50 a month. In the 2011/2012 tax year the maximum you can invest into an ISA is £10,680.</p> <p>Investment JISA: You must invest a lump sum of £500 or as a regular saver invest £25 a month. In the 2011/2012 tax year the maximum you can invest into a JISA is £3,600.</p>
<p>Q. Can I move existing investments onto the platform?</p>	<p>A. Yes, you can move your existing investments onto the platform.</p> <p>You can re-register your existing investment funds, which means that you will not need to sell out of the funds in order to invest in them again on the Cofunds platform – you can simply transfer them across. This can reduce the risk of exit fees and potential tax penalties for some products and make the move faster and more economical.</p> <p>You can transfer an ISA or JISA onto the platform – however, as a Cash ISA or Cash JISA is not available, if you transfer a Cash ISA or Cash JISA it will be converted to a stocks and shares ISA or JISA. You can also transfer your investments in a pension using one of the personal pension products offered on the platform.</p>
<p>Q. How can I take my money off the platform?</p>	<p>A. Account linking: In all cases, except for JISAs, you can link your bank account to your platform cash account to make moving your money on and off platform easier and to help you to manage your income.</p> <p>An investment JISA does not allow you to sell your holding or receive income.</p>
<p>Q. How can I take income from my investments?</p>	<p>A. Regular withdrawals: You can set up regular withdrawals from your investment (except for JISAs) via a cash account linked to investment products.</p> <p>Taking income: You can select to be paid regular income (except for JISAs) from your investment products. In an investment JISA if you hold income Units/shares the income will be reinvested. However, you will be able to take income from age 18.</p> <p>Cashing in: You can cash in your investment (except for JISAs) within seven business days, subject to the availability from the fund manager. This can be restricted by fund product/type – check the product and/or fund key features for details.</p>
<p>Q. Can I change my investments at any time?</p>	<p>A. Yes, you can switch between funds within a product wrapper at any time to alter your investment strategy, respond swiftly to market conditions or take advantage of new investment opportunities. Please instruct your nominated intermediary.</p>
<p>Q. What information will I receive about my investments?</p>	<p>A. Confirmation of transactions – Provided for every individual transaction on the next business day after completion of the transaction. Where you have arranged regular transactions we provide a consolidated confirmation if you have not seen confirmation within the last six months.</p> <p>Statement and valuation – Annually</p> <p>Tax statement – Annually (except for ISAs & JISAs)</p> <p>Distribution tax vouchers – As applicable (except for ISAs & JISAs)</p> <p>Online account information – 24 hours, 7 days a week; access to this is granted by your intermediary (except for JISAs).</p>
<p>Q. Can I cancel at any time?</p>	<p>A. Your ability to cancel depends on the specific terms of the underlying product. You can find these terms in the relevant product Key Features Documents and/or Fund Prospectuses/ Key Investor Information Documents.</p>
<p>Q. Can I move my investments off the platform?</p>	<p>A. You can re-register investment funds off the platform. This means that you do not need to sell out of the funds in order to invest in them again off the platform – you can simply transfer them across. This can reduce the risk of exit fees and potential tax penalties for some products and make the move faster and more economical.</p> <p>ISA & JISAs only – Please note that currently, investment funds held within an ISA/JISA wrapper must be individually sold before a transfer can be made, as re-registering your ISA/JISA off-platform is not available.</p>

3 Effect of charges

<p>Q. What fund manager charges will I pay?</p>	<p>A. Initial charge – The amount a fund manager charges for your first investment into their fund.</p> <p>Annual management charge plus additional charges and expenses – The amount a fund manager charges every year for the administration of their fund.</p>																																	
<p>Q. What will I pay my intermediary?</p>	<p>A. Your intermediary may take initial and renewal commission on your investment from the fund manager (paid through Cofunds), or, if you are receiving ongoing advice, you must agree the terms on which your intermediary will be paid at the outset.</p>																																	
<p>Q. What is the cost of investing through the platform?</p>	<p>A. You pay the same fund charges when you invest through the platform as you would if you invested with the fund manager directly.</p> <p>However, the Cofunds platform will charge to cover the administration of some services.</p> <p>See below for details.</p>																																	
<p>Q. What platform services will I pay for?</p>	<p>A. Switching charge – If you switch your investment between directly-held funds or between funds held in an ISA/JISA, Cofunds will apply a charge of 0.25% of the amount of money you are switching.</p> <p>Shareholder/Unitholder meetings – For the Cofunds Investment ISA and Junior Investment ISA, you have the right to attend and vote at shareholder meetings of companies in which you hold shares. You can request to be notified of voting events, and you can request Cofunds to exercise voting rights on your behalf. Each request will incur a £20 charge to cover our administration costs.</p> <p>Paper copies of reports & accounts – You can view investment funds' reports and accounts for free online at https://investors.cofunds.co.uk/Investors/Reports_and_Accounts_Investors.aspx.</p> <p>You can request paper copies from your intermediary. If you write to us for paper copies, a £20 administration charge will apply.</p> <p>Void ISA/JISA – If we have to void your ISA/JISA due to an error on your part, we will charge £100 to cover our administration costs.</p>																																	
<p>Q. What other payments does the platform receive?</p>	<p>A. Initial charge – Cofunds receives a proportion of the initial charge from the fund managers. We receive between 0% and 0.75% of the investment amount as our proportion of the fund manager initial charge, with an average of 0.09%.</p> <p>Annual management charge – The fund managers will pass Cofunds a proportion of their annual management charge. Cofunds receives between 0.1% and 0.4% of the value of assets in each fund administered by Cofunds, with the average being 0.25%.</p> <p>Interest on money held on the client's behalf – Cofunds may earn interest on all money held on the client's behalf, for example, on money awaiting investment. Depending on the type of account in which the money is held, you may be paid a portion of this interest.</p> <p>The rate of interest earned is the current Bank of England base rate minus 0.4%, or zero – whichever is higher.</p>																																	
<p>Q. Generic illustration of how charges are taken:</p>	<p>A. The example below illustrates how Cofunds is paid for its services. The items in bold are retained by Cofunds.</p> <p>Example - £10,000 invested in an ISA, in an investment fund where Cofunds receives the maximum possible from the fund manager. In most instances Cofunds will retain less than this – in any event, the investor will pay the same as if they invested directly with the fund manager.</p> <table border="1" data-bbox="496 1653 1490 2047"> <tr> <td>Investment amount</td> <td></td> <td>£10,000</td> </tr> <tr> <td>Fund manager initial charge</td> <td>5.00%</td> <td>£500</td> </tr> <tr> <td> Retained by fund manager</td> <td>1.25%</td> <td>£125</td> </tr> <tr> <td> Commission paid to the intermediary by the fund manager</td> <td>3.00%</td> <td>£300</td> </tr> <tr> <td>Received by Cofunds</td> <td>0.75%</td> <td>£75</td> </tr> <tr> <td>Fund manager annual management charge</td> <td>1.50%</td> <td>£150</td> </tr> <tr> <td> Retained by fund manager</td> <td>0.60%</td> <td>£60</td> </tr> <tr> <td> Commission paid to the intermediary by the fund manager</td> <td>0.50%</td> <td>£50</td> </tr> <tr> <td>Passed to Cofunds by the fund manager</td> <td>0.40%</td> <td>£40</td> </tr> <tr> <td>Total charges paid by the investor</td> <td></td> <td>£650</td> </tr> <tr> <td>Total amount paid to Cofunds</td> <td></td> <td>£115</td> </tr> </table>	Investment amount		£10,000	Fund manager initial charge	5.00%	£500	Retained by fund manager	1.25%	£125	Commission paid to the intermediary by the fund manager	3.00%	£300	Received by Cofunds	0.75%	£75	Fund manager annual management charge	1.50%	£150	Retained by fund manager	0.60%	£60	Commission paid to the intermediary by the fund manager	0.50%	£50	Passed to Cofunds by the fund manager	0.40%	£40	Total charges paid by the investor		£650	Total amount paid to Cofunds		£115
Investment amount		£10,000																																
Fund manager initial charge	5.00%	£500																																
Retained by fund manager	1.25%	£125																																
Commission paid to the intermediary by the fund manager	3.00%	£300																																
Received by Cofunds	0.75%	£75																																
Fund manager annual management charge	1.50%	£150																																
Retained by fund manager	0.60%	£60																																
Commission paid to the intermediary by the fund manager	0.50%	£50																																
Passed to Cofunds by the fund manager	0.40%	£40																																
Total charges paid by the investor		£650																																
Total amount paid to Cofunds		£115																																

4 Other important information

Q. Are there any potential conflicts of interest?	A. As far as possible, all conflicts are managed to safeguard the interests of the investor. Details of Cofunds' conflict of interest policy can be found at: www.cofunds.co.uk/docs/coi.pdf . If you don't have online access, please ask your intermediary for details. Beneficial corrections Sometimes intermediaries send us instructions that are unclear, open to interpretation or incorrect. If, as a result, a transaction is processed incorrectly, we may consider correcting an investor's holdings – and in some cases Cofunds will bear the cost of the correction. We will provide details of beneficial corrections that have been made on request – please speak to your intermediary for details.
Q. Are there any other risks?	A. Investment risk: Buying, selling and investing in shares and funds is never without risk. The value of investments or income from them may go down as well as up. You may not necessarily get back the amount you originally invested. Platform risk: One of the reasons why a platform like Cofunds can administer your investments efficiently is that it pools investors' money together when investing with fund managers. This means that although you are always entitled to receive the full value of your investment, the fund units are registered in the name of Cofunds Nominees Ltd with the fund manager. Your individual holding is therefore not visible to each fund manager – they only see Cofunds' name on their register. Whilst we do maintain a full list of the individual investors and check this against the fund managers' registers on a regular basis, there is a risk that if Cofunds went out of business, you may not get back the full value of your investment.
Q. How do I make a complaint?	A. If you have a complaint about our services or products, please send a letter to Head of Customer Experience, Cofunds Limited, PO Box 1103, Chelmsford CM99 2XY. If you are unsatisfied by how we have dealt with your complaint and meet the FSA's criteria, you will be able to refer your complaint against us to the Financial Ombudsman Service. We will let you know when and how you can do this. Details of our complaints policy can be found at: www.cofunds.co.uk/docs/CustomerComplaints.pdf
Q. If Cofunds loses my money, can I get compensation from the Financial Services Compensation Scheme?	A. You may be able to seek compensation from the Financial Services Compensation Scheme for up to £50,000 if we become unable to repay a loss we have caused you.