

# Share Dealing.

## Costs and charges.

### What do I have to pay?

Every time you buy or sell shares or funds or other types of investment, you will pay dealing commission. There are also administration charges for our accounts, and charges for other services, like reinvesting dividends or providing a replacement tax certificate.

This guide lists all our costs and charges, and shows how they work in practice, with examples of how much you might pay each year.

### Dealing Costs

These are charges you pay if you trade on any of our accounts – if you don't trade, then you won't pay any of these charges.

Dealing charges are taken directly from available money you have in your Share Dealing Account or ISA.

#### How much does it cost?

Charge	Amount
UK Shares & Funds online dealing commission	£9.50 per trade
Phone dealing commission	£25.00 per trade
Regular investments	Free
Dividend reinvestment	2% of dividend (max £9.50)
Trade Plans	£2.00 per Trade Plan (taken off your dealing commission when the trade goes through)
Share certificate sales	1.25% of deal value (min £25, max £125)
Foreign currency charges (international trades only)	1.25% of exchange rate
Stamp Duty (UK stock purchases only)	0.5% of value (1% for Irish stocks)
Spanish Financial Transaction Tax	0.2% on purchases of certain Spanish shares

#### How much does it cost?

Charge	Amount
Panel of Takeovers and Mergers (trades over £10,000 only)	£1.00

### Account Administration Charges

These are charges you pay for account management and other services for all our accounts.

The customer administration fee is due in April and will be collected in full each May.

All administration charges are taken from available funds within your share dealing account or ISA. If there are no funds available within your account, we will collect the charge from your nominated bank account.

#### How much does it cost?

Charge	Amount
Customer administration fee	£36 per year (Free for 18-25 Accounts/ISAs)
Other admin charges (cash withdrawal by cheque, ad hoc statement/valuation, voiding of ISA or repair of ISA).*	£12.50 for each service
CHAPS/Same day payment	£25.00
Withdrawal of stock in certificate form (CREST stocks only)*	£25.00 per stock
Sell out dealing commission (if we need to sell some of your holdings to cover outstanding charges)	£9.50
Interest paid on Share Dealing/ISA cash balances	0%

\* Any of these charges will be taken from your nominated bank account



## Transfers

We will not charge you to transfer in or out of our Share Dealing Account or ISA. Please note, some providers will not accept stock transfers, so we will have to sell your holdings first. You can sell your holdings online at a commission rate of £9.50 per trade, or we can do this for you at a higher commission rate of £25 per trade.

## Fund Charges

If you invest in a fund, you will also pay 'Ongoing Charges' and transaction costs to the fund manager each year for looking after the fund and buying and selling other assets that the fund invests in. This is taken from the value of the fund and the exact amount varies. Fund charges are taken out of your holding in the fund by the fund manager.

Charge	Amount
Typical ongoing charge	0.25% to 1.5% of your investment (exact charges are listed in the fund's information documents)
Typical transaction cost	0.5% of your investment (you'll be provided with the exact costs before investing in a fund)

## SIPP Account Charges

These are charges you pay for the management of a SIPP account.

How much does it cost?	
Charge	Amount
Set-Up	Nil
Quarterly SIPP admin charge <sup>1</sup>	£22.50 (SIPP value of £50,000 or less) £45.00 (SIPP value of greater than £50,000)
Transfer in of another pension scheme	£60.00 per transferring plan (max £300.00)
Transfer out to another registered pension scheme/Transfer out to a Qualifying Recognised Overseas Pension Scheme (QROPS)	Nil
Annuity purchase	£90.00
Ad hoc statement or valuation on request	£12.50
Interest paid on SIPP cash balances over £1	The current rate(s) can be found on our website

## SIPP Income Drawdown Charges

These are additional charges you'll pay when you start to take income from your SIPP at retirement.

How much does it cost?	
Charge	Amount
Flexi-access drawdown <sup>2</sup>	£180.00 per annum
Capped drawdown before age 75 <sup>2</sup>	£180.00 per annum
Capped drawdown from age 75 <sup>2</sup>	£300.00 per annum
Designate additional funds to drawdown/review income levels <sup>3</sup>	£90.00
Convert from capped drawdown to flexi-access drawdown	£90.00
Take a one-off payment (Uncrystallised Funds Pension Lump Sum)	£90.00
CHAPS/Same day payment	£30.00
Closure charge through drawdown or lump sums (e.g. UFPLS) where the balance is reduced below £1,000	Nil
Payments on death or if your pension is to be split/shared as part of a divorce	Nil

## Notes on SIPP Charges

1. Payable in arrears and calculated based on the SIPP value at the end of March, June, September and December (also applies when your SIPP is in drawdown). Full details can be found in the Key Features Document.
2. This will become payable immediately where funds are designated to provide drawdown income, even if you select 'nil' income. Payable annually in advance.
3. Payable each time you designate additional funds to drawdown, once your SIPP is in drawdown stage.
4. All prices include VAT where applicable.
5. All charges will be deducted from your SIPP.

## Our Interest Rates

### Cash Balances

Any uninvested cash is held in a cash management account, which is part of your Share Dealing Account, ISA or SIPP – This is not a bank account.

We hold this uninvested cash in line with FCA rules, for your protection.

We receive interest payments, which vary, depending on the total balance held and market interest rates.

Any interest we retain is to develop our products & services. Halifax offers a range of savings accounts that do pay interest on cash balances.

### Interest rates for our Share Dealing Account and Stocks and Shares ISA

We do not pay you interest on cash balances held within your ISA or Share Dealing Account.

### Interest rates for our Self-Invested Personal Pension (SIPP)

We pay you interest on any cash balance of £1 or more held in the account.

Interest is calculated daily and paid gross annually in March.

Please visit [www.halifax.co.uk/investing-charges](http://www.halifax.co.uk/investing-charges) for the current rate.

### How much cash should I hold?

There is no requirement to hold a minimum balance – You should make sure that there is enough cash held to cover charges, when they are due.

## Examples of costs and charges

This section shows how much you might pay depending on what account you have, how often you trade and what you do with your account.

### Tom the Trader

Tom has a Stocks and Shares ISA and a Share Dealing Account and trades regularly, clocking up three share trades a month, apart from at Christmas and when he's on holiday. This year, Tom will pay:

Charge	Amount
Customer administration fee	£36.00
Online dealing commission (33 trades at £9.50 each)	£313.50
Stamp Duty (0.5% of £74,686.50 – his investment minus dealing commission)	£373.44
<b>TOTAL</b>	<b>£722.94</b>

Tom's investments total £75,000, which means that his charges are 0.96% of this.

### Inga the International Investor

Inga has an ISA and enjoys investing in a wide range of international shares – she's a big fan of the tech sector. This year she's placed four trades of £5,000 each into overseas stocks and will pay:

Charge	Amount
Customer administration fee	£36.00
Foreign exchange charges (1.25% of exchange rate)	£250.00*
<b>TOTAL</b>	<b>£286</b>

If Inga has invested £20,000, this year her charges represent 1.43% of her total investment.

\*This cost can vary depending on the currency involved and the current exchange rate.

### Reg the Regular Investor

Reg has a Share Dealing Account with a regular investment set up to buy shares each month.

He likes filing paperwork, so asked us for a paper copy of his statement. This year, Reg will pay:

Charge	Amount
Customer administration fee	£36.00
Stamp Duty (0.5% of £600 – the total Reg has invested)	£3.00
Copy statement	£12.50
<b>TOTAL</b>	<b>£51.50</b>

If Reg invests £50.00 each month, this year his charges are 8.58% of his total investment.

### Tara the Telephone Trader

Tara uses her ISA to trade shares a few times a year and prefers to use the phone as her internet connection's a bit patchy. This year, Tara will pay:

Charge	Amount
Customer administration fee	£36
Telephone dealing commission (5 trades at £25.00 each)	£125.00
Stamp Duty (0.5% of £4,875 – Tara's investment minus dealing commission)	£24.38
<b>TOTAL</b>	<b>£185.38</b>

Tara has invested a total of £5,000 this year, which means that her charges are 3.71% of this.

### Sarah the SIPPer

Sarah is starting to think about retirement and has recently opened a SIPP.

If she carries on at this rate, she's likely to buy shares three times this year. She also plans to transfer in an existing pension scheme. This year, Sarah will pay:

Charge	Amount
Quarterly admin charges (£22.50 for a SIPP of less than £50,000)	£90.00
Transfer in of existing pension	£60.00
Dealing commission (3 trades at £9.50 each)	£28.50
Stamp Duty (0.5% of £971.50 – the amount she's invested minus commission)	£4.86
<b>TOTAL</b>	<b>£183.36</b>

Sarah currently has £43,000 in her SIPP. This year, her charges are 0.43% of her investment.

### Ethan the ETF Investor

Ethan isn't a big trader, but tends to use his Share Dealing Account to invest in Exchange Traded Funds. This year, he invested a lump sum of £10,000 in one UK ETF. If the ETF doesn't change in value, this year he'll pay:

Charge	Amount
Customer administration fee	£36
Dealing commission	£9.50
Ongoing charge (0.20%)	£20.00
Transaction costs (0.50%)	£50.00
<b>TOTAL</b>	<b>£115.50</b>

This year, Ethan has invested £10,000, so his charges are 1.16% of his investment.