

## **Costs & Charges Disclosure Document**

This document provides clients with important information on the costs and charges for your selected investment options. It does not constitute marketing material. This information is required by law to help clients understand the cost of investing. It is important that this document is read so that the full cost of investing is understood.

The Costs and Charges Disclosure Document aims to provide clients with an aggregated view of all likely costs and charges relating to the purchase of a chosen investment. This is based on % of amount invested. The actual costs may differ depending on the invested amount as different investment levels may incur fees at different levels

Costs and charges will vary depending on asset type. Currently the portfolio operated by Misland Capital on behalf of its clients is invested in the following asset classes.

Public Equities  
Bonds

Commodities  
Private Equities & Co-Investments

Derivatives

Ex ante (Forecast) charges for each asset class are as follows and are based on an average charge over our approved brokers.

### **Public Equities**

Misland executes public equity trades with a number of brokers. These include Goldman Sachs, Citibank, Credit Suisse, Scotiabank and UBS. Commission charged by these brokers varies from 10bps to 30bps, with an average of approximately 20bps. This is charged on the transaction value before other costs and charge are applied.

### **Bonds**

All bond purchases and sales are effected through one broker who note the following in relation to costs:

The firm has determined that costs incurred by investors fall into the “transaction only” category and that clients are provided with an “execution” or “all in” price, i.e. the price quoted to the client includes the price of the instrument and the transaction costs. Transaction costs are the difference between the execution price and the prevailing market bid or offer price. Costs can vary depending on which currency the bond is traded in, whether the bond is a government, financial or corporate one and the duration of the instrument.

### **Private Equities & Co-Investments**

Private Equity Funds typically charge a management fee on the amount committed to the fund by Limited Partners (LP's) and charge another fee if and when the return on the fund reaches a level over and above a certain return. Typically a fund would charge a 2% management fee and a 20% profit fee once the IRR of the fund reaches 8%. These charges can be as low as 1% and 10% or as high as 3% and 30%. Fees may be charged on co-investments, but Misland tends to invest only in co-investments with a no fee, no carry structure.

### **Commodities**

Misland currently has a Commodity Index position, transactions costs are typically 1% of the value of the position taken.

### **Derivatives**

Similar to Bonds, costs involved in the transaction of derivatives may be built into the price. If not, transaction costs are typically in the region of 20bps of the nominal value of the position.