# Sample Fee Calculations

# Management fee

### Calculation formula

$$Management\ fee = \sum_{m=1}^{12} Average\ monthly\ value\ of\ the\ portfolio \times management\ fee_m$$

$$Management\ fee_m = \left(\frac{annual\ rate\ in\ \%}{number\ of\ days\ in\ the\ year} \times number\ of\ days\ in\ a\ given\ month\right)$$

### Input parameters for the example

| | |
|---|---|
| Average monthly value of the portfolio: | EUR 10,000.00 |
| Period of the investment: | 1 month |
| Basis for the calculation: | Monthly (calculation is always applied at the end of the month) |
| Selected investment strategy: | WEM Equity US |
| The amount of the fee: | 2.88% p.a. (0.24% p.m.) |
| VAT: | VAT will be added to the calculated fee |
| Currency for the calculation: | The fee is charged in EUR currency and after the calculation of the average monthly value of the portfolio into EUR currency |

### Sample calculation

$$\text{Management fee} = \text{EUR } 10{,}000.00 \times \left(\frac{2.88\%}{365 \text{ days}} \times 30 \text{ days}\right) = \text{EUR } 10{,}000.00 \times 0.2367\% = \text{EUR } 23.67 \text{ (without VAT) monthly}$$

## Performance fee

### Calculation formula

$$Quarterly\ performance = \left[\frac{(Value\ of\ portfolio\ at\ the\ end\ of\ the\ quarter\ net\ of\ the\ management\ fee - Value\ of\ portfolio\ at\ the\ beginning\ of\ the\ quarter)}{Value\ of\ portfolio\ at\ the\ beginning\ of\ the\ quarter}\right] \times 100$$

*If the annualized performance is <10.00%, the Performance fee is not charged*

*If the annualized performance is >10.00%, **the Performance fee = 10.00%** × **Portfolio gain during the quarter, net of management fee***

### Input parameters for the example

| | |
|---|---|
| Portfolio value at the beginning of the quarter: | EUR 10,000.00 |
| Portfolio value at the end of the quarter net of management fee: | EUR 10,300.00 (this amount includes already the deducted "Management fee" |
| Quarterly performance: | 3.00% p.q. |
| Annualized performance: | (12.55%) p.a. > 10% p.a. |
| Period of the investment: | 3 months |
| Basis for the calculation: | Quarterly (calculated at the end of each quarter) |
| Selected investment strategy: | WEM Equity US |
| Amount of the fee: | 10.00% |
| VAT: | VAT will be added to the calculated fee |
| Currency for the calculation: | The fee is charged in EUR currency and after the calculation of the Nominal value of the portfolio assessment into EUR currency |

### Sample calculation

$$Performance\ fee = 10.00\% \times \left(\frac{EUR\ 10{,}300.00 - EUR\ 10{,}000.00}{EUR\ 10{,}000.00}\right) \times EUR\ 10{,}000.00 = 10.00\% \times EUR\ 300.00 = EUR\ 30.00\ (without\ VAT)\ quarterly$$

The High-water mark is applied to the performance fee.

High-water mark is a principle of charging fees based on their highest cumulative past peak value. In this case, a fee will only be charged if the portfolio reaches a higher value of its cumulative returns or only from the part that exceeds the previous highest cumulative value of returns. Applied here is the sliding high-water mark for the past 8 periods (2 years).

## Success fee

### Calculation formula

$$Portfolio\ and\ benchmark\ quarterly\ \ performance\ difference = \left[\frac{Portfolio\ value\ at\ the\ end\ of\ the\ quarter\ net\ of\ performance\ and\ management\ fee\ -\ Portfolio\ value\ at\ the\ beginning\ of\ the\ quarter}{Portfolio\ value\ at\ the\ beginning\ of\ the\ quarter}\right] \times\ 100 - \left[\frac{(Benchmark\ value\ at\ the\ end\ of\ the\ quarter - Benchmark\ value\ at\ the\ beginning\ of\ the\ quarter)}{Benchmark\ value\ at\ the\ beginning\ of\ the\ quarter}\right] \times 100$$

*If the annualized performance is <10.00%, then the Succes fee is not charged*

*If the annualized performance is >10.00%, then* ***the Success fee = 10.00% × Portfolio value at the beginning of the quarter × Percentage difference in portfolio performance and benchmark for the given quarter***

### Input parameters for the example

| | |
|---|---|
| Portfolio value at the beginning of the quarter: | EUR 10,000.00 |
| Portfolio value at the end of the quarter net of management and performance fee: | EUR 10,270.00 (this amount includes already the deducted "Management and performance fee" |
| Quarterly performance: | 2.70% p.q. |
| Benchmark value at the beginning of the quarter: | 1000 points |
| Benchmark quarterly performance: | 0.20% p.q. |
| Benchmark value at the end of the quarter: | 1002 points |
| Investment period: | 3 months |
| Basis for the calculation: | Quarterly (calculated at the end of the quarter) |
| Selected investment strategy: | WEM Equity US |
| Amount of the fee: | 10.00% |
| VAT: | VAT will be added to the calculated fee |
| Currency for the calculation: | The fee is charged in EUR currency and after the calculation of the Nominal value of the portfolio assessment into EUR currency. |

### Sample calculation

$$Portfolio\ and\ benchmark\ quarterly\ performance\ difference = \left[\frac{(EUR\ 10{,}270.00 - EUR\ 10{,}000.00)}{EUR\ 10{,}000.00}\right] \times 100 - \left[\frac{(1002\ points - 1000\ points)}{1000\ points}\right] \times 100 = 2.50\%$$

*Success fee = 10.00% × (EUR 10,000.00 × 2.50%) = EUR 25.00 (without VAT) per quarter.*

The High-water mark is applied to the success fee.

High-water mark is a principle of charging fees
based on their highest cumulative past peak value. In this case, a fee will only be charged if the portfolio reaches a higher value of its cumulative returns or only from the part that exceeds the previous highest cumulative value of returns. Applied here is the sliding high-water mark for the past 8 periods (2 years).

## Entry fee — Investment Savings

**Calculation formula**

*Entry fee = Percentage rate for the respective investment strategy × Value of the planned investment, i.e. the target amount for savings*

*Value of the intendend investment, i.e. the target amount for the savings = Investment period × Frequency of deposits during the year × The amount of the deposit*

**Input parameters for the example**

| | |
|---|---|
| The amount of the deposit: | EUR 100.00 |
| Investment period: | 10 years |
| Frequency of the deposits during the year: | 12x (monthly) |
| Selected investment strategy: | Investment savings Save For Tomorrow — Dynamic |
| Way how to pay the fee: | Single payment or interim payments |
| The amount of the fee (way how to pay the fee): | 2.00% (single payment) or 3.00% (interim payments) |
| Method of charging (way how to pay the fee): | At the client´s deposit (single payment) or continuously in the amount of 50% of the deposits (interim payment) |
| VAT: | VAT will be added to the calculated fee |
| Currency for calculation: | The fee is charged in EUR currency and after the calculation of the Average monthly value into the EUR currency |

**Sample calculation**

- *Way of payment — single payment*

*Value of the indended investment, i.e. the target sum of the savings = 10 years × 12 months × EUR 100 = EUR 12,000.00*

*Entry fee = 2.00% × EUR 12,000.00 = EUR 240.00 (without VAT)*

- *Way how to pay the fee — interim payments*

*The same calculation as in the previous case is applied, with the client's fee value being continuously deducted from each monthly deposit (up to a maximum of 50% of the deposit) until 100% of the fee value is paid*

# Entry fee — Managed equity portfolio

## Calculation formula

*Entry Fee = Percentage rate for the respective investment strategy × the amount of deposit*

## Input parameters for the example

| | |
|---|---|
| The amount of deposit: | EUR 10,000.00 |
| Selected investment strategy: | WEM Equity US |
| Amount of the fee: | 2.00% of the total deposit amount |
| Method of charging: | With every deposit |
| VAT: | VAT will not be added to the calculated fee |
| Currency for calculation: | The fee is charged in EUR |

## Sample calculation

*The entry fee = 2.00% x EUR 10,000.00 = EUR 200.00*