

Fee Definitions

OPERATING & ADMIN COSTS: Operating and Administrative costs are those required to run the investment or fund on a day-to-day basis. These may include accounting and legal fees, bank charges, sales & marketing costs, travel expenses, research, and office costs.

TRADING COSTS: These are transaction costs triggered by buying or selling a holding within a portfolio.

PORTFOLIO MANAGEMENT COSTS: Charge levied by an investment manager to compensate them for time, expertise and administration costs.

TRAILERS: This is a fee that a mutual fund may pay to a financial institution who facilitates the sale of a particular fund to investors. The trailer is paid to the financial institution to compensate them for costs incurred in providing the investor with ongoing investment advice and services.

TAXES: The inevitable charge by CRA whenever money is being made (we can help you minimize these).

COMMISSION: A fee charged by a broker or advisor in return for advice and/or handling the purchase or sale of a security.

ADVISORY FEE: This term is normally used to mean an agreed upon fee structure paid to a financial institution to provide ongoing financial advice.

MAINTENANCE FEE: Back office system maintenance such as computers, equipment etc.

ADMINISTRATIVE OR TRUSTEE FEES: These fees cover the time and costs of looking after your account, including activities like calculating your minimum amount each year and reporting to the government on your behalf.

TRANSFER FEES: Fees charged to transfer from one type of holding to another.

PENALTIES: These are charged if you don't hold an asset for the timeframe agreed upon at purchase.

