

Interest rates

When comparing charges between different providers, you should also compare the interest rates payable on your cash, particularly if you intend to hold significant sums of money in cash. The amount of interest paid will depend on market interest rates and the amount you choose to hold in cash. The table below shows the current interest rate that will be paid on cash held in your SIPP cash account, Retirement Investment Account cash account and your Funds & Shares Service cash account (if applicable). Please note that all cash will be held in the cash account of your SIPP or Retirement Investment Account until transferred or invested using one of our investment options.

Cash balance	Interest rates (gross)	Interest rates (AER)
All balance	0.0%	0.0%

Notes

- Interest rates are subject to variation and interest is paid to your account quarterly, in arrears.
- There are no routine bank transaction charges and interest is paid to your account without any deduction of tax.
- The Annual Equivalent Rate (AER) represents the annual rate effectively received by your account if the interest at gross rate applied during a year remained in the account and itself earned interest.

AJ Bell receives payments from banks based on the aggregate cash balances held across all accounts. The amount we receive will vary depending on the total cash balances held and market interest rates. Over the foreseeable future, we expect to receive between 0.10% below and 0.6% above the prevailing base rate for cash held in a SIPP or Retirement Investment Account and between 0.10% below and 0.15% above the prevailing base rate for cash held within an ISA or GIA account, although it may be higher or lower when interest rates are volatile. These payments are used to pay interest at the rates shown on our website, and we retain the amount received above these rates to keep our administration, custody and dealing charges low.

We do not receive any payments on external deposit accounts set up for your SIPP or cash held by any of our investment partners, except under the execution-only option.

There is currently no requirement for you to hold a minimum amount in cash, although you and your adviser must always ensure that there is sufficient cash held to cover our charges, adviser charges and any SIPP or Retirement Investment Account benefits, or other payments, when they are due for payment.

Last updated in April 2016.