

# Cash solutions: frequently asked questions

## Q How do I make an investment?

A We require an instruction signed by two authorised signatures. The instruction must state the amount to be invested and the fund into which the money is to be invested. All instructions should be sent to [clientservice@rlam.co.uk](mailto:clientservice@rlam.co.uk), with hard copies to follow in the post. The instruction and associated funds must be received before 11:30 on the desired dealing date. For more information on our dealing process, please see the dedicated webinar on our cash microsite.

## Q Where can I find the bank details for making deposits?

A Please email [clientservice@rlam.co.uk](mailto:clientservice@rlam.co.uk) requesting bank details and we will send you the bank details for depositing funds.

## Q How do I make a disinvestment?

A We require an instruction signed by two authorised signatories. The instruction must state the amount you wish to disinvest, the fund you would like to disinvest from and the bank account into which you would like the funds paid to - these details should include the bank name, account name, sort code and account number and should match the bank evidence we have on record. The instruction must be received by us before 11:30 on the desired dealing date. The instruction should be sent to [clientservice@rlam.co.uk](mailto:clientservice@rlam.co.uk), with the hard copy to follow in the post. The proceeds are paid two working days after the trade has been placed for our three treasury funds; three working days later for all other Royal London OEICs.

## Q How do I close my Account?

A We require a signed instruction to sell all the units held in all of the funds invested, following the disinvestment guidelines above to terminate your account.

## Q How do I change the authorised signatory list?

A We require either an amendment to the existing signatory list, which provides examples of any new signatories and confirms details of any signatories to be removed, or a new signatory list with only the current signatories printed. Both options would also need a signed cover letter from an existing authorised signatory setting out the changes. We do not require an original signatories list.

## Q If I don't have a separate fee agreement, what fees do I pay?

A Investment management costs (AMC) and other costs (included within the ongoing fund charge (OCF) excluding transaction costs) are deducted from the fund on a daily basis. The most

appropriate method by which to estimate fees paid is to multiply the OCF available from our website (which for example is currently 0.10% for the Short Term Money Market Fund), by the average market value of your holding over the 12-month period in question.

## Q When do I get statements?

A Monthly statements are sent directly from our administrators on business day five. If you would like to request intra month valuations please email [clientservice@rlam.co.uk](mailto:clientservice@rlam.co.uk) and we will request one for you. Unfortunately there is not an online portal service available.

## Q Where can I find monthly or up to date information on the cash funds?

A Factsheets for the three cash funds can be found on our website by following the link to [Fund Prices](#). Datasheets are distributed monthly via email; please contact [clientservice@rlam.co.uk](mailto:clientservice@rlam.co.uk) to be added or to amend your contact details on this distribution list. Up to date information can be found through the Responsive Factsheet links, also on the [Fund Prices](#) section of the RLAM website. For more information on the data and information available to you on your investments at Royal London, please see the dedicated webinar on our [cash microsite](#).

## Q When do I receive contract notes?

A Contract notes will be sent to you one working day after a trade has been placed.

## Q What do I need to do if I change my bank account?

A To update the current bank details we hold on file for you we will need you to send us original bank evidence - this can be a statement, paying in slip or void cheque. We can only accept original or certified documents.

## Q What share class am I in?

A Please refer to the monthly valuation you receive and this will state the share class you are invested in.

## Q I'm invested in an income share class. When is my next income payment due?

A The Cash Plus and Enhanced Cash Plus funds distribute on a quarterly basis, paying out on the final day of each of March, June, September and December. The Short Term Money Market Fund distributes on a bi-annual basis paying out on the final working day of June and December.



**Q How can I change the distribution list for monthly statements?**

**A** Please email [clientservice@rlam.co.uk](mailto:clientservice@rlam.co.uk) and we will be able to update the list for you.

**Q Where can I access the daily price for my fund?**

**A** Daily fund prices can be found in the Responsive Factsheet link from the [Fund Prices](#) section of the RLAM website.

**Q What is meant by a covered bond?**

**A** A covered bond is a fixed income security that is backed by a dynamic pool of loans to maintain a certain level of cover. They are typically residential mortgages and remain on the balance sheet of the bank. If the bond defaults there is a dual claim, both on the pool of assets and also the bank assets. They are also heavily regulated by the Bank of England and exempt from bail-in regulations, making them very secure investments.

**Q What is a credit rating?**

**A** A credit rating is given by a ratings agency to each debt security, measuring certain characteristics related to the bond's likelihood of default. The higher the rating, in theory the less likelihood of default. Anything rated BBB- or above is classified as 'investment grade'; anything below BBB- is sub-investment grade.

**Q What is the difference between Yield and Return figures I can see in the reporting?**

**A** The yield is the income return of the investment (coupons and interest). It is usually shown as an annual percentage based on the income to be received, divided by the current market value. Performance returns are the change in the fund's value over a historical period.

**Q What does weighted average maturity mean?**

**A** The weighted average maturity is the time until the final maturity date of each underlying investment in a fund, weighted by investment size.

**Q What is meant by duration risk?**

**A** Sensitivity of an instrument's price to changes in interest rates. Interest rates are important as they are a determinant of the yields paid by bond issuers. When interest rates rise, the price of longer dated securities in circulation will fall to compensate investors for a return being paid which is lower than the market rate.

**Q Why have the holdings in the Short Term Money Market Fund income share class lost value, is it too risky?**

**A** The investment risk associated with the Short Term Money Market Fund is extremely low, and lower than any other pooled fund we manage, but there still exists a risk that the value of the assets may decrease from time to time. The fund is comprised of short-term cash deposits and other investments with very similar characteristics, so you can expect a very similar outcome to that which you may have experienced by holding short-term cash deposits previously. On top of that, by investing in a pooled fund you will benefit from significantly increased diversification of issuers across the fund, therefore reducing the risk associated with how your assets are invested.

**Q Why is annualised performance for less than one year for cash funds misleading?**

**A** It is important to note that the performance provided on factsheets or quarterly reports is not specific to your holding but calculated based on the entire fund in which you are invested and is a price to price return factoring in any fee and tax effects where necessary. It is a good guide for your return and you can make your necessary fee or tax adjustments.

Annualising a return which is less than one year is misleading as it implies that the current return achieved year-to-date will continue for the rest of the year.

**Q What is Equalisation?**

**A** Equalisation is best understood as a correcting entry to reduce the income tax liability when an investor purchases units during an accrual period, as this investor would have already paid for the income in the unit price. For more information on this please refer to our dedicated [webinar](#) and supplementary document which covers this and other points.

**Q Do my monthly statements show the rate of interest I am receiving?**

**A** The monthly statements produced by the fund administrators do not show the individual interest you are receiving from your investment, however on a monthly basis detailed reports on all three cash funds are sent out which state the performance of each fund.

**Contact us**

For more information about our range of products and services, please contact us.

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Past performance is not a reliable indicator of future results. The value of investments and the income from them is not guaranteed and may go down as well as up and investors may not get back the amount originally invested.

For more information on the fund or the risks of investing, please refer to the fund factsheet, Prospectus or Key Investor Information Document (KIID), available via the relevant Fund Price page on [www.rlam.co.uk](http://www.rlam.co.uk)

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