

Guidelines for calculating and disclosing the costs of structured products

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Introduction

In its Directive “D – 02/2013 Reporting Asset Management Costs”, the Occupational Pension Supervisory Commission (OPSC) issued cost concept requirements for using collective investment schemes in occupational pensions. This Directive is designed to enable pension funds to report the asset management costs of collective investment schemes in their income statement.

SVSP has developed a cost concept, which has been submitted to the OPSC for review and approval. This cost concept is based on the calculation and disclosure of product costs as required in accordance with EU Regulation No. 1286/2014 (Regulation on key information documents for packaged retail and insurance-based investment products, known as the PRIIPs Regulation for short).

Scope and objectives

These guidelines set out the requirements for calculating and presenting the costs of structured products offered to pension funds in Switzerland to ensure that these products are considered cost transparent in accordance with Article 48a (3) of the Ordinance on occupational old-age, survivors and disability benefits (BVV 2, p. (1)) and thus do not have to be individually stated in the notes to the financial statements.

The guidelines apply to structured products offered to pension funds in Switzerland.

Cost calculation and presentation requirements

To ensure that a structured product is considered cost transparent as set out in Article 48a (3) BVV 2 (p. (1)), a key information document must be created in accordance with the PRIIPs Regulation (“PRIIP KID”) and the pension fund must be provided with the cost information set out below.

The detailed rules governing the content of the PRIIP KID are taken from the PRIIPs Regulation as well as the relevant implementing provisions, particularly Delegated Regulation (EU) 2017/653 of 8 March 2017 and other relevant provisions (see List of References No. (2), (3)).

The cost information mentioned in the above paragraph that is provided to the pension fund by the issuer of a structured product on a website is calculated based on the same regulatory requirements as the costs reported in the PRIIP KID.

The annex to this Directive contains a brief summary of the cost information included in the PRIIP KID and provided on a website, examples of the cost information in the pension fund's income statement, and information about how the costs of structured products must be presented in the pension fund's income statement.

Requirements for providers of structured products

The financial services provider offering a structured product to a pension fund provides the pension fund with the latest PRIIP KID when the pension fund acquires the structured product.

The issuer of the structured product is also obligated to provide up-to-date cost information on a website that is accessible to the pension fund free of charge. The website containing the cost information can be provided by the issuer or a third party. As a result, SVSP can arrange an external solution for providing cost information with a data retention service provider.

The cost information for a structured product should generally be accessible by the pension fund at all times for a given reference date during the term of the product and for at least two years afterwards.

The issuer of the structured product is obligated to calculate the cost information in accordance with the regulations and correctly present and provide this information in the PRIIP KID and on a designated website.

The issuer undertakes to have its compliance with the provisions of the PRIIPs Regulation reviewed by its auditor. In particular, the appropriateness of the valuation methods used should also be reviewed.

Reporting costs in the pension fund's income statement

The asset management costs to be reported in a pension fund's income statement when investing in a structured product are derived from the cost information about the relevant structured product provided by the issuer on a website accessible to the pension fund. The following information must be provided free of charge:

- ISIN
 - The ISIN serves as a unique identifier for the structured product
- Cost Reference Date
 - Date to which the cost information relates
- Structured Product Quotation: Percentage / Units
 - Information on whether the structured product is listed in percentage or unit terms
- One-Off Costs Structured Product Entry Cost Ex-Post
 - Entry costs incurred when purchasing a structured product on the Cost Reference Date. This information is provided in percentage or absolute terms (in the Structured Product Currency), depending on the Structured Product Quotation
- One-Off Costs Structured Product Exit Cost Ex-Post
 - Exit costs incurred when selling a structured product on the Cost Reference Date. This information is provided in percentage or absolute terms (in the Structured Product Currency), depending on the Structured Product Quotation
- Structured Product Ongoing Costs Ex-Post

- Absolute amount (in the Structured Product Currency) of recurring costs per day on the Cost Reference Date (Why are these costs always stated in absolute terms and not in either percentage or absolute terms like the other costs?)
- Structured Product Ongoing Costs Ex-Post Accumulated
 - Absolute amount (in the Structured Product Currency) of recurring costs accumulated between 1 January of the year of the Cost Reference Date and the Cost Reference Date itself (Why are these costs always stated in absolute terms and not in either percentage or absolute terms like the other costs?)
- Structured Product Incidental Costs Ex-Post
 - Annualised incidental costs. This information is provided in percentage or absolute terms, depending on the Structured Product Quotation
- Structured Product Reference Value Ex-Post
 - Reference price of the structured product on the Cost Reference Date. The costs of a structured product listed in units are based on this reference price. The costs of a structured product listed in percentage terms must be multiplied by this value to determine the costs per unit.
- Structured Product Currency
 - Trading currency of the structured product

The cost information outlined above can be allocated to one of the three categories – one-off costs, recurring costs or incidental costs – in accordance with the KID:

- Entry costs and exit costs fall into the ‘one-off costs’ category;
- Ongoing costs such as management fees fall into the ‘recurring costs’ category;
- Incidental costs fall into the ‘Incidental costs’ category.

Only structured products from issuers who provide the pension fund with the above cost information are considered cost transparent in accordance with the cost concept.

Entry into force

These guidelines were approved and adopted by SVSP on 20 September 2019. They entered into force on 21 November 2019.

List of references

1. **Oberaufsichtskommission Berufliche Vorsorge OAK BV.** *Weisungen OAK BV W-02/2013.* Bern : Schweizerische Eidgenossenschaft, 2013.
2. **Europäisches Parlament und Rat der Europäischen Union.** *Delegierte Verordnung (EU) 1286/2014, Basisinformationsblätter für verpackte Anlageprodukte für Kleinanleger und Versicherungsanlageprodukte (PRIIP).* 2014.
3. **Europäische Kommission.** *DELEGIERTE VERORDNUNG (EU) 2017/653 zur Ergänzung der Verordnung Nr. 1286/2014.* s.l. : Europäische Kommission, 2017.

Annex 1

Reporting costs in KIDs for PRIIPs

The costs of a PRIIP are disclosed in the 'What are the costs?' section of the key information document (3). The costs are presented in detail in the 'Costs over time' and 'Composition of costs' tables.

In the 'Costs over time' table, the PRIIP manufacturer specifies the summary cost indicator of the total aggregate costs of the PRIIP in monetary and percentage terms for the specified time period (impact on the yield (RIY) per year).

In the 'Composition of costs' table, the PRIIP manufacturer specifies the following:

- Any one-off costs such as entry and exit costs, presented in percentage terms,
- Any recurring costs such as management fees, portfolio transaction costs per year and other recurring costs per year, presented in percentage terms,
- Any incidental costs such as performance fees, presented in percentage terms.

The approach to determining costs is described in detail in (3) and is partly reiterated at this point with regard to calculating the implicit costs of structured products (Paragraph 36 et seq.):

- *For the purposes of the calculation of the implicit costs embedded in PRIIPs, the PRIIP manufacturer shall refer to the issue price and, after the subscription period, to the price available to purchase the product on a secondary market.*
- *The difference between the price and the fair value of the product is considered as an estimation of the total entry costs included in the price.*
- *Fair value is the price that would be received for selling an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e. an exit price), regardless of whether that price is directly observable or is estimated using another valuation technique.*
- *The fair value policy that governs the measurement of the fair value shall set a series of rules including in the following areas: a) governance; b) methodology for the calculation of the fair value.*
- *The rules referred to for measuring the fair value shall aim at outlining a valuation process that: a) complies with the applicable accounting standards in relation to fair value; b) makes sure that internal pricing models for PRIIPs are consistent with the methodologies, modelling and standards used by the PRIIP manufacturer to value its own portfolio under the assumption that the product is available for sale or held for trading; c) is consistent with the level of complexity of the product and the type of underlying; d) takes into account the issuer credit risk and the uncertainty about the underlying; e) sets the parameters for identifying an active market in order to avoid risk mispricing that could lead in extreme cases to significantly inaccurate estimates; f) maximises the use of relevant observable market inputs and minimises the use of unobservable inputs.*

- *The fair value of a structured product shall be determined on the basis of: a) market prices, where available or efficiently formed; b) internal pricing models using as an input market prices that are indirectly connected to the product, derived from products with similar characteristics (comparable approach); c) internal pricing models based on inputs that are not derived directly from market data for which estimations and assumptions must be formulated (mark-to-model approach).*

Based on this approach to determining the costs of a PRIIP, generally the entry costs when purchasing a PRIIP will be greater than zero. By contrast, in most cases the exit costs will be equal to zero. This is due to the fact that the exit costs in the 'Composition of costs' section of the key information document are calculated for the recommended holding period (hereinafter also shortened to RHP) of the product. In the case of investment products, in most cases the recommended holding period of the product is identical to the maturity of the product. As the PRIIP is repaid under the conditions defined in the offer terms and conditions upon maturity of the product, there are no exit costs for the investor either. In the case of open-ended products, in many cases the investor has the opportunity to make use of daily (or monthly) exercise rights in accordance with product terms and conditions. No exit costs are incurred here either, as the product is not sold by the investor in the secondary market upon exercise but is instead repaid to the investor under defined conditions. This means that exit costs are only incurred when the investor does not hold the product to maturity or, in the case of open-ended products without exercise rights, sells the product in the secondary market.

The calculation of the total costs shown in the KID expressed as a percentage (Reduction in Yield – RIY) is described in detail in Regulation (3) and is based on an estimate of future payments. The RIY is calculated as the difference between two percentages i and r , where r is the annual internal rate of return in relation to the investments made by the buyer and the estimated payments to the buyer during the recommended holding period and i is the annual internal rate of return for the respective cost free scenario. The estimation of future payments to the buyer of the PRIIP is based on the moderate scenario set out in the key information document.

The key information document for a structured product is maintained for the entire structured product offer period in accordance with the PRIIPs Regulation. The issuer of the structured product ensures that every investor can refer to the cost information provided on a website on the date of the purchase or sale of a structured product as well as at the end of the year. The cost information must be valid for these dates. This cost information includes one-off costs, recurring costs and incidental costs but not the total costs as a Reduction in Yield (RIY) in percentage terms.

The cost information for a structured product provided by the issuer on a website enables the pension fund to charge up-to-date ex-post costs when buying and selling the product.

Only structured products from issuers who can provide the pension fund with cost information in accordance with the guidelines are covered by the cost concept. Structured products from issuers who cannot provide this cost information do not fulfil the cost concept requirements and are therefore considered to be non-cost transparent.

This cost information fulfils all the requirements to charge ex-post costs precisely and on an accruals basis.

Annex 2

Example 1: Structured product with a recommended holding period of less than one year

In the case of a structured product with a recommended holding period of less than one year, the costs until maturity and thus for the recommended holding period (RHP) are stated in the 'Costs over time' table in the KID. The ex-post costs reported in the pension fund's income statement can be determined directly from the cost information on the website provided by the issuer of the structured product. This is demonstrated in the following example: ISIN CH0441914055 is a barrier reverse convertible in ABB AG shares; the maturity date is 29 November 2019.

Presentation of costs on the issuer's website on 16 April 2019

ISIN	CH0441914055
Cost Reference Date	16 April 2019
Structured Product Quotation	percentage
One-Off Costs Structured Product Entry Cost Ex-Post	0.957%
One-Off Costs Structured Product Exit Cost Ex-Post	0
Structured Product Ongoing Costs Ex-Post	0
Structured Product Ongoing Costs Ex-Post Accumulated	0
Structured Product Incidental Costs Ex-Post	0
Structured Product Reference Value Ex-Post	980
Structured Product Currency	CHF

Assuming that the pension fund has invested an amount of CHF 1 million in the above product on 16 April 2019 (and holds the product until maturity), this investment will incur the following costs:

Entry costs: CHF 1m * 0.957% = CHF 9,570.

As no recurring costs or exit costs are incurred (as the product is held to maturity), the entry costs are equal to the total costs for 2019.

As a result, TER costs of CHF 9,570 are reported in the pension fund's income statement for 2019.

Extract from the income statement:

<i>Expenses (in CHF)</i>	<i>31/12/2019</i>
<i>TER costs</i>	<i>9,570</i>
<i>Total costs</i>	<i>9,570</i>

Example 2: Structured product with a recommended holding period of four (4) years and held to maturity

In the case of a structured product with a four-year term, the costs for three different holding periods are stated in the ‘Costs over time’ table in the KID: 1 year, 3 years and 4 years, and thus for the recommended holding period (RHP) of the product. The ex-post costs reported in the pension fund’s income statement can be determined from the cost information on the website provided by the issuer of the structured products. This is demonstrated in the following example: The structured product with the ISIN CH0469767880 is a callable multi barrier reverse convertible; the maturity date is 24 April 2023.

Presentation of costs on the issuer’s website on 17 April 2019

ISIN	CH0469767880
Cost Reference Date	17 April 2019
Structured Product Quotation	percentage
One-Off Costs Structured Product Entry Cost Ex-Post	3.45%
One-Off Costs Structured Product Exit Cost Ex-Post	0.668%
Structured Product Ongoing Costs Ex-Post	0
Structured Product Ongoing Costs Ex-Post Accumulated	0
Structured Product Reference Value Ex-Post	1000
Structured Product Currency	CHF

Assuming that the pension fund has invested an amount of CHF 1 million in the above product on 17 April 2019 (and holds the product in a custody account until maturity), this investment will incur the following costs:

Entry costs: CHF 1m * 3.45% = CHF 34,500.

As no recurring costs or exit costs are incurred (as the product is held to maturity), the entry costs are equal to the total costs for 2019. As a result, TER costs of CHF 34,500 are reported in the pension fund’s income statement for 2019.

Extract from the income statement:

<i>Expenses (in CHF)</i>	<i>31/12/2019</i>
<i>TER costs</i>	<i>34,500</i>
<i>Total costs</i>	<i>34,500</i>

No costs are reported for this product in the income statements for years 2020 to 2023 as no other costs are incurred for this product in these years.

Example 3: Structured product with a recommended holding period of four (4) years and sale before the expiry of the recommended holding period

This example refers to the aforementioned product in Example 2. If the pension fund has decided not to hold the product in its portfolio until the expiry of the four-year recommended holding period and to sell it in 2020 (e.g. on 17 April 2020) instead, it will incur exit costs in 2020 in addition to the entry costs reported in the income statement in 2019.

The exit costs on 17 April 2020 can be obtained online in the cost information provided by the issuer on this reference date.

Example 4: Structured product with an unlimited term and a recommended holding period of five (5) years

In the case of a product with an unlimited term, the costs for three different holding periods are stated in the 'Costs over time' table. The recommended holding period (RHP) of the product is five years. One-off and recurring costs are stated in the 'Composition of costs' table in the KID. The ex-post costs reported in the pension fund's income statement can be determined from the cost information on the website provided by the issuer of the structured products. This is demonstrated in the following example: The structured product with the ISIN DE000VT0GXX2 is an index certificate on the DAXglobal China Urbanization Performance Index.

Presentation of costs on the issuer's website on 15 April 2019

ISIN	DE000VT0GXX2
Cost Reference Date	15 April 2019
Structured Product Quotation	units
One-Off Costs Structured Product Entry Cost Ex-Post	2.998016
One-Off Costs Structured Product Exit Cost Ex-Post	0
Structured Product Ongoing Costs Ex-Post	0.00611
Structured Product Ongoing Costs Ex-Post Accumulated	0.57594
Structured Product Reference Value Ex-Post	179.2
Structured Product Currency	EUR

Assuming that the pension fund has invested an amount of EUR 1 million in the above PRIIP on 15 April 2019 (and holds the product in a custody account beyond the end of 2019), this investment will incur the following ex-post costs in 2019:

Number of units purchased: $\text{Units} = \text{EUR } 1\text{m} / \text{EUR } 179.2 = 5,580$

Entry costs: $\text{Units} * \text{EUR } 2.99801 = \text{EUR } 16,729$.

The ex-post recurring costs required for the income statement are ultimately calculated at the end of the year as follows: $\text{Number of units} * (\text{Structured Product Ongoing Costs Ex-}$

Post Accumulated (31/12/2019) - Structured Product Ongoing Costs Ex-Post Accumulated (15/04/2019)).

Extract from the income statement:

<i>Expenses (in CHF)</i>	<i>31/12/2019</i>
<i>TER costs</i>	<i>(Entry costs plus recurring costs) converted into CHF</i>
<i>Total costs</i>	<i>TER costs</i>

In the following years in which the pension fund holds the product in its portfolio, only the recurring costs as set out in the issuer's information are reported in the income statement for each respective year.

Annex 3

Presentation of product costs

The product costs must be presented in the pension fund's income statement in accordance with these guidelines as follows:

Entry costs (One Off Costs Structured Product Entry Cost Ex-Post on Cost Reference Date): in the year the product was purchased

Exit costs (One Off Costs Structured Product Exit Cost Ex-Post on Cost Reference Date): in the year the product was sold

Recurring costs (Structured Product Ongoing Costs Ex-Post Accumulated): presented on an accruals basis

Any incidental costs (Structured Product Incidental Costs Ex-Post): presented on an accruals basis. It is important to note that the vast majority of structured products do not incur any incidental costs.

In principle, Directives D-02/2013 of the OPSC assume that cost transparency only has to be established for products held by the pension fund as at the balance sheet date. However, the explanations in Clause 4.3 of the Directives specify that all calculations must be carried out taking into account the principle of materiality. If it must be assumed that a cost calculation based on the holdings on the balance sheet date would deviate significantly from the actual costs owing to sales and purchases of structured products during the year, then the costs of the structured products sold during the course of the year must be taken into account in the calculation.

Approach to determining the entry costs of a structured product and reporting in the income statement

The ex-post entry costs of a structured product are determined based on the 'One-Off Costs Structured Product Entry Cost Ex-Post' information for a given ISIN and on a given purchase date (Cost Reference Date).

In the case of products listed in percentage terms, i.e. a Structured Product Quotation = Percentage, the entry costs are derived as follows:

Invested amount * One-Off Costs Structured Product Entry Cost Ex-Post

In the case of products listed in units, i.e. a Structured Product Quotation = Unit, the entry costs are derived as follows:

Number of units * One-Off Costs Structured Product Entry Cost Ex-Post,
where the number of units = invested amount / Structured Product Reference Value Ex-Post

The entry costs must be reported in the income statement for the year in which the structured product is purchased.

All foreign currency amounts are converted into CHF to be reported in the pension fund's income statement.

Approach to determining the exit costs of a structured product and reporting in the income statement

The ex-post exit costs of a structured product are determined based on the 'One-Off Costs Structured Product Exit Cost Ex-Post' information for a given ISIN and on a given sale date (Cost Reference Date). The approach taken is the same as that for determining the entry costs (see previous section).

The exit costs must be reported in the income statement for the year in which the structured product is sold (see also comments about the 'principle of materiality' in the 'Presentation of product costs' section).

Approach to determining the recurring costs of a structured product and reporting in the income statement

The ex-post recurring costs of a structured product are determined based on the 'Structured Product Ongoing Costs Ex-Post Accumulated' information for a given ISIN, a given purchase date and a given sale date.

The recurring costs for a unit of the structured product for the period between sale and purchase are derived as follows:

Recurring costs = Structured Product Ongoing Costs Ex-Post Accumulated (sale date) - Structured Product Ongoing Costs Ex-Post Accumulated (purchase date).

With regard to the invested amount, the ex-post recurring costs between the sale date and purchase date are derived as follows:

Invested amount / Structured Product Reference Value Ex-Post (purchase date) * Recurring costs

If the sale date and the purchase date are in the same year, the recurring costs are reported in the income statement for that year (see also comments on the 'Principle of materiality')

If the sale date and the purchase date are in different years, the following approach should be taken:

The recurring costs for a unit must be calculated as follows for the year of the purchase date (and reported in the income statement in the year of the purchase date):

Recurring costs = Structured Product Ongoing Costs Ex-Post Accumulated (31 December in the year of the purchase date) - Structured Product Ongoing Costs Ex-Post Accumulated (purchase date).

The recurring costs for a unit must be calculated as follows for the year of the sale date (and reported in the income statement in the year of the sale date; see also comments on the 'Principle of materiality'):

Recurring costs = Structured Product Ongoing Costs Ex-Post Accumulated (sale date)

For any years after the year of the purchase date and before the year of the sale date, the recurring costs for a unit must be calculated as follows (and reported in the income statement for the corresponding year):

Recurring costs = Structured Product Ongoing Costs Ex-Post Accumulated (31 December of the corresponding year)

Summary presentation of determining the costs of a structured product and reporting in the income statement

Product traded in units

For a product traded in units, the costs reported in the income statement for the current year (between the purchase date and 31 December reporting date) are derived as follows:

The cost information on the issuer's website on the purchase date and the reporting date (or sale date, if the product is sold before the reporting date) is required to determine the costs.

Cost information on the issuer's website on the purchase date required to determine costs:

Cost Reference Date	Purchase date
Structured Product Quotation	units
One-Off Costs Structured Product Entry Cost Ex-Post	<i>Entry costs (purchase date)</i>
One-Off Costs Structured Product Exit Cost Ex-Post	
Structured Product Ongoing Costs Ex-Post	
Structured Product Ongoing Costs Ex-Post Accumulated	<i>Recurring Costs Accumulated (Purchase date)</i>
Structured Product Incidental Costs Ex-Post	
Structured Product Reference Value Ex-Post	
Structured Product Currency	CUR

The relevant cost information on the issuer's website on the reporting date (or sale date, if the product is sold before the reporting date) required to determine costs:

Cost Reference Date	Reporting date (usually 31 December) or sale date, if the product was sold before the reporting date
Structured Product Quotation	units
One-Off Costs Structured Product Entry Cost Ex-Post	
One-Off Costs Structured Product Exit Cost Ex-Post	Exit costs (sale date)

Structured Product Ongoing Costs Ex-Post	
Structured Product Ongoing Costs Ex-Post Accumulated	<i>RecurringCostsAccumulated(reporting date) or RecurringCostsAccumulated(sale date)</i>
Structured Product Incidental Costs Ex-Post	
Structured Product Reference Value Ex-Post	
Structured Product Currency	CUR

The following considers all four potential situations with regard to the purchase and sale date and explains how the costs for these four situations must be calculated:

- The purchase date of the product is in the same year as the reporting date and the product is still in the pension fund's portfolio on the reporting date;
- The purchase date of the product is in an earlier year than the reporting date and the product is still in the pension fund's portfolio on the reporting date;
- The purchase date and the sale date are in the same year as the reporting date;
- The purchase date of the product is in an earlier year than the reporting date and the sale date is in the same year as the reporting date.

Extract from the income statement:

If the purchase date is in the same year as the reporting date and the product is still in the portfolio as of the reporting date

<i>Expenses (in CHF)</i>	<i>31/12</i>
<i>TER costs</i>	<i>Number of units * Entry costs (purchase date) + Number of units * (RecurringCostsAccumulated(reporting date) – RecurringCostsAccumulated(purchase date)) Converted from CUR into CHF where appropriate</i>
<i>Total costs</i>	<i>TER costs</i>

If the purchase date is in an earlier year than the reporting date and the product is still in the portfolio as of the reporting date

<i>Expenses (in CHF)</i>	<i>31/12</i>
<i>TER costs</i>	<i>Number of units * RecurringCostsAccumulated(reporting date) Converted from CUR into CHF where appropriate</i>
<i>Total costs</i>	<i>TER costs</i>

If the purchase and sale dates are in the same year as the reporting date (see also the note on 'Materiality' in the 'Presentation of product costs' section):

Expenses (in CHF)	31/12
TER costs	$\text{Number of units} * \text{Entry costs (purchase date)}$ + $\text{Number of units} * \text{Exit costs (sale date)}$ + $\text{Number of units} *$ $(\text{RecurringCostsAccumulated(sale date)} -$ $\text{RecurringCostsAccumulated(purchase date)})$ Converted from CUR into CHF where appropriate
Total costs	TER costs

If the purchase date is in an earlier year than the reporting date and the sale date is in the same year as the reporting date (see also the note on 'Materiality' in the 'Presentation of product costs' section):

Expenses (in CHF)	31/12
TER costs	$\text{Number of units} * \text{Exit costs (sale date)}$ + $\text{Number of units} *$ $\text{RecurringCostsAccumulated(sale date)}$ Converted from CUR into CHF where appropriate
Total costs	TER costs

Product traded in percentage terms

For a product traded in percentage terms, the costs reported in the income statement for the current year (between the purchase date and 31 December reporting date) are derived in the same way:

Cost information on the issuer's website on the purchase date required to determine costs

Cost Reference Date	Purchase date
Structured Product Quotation	percentage
One-Off Costs Structured Product Entry Cost Ex-Post	Entry costs (purchase date)
One-Off Costs Structured Product Exit Cost Ex-Post	
Structured Product Ongoing Costs Ex-Post	
Structured Product Ongoing Costs Ex-Post Accumulated	RecurringCostsAccumulated(Purchase date)
Structured Product Incidental Costs Ex-Post	
Structured Product Reference Value Ex-Post	Reference price (purchase date)
Structured Product Currency	CUR

The relevant cost information on the issuer's website on the reporting date (or sale date, if the product is sold before the reporting date) required to determine costs

Cost Reference Date	Reporting date (usually 31 December) or sale date, if the product was sold before the reporting date
Structured Product Quotation	percentage
One-Off Costs Structured Product Entry Cost Ex-Post	
One-Off Costs Structured Product Exit Cost Ex-Post	
Structured Product Ongoing Costs Ex-Post	
Structured Product Ongoing Costs Ex-Post Accumulated	<i>RecurringCostsAccumulated(reporting date) or RecurringCostsAccumulated(sale date)</i>
Structured Product Incidental Costs Ex-Post	
Structured Product Reference Value Ex -Post	
Structured Product Currency	CUR

Generally speaking, the following four situations must also be considered here:

- The purchase date of the product is in the same year as the reporting date and the product is still in the pension fund's portfolio on the reporting date;
- The purchase date of the product is in an earlier year than the reporting date and the product is still in the pension fund's portfolio on the reporting date;
- The purchase date and the sale date are in the same year as the reporting date;
- The purchase date of the product is in an earlier year than the reporting date and the sale date is in the same year as the reporting date.

However, as the approach to determining costs for products listed in percentage terms is the same as the approach for determining costs for products listed in units, only one example is presented here:

Extract from the income statement:

If the purchase date is in the same year as the reporting date and the product is still in the portfolio as of the reporting date (in other circumstances with regard to the purchase/sale date, the same approach should be taken as in the previous section):

<i>Expenses (in CHF)</i>	<i>31/12</i>
<i>TER costs</i>	<i>Invested amount * entry costs (purchase date) + Invested amount / reference price (sale date) * (RecurringCostsAccumulated(reporting date) – RecurringCostsAccumulated(purchase date))</i>
	<i>Converted from CUR into CHF where appropriate</i>
<i>Total costs</i>	<i>TER costs</i>