


We're changing your SIPP Terms and Conditions

Your SIPP terms and conditions ('Old Terms') will change on the date shown in the enclosed letter.

Your new SIPP terms and conditions ('New Terms') are available at: www.jameshay.co.uk ('Website') or by calling us on the number detailed in your letter.



A summary of the changes is provided below by reference to the clause numbers of the New Terms. If you require further information about these changes, please contact us and our contact team will be happy to help you.

SUMMARY OF CHANGES

SECTION 1

WHEN OUR TERMS AND CONDITIONS MAY CHANGE (clause 1)

In order to ensure that you are better informed about future changes and continue to be fairly treated, we have expanded the list of valid reasons allowing us to change the New Terms and section 1 of the Charges Schedule, upon 30 days' notice.

We've clarified that we may change our costs to proportionately reflect the legitimate cost increases associated with providing and administering your SIPP.

In order to improve our services to you, we've clarified that we may change the New Terms in order to take into account the introduction of new systems, operations, services or facilities (for example, the introduction of James Hay Online, our secure online facility).

In keeping with our drive to make our terms and conditions easier to understand, we've clarified that we may amend the New Terms to make them clearer.

We've maintained our promise that, if you are unhappy with any material change to our Terms and Conditions, you may instruct us to transfer your SIPP to another pension provider free of any transfer out charge within 90 days of the changes coming into effect; all other charges will apply.

GLOSSARY (clause 2)

We've added a glossary to clarify the meaning of certain words and phrases used in the New Terms.

LEGAL AND REGULATORY STRUCTURE (clause 3)

We've set out our company details and roles with regard to your SIPP.

KEY DOCUMENTS (clause 4)

The list of key documents now includes items such as terms and conditions for our secure online facility James Hay Online, and the Permitted Investments List which lists the Permitted Investments, Non Permitted Investments and Specialist Permitted Investments on which members are required to obtain a Financial Adviser's advice before investing.

SERVICES (clause 5)

We've outlined the extent of our services and some services we do not provide. We no longer describe the services provided by your Financial Adviser, Execution Only Stockbroker or Investment Manager because, if you have one, this is a matter between you and them.

OPENING YOUR SIPP (clause 6)

We've clarified the application process and how we deal with your Financial Adviser, Execution Only Stockbroker and Investment Manager, if you have one.

YOUR RIGHT TO CHANGE YOUR MIND (clause 7)

We've made it clearer that if you change your mind and wish to cancel in certain specified circumstances you can do so without charge. We'll request repayment of any charges you may have paid to your adviser.

INSTRUCTIONS AND OTHER COMMUNICATIONS (clause 8)

We've explained that we will use James Hay Online secure messages or other electronic means to keep in touch with you, and that you must sign up to James Hay Online to receive James Hay Online secure messages. We may also still send letters to you or your Financial Adviser.

We've explained that you must use James Hay Online secure messages to send us instructions, although for the time being you may also still contact us by post (or in certain circumstances fax or phone).

We've made it clear that we may, in future, change the way(s) in which you may contact us or give us instructions, for example, to require the use of electronic communication. Also, that we may introduce a charge if you contact us or try to give us instructions in some other way, but we will give you reasonable notice if we are going to make a change like this.

CONTRIBUTIONS AND TRANSFERS (clause 9)

We have clarified that you, your employer and third parties can make contributions to your SIPP subject to identity, residence, credit and anti-money laundering checks; and that you're responsible for obtaining the third party's consent for us to carry out such checks. We've also clarified the methods of paying money into your SIPP.

PAYMENTS OUT/BENEFITS (clause 10)

We've provided you with further information on payment of benefits on retirement and death, and an explanation of the typical situations in which your instructions may be refused, such as when any required documentation has not been completed satisfactorily. We make clear that a payment will not be made unless there is enough cash in your SIPP Bank Account to make the payment in full. We may try again to make the payment although we shall not be obliged to try again.

Also, we have introduced a late income payment administration charge which you will incur if we do make the payment later.

INVESTMENTS (clause 11)

We've added more investment terms to make your SIPP clearer and to reflect our current working practices, covering in particular:

- (1) the main requirements for valid investments;
- (2) our methods and main requirements of independent valuations for commercial property investments and that the costs of such valuations are borne by your SIPP;
- (3) when we may refuse to carry out an investment instruction;
- (4) when we may agree on your behalf to a fund manager making use of the client money "Delivery Versus Payment (DVP) Exemption";
- (5) that we must receive your instructions each time you require us to invest;
- (6) that details of your investments are available on request or on James Hay Online;
- (7) that we may use third parties to complete transactions and that we shall not be responsible for any delays of third parties;
- (8) that we'll confirm completion of your investment instructions by letter or secure message on James Hay Online;
- (9) that the charges of investment providers, Financial Advisers, Investment Managers or Execution Only Stockbrokers are in addition to our charges for our services and that these are payable from your SIPP;
- (10) that where required we'll supply copies of investment information (via James Hay Online where possible) and that additional investment information is available on request subject to our reasonable charges; and
- (11) that we'll not exercise any voting rights on investments unless instructed by you.

SELECT AND COLLECT FUNDS (clause 12)

We've explained that your Permitted Investments List shows whether Select and Collect Funds are available within your SIPP.

We've explained how you or your Financial Adviser, if you have one, can give us instructions about buying or selling these funds and how we deal with these. We also explain what charges may apply.

PROPERTY (clause 13)

We've explained that your Permitted Investments List will show if investment in property is allowed under your SIPP, and that certain requirements apply to investment in property.

We will no longer accept any new request to self-manage property within your SIPP, even if you already self-manage property within your SIPP. We have also listed reasons why we may refuse to allow you to continue to self-manage property, even if you have been self-managing the property within your SIPP until now, although we will give you reasonable notice if we do this.

We may also require that all transactions, including rent collection, use your SIPP Bank Account, even if you have previously used an external bank account. We've also clarified that you must provide us with property or tenant information which we ask you for and that we require in order to operate your SIPP or to ensure good governance.

STATEMENTS AND VALUATIONS (clause 14)

We've included more terms about statements and valuations to make them clearer to you and to reflect our current working practices, including:

- (1) when you can expect to receive your annual statement;
- (2) that transaction statements are available on James Hay Online;
- (3) that you can obtain certain valuations and statements from investment providers and your Investment Manager (if appointed); and
- (4) any market news, price data on James Hay Online and other information, are provided on the basis that we rely on and report information provided to us by third parties in good faith. As such we have clarified that we are not responsible for errors or omissions, including where this information has been included in our literature. Also where we do provide information in our literature we do not endorse any investment funds.

CHARGES AND COSTS (clause 15)

We have introduced a failed payment administration charge which you will incur if there is not enough cash in your SIPP Bank Account when we try to take a payment which is due (or overdue). Such payments could include our charges, expenses, third party charges and costs (including Adviser Charges), tax charges, levies or fees incurred in relation to the administration of your SIPP and the investments held within it.

We have introduced an administration charge if we write to you chasing an overdue payment.

We are continuing to improve our information about our charges, as such and in addition to the Charges Schedule, we've included clarification that:

- (1) we may (but are not obliged to) sell investments to pay charges, expenses, third party charges and costs, tax charges, levies or fees incurred (including those incurred on another pension with an IFG Group Company and still unpaid when the pension was transferred in to your SIPP);
- (2) you may pay charges personally instead of directly from your SIPP (and that you, or your estate if you die, are personally liable if any charges, etc. are not paid from your SIPP);
- (3) we may charge interest of 8% above the Bank of England base rate on late payment; and
- (4) our annual charges may increase each year in line with Average Weekly Earnings.

CLOSING YOUR SIPP (clause 16)

We've clarified that you can close your SIPP at any time and:

- (1) purchase an annuity (provided you have reached the normal retirement age); or
- (2) transfer all or part of your SIPP to a registered pension scheme or qualifying recognised overseas pension scheme; or
- (3) withdraw your entire SIPP fund through flexi-access drawdown or take your entire SIPP fund by way of an uncrystallised funds pension lump sum as permitted by legislation;

although we may insist that all outstanding charges are paid before transferring or closing the SIPP.

We will make an additional administration charge if we receive a payment after the SIPP has closed and we've explained how this will apply.

We also set out some circumstances in which we may close your SIPP.

RESPONSIBILITY FOR LOSS (clause 17)

We've made the extent of our liability clearer. We've clarified that we are not liable to you or your SIPP for unforeseen circumstances that are beyond our control, including telecommunications or computer failures.

We also explain what you are liable for, such as tax charges on unauthorised payments levied in respect of your SIPP by HMRC.

OTHER IMPORTANT TERMS (clause 18)

We've clarified that any delay or omission to take action in response to a breach of the New Terms shall not affect our or your rights to enforce the New Terms. (clause 18.4)

Except for the parties to the New Terms and the IFG Group Companies, no third parties shall have any rights under the New Terms. (clause 18.5)

We've provided you with more information about the Financial Services Compensation Scheme including a link to the FSCS website. (clause 18.6)

Invalid, unlawful or unenforceable terms (clause 18.7)

We've explained that should a term in the New Terms be found invalid, that term shall be modified to the minimum extent possible to make it valid and that the rest of the New Terms shall remain valid.

Transferring our rights and obligations (clause 18.11)

We've clarified that we may transfer our rights and obligations. However, we value your rights as a consumer and have explained that we will not transfer our rights and obligations where this will reduce your rights under the New Terms.

Use and disclosure of personal information (clause 18.13)

Your data and personal information is important to us. We've therefore clarified how we deal with your personal information and data, including your right to request to see that information and data.

SIPP BANK ACCOUNT (clause 19)

We've simplified the SIPP banking clause, listing the terms that apply to the account, interest and confirming that the accounts are held in the Professional Trustee's name.

We've also added the following terms explaining that:

- (1) where money is transferred to an Investment Manager (if appointed) the Investment Manager will be responsible

for establishing the Member bank account in a form acceptable to us and shall account for all transactions and interest under the account;

- (2) payments into your SIPP by BACS, faster payments, CHAPS, standing order and cheque must be made quoting your name and SIPP number;
- (3) payments out of your SIPP shall not be made if there is insufficient money to make the payment; and
- (4) interest rates are provided on our Website, so that you are kept up-to-date with changes to interest rates.

SECTION 2

We have included the terms and conditions which govern your use of our online service, James Hay Online, within Section 2 of the SIPP Terms and Conditions. If you have already signed up to use James Hay Online these terms will not be new to you.

We may amend, extend or withdraw any online service at any time.

CHARGES SCHEDULE

All fees and charges are set out in our Charges Schedule which is intended to be clearer to you. We continually review our charges to ensure that we remain competitive in the SIPP market and, more importantly, to ensure that we continue to improve our level of service to you.

In order to maintain our highest level of service to customers we will charge a £50 administration charge, if we receive payment of more than £50 after your SIPP has closed. If we receive payment of £50 or less our administration charge will be an amount equal to the payment received. These charges are made to cover our reasonable costs incurred by us in processing receipts and payments after your SIPP has closed.

We have introduced a £30 late income payment administration charge, a £30 failed payment administration charge and a £10 administration charge if we write to you chasing an overdue payment. See clause 10 and clause 15 of the main Terms and Conditions for an explanation of these charges.

We'll also charge an annual £50 banking administration charge to cover the costs of our services in relation to external bank accounts, where these can be held by your SIPP.

Your Charges Schedule will also explain how annual charges may automatically increase each year in-line with increases in the Average Weekly Earnings (AWE) Index and when this increase will occur.

If you require further information about these changes, please contact us and a member of our contact team will be happy to help.



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