James Hay Wrap

Implementation Guide

James Hay

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This is an important document.
You should keep it safe for future reference.

Introduction

Thank you for choosing the James Hay Wrap for your clients

The James Hay Wrap is a Whole of Market, open architecture administration service allowing you to plan and organise your clients' investments more easily. The Wrap enables you to manage their portfolios and respond to their changing financial needs throughout life.

This intermediary guide will help you through the process of moving clients onto the James Hay Wrap platform quickly and seamlessly. Its clear, concise instructions will lead you through each step of the set up process, making all the key tasks quick and easy to perform. It includes a section containing all the key contact telephone numbers and addresses that you might need.

Everything, in fact, to make getting started as simple as possible – for you, and also for your clients.

Once you are ready to move on, the CD-ROM which accompanies this guide will provide you with a comprehensive armoury of marketing tools, information and ideas – plus a link to an online demonstration of just how much easier it will be to view and manage your clients' portfolios with James Hay Wrap.

Key benefits for you

- Simplified administration – one consolidated online view for each Wrap client, and one point of contact
- 24/7 online access to each client's account
- Continuously updated valuations
- Easier analysis of client portfolios
- Improves your service proposition to your clients
- More time being proactive – and productive
- Opportunities to expand your High Net Worth client base – and your professional connections
- Fund based remuneration independent of product and the facility to build a sustainable income stream
- 'Whole of Market' access retains your independence
- Improved profitability and business value.

Key benefits for your clients

- One single view of their total portfolio
- More of their Financial Adviser's time devoted to helping them achieve their financial goals and meet changing capital and income needs – throughout life
- Access to discounted funds via our Investment Centre
- Investment decisions can be implemented quickly
- Allows closer monitoring of their portfolio in response to market changes, investment opportunities and managing risk
- A level of portfolio management to suit their requirements – from single manager and multi-manager, to a full discretionary basis
- Reduced paperwork – we provide one six-monthly statement for all of their investments
- Easier completion of their Tax returns – we provide them with the relevant information in a yearly Tax pack
- Simple and transparent charges that mean better value
- Better organised and financially secure.

Wrap Implementation

Once you have made the decision that James Hay Wrap is the right service for you and your clients, we will help you to transfer your clients to Wrap.

Our Business Development Managers and Implementation Teams have more than 4 years experience in migrating complex client portfolios to our platform.

They will work closely with you and your staff to help you analyse portfolios, establish which clients are suitable for Wrap, then assist you with all of the practical aspects of transferring a wide range of assets.

In addition to this local support, the following guide helps you to get started with many of the key tasks you will need to perform when managing a James Hay Wrap.

Directory of contacts

Your Business Development Manager and Implementation Team will support you locally.

In addition, listed below are other useful contacts that you will need:

James Hay Wrap Managers Limited
PO Box 1931,
Dunn's House,
St Paul's Road,
Salisbury,
SP2 7ZT

Secure Wrap website:
www.jameshay.co.uk

Wrap Client Services:
0845 606 5500 (Select Option 1)
Fax: 0845 604 6688

Investment Centre Online trading:
www.jameshay.co.uk

Dealing Desk:
0845 606 5500 (Select Option 2)
Fax: 0845 600 3314

Abbey Stockbrokers:
0845 606 5500 (Select Option 3),
the Equity Dealing Desk

Technical Support Unit:
0845 600 8651

Analysing client portfolios

We can help you to analyse your clients' portfolios by providing a bespoke asset report.

This allows you to assess a client's suitability for Wrap and establish how their assets can be transferred onto the platform.

You will need to provide us with a breakdown of your client's current portfolio, including details of how assets are held, current providers, and latest valuations.

We will then produce an asset report together with an application pack tailored to your client's assets.

Please contact your Business Development Manager or local Implementation Team for this portfolio analysis service.

In addition, all the application forms and brochures are available from our website at www.jameshay.co.uk in the Literature section.

Please ensure that you have received your password from us before visiting the site, as – for your security and that of your clients – entry is password protected.

If you have any questions regarding completion of the application forms, please ask your Business Development Manager or local Implementation Team.

We are here to help you.

How to set up a James Hay Wrap

The Wrap Application Form

Completing the Wrap Application Form will establish a James Hay Wrap, together with an Investment Portfolio – which is the core element of the Wrap.

The mandatory parts of the application will need to be completed in every case. They are:

- Section 1 – My details
- Section 4 – Financial Adviser's details
  The remuneration section allows you to set the recurring remuneration for the whole of the Wrap
- Section 5 – Power of Attorney and Your Declaration
  Important: The Power of Attorney needs to be completed in every case. This enables us to deal with third parties on your client's behalf.
- Confirmation of Verification of Identity Certificate
  The certificate within the Wrap Application needs to be completed by you. Unfortunately, we are unable to accept any other version that you use.

Applications for additional Tax Wrappers

Additional Tax Wrappers can be applied for simultaneously at the outset – or added later, as they are needed.

Separate application forms will be needed to open the following Tax Wrappers:

- ISA
- SIPP
- Offshore Bond.

Acceptance

Setting up your client's Wrap will normally take 5 working days from receipt of the completed application form. On acceptance, you will receive a welcome letter which will include confirmation of your client's Wrap number.

You will then be able to view their Wrap on the website and track the receipt of any payments, transfers or re-registrations.

Payments and transfers into the Wrap

Monetary payments

Your client can make payments into their Wrap in the following ways.

- Cheque
  - for payments into the SIPP, cheques should be made payable to James Hay Pension Trustees Limited
  - for payments into the Investment Portfolio, ISA or Offshore Bond, cheques should be made payable to James Hay Wrap Managers Limited
  - cheques to set up an Offshore Bond will be paid into the Investment Portfolio Bank Account in the first instance and will receive interest. Monies will then be transferred to the Offshore Bond, as soon as it has been established.
- Electronic transfers

  Payment by electronic transfer is available for the Investment Portfolio and the SIPP. Please contact Wrap Client Services for payment details.
- Direct Debit

  Payment by Direct Debit can be made to the Investment Portfolio, ISA and SIPP.
- Transfer of monies between Wrappers

  Monies can be moved between the product wrappers upon request.

PLEASE NOTE: Monies in a Wrap SIPP can only be paid out as an authorised payment in accordance with pensions legislation or annuity purchase.

Anti-money laundering

Like all financial services companies, we are obliged by law to operate effective procedures for detecting and preventing money laundering activities.

We require you to complete our Confirmation of Verification of Identity Certificate when setting up a client's James Hay Wrap. We do, however, only request this information once, rather than for each individual product.

The only exception to this is the Offshore Bond provided by Royal London 360 Insurance Company Limited, where additional documentation is required in order to comply with the anti-money laundering requirements in the Isle of Man.

Transfers and re-registrations

A client can transfer existing assets into their Wrap in 2 ways:

- By cash transfer
- By transferring "in-specie", also known as "re-registration" i.e. transferring the assets without needing to sell them.

Transfers to the Investment Portfolio

Directly held investments such as Unit Trusts, OEICS and Equities can be transferred into the Investment Portfolio. On receipt of a completed request to re-register form, we will issue the necessary transfer documentation for client signature i.e. crest/stock transfer forms.

Investment Bonds and With Profit Bonds can also be held and valued within the Investment Portfolio. In this case, you will need to send us the original policy document which we will hold for safekeeping.

Transfers to the ISA

For ISA transfers we require a Transfer Request Form to be completed – just one for each provider. We will then contact each Plan Manager to transfer the assets.

Transfers to the SIPP

Cash transfers

Most transfers into the SIPP will be by way of a cash transfer from existing pension contracts. On receipt of the SIPP Application we will apply for any transfers requested by your client.

We will update you if there are further requirements and confirm to you when monies have been received.

The transfer will be considerably quicker if you can obtain the discharge forms in advance and submit them with your client's application.

In-specie transfers

It is possible to transfer certain assets held within an existing SIPP or SSAS "**in-specie**" i.e. without selling the investments.

Please check with your Business Development Manager who will be able to confirm which assets can be transferred in this way.

Share transfers

Equities can be transferred to the Wrap. Your client will need to send us the share certificates for these shares or advise if these are held in a nominee account.

Your client will need to open an Abbey Sharedealing account or advise us of their Discretionary Investment Manager.

Please see the section on stocks and shares (Page 12) to find out how these can be set up for your client.

Making Investments

The James Hay Wrap is a Whole of Market open architecture Wrap platform.

This means that you can access any fund or investment in line with your client's chosen investment strategy, provided that it is a permissible investment within the relevant product wrapper.

Buying Investment Centre Funds

Our Investment Centre gives your clients access to over 1,000 investment funds, with the benefit of discounts to the normal initial and Annual Management Charges.

The funds include a range of Institutional Pension funds which can be bought via the SIPP.

Current details of all the funds available through the Investment Centre are published on the James Hay Wrap website.

The minimum investment is £1000. You can trade in the following ways:

- Online
  Visit www.jameshay.co.uk
- Telephone
  Call 0845 606 5500 Select Option 2, the Investment Centre
- Fax
  Complete an Investment Centre Instruction to Buy form and fax it to 0845 600 3314
- Post
  Send a completed Investment Centre Instruction to Buy form to:

  James Hay Wrap
  Managers Limited
  PO Box 1931,
  Dunn's House,
  St Paul's Road,
  Salisbury,
  SP2 7ZT.

Confirmation of the transaction will be sent to you and your client when it has been completed.

Buying Non-Investment Centre funds

If you wish to buy a specific fund which is not yet available through our Investment Centre, simply send us a partially completed application form for the fund you wish to buy, advising us which product wrapper the investment is to be held in.

- The client should not sign the form as we will purchase this as the client's nominee
- Indicate the amount to be invested, fund choice and any initial remuneration you require. (This initial remuneration will be paid to you directly by the fund manager).
- Stamp the application with your Company stamp.

Buying Life Bonds

To purchase and hold a Life Bond via the Wrap, please send us the provider's application form which should be fully completed and signed by the client.

Please indicate any initial remuneration required and stamp the application with your Company stamp.

Traded Endowment Policies

If your client wishes to hold traded (i.e. 'second hand') endowment policies, they will need to be purchased directly from the seller or their agent. On request, we will then hold the policy documents in safe custody and the details will appear within the Wrap.

Stocks and shares

Where permitted within the product wrapper, stocks and shares may be bought or sold via our execution-only stockbroker, Abbey Stockbrokers Limited.

We include the cost of 50 trades per annum within our Wrap charge. Only the Stamp duty is payable in addition.

- Abbey Sharedealing account
  To open an Abbey Sharedealing account for your client, please send us a completed Abbey Sharedealing Application form
- Placing instructions
  Normally, your client will then give instructions to Abbey Stockbrokers to buy or sell, by telephoning them on 0845 606 5500 and selecting Option 3, the Equity Dealing Desk.

Once a trade has been completed, a copy of the contract note will be sent to you, and to your client.

- IFA Authority to Act
  If you wish to give trading instructions on your client's behalf, you will also need to submit a completed Abbey Sharedealing IFA Authority to Act form

Discretionary portfolios

A client who would like their Investment Portfolio and/or SIPP assets to be managed on a discretionary basis can appoint a Discretionary Investment Manager.

You can obtain details of our panel of approved Discretionary Investment Managers from Wrap Client Services on 0845 606 5500. Alternatively, if your client has a preferred manager who meets our requirements, it may be possible to add them to our list.

To open a discretionary portfolio, simply tell us in writing, either specifying a manager from our panel, or giving details of the manager whom you would like us to consider for approval.

SIPP property purchase

A Wrap SIPP can invest in commercial property.

Before purchasing a commercial property, we need to ensure that it will be acceptable to HM Revenue & Customs as a permitted investment, and that it falls within the James Hay guidelines for property.

To enable us to assess the suitability of the property, we will need the following documents:

- Commercial Property Questionnaire – completed and signed
- Valuation Report – this should be addressed to James Hay Pension Trustees Limited, and should include both:
  (a) Composite Panels Questionnaire
  and
  (b) Property Observation Checklist
- Environmental Screening Report
- Copies of any existing leases.

As soon as we are satisfied that the property meets all the necessary criteria for suitability, the appointed solicitor will be instructed to proceed with the purchase.

The Commercial Property Questionnaire is available on the Wrap website within the Literature section.

Switching Investments

Investment Centre Funds

Switches between Investment Centre Funds are treated as a sale followed by a purchase. The price date of the purchase will be dependent on the fund price for the sale being received from the Fund Manager. This is normally the next business day, although this is not guaranteed. In the case of multiple switches, the new purchases will be made once we have received all of the sale prices.

Payments out of the Wrap

Investment Portfolio and ISA

Your clients can make withdrawals from their Investment Portfolio and ISA at any time by giving us a clear written instruction.

Regular withdrawals can be set up to make payments monthly, quarterly, half yearly or annually, payable on the 1st business day of the month. A Regular Withdrawal form is available on the Wrap website. Ad hoc lump sum payments can also be taken.

Monies will be transferred by CHAPS or BACS to the client's nominated bank account or a cheque can be issued to them. Payments cannot be made to a third party.

Offshore Bond

To take withdrawals from the Offshore Bond on the same basis described above, an Offshore Bond Withdrawal Request form should be completed.

SIPP

We can normally start to pay benefits from a SIPP when a client has reached age 50 (rising to 55 from 2010) and on receipt of a completed Benefit Payment Form signed by the client.

Benefits can be paid monthly, quarterly, half yearly or annually – as the client prefers – on the 1st business day of the month. Payment may only be made by BACS, into the client's own bank account.

Financial Adviser remuneration

Remuneration

Recurring remuneration is agreed between yourself and your client and is confirmed within the Wrap Application Form. The amount of recurring remuneration will be calculated and paid to you monthly in arrears.

Initial remuneration of up to 3% is available when funds are bought via the Investment Centre. This remuneration will be deducted prior to purchase and paid monthly, in arrears.

All remuneration is paid on or around the 15th of the month. Remunerations due can be viewed on the Wrap website. Any remuneration due for investments bought outside of the Investment Centre will be paid directly to you by the investment provider.

Invoices

Where appropriate, it is possible to invoice the Client's Investment Portfolio Bank Account or Wrap SIPP Bank Account for your fee.

You will need to send us a signed client agreement to the fee together with your invoice for the monetary amount.

Please discuss this with your Business Development Manager or local Implementation Team prior to submission.

Wrap charges

The Wrap transaction charge

We make a simple Wrap transaction charge for providing all aspects of the Wrap service and carrying out transactions on the client's behalf. Included within the standard charge are up to 50 share trades per annum using the Abbey Sharedealing Service. The simple percentage based charge is based on the total value of the Wrap portfolio excluding cash held within the Wrap and property held in the SIPP.

The charge is applied on or around the 8th of each month and is apportioned pro-rata to the Investment Portfolio Bank Account for the ISA, and Investment Portfolio, and to the SIPP bank account for the SIPP.

Charges for the Offshore Bond are deducted from the Offshore Bond cash account on or around the 7th of each month.

SIPP property charges

Where a commercial property is held within a Wrap SIPP, additional charges apply for the administration of the property.

The Wrap Portfolio Charges Schedule and Wrap SIPP Commercial Property Transaction Fees are available at www.jameshay.co.uk

Discretionary management

If your client decides to appoint a Discretionary Manager, they will agree a scale of charges with you and your client at the outset. As preferred, fees may be invoiced to us for payment, or taken directly from any cash held by the manager, as part of your client's portfolio.

Valuations and reports

Website valuations

You can print a client valuation from the Wrap website at any time.

Half-yearly valuations

We will send a valuation of their full Wrap portfolio to each client half-yearly, and a copy will be sent to you for your records.

Annual client tax pack

We make it easier for clients to complete each year's tax return, by sending them a tax pack of helpful information about the holdings in their Investment Portfolio. Depending on the specific assets they hold within their Investment Portfolio, the pack may contain any of the following items:

- **Tax-Deduction Certificate** showing the interest credited to their Investment Portfolio Bank Account
- **Consolidated Tax Certificate** detailing income arising from the various investments held by James Hay Wrap Nominee Company Limited on your client's behalf
- **Consolidated Tax Certificate** from the client's Investment Manager or Stockbroker
- **Chargeable Event Certificate(s)** detailing any chargeable gains in respect of any life assurance bonds
- **Capital Transaction Statement**. This will provide a record of all events and changes within the Investment Portfolio during the year.

We aim to issue the pack by mid June each year, subject to receiving the necessary information from third parties.

Which forms are needed?

Action	Form required
IFA Registration	
To register your Company for the Wrap Service	Financial Adviser Terms of Business
To access the Wrap website	One Web Access Form per user
To access the Wrap Offshore Bond	SPILA Terms of Business
To set up a new client	Wrap Application (always needed)

Additional Tax Wrappers

Action	Form required
Wrap SIPP	
To transfer pension benefits from another provider and/or make a pension contribution	Wrap SIPP Application
To take pension benefits	Benefit Payment Form
Wrap ISA	
To receive an existing ISA from another provider and/or make an ISA subscription	Wrap ISA Application
To apply for ISA transfers	ISA Transfer Request Form (just one per Provider)
Wrap Offshore Bond	
To set up an Offshore Bond for an Individual	Wrap Offshore Bond Application
Abbey Sharedealing Service	
To buy/sell shares within the Wrap and/or transfer in existing shares	Abbey Sharedealing Application

If you need assistance when completing the Application Forms, please speak to your Business Development Manager or local Implementation Team who will be able to help you. Alternatively, please telephone Wrap Client Services on 0845 606 5500.

How to Contact Us

Call Wrap Enquiries on:

0845 606 5500

Lines are open 9am to 5pm Monday to Friday. To help us improve our service we may record or monitor calls.

Visit our website:

www.jameshay.co.uk

Email us:

enquiries@jameshaywrap.co.uk

Write to us at:

James Hay
Dunn's House
St Paul's Road
Salisbury
SP2 7BF

James Hay is able to provide literature in alternative formats. The formats available are: Large Print (as recommended by RNIB), Braille, Audio Tape and PC Disk. If you would like to receive this document in an alternative format please contact us on 0845 850 4455. For the hard of hearing and / or speech impaired, please use the Typetalk service via 18001 0845 850 4455.

The James Hay SIPP product is provided by James Hay Insurance Company Limited (JHIC), which has appointed James Hay Pension Trustees Limited (JHPT) as trustee and James Hay Administration Company Limited (JHAC) as scheme administrator. JHIC is regulated by the Jersey Financial Services Commission and is registered in Jersey (Number 77318) at IFG House, 15 Union Street, St Helier, Jersey, JE1 1FG. JHPT (registered number 1435887) and JHAC (registered number 4068398) are both registered in England and have their registered office at: Trinity House, Buckingway Business Park, Anderson Road, Swavesey, Cambs, CB24 4UQ. JHIC, JHPT and JHAC are part of the James Hay group of companies, which is a wholly owned subsidiary of IFG Group PLC. JHAC is authorised and regulated by the Financial Services Authority (FSA) under Firm Reference Number 460698 and you can check this authorisation at www.fsa.gov.uk/register or by calling the FSA on 0845 606 1234.

James Hay WRAP Managers Limited is a wholly owned subsidiary of IFG Group PLC, providing web-based transacting, reporting and administration facilities. Registered number 4773695 is registered in England and has its registered office at: Trinity House, Buckingway Business Park, Anderson Road, Swavesey, Cambs, CB24 4UQ. Authorised and regulated by the Financial Services Authority (FSA) under Firm Reference Number 225574 and you can check this authorisation at www.fsa.gov.uk/register or by calling the FSA on 0845 606 1234.

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