

Wrap

Client Terms and Conditions

This document details the general terms and conditions for the Wrap Portfolio (the 'General Conditions' as detailed in Section 1) and the additional specific terms and conditions (the 'Specific Conditions' as detailed in Section 2) that apply to the Wrap ISA and SIPP Products within the Wrap Service. Where reference is made to 'Conditions' we mean both the General Conditions and Specific Conditions.

These General Conditions give you important information about your Wrap Portfolio and together with the Application Form to open a Wrap represent the agreement between yourself and James Hay Wrap Managers Limited (JHWM). Acceptance of your Wrap Investment Portfolio Application Form and any Application for an ISA Product is at our complete discretion. Acceptance of a SIPP Product Application is at the discretion of James Hay Insurance Company Limited (JHIC). JHWM reserves the right not to accept an initial Wrap Application or Wrap ISA Product Application and need not give any reason for doing so. JHIC reserves the right not to accept a Wrap SIPP Application and need not give any reason for doing so.

The terms and conditions for the Wrap Investment Portfolio are contained in these General Conditions below. These Conditions may be varied. See Clause 23 for details. The headings to clauses are for convenience only and do not limit their scope.

In the case of a conflict between these General Conditions and those for a particular Product, the Product Specific Conditions will prevail. You should read these Conditions carefully. If there is anything you do not understand, please contact your Financial Adviser.

SECTION 1. GENERAL CONDITIONS

1. DEFINITIONS

In these Conditions:

Santander means Santander UK plc.

Santander UK Group Company means any other company apart from JHWM within the Santander UK group of companies in which Santander UK plc. holds a majority of its voting rights or exercises control over its business affairs, and including its affiliates and subsidiaries, (but which for the avoidance of doubt shall not include any other companies within the Banco Santander group of companies of which Santander UK plc. is a part).

Abbey Sharedealing means the execution only stockbroking service provided by Abbey Stockbrokers Limited.

Abbey Stockbrokers Limited or ASL means a wholly owned subsidiary of Santander, which provides the Abbey Sharedealing service.

Account means each separately held ISA Account. It refers to the relevant portfolio of Qualifying Investments (as selected by you or your Financial Adviser) and your cash holding in the Trading Bank Account and Deposit Account. It is this which the ISA Manager has on record as existing for your benefit and attributable to your ISA.

Account Investments means your Account in terms of your stocks and shares ISA, excluding the Trading Bank Account.

Associate Company means Santander or any of its subsidiaries other than James Hay Wrap Managers Limited.

Act means the Financial Services and Markets Act 2000 as amended and re-enacted and all regulations under it.

Application Form means the form completed and signed by you to open your Wrap Portfolio.

Arrangements means the equal separate parts the SIPP is divided into to allow benefits to be paid at different times and in different forms.

Bank Account means the Investment Portfolio bank account.

Business Day means any day other than a Saturday, a Sunday or any day which is a public holiday in England.

Charges means Transaction Charges charged by us in relation to Transactions and any other fees as set out or referred to in these Conditions, and any other charges, including the cash receipt charge, levied by us in respect of your Wrap Portfolio and the Transactions that take place within it. Although referred to elsewhere in these Conditions, you should refer in particular to the Wrap Portfolio Charges Schedule which is available on the Wrap Website.

Client Number means a unique number assigned by us to you, to identify your Wrap Portfolio.

Remuneration means any commission paid to your Financial Adviser for acting as intermediary. It is calculated by reference to the overall value of the underlying assets that comprise the products within the Wrap Portfolio. It is included as an element in our Transaction Charges, as specified on your Application Form, or your Product Application Form or underlying investment Application Form, and as amended by any later agreement in writing between you and the Financial Adviser and notified to us. Please refer to Clause 15 and the Wrap Portfolio Charges Schedule in particular.

Deposit Account means the bank account in terms of your cash ISA, and everything included within your Account, as described in the ISA Specific Conditions.

Execution Only Stockbroker means Abbey Stockbrokers Limited or such other stockbroker as shall be permitted by us.

Financial Adviser means the intermediary, and any separate Investment Manager, authorised under the Act as detailed on the Application Form who provides you with financial and investment advice and any successors to them appointed by you and notified to us.

Investment Centre means a range of funds that we make available to be held within the Wrap Portfolio.

Investment Manager means an Investment Manager authorised under the Act who will hold assets, including cash, within or underlying a Product according to these Conditions and the relevant investment management agreement, and any successors to them nominated or appointed by you and notified to us.

Investment Portfolio means the investments (outside of the Wrap SIPP, Wrap ISA and Wrap Offshore Bond).

ISA means Individual Savings Account as referred to in the Individual Savings Account Regulations 1998 as amended from time to time. Unless stated otherwise, the term ISA in these Conditions refers to a Cash or Stocks and Shares ISA.

James Hay means all the James Hay companies named in Wrap SIPP Specific Conditions where relevant in the particular context and unless a specific company name is mentioned.

James Hay Administration Company Limited (JHAC) means the company providing administration services for the SIPP.

James Hay Insurance Company Limited (JHIC) means the company providing the SIPP.

James Hay Personal Pension Plan in the Wrap SIPP Specific Conditions means the SIPP provided by James Hay Insurance Company Limited.

James Hay Pension Trustees Limited (JHPT) means the Trustee of the SIPP.

Offshore Bond means the Wrap Offshore Bond provided by Royal London 360 Insurance Company Limited (Royal London 360).

Other Assets and Liabilities means your assets and liabilities that your Financial Adviser enters onto our Wrap Website for reporting purposes, but which are not to be held within the Wrap Portfolio and are therefore not covered by the Wrap Service.

Our Nominee means James Hay Wrap Nominee Company Limited or such other nominee of our choosing.

Personal Information means the information which you have provided on your Application Form and any other information which we hold in respect of you and the Wrap Portfolio.

Product means an ISA of which we are the manager, a SIPP, an Offshore Bond, the Investment Portfolio or any other product, including bank accounts, that may be permitted by JHWM to be held within the Wrap Portfolio from time to time.

Product Bank Account means a bank account which is opened for, and held within, any Product except the Investment Portfolio.

Qualifying Investments means those investments permitted to be held in an ISA according to the Regulations.

Rebate means a repayment received from an Investment Fund Manager in respect of a reduction of their charges relating to an Investment Centre fund and applied to the Bank Account or relevant Product Bank Account as a cash rebate.

Regulations means as appropriate, The Individual Savings Account Regulations 1998, and as amended from time to time.

Royal London 360 Insurance Company Limited or Royal London 360 means a wholly owned subsidiary of Resolution plc, which provides the Wrap Offshore Bond.

Self Invested Personal Pension or SIPP means the James Hay Personal Pension Plan established to receive contributions and/or transfer payments as prescribed by the relevant legislation and HM Revenue & Customs rules and provided by James Hay Insurance Company Limited.

SIPP Bank Account means an account designated to hold your SIPP cash monies operated by the Trustee of the SIPP, James Hay Pension Trustees Limited. Monies in this account are used for the payment of charges and the purchase and settlement of SIPP Transactions.

Trading Bank Account refers to each bank account that exists separately in respect of your stocks and shares ISA, and is described in the ISA Specific Conditions.

Transaction means a transaction in relation to the Wrap Portfolio or the operation of the Bank Account and any other Product Bank Accounts, in respect of which we are providing a payments and/or transfers service or we/or Abbey Stockbrokers Limited are providing a service which results in a change in the legal and/or beneficial ownership of any assets held within the Wrap Portfolio. This will include the buying and selling of investments, the switching of investments into different asset classes, and the re-investment or payment of dividends, interest and income.

Transaction Charges means our Charges and ASL's charges in respect of Transactions as set out in the Wrap Portfolio Charges Schedule.

Trustee means in relation to the SIPP James Hay Pension Trustees Limited.

UK means England, Wales, Northern Ireland and Scotland, excluding Isle of Man and Channel Islands.

We, us and our means James Hay Wrap Managers Limited (JHWM).

Wrap ISA means an ISA of which we are the Manager.

Wrap Portfolio means your portfolio of Products, including the Bank Account(s) held by you or on your behalf using our services according to these Conditions.

Wrap Portfolio Charges Schedule means the separate schedule of that name, published by us from time to time which details the charges relating to the Products within the Wrap Service.

Wrap Service means the facilities including services in relation to Transactions effected by us in regard to the Wrap Portfolio. The Wrap Service will be provided according to these Conditions.

Wrap Website the World Wide Website operated from URL www.jameshay.co.uk or any successor URL and which the Financial Adviser will register for access.

You and your means the person (in whose name(s)) the Wrap Portfolio and any subsequent Product within the Wrap Portfolio is opened.

2. OPENING YOUR WRAP PORTFOLIO

The Wrap Portfolio is available to all private individuals aged 18 or over who are resident and ordinarily resident in the UK, excluding the Isle of Man and Channel Islands, through their Financial Adviser. See Clause 6 for the role of your Financial Adviser. We will operate your Wrap Portfolio in accordance with these Conditions.

When you submit your Application Form for a Wrap Portfolio you understand that by signing the Application Form you agree to these General Conditions and understand that, subject to your right to cancel pursuant to Condition 4, together they form a legally binding agreement with James Hay Wrap Managers Limited once your Application Form has been accepted. This agreement will come into force and your Wrap Portfolio, including a Wrap Investment Portfolio, will be opened when we accept your Application Form and have received your initial investment. Once your Application Form has been accepted you may apply to set up an ISA, SIPP or Offshore Bond Product within the Wrap Portfolio provided you are eligible to do so by submitting the relevant Wrap Product Application Forms.

Payments may be made by cheque, electronic bank transfer, direct debit or by transfer of assets, subject to these payments being permissible under the relevant Product rules.

An Investment Portfolio and Bank Account are opened for you automatically when we accept your Application to open your Wrap Portfolio. We will send you a Welcome letter when your Wrap Portfolio is opened and this will include confirmation of your Client Number. We reserve the right to refuse to accept payments or the transfer of assets or Products into your Bank Account or Wrap Portfolio at any time if we are not reasonably satisfied of the identity or authorisation of any person requesting the payment or transfer; or the lawfulness of the payment or transfer; or if we are unable to hold the specific asset.

We will classify you as a retail customer in accordance with Financial Services Authority rules, unless we agree otherwise with you.

3. USE AND DISCLOSURE OF PERSONAL INFORMATION

We will only use your data in accordance with your permissions on the Application Form and any other permissions you may subsequently give. All data will be held and used or disclosed by us subject to the Data Protection Act 1998 as amended and re-enacted.

For the Offshore Bond, Product information held by Royal London 360 Insurance Company Limited will be held and used or disclosed subject to the Isle of Man Data Protection Act 2002. Information, supplied to Royal London 360 Insurance Company Limited in connection with your Offshore Bond Product, will be held in both electronic and paper records.

This information may be disclosed to, and processed by other IFG Group PLC Companies, its reinsurers or any third parties which provide services relating to the Wrap Portfolio. This may include sensitive personal data. This information will remain confidential and will not be used for any other purpose.

You have the right to see certain information held by Royal London 360 Insurance Company Limited and from us on payment of a fee, and you should make your request in writing to the Registered Office address.

We may also give essential information about your account to others if necessary for regulatory purposes and to run your account, this may include your Financial Adviser's network head office if remuneration payments to your Financial Adviser are paid in this way. Information about you will be kept after your account is closed.

4. YOUR RIGHT TO CHANGE YOUR MIND

Your Wrap Portfolio is opened when we accept your Application Form. Once we accept your Application Form you will acquire a right to cancel both the Wrap Portfolio and the associated Bank Account. We will issue you with a cancellation notice when we accept your completed application which will detail the action you need to take if you wish to exercise your right to cancel and the associated implications. Upon receipt of the cancellation notice, you will have 14 days during which you have the right to change your mind and withdraw all monies placed in the Bank Account. If you change your mind during these 14 days you must tell us by completing and returning the cancellation notice.

If you change your mind and close the Bank Account this will automatically close the Wrap Portfolio. Similarly, if you exercise your right to cancel the Wrap Portfolio this will automatically close the associated Bank Account. See Clause 22 for the consequences of closing your Wrap Portfolio and Bank Account. If you do not tell us that you have changed your mind before the end of the 14 day cancellation period, then you will lose this right to cancel and your right to close your Wrap Portfolio and the associated Bank Account will be as set out in Clause 21.

You will also have the opportunity to withdraw your application for an ISA, SIPP or Offshore Bond Product and/or investments underlying the Products where cancellation rights are applicable. In these circumstances we will send you a 'Notice of the Right to Cancel' after your Product application has been accepted or investment application has been made.

If you wish to cancel, you should send us the accompanying 'Cancellation Notice' within 30 days of its receipt. Should we receive this Notice, we will return the net proceeds to the appropriate Product Bank Account (less any amount by which the value of the Product may have fallen in value). You should refer to the relevant Product and investment documentation and your Financial Adviser for the cancellation rights that apply, if any.

5. BANK ACCOUNT

When you apply for a Wrap Portfolio, a Bank Account with Santander will be opened in your name by us.

Individual Products within the Wrap Portfolio may require their own Product Bank Accounts. The Bank Account's primary purpose is:

- To receive funds for investments to be applied to Products
- To receive settlement funds for your investment Transactions and receipt of dividends and interest payments in respect of the Investment Portfolio
- To pay Charges (including amounts to cover Remuneration, but excluding SIPP and Offshore Bond related Charges) in relation to the Wrap Portfolio
- To pay other Charges not settled by other means according to Product Specific Conditions or by agreement with an Investment Manager or Execution Only Stockbroker other than ASL.

You should keep sufficient available funds in the Bank Account to pay Charges and allow us to process investment or cash withdrawal instructions. If there is a shortfall, your Financial Adviser will be contacted to provide further instructions.

5.1 Payments in

You may make a deposit into your Wrap Portfolio electronically by Bankers Automated Clearing Services (BACS) and the Clearing House Automated Payment System (CHAPS) or by sending us a cheque. You will be unable to send cash to us or pay in deposits at an Santander Branch.

Cheques (and other items) deposited into your Wrap Portfolio will initially be paid into a James Hay Wrap Managers Client Money Account. No interest is paid on this account (please see 9.12). Your deposit will be transferred from the James Hay Wrap Managers Client Money Account to the Bank Account on the 4th Business Day after receipt of the cheque (or other item) by us, at which time your deposit starts earning interest and be available to invest in other Products.

The fact that we will allow the funds to be used after the 4th Business Day does not necessarily mean that the item has cleared. If an item is returned unpaid, we will debit the Bank Account with the amount (and any interest we have paid on it), even if you have used the funds. If this leaves the Bank Account overdrawn we will notify your Financial Adviser and you will be required to bring the Bank Account immediately back into credit. If the Bank Account is not brought back into credit within a reasonable period of time, we reserve the right to sell, without prior notice to you, any of your Products (in our discretion) and use the proceeds of that sale to bring the Bank Account back into credit.

We will not accept post dated cheques. Cheques normally become out of date six months after they are drawn. You should therefore send them to us so that we can present them for payment in time.

5.2 Payments out

You may withdraw money from the Bank Account at any time by contacting us in writing. Monies will be transferred by CHAPS or BACS to an account in your name, that you nominate on your Application Form (or subsequently advise to us) or by cheque payable to you.

You will be unable to withdraw money at an Santander Branch.

5.3 Interest

Interest is calculated and added to the Bank Account on the first Business Day of each month. Details of our current rates are available both before you open your Wrap Portfolio and at any time thereafter. To obtain such details, please refer to the Wrap Homepage on our website at www.Jameshay.co.uk for details of these rates or telephone us on 0845 606 5500.

Santander may change its interest rates at any time for one or more of the following reasons for the Bank Account or Product Bank Accounts which it provides:

- a) to maintain the competitiveness of its business as a whole, taking account of actual or expected changes in market conditions
- b) to reflect actual or expected changes in money market interest rates
- c) to ensure its business is run prudently
- d) to reflect any change in general banking practice
- e) to reflect any regulatory requirements, or guidance, or any change in the law, or a decision or recommendation by a Court or Ombudsman
- f) to enable Santander to harmonise its banking or charging arrangements
- g) to reflect changes in technology or in the direct costs it's required to pay others, or to take account of inflation
- h) for any other reason which is valid.

We will notify you in writing within 30 Business Days of any changes in interest rates.

5.4 General

We reserve the right to refuse to carry out a transaction on the Bank Account if we are not reasonably satisfied of:

- The identity or authorisation of any person requesting the transaction; or
- The lawfulness of the transaction.

You cannot transfer your rights in the Bank Account to someone else and we will not recognise the interest or claim of any person in the Bank Account, unless we are required to do so by law. This means, for example, that you cannot use the money in the Bank Account as security for loans with any other party.

The IFG Group PLC is the ultimate parent company of the Scheme Provider, the Trustee and the Scheme Administrator and may benefit from the provision of banking facilities.

5.5 Closing the Bank Account

You may only close the Bank Account if you are also closing the Wrap Portfolio. See Clause 22 for the consequences of closing the Wrap Portfolio.

We reserve the right to close the Bank Account and without giving you any reason. Unless there are exceptional circumstances, (e.g. fraud) we will, wherever possible, give you 30 Business Days notice of our intention to close the Bank Account. In either case these General Conditions will continue to apply to the Bank Account until all Charges and all other sums due to us and for which you are liable have been paid.

In the event of your death, we will ask your personal representatives (providing we have received appropriate proof of title) to provide us with details of the account in your personal representatives' name into which we will pay the balance in the Bank Account after all sums due to us and for which you are liable have been paid.

6. ROLE OF YOUR FINANCIAL ADVISER

You must have a Financial Adviser to open and maintain a Wrap Portfolio. When you apply to open your Wrap Portfolio, you must provide us with your Financial Adviser's details and authorise your Financial Adviser to provide us with instructions regarding your Wrap Portfolio. Your Financial Adviser must agree to the Financial Adviser Terms of Business.

Please note, if you wish to open an Offshore Bond, Royal London 360, the product provider will require your Financial Adviser to enter into a separate terms of business with them.

You must have, at all times, a Financial Adviser currently appointed by you, and notified to us as acting for you in relation to the Wrap Portfolio. You may change your Financial Adviser provided you notify us in writing to that effect and the new Adviser has agreed to our Financial Adviser Terms of Business. We will pay any Remuneration accrued during the monthly charging period in which we are advised of the new appointment to your new Financial Adviser, and therefore your Transaction Charges will include an amount to cover this.

7. ROLE OF AN INVESTMENT MANAGER/EXECUTION ONLY STOCKBROKER

Subject to the rules of your Wrap Product you may choose to nominate an Investment Manager or Execution Only Stockbroker who is appropriately authorised under the Act and is acceptable to use to act for you. Please refer to the current list of approved Investment Managers and Execution Only Stockbroker's who satisfy our administration criteria.

Acceptability of an Investment Manager or Execution Only Stockbroker is not determined by us upon any other basis. If you wish to use anyone not on this list they will have to agree to our standard Investment Manager terms of business and administration requirements prior to their appointment.

If you have appointed an Investment Manager on a discretionary basis they will act on your behalf and provide you with investment advice or transmit dealing instructions on your behalf. They will also hold and manage investments in the Investment Portfolio and/or the investments underlying some or all of the other Products within the Wrap Portfolio. If you have appointed an Execution Only Stockbroker you will be required to deal with the Execution Only Stockbroker direct. The Execution Only Stockbroker will place instructions to trade only on your instruction and will hold investments in the Investment Portfolio and/or the investments underlying some or all of the other Products within the Wrap Portfolio.

We will enter into appropriate agreements with your nominated Investment Manager or Execution Only Stockbroker and will normally require they use their own nominee and custody facilities, and to accept responsibility for the registration and date custody of the investments. You will be required to pre-approve the terms of appointment of the Investment Manager and/or Execution Only Stockbroker and should discuss with your Financial Adviser the implication of the terms, including any exclusions from, and limits to, the liability of the Investment Manager or Execution Only Stockbroker.

You will be responsible for agreeing the investment strategy with the Investment Manager appointed on a discretionary basis, subject to our standard restrictions on permissible investments. You will be responsible for these among other things:

- a) All decisions by you, your Financial Adviser and Investment Manager/Execution Only Stockbroker in relation to the Wrap Portfolio and Products including those in respect of the purchase, retention and sale of investments,
- b) Reviewing the Investment Manager's/Execution Only Stockbroker's financial status and their investment and risk strategies, and
- c) Ensuring that all of these are suitable for your needs.

We accept no responsibility for these matters. If your Investment Manager or Execution Only Stockbroker is in material breach or has persistently failed to observe fully our terms of business we reserve the right to insist you appoint an alternative Investment Manager or Execution Only Stockbroker within a reasonable period of time.

Where you have appointed an Investment Manager there will normally be an annual management charge payable to that Investment Manager. The annual management charges are calculated as a percentage of the investments held in your Investment Manager account, as determined by the Investment Manager. This annual

management charge will be deducted by the Investment Manager from the funds they hold on your behalf.

8. ROLE OF ABBEY SHAREDEALING

For some Wrap Products you can only choose to use the execution only sharedealing services provided by ASL. You will be required to deal with ASL direct.

Instruction timings are outlined within the Abbey Sharedealing Agreement which you must enter into if you wish to use the sharedealing service. You should review that Agreement which contains various limits to and exclusions of liability.

You should note that instructions to deal once given cannot be cancelled and that deals can only be placed when cleared funds are available. Investments purchased through the sharedealing service will be registered in the name of Abbey Stockbrokers (Nominees) Limited or any other nominee company ASL decides to use.

Ordinarily the charge for using the sharedealing service is part of your Transaction Charges. However, if you make more than 50 Wrap sharedealing service Transactions in a year we reserve the right to make a further charge and you/your Financial Adviser will be notified if this applies.

Settlement will be effected through the Bank Account and/or appropriate Product Bank Account and ASL will liaise with us accordingly.

9. INVESTMENT CENTRE

9.1 General

You may choose on the advice of your Financial Adviser to invest in the Investment Centre range of funds that are available to be held within the Wrap Portfolio. Your Financial Adviser will have further details of the current range of Investment Centre funds available.

The Investment Centre funds available may be subject to change or closure without notice. The inclusion of funds within the Investment Centre does not indicate they may be suitable for your individual circumstances and you should seek advice from your Financial Adviser prior to instructing a purchase or sale.

The minimum investment into each Investment Centre fund is £1,000. This includes additional purchases and the purchase element of any switch.

Instructions to make regular investments, sales or switches are not acceptable. The only instance where a regular sale may be made is to fund a Wrap SIPP's income withdrawal payments. In such circumstances we reserve the right to restrict such sales to a minimum amount of £100 per fund.

All instructions through your Financial Adviser to buy, sell or switch relating to the Investment Centre funds must be communicated to James Hay Wrap Managers Limited by one of the following methods:

- i) Your Financial Adviser completing our appropriate Investment Centre Buy form which should be posted to the address detailed on the form or faxed to the fax number detailed on the form. If sending by fax your Financial Adviser should phone us to confirm we have received the instruction, but does not need to send us a hard copy by post, as the fax will be treated as an original instruction.
- ii) Your Financial Adviser sending a transaction instruction via the Wrap Website – other forms of e-mail instructions are not acceptable.
- iii) Your Financial Adviser telephoning the Wrap Client Services Team and selecting the Investment Centre Dealing Desk.

All instructions submitted via the Wrap Website must be received

by James Hay Wrap Managers Limited by our cut off time for the particular fund as shown on the funds List displayed on the Wrap website, to enable the instruction to be processed that day. Any instructions received after such times, will be processed the next Business Day. If submitting trade instructions by post, fax or phone, all instructions received by us by 5pm will be processed on the next Business Day. If received after 5pm the instructions will be treated as received on the next Business Day following that day.

If the Fund Manager does not trade every business day on a fund, the trade will be placed on the next trading date for that fund.

James Hay Wrap Managers Limited will not be liable for any delays due to instructions being received which they reasonably deem to be unclear and therefore require clarification from the sender.

If you wish to cancel an instruction, you must notify us by the deadline for receiving instructions. We will not be liable should we reasonably not be able to fulfil your request.

A dilution levy may be applied to trades by the Investment Centre Fund Managers at their discretion.

9.2 Buying Investment Centre Funds

Instructions to buy Investment Centre funds will only be placed where we have cleared available funds in your Bank Account or Product Bank Accounts, as relevant. If an instruction is received after the deadline for receiving instructions, the order will be placed (subject to cleared funds) on the following Business Day.

If the Fund Manager does not trade every business day on a fund, the trade will be placed on the next trading date for that fund. In the event that your chosen fund(s) offer accumulation and income units, we will default to buying accumulation units unless we are advised to the contrary. Any initial investment remuneration due will be deducted from the investment amount prior to the investment monies being forwarded to the Investment Centre Fund Manager.

9.3 Selling Investment Centre Funds

The funds will be credited to the Bank Account or appropriate Product Bank Account on the Business Day following receipt from the Investment Centre Fund Manager. The average time taken to receive funds upon encashment is normally five Business Days, but some Investment Centre Fund Managers may take longer to send funds.

9.4 Switching Investment Centre Funds

Switches between the Investment Centre funds are processed as a sale and then purchase. Therefore, the price date of the purchase will be dependent on the fund price of the sale being received from the Investment Centre Fund Manager. This is normally the next business day, but James Hay Wrap Managers Limited will not be liable for any delays caused by non-receipt of this information.

If switching out of more than one fund, none of the buy trades will be placed until we have received confirmation of all sale prices. If you are switching out of a fund that does not trade daily, then this will cause a delay before the buy elements of the switch can be placed.

Furthermore, we reserve the right to defer the purchase until the sale proceeds are received for your Wrap for any reason and without prior notice.

Any initial investment remuneration or redemption penalties due will be deducted from the investment amount prior to the investment monies being forwarded to the Investment Centre Fund Manager in respect of the purchase element of the switch.

9.5 Re-registering existing investments into the Investment Centre Funds

If instructions to re-register existing investments into the Investment Centre are received this may change the existing holding conditions that apply. Once re-registered, the units and shares will be held in accordance with these General Conditions.

9.6 Aggregating transactions

Due to the Investment Centre's large volume of dealing on any particular day we may aggregate Transactions in a particular fund and place a net deal with the Investment Centre Fund Manager.

9.7 Rebates

Any rebate that may be applicable in respect of the Investment Centre Fund Managers' charges will be apportioned between you and the other clients in any particular fund, on the basis of each client's holdings on the date the rebate calculation is made as determined by the Fund Manager, and the calculation basis will vary between different Fund Managers.

Any rebate received on a pooled holding with the Fund Manager will be credited to your relevant Product Bank Account and retained for your benefit.

9.8 Distributions

Any distributions in respect of your holdings will be credited to the Bank Account or appropriate Product Bank Account once the monies have been received and reconciled. This will normally be within ten business days of receipt from the respective Investment Centre Fund Manager. A scrip option is not available. Tax reclaims, where appropriate, will be processed upon receipt of the tax vouchers from the Investment Centre Fund Managers. The cash amount will be added to your appropriate Product Bank Account once the monies have been received and reconciled from HM Revenue & Customs.

9.9 Confirming details of transactions

Within one Business Day of us receiving correct contract notes from the Investment Centre Fund Managers the Wrap Website will be updated. Within five Business Days of receiving correct contract notes from the Investment Centre Fund Managers a hard copy confirmation will be posted to your Financial Adviser.

For sales made to fund any regular income, details of the transaction will be updated on the Wrap Website, but a hard copy confirmation will not be posted to your Financial Adviser.

9.10 Suspension or closure of funds

In the event that a Fund Manager suspends dealing in an Investment Centre fund for whatever reason we accept no responsibility for any inability to process instructions relating thereto.

9.11 Mergers and closures

We will not exercise any voting rights attaching to your Investment Centre fund that is subject to merger or closure. If a fund is withdrawn from the Investment Centre Funds List at short notice, we reserve the right to encash the holding and credit the proceeds to the Bank Account or appropriate Product Bank Account. Your Financial Adviser will be notified if that is the case. We will advise your Financial Adviser of the effect on your fund.

9.12 Client money matters

In the event that we need to put your money from your Investment Portfolio or ISA into a client money account, we will do this in accordance with the Financial Services Authority (FSA) Client Money Regulations. We may put the following money into a client money account before we deposit or invest it, or return or pay it to you:

- Your payments
- Any money we receive on your behalf
- The proceeds of selling any units, shares or bonds on your behalf.

We will place this money in one or more sterling accounts with Santander. The amounts in these client money accounts may also include money we have been given by other clients because we manage their Wrap Portfolios. Your money should only remain in a client money account until the next settlement day for investment, or until you have received and cashed any proceeds due to you.

In accordance with the Financial Services Authority (Client Money) Regulations:

- We will not pay you any interest on any money held within a client money account
- Money will cease to be treated as client money where there has been no movement on your balance in the client money account for six years
- After this time we will write to you at your last known address stating our intention to no longer hold these funds in a client money account, giving you 28 days to make a claim
- After 28 days your money will cease to be treated as client money. However, this will not affect your rights to this money at any time in the future.

10. CARRYING OUT TRANSACTIONS IN YOUR WRAP PORTFOLIO

10.1 Power of Attorney

In order for us to effect your instructions and to enable us to deal with third parties you will be required to enter into a Power of Attorney with us allowing us to act on your behalf. If you cancel this Power of Attorney according to its terms, we may terminate the appointment of third parties on your behalf. The form of this Power of Attorney is in your Wrap Application Form.

10.2 Permissible investments

The categories of investments permitted by us to be held within the Investment Portfolio will be set out on the Wrap Website and in the Investment Portfolio Permitted Investments List available by contacting your Financial Adviser. Other Products within the Wrap Portfolio will have separate Permitted Investments Lists. You should however refer to your Financial Adviser for our latest requirements.

You may transfer assets to Our Nominee as part of your Wrap Portfolio. Subject to the Specific Conditions of any Product and any other requirements of the provider or issuer, they may be used as a payment to your Investment Portfolio, SIPP, ISA or Offshore Bond. Permissible investments may be purchased providing:

- These are acceptable to us
- You have sufficient cleared funds held in the Bank Account and the appropriate Product Bank Accounts
- They are approved under any legislation and HM Revenue & Customs requirements applicable to the particular Product
- Once these criteria have been met, your investments can be purchased as soon as reasonably practical.

10.3 Other assets and liabilities

You and your Financial Adviser are responsible for entering and updating details for any Other Assets and Liabilities to be held on our Wrap Website records, but outside the Wrap Portfolio.

We are not responsible for the administration nor valuation of these assets and such details are held purely for the convenience of you and the Financial Adviser and do not form part of the Wrap Service.

10.4 Investment transactions – general

All investment decisions should be made after taking advice from your Financial Adviser and/or your Investment Manager appointed on a discretionary basis. It should be on the basis of all relevant information relating to the proposed investment, such as Product Specific Conditions and the particulars and prospectuses, and other documents relating to the underlying investment.

We do not accept any liability for your choice of Investment Manager or Execution Only Stockbroker, nor accept any responsibility for your, or their, decisions and omissions in regard to the acquisition, retention and sale of investments.

Investments should be purchased by your investment provider and/or your Investment Manager and/or your Execution Only Stockbroker, by taking all reasonable steps to obtain the best execution result for each investment transaction carried out. A copy of our order transmission policy is available from us on request. This tells you how we buy Investment Centre Funds on your behalf and, as we are not an investment provider, or an Investment Manager, it tells you about who you should refer to to obtain details about the best execution policy for your chosen investment provider and/or Investment Manager and/or Execution Only Stockbroker.

We reserve the right to reverse an investment effected by you, the Financial Adviser, Investment Manager or Execution Only Stockbroker, or instruct the suspension of any transaction in progress which breaches the provisions of these Conditions or the Specific Conditions of any Product. This includes breaches which might reasonably be viewed by us as exposing us or another IFG Group Company to adverse financial or reputational consequences. This right of ours does not imply a duty on us to so act unless required by statute or regulation. In any event we will not accept liability for the consequences of such original investment decisions and the unwinding of the position and any losses you may incur as a result.

No investment transaction is permitted where the investment will, or might, require supplementary cash or other assets to be paid or transferred to us, or any body, in order to meet the terms and conditions attaching to any investment. As a consequence, without limiting the preceding restriction, investments in partly paid shares or investments, including derivatives, where margin may be required are not permitted.

There may be circumstances, particularly when awaiting funds arising from the disposal of investments or when executing asset transfers, in which we must rely on third parties in order to complete a transaction.

In this case the process may take significantly longer than expected and we cannot be held liable for any losses arising from the delays in the process.

11. REGISTRATION OF OWNERSHIP

All assets in the Investment Portfolio and for the Wrap ISA and Offshore Bond Products will usually be registered in the name of Our Nominee or custodian.

The exception will be for life insurance policies on your life which will be registered in your name or the name of the Trustee(s). For the SIPP, assets will be registered in the name of the Trustee.

We accept responsibility for assets held by Our Nominee where the nominee is an IFG Group Company.

If Our Nominee is not used we will not be responsible for supervising that body or for its defaults. Although your Wrap Portfolio details are accessible online to your Financial Adviser via the Wrap Website, you may at any time request hard copies of any records which relate directly to your Wrap Portfolio.

Where an Investment Manager or Execution Only Stockbroker is acting for you, assets purchased through the Investment Manager will be held by it, or its nominee or custodian (not an Santander UK Group Company).

Where you have appointed ASL as your Execution Only Stockbroker assets purchased through ASL will be registered in the name of its nominee, Abbey Stockbrokers (Nominees) Limited or any other nominee company ASL decides to use.

The costs of the transfer of assets into the name of JHWM or other body as above will need to be met by you and are payable in addition to our Transaction Charges.

Investment Centre assets will normally be registered collectively with those of other clients of ours holding similar assets and may not be identifiable by separate certificates or other physical evidence of title. Investments may be held not only in dematerialised form electronically, but may also be aggregated with investments of our other clients so that your interest in investments will only be evident from our internal records.

You are not permitted to use any assets as collateral or as security or a pledge. You undertake that any assets transferred to us will be free of all third party interests.

We, or Our Nominee, may give the issuer or trustee of your investments your name and address and size of your holding. Other parties holding your investments will also do likewise. Due to Our Nominee holding your investment on a pooled basis, additional benefits may arise that would not otherwise have occurred had your investment been registered in your own name. In such circumstances, you will not receive these additional benefits. By holding investments in this manner you may also lose benefits which you might otherwise have gained had investments been registered in your own name. We accept no liability should this happen.

12. COLLECTIONS

We will collect the following income generated by your investments and credit it to the Bank Account or relevant Product Bank Account in which those investments are held:

- Interest
- Dividends and other investment income
- Tax reclaims.

13. VOTING RIGHTS AND CORPORATE ACTIONS

We will not normally forward you copies of reports and accounts, scheme particulars, or meeting and voting information issued by the providers or issuers of investments or managers unless otherwise agreed with you, including the rate of Charges to apply for such a service.

We will not exercise any voting rights attaching to your investments unless we have agreed this with you including the rate of Charges that may apply for such a service.

14. WITHDRAWALS

You can elect to have withdrawals paid to you from any Product Bank Account within your Wrap Portfolio provided you have funds available and the Conditions of the Product permit e.g. HM Revenue and Customs rules for the SIPP. Alternatively, withdrawals may be paid from the Bank Account subject to any minimum amount specified by us from time to time.

Payments of withdrawals can be made annually, half-yearly, quarterly or monthly according to your instructions. Payments for withdrawals will normally be made on, or around, the first Business Day of each month or other such day as advised by us. Money to meet your withdrawals will be deducted from the Product specified in your instructions. If there are insufficient cleared funds in that Product to fund the withdrawal, the withdrawal will not be paid

and your Financial Adviser will be contacted for further instruction. Withdrawals will only be paid by CHAPS or BACS to your nominated bank or building society account in your name.

15. CHARGES

The Charges that will be applied to your Wrap Portfolio are set out in the Wrap Portfolio Charges Schedule, a copy of which will be provided to you before you enter into these Conditions. We may charge you a fee if you ask us to make foreign currency electronic payments from the Bank Account. We will give you details of these fees at the time you request such a payment.

16. KEEPING YOU INFORMED

Your Financial Adviser will receive confirmation of Transactions within your Wrap Portfolio. We will maintain records of all such Transactions and will provide you with half yearly valuation reports on your Wrap Portfolio, unless you request that these valuation reports are provided every three months. Your Financial Adviser can also access and provide you with information on your Wrap Portfolio from the Wrap Website.

You, or your Financial Adviser on your behalf, must check that we have carried out your, or your Financial Adviser's, instructions correctly. If we have made any errors, you or your Financial Adviser must notify us within 14 Business Days of receipt of notification of execution of the instructions.

When your Investment Manager or Execution Only Stockbroker has placed an instruction on your behalf we accept no responsibility for any errors or omissions. You should refer to your Investment Manager or Execution Only Stockbroker for details of their services.

Where your Wrap Portfolio contains funds that are managed by third parties, we rely on and report information provided to us by those third parties. We therefore accept no liability for errors or omissions that may occur in this third-party produced information, including where transmitted by us or incorporated into our own literature.

We make no express or implied representations as to the suitability of funds, or other investments held on your behalf, including in the event that we pass on literature or information produced by or on behalf of the providers, issuers or managers of such investments whether in hard copy or through the internet. Any market news, prices or other data you get from the Wrap Website is provided by us in good faith, but we cannot guarantee its accuracy or completeness or that it is up to date. No express or implied endorsement is made by us in relation to any of these items.

Records relating to Transactions will be kept for at least six years.

17. NOTICES

Any notice under these General Conditions and the ISA Specific Conditions in Section 2 of this document must be given as follows: By you

- to James Hay Wrap Managers Limited, PO Box 1931, Dunn's House, St Paul's Road, Salisbury, SP2 7ZT.
- by us (or a relevant Associate Company)
- by a personal notice to the address we have registered on our records for you.

18. YOUR ADDRESS

The address that you give us must be your permanent residential address and will be the one to which we send any letters and other communications. You must tell us straight away if you change your address and we may ask you to confirm it in writing.

19. COMPLAINTS

We are authorised and regulated by the Financial Services Authority and as such are bound by its rules. If you have a complaint about the service you have received from us, or is about your ISA, you should write to our Complaints Manager at James Hay Wrap Managers Limited, PO BOX 1931, Dunn's House, St Paul's Road, Salisbury, SP2 7ZT.

You can ask us for a copy of our complaints procedure and the Financial Ombudsman's guidance. If the complaint is not dealt with to your satisfaction then the matter may be referred to the Financial Ombudsman Service at South Quay Plaza, 183 Marsh Wall, London, E14 9SR. Any such action will not affect your right to take legal action. However:

- for complaints relating to your SIPP which are not dealt with to your satisfaction and remain unresolved you can contact the Pension Ombudsman Service at 11 Belgrave Road, London, SW1V 1RB
- for complaints relating to your Offshore Bond which are not dealt with to your satisfaction and remain unresolved you can contact the Isle of Man Financial Services Ombudsman Scheme. Further details are available on request.

20. FINANCIAL SERVICES COMPENSATION SCHEME

We are covered by the Financial Services Compensation Scheme ("FSCS") in respect of your Wrap product. If you make a valid claim against us in respect of your investments and we are unable to meet our liabilities in full, you may be entitled to redress from the FSCS. We will send you details of the cover provided by the Scheme on request. However, if you have the Offshore Bond Product you will not be protected by the Financial Services Compensation Scheme if Royal London 360 is unable to meet its liabilities to you, but will instead be protected by the Isle of Man Life Assurance (Compensation for policyholder) Regulations 1991. Further details are available on request. The individual product providers for your underlying investments may themselves offer protection under the FSCS in respect of their products held within your Wrap Portfolio. Please enquire of your Financial Adviser or the particular product provider direct for further information.

In respect of the Bank Account and any Product Bank Accounts, these are held in your name.

21. CLOSING YOUR WRAP PORTFOLIO

You may close the Wrap Portfolio at any time on giving us one month's notice. We may close your Wrap Portfolio in the event that:

- you:
 - a) are in material breach of these Conditions or
 - b) have persistently failed to observe fully these Conditions and our reasonable procedures notified to you or your Financial Adviser.
- you revoke your Power of Attorney in favour of us
- the Financial Adviser is in material breach of the Financial Adviser Terms of Business with the product provider, or has persistently failed to observe fully the Terms and Conditions of that document and our reasonable procedures notified to them
- the Financial Services Authority, or other regulator, requires us to take such action, or we are required to so act by law or regulation.

We also reserve the right to terminate your Wrap Portfolio if you terminate your relationship with your Financial Adviser and do not appoint a new Financial Adviser within a reasonable timescale. In the above circumstances, we will notify you and the Financial Adviser of the closure of the Wrap Portfolio. For any other reason, we may close the Wrap Portfolio on giving you and the Financial Adviser three months notice in writing.

Once notice of closure has been given, no further acquisitions of investments or Products will be permitted in respect of the Wrap Portfolio, although the investments underlying the Products can continue to be managed by you or on your behalf.

22. CONSEQUENCES OF CLOSING YOUR WRAP PORTFOLIO

If your Wrap Portfolio is closing you can instruct us to take one or more of the actions listed at Conditions 22.1 to 22.4 (inclusive).

22.1 Investment Portfolio

- sell the investments in accordance with the applicable Product Specific Conditions and pay the proceeds to a bank account in your name
- transfer the investments into your name.

22.2 SIPP

Subject to any legislative and regulatory requirements:

- transfer the value of your arrangements to another approved pension arrangement
- purchase a pension annuity provided you have reached your normal minimum retirement age.

22.3 ISA

Subject to any legislative and regulatory requirements:

- instruct us to transfer your ISA cash and/or investments to a new ISA Manager authorised under the Act
- sell the investments and have the proceeds paid to a bank account in your name.

22.4 Offshore Bond

Subject to any legislative and regulatory requirements:

- surrender the Policy and sell the investments in accordance with the Wrap Offshore Bond policy conditions, and pay the proceeds to a bank account in your name
- continue the Policy outside the Wrap, under the terms and conditions described in your Wrap Offshore Bond Policy Conditions. The Terms and Conditions are available on request from Royal London 360 Insurance Company Limited.

22.5 Charges and costs for closing your Wrap Portfolio

If you close your Wrap Portfolio pursuant to Condition 4 (Your right to change your mind) and the value of any of the Products you have purchased in the period between your application monies being invested and the receipt by us of your cancellation notice has fallen, then you will not receive back the full amount that you invested. We may also charge you (by deducting from the amount we return to you) any fees or costs incurred in relation to any services actually provided to you before you notified us of your cancellation (including any Charges relating to any Transactions completed prior to your cancellation).

If you close your Wrap Portfolio in any circumstances other than pursuant to Condition 4 (Your right to change your mind) then you will need to pay all our Charges including the pro rata amount for the current charging period and meet all costs for which you may be liable. You will also have to arrange to our satisfaction for the due settlement of any outstanding investment Transactions. This will involve paying the fees of the Investment Manager and Execution Only Stockbroker and other third parties' fees and expenses. Any residual monies will then be transferred as stated above.

22.6 Closing your Wrap Portfolio on death

When we are notified of your death, we will immediately cease to execute new Transactions related to the Wrap Portfolio. When we receive appropriate proof of title, we will then accept instructions from any authorised personal representatives.

We will be entitled to assume you are alive until we are put on notice of your death when Transactions in respect of the Wrap Portfolio will be suspended (pending legal confirmation of death) and investment providers advised by us of such fact.

23. GENERAL CONDITIONS INCLUDING AN INDEMNITY BY YOU

We may delegate certain functions under these Conditions to third parties (subject to any statutory or regulatory limitations). If we do so, we will reasonably satisfy ourselves that such parties are competent to carry out those functions.

23.1 Indemnity and liability

We shall exercise due care and diligence in the management of your Wrap Portfolio. But, subject to Section 71 of the Act, and our obligations under the Act, and otherwise provided in these Conditions, we shall not be liable to you, nor will we compensate you, for any loss arising as a result of us doing (or not doing) anything in reliance upon an instruction given (or which we reasonably believe to have been given) by you, your Financial Adviser, your Investment Manager/Execution Only Stockbroker, or other authorised representative.

You agree to release, indemnify and compensate us, and any other IFG Group PLC Company, from and against any and all costs, claims, demands, taxes (save for taxes in respect of trading profits), duties, losses, expenses and liabilities incurred by us and/or them in any way in connection with your Wrap Portfolio.

The exception will be where these arise as a result of our, or another IFG Group PLC Company's negligence, wilful default or breach of any statutory or regulatory obligations.

Other than in respect of the above we are not liable for any indirect or consequential loss, nor for any loss caused by a fall in the value of the underlying investments or depreciation in the value of your Wrap Portfolio, or for loss of investment opportunity.

You should also note the exclusions from, and limits to our liability, stated elsewhere in these Conditions, and also exclusions from, and limits to liability, contained in the Wrap Sharedealing Service Terms and Conditions and the Financial Adviser Terms of Business, the Investment Manager Agreement, and the terms of business of any other body nominated or appointed by you.

If we cannot provide the Wrap Service for any of the Wrap Products because of something beyond our reasonable control (including without limiting the effect of the overall exclusion of liability strikes, industrial action or the failure of equipment or power supplies) we will not be liable to you for any loss which you may suffer.

We may transfer our rights and obligations under these Conditions to another company in the IFG Group PLC which is suitably authorised under the Act. Your rights and obligations under these Conditions are not assignable or transferable, unless specifically permitted by us.

23.2 Changing these General Conditions and the ISA Specific Conditions

We may remove, change, or add to these General Conditions and the ISA Specific Conditions or any details forming part of the contract between us:

- a) to conform with or anticipate any changes in law, order, code of practice or to react to any change in the interpretation of any of these
- b) to react to recommendations of the Financial Services Authority
- c) to provide for the introductions of new or improved systems, methods of operation, services or facilities

- d) to enable us to harmonise our banking or charging arrangements
- e) to reflect market conditions
- f) to reflect general banking or other financial services practice
- g) to make them clearer or more favourable to you
- h) to rectify any mistake that may be discovered in due course
- i) to enable us to change the provider of banking services to another bank authorised under the Act
- j) we may also remove, change, or add to these Conditions for any reason which we consider is valid.

We will give you 30 Business Days prior written notice of changes unless the change is to your advantage in which case we will notify you within 30 Business Days of the change.

If the change is to your disadvantage you can close your Bank Account(s) subject to Clause 5 without loss of interest. You may do this within 60 days of the date of our notice telling you of the change. A change to these conditions includes removing or adding a condition, but does not include a change of interest rates which are covered in Clause 5. Clause 5 deals with the variation of interest rates under the Bank Account and the Wrap Portfolio Charges Schedule deals with the variation of our Charges.

We will not amend these Conditions if this or the direct consequences of the change would be prohibited by the Act or other statute or regulation including provisions relating to SIPPs, ISAs or Offshore Bonds.

PLEASE NOTE: Third parties may amend their terms and conditions including charges.

24. MISCELLANEOUS

We will provide you, upon request, with copies of these Conditions and details of the charges currently prevailing. Any notice from us will be valid if sent to you at your address as shown in our records. Notices sent by post will be considered to have been received by you within seven Business Days of the date of posting or, in the case of notices sent by fax or email, when the transmission is shown to us as complete. Notices sent from you to us will only be valid when actually received by us.

The interests of our clients are important to us and we at all times endeavour to avoid situations where conflicts of interest may arise. Where such conflicts are unavoidable we have put in place procedures and controls to manage these situations to ensure that wherever possible you are not unduly disadvantaged. More information about this is available in our Conflicts of Interest Policy which is available from us on request.

We and the James Hay group of companies who act as the SIPP provider, SIPP administrator and SIPP trustee may operate a telephone recording system and all calls may be recorded for training and monitoring or security purposes.

25. LAW

These Conditions are governed by the law of UK courts and any disputes are subject to the exclusive jurisdiction of the Courts of England. Except in respect of indemnities and exclusions of liability in favour of other IFG Group PLC Companies, the provisions of these Terms and Condition are enforceable only by you and us, and no rights are conferred upon any third party whether by statute or otherwise.

SECTION 2. SPECIFIC CONDITIONS

These Specific Conditions apply to the Wrap ISA and SIPP Products. These Specific Conditions are in addition to the General Conditions above. If a Specific Condition conflicts with a General Condition then the Specific Condition will apply.

2A. Wrap ISA

26. ISA INTRODUCTION

These ISA Specific Conditions set out the contract between you and us for the Wrap ISA. They explain our obligations to you, and your obligations to us, when you have a Wrap ISA within your Wrap Portfolio. They are in addition to any other conditions which are implied or included by law, such as your statutory rights as a consumer, even if they do not appear in these conditions.

Prior to taking out a Wrap ISA, you will have agreed to the General Conditions which are binding on you. Where there is a conflict between the General Conditions and the Specific Conditions these Specific Conditions in Sections 26-47 for the Wrap ISA shall prevail. In all circumstances, you and we are required to comply with the Regulations.

We may change these Specific Conditions. See Clause 47 for details.

The following companies are involved in your ISA as follows:

- James Hay Wrap Managers Limited (the 'Manager') manages your ISA in terms of the Regulations
- If you pay into a Cash ISA, we will credit your payment into a Deposit Account in your name with Santander
- Execution Only Stockbroking services are provided by Abbey Stockbrokers Limited (ASL).

The Manager, Santander and ASL are all authorised and regulated by the Financial Services Authority.

27. START DATE OF YOUR ISA

Your ISA will begin as soon as we accept your application for the particular ISA product and receive a payment. If we do not accept your application, we will return your payment according to the terms of Clause 9.12.

28. PAYING YOUR ISA

You must make payments into your ISA with your own money. Your payments must not go over the limits laid down in the Regulations.

You can make lump-sum (or one-off) payments via the Bank Account within your Investment Portfolio into the Deposit Account or Trading Bank Account. You can make a payment by cheque.

Regular monthly payments to your ISA must be by Direct Debit. Cheques (and other items) deposited in the Deposit Account or Trading Bank Account will not start earning interest or be available to invest in Qualifying Investments until the 4th Business Day after receipt by us.

The fact that we will allow the funds to be used after the 4th Business Day does not necessarily mean that the item has cleared. If an item is returned unpaid we will debit your Deposit Account or Trading Bank Account with the amount (and any interest we have paid on it) even if you have used the funds. If this leaves your Deposit Account or Trading Bank Account overdrawn you must immediately bring it back into credit.

If you do not pay into your ISA during a tax year and want to pay in a following tax year, you will need to make a fresh application before we can accept your further payment. This is a requirement of the Regulations.

29. DEPOSIT ACCOUNT

Your payment to us in respect of the Cash ISA will be credited to one Deposit Account. This deposit account is held with Santander and it will be operated in accordance with these ISA Specific Conditions.

29.1 Interest

Interest is calculated daily and added to the Deposit Bank Account on the first Business Day of each month. Details of our current rates are available both before you open your Cash ISA and at any time thereafter. Please refer to the Wrap Homepage on our website at www.jameshay.co.uk or telephone us on 0845 606 5500.

29.2 Changing the interest rates

Santander may change its interest rates at any time for one or more of the following reasons described in Clause 5:

If interest rates change we will give you notice and you are free to transfer your ISA to another ISA Manager approved under the Regulations and authorised under the Act.

We will notify you in writing within 30 Business Days of any changes in interest rates.

30. TRADING BANK ACCOUNT

Your payment in respect of your stocks and shares ISA will be applied to a separate deposit account with Santander.

This account is referred to as a 'Trading Bank Account'. The provisions of Clause 29 will apply as though this account were also a Deposit Bank Account as described in that clause.

The Trading Bank Account also exists to:

- Hold any money we receive on your behalf in respect of the Account Investments. This can be by way of dividend, interest or other income from investments – or the proceeds of any sale of investments prior to reinvestment by you.
- Settle purchase of investments
- Receive tax credits and any other appropriate claims relating to tax for Account Investments as may be received from fund management companies.

31. ACCOUNT INVESTMENTS

This section applies if you pay into a stocks and shares ISA.

31.1 Qualifying investments

The categories of investments permitted by us to be held as Account Investments will be set out on the Wrap Website and in the Wrap ISA Permissible Investments List. You should however refer to your Financial Adviser for our latest requirements.

You may purchase Qualifying Investments providing:

- These are acceptable to us
- You have sufficient cleared funds held in your Trading Bank Accounts
- They are approvable under the Regulations, any legislation and HM Revenue & Customs requirements applicable to the ISA.

All Account Investments must be Qualifying Investments. Once these criteria have been met we will then purchase your Qualifying Investments as soon as reasonably practicable.

31.2 Buying, selling and switching Account Investments

You are referred to Clauses 8, 9 and 10 in the General Conditions for details on buying, selling and switching Account Investments.

- Clause 8 refers to the role of Abbey Sharedealing
- Clause 9 refers to the Investment Centre
- Clause 10 refers to carrying out transactions within your Wrap Portfolio.

31.3 Who holds the Account Investments

Please refer to Clause 11 of the General Conditions for details of who holds Account Investments.

31.4 Tax credits

We will contact HM Revenue & Customs (on your behalf) to:

- Claim tax credits arising on income from Account Investments; and
- Make any other appropriate claims relating to tax for Account Investments.

For these purposes, we may carry out appeals and agree, on your behalf, liabilities for and reliefs from tax. You do not have to pay tax on the income and capital gains of Account Investments as long as we and you keep to the Regulations. This exemption may change in the future.

31.5 Annual reports, accounts, meetings and voting etc in relation to account investments

You are referred to Clause 13 of the General Conditions.

32. TAKING YOUR ACCOUNT INVESTMENT OUT OF AN ISA

You can ask us, at any time, to transfer the Account Investments to you. This may be affected by any money we keep under Clause 37 of these ISA Specific Conditions.

You will no longer be exempt from tax on the Account Investments once we have transferred them to you.

33. INCOME

Any distributions, dividends, interest, tax credits, or other proceeds received in respect of the ISA will be credited to the relevant Deposit Account or Trading Bank Account.

34. TAX

You will currently not pay tax on any interest from your ISA savings, but tax credits attached to any dividend distributions from your ISA investments cannot be reclaimed. This may change in the future.

Any exemption from tax will end when you die.

35. CHARGES

The Charges for all Transactions that take place on your ISA, plus the operation of any Deposit and/or Trading Bank Accounts are included in the Transaction Charges described in the Wrap Portfolio Charges Schedule. The Transaction Charges will also include an amount to cover the cost of paying Remuneration to your Financial Adviser.

Please refer to the Wrap Portfolio Charges Schedule for more information on the Transaction Charges described therein and for details of when we may change our Charges.

We will give you at least 30 Business Days prior written notice of any change in our Charges. We may introduce Charges for different types of transactions by giving you at least 30 Business Days notice. If we change our Charges you can transfer your ISA to another ISA Manager approved under the Regulations and suitably authorised under the Act (please see Clause 42).

36. WITHDRAWING MONEY OR CASHING IN YOUR ISA

You can write to us at any time to withdraw or cash in some or all of your ISA. We will normally process your request within two business days of receipt. However, you can request a date after this period if you wish.

Under the Regulations, we can take up to 30 days to process your request. If you only withdraw or cash in some of the Account Investments you must keep to any minimum or limits and restrictions specified in the key features. The amount you get may be affected by any money we keep under Clause 37.

We can pay proceeds to you by:

- Transferring the amount to a bank account in your name; or
- Cheque.

37. WHEN WE CAN KEEP THE MONEY FROM THE PROCEEDS OF YOUR ISA

We are entitled to use any cash in your ISA or sell any Account Investments:

- To pay our Charges; and
- To pay any tax or other amount necessary to HM Revenue & Customs or other government agency in relation to your ISA.

If we do not know how much the tax or other amount will be, we may keep an amount of cash that we feel is reasonable and appropriate.

38. STATEMENTS

We will send you statements every six months and these will meet the Regulations and the rules of the Financial Services Authority and any other relevant regulator.

Each statement will contain a note of the value of your Account and details of any Transactions carried out since:

- You set the ISA up; or
- The date of the last statement, if this is later.

If you ask to transfer, withdraw or cash in any or all of the Account we will send you a statement of the value of the relevant Account assets and how we have arrived at the value.

39. WHO OWNS THE CASH AND ACCOUNT INVESTMENTS IN YOUR ISA

You own the Account (and therefore the cash in the Trading Bank Account and Deposit Account) either directly or indirectly, as explained in these ISA Specific Conditions. You are not allowed to transfer your rights or cash to any other person.

Our relationship is with you and we will not recognise the interest or claim of any other person, unless, by law, we have to. For example, this means that you cannot use any of the Account assets as security for any borrowing or other money, which you owe.

40. TRANSACTIONS

We may refuse to carry out or allow any Transaction on your behalf on the ISA if we are not reasonably satisfied that:

- The Transaction is legal;
- It is allowed by the Regulations; and
- It is you or your Financial Adviser who has asked for or authorised it, or we have any other reasonable grounds for questioning the validity of the instruction.

41 TRANSFERS

41.1 Transferring an ISA to us

You may transfer all of your current tax year ISA or part, or all, of a previous tax year ISA to us from another manager. The transfer will depend on the other manager agreeing. You cannot transfer the insurance component of an ISA to us. There is no maximum amount that can be transferred.

Our Charges for this service are included in your Transaction Charge (as described in the Wrap Portfolio Charges Schedule) your existing ISA Manager may apply an exit charge.

41.2 Transferring to another manager

You may ask us, at any time, to transfer all of your current tax year ISA or part or all of a previous tax year ISA to another manager suitably authorised under the Act and approved under the Regulations. The transfer will depend on the other manager agreeing.

We will cash in relevant Account Investments before the transfer, or transfer assets where requested to do so.

Except for any money we keep under Clause 37, we will pay the proceeds to the other manager on a date we, you and the other manager agree.

The transfer will also depend on the Regulations, which, for example:

- Do not allow you to partly transfer payments made during the same tax year as the transfer; and
- Do not allow you to transfer from a stocks and shares ISA to a Cash ISA.

42. WHEN WE MAY CLOSE YOUR ISA

We can give you three months' written notice if we plan to stop managing your ISA because:

- We decide in good faith that it is no longer reasonably practical for us to keep to the Regulations; or
- We decide that managing the type of ISA which you hold has stopped being commercially worthwhile for us.

During the period of notice you can transfer your ISA to another manager (Clause 41). If you do not transfer your ISA during the period of notice, we may then close it.

We may close your ISA either immediately or at the end of the tax year if:

- You withdraw or cash in all of the Account; or
- Your Wrap Portfolio as described in the General Conditions is closed.

We may close your ISA immediately if you have already paid in the maximum amount allowed by the Regulations during the tax year. Otherwise we will wait until the end of the tax year in case you decide to make any further payments.

If we discover, or the HM Revenue & Customs tells us, that your ISA has or will become 'invalid and is irreparable', we will give you written notice of this straight away, and we will have to close your ISA. If we close your ISA, we must follow the relevant Regulations.

We will not be liable for any loss, liability or damage that you suffer as a result of our closing the ISA.

We will give you all relevant information and certificates that you need, that relate to tax under the Regulations.

Except for any amount we keep under Clause 37 or provisions referred to in it, we will pay the Account proceeds after sale of non cash assets, although we may transfer the non cash Account assets to you.

43. CANCELLATION RIGHTS

If you are to make subscriptions to an ISA, you can change your mind and cancel your ISA within 14 days of receiving the cancellation form we send you. If you want to change your mind and cancel your ISA you must return the cancellation form, within 14 days of receiving it, to the address given in the form. If you do not cancel within the 14 days, your right to withdraw money from, or close your ISA will be as set out in these Special Conditions.

If the value of any Account Investments bought with your money has fallen by the time we receive your cancellation notice, we will reduce the amount we pay back to you to reflect that fall in value.

Cancellation rights may not apply to switches of investments within your Account, but this will depend on the terms and conditions of the Qualifying investment you are switching from or to.

44. DEATH

44.1 Deposit account

If you die we will pay the money in the Deposit Account, together with any interest earned, to your personal representatives when we receive appropriate proof of title. We will then accept instructions from any authorised personal representatives.

44.2 Account Investments and Trading Bank Account

If you die, we will deal with the Account as instructed by your personal representatives. They must first prove they have authority to give us this instruction.

They can ask us to cash in the Account Investments and pay the proceeds to them in cash – including the balance in the Trading Bank Account. Or they can ask us to transfer the Account Investments to them. We may have to keep some money under Clause 37.

45. USING OTHERS TO CARRY OUT OUR DUTIES

We may use the services of an Associate Company or any other company to carry out administrative duties relating to your ISA and pass all appropriate information to them. This will depend on the following:

- We must keep responsibility for the way these duties are carried out
- We must be satisfied that the company is able to carry out the duties.

We may appoint, in our place, an Associate Company as manager of your ISA under the Regulations. This will depend on the following:

- The company must be approved under the relevant Regulations as a manager and suitably authorised under the Act
- We must give you notice in writing beforehand, so that you have the chance to transfer your ISA to a different manager so approved and authorised, if you prefer.

46. LIABILITY

We have no liability for errors of judgement or for any other action we have taken in good faith, or not taken, in connection with your ISA, unless there has been default or negligence by us.

Nothing in these Conditions excludes or restricts any liability that we may have by law or as a result of breaking the rules of a regulator or as a result of breaking the Regulations.

We do not guarantee the performance of your ISA or the profit you may make from them, nor do we guarantee the amount you may receive from the Trading Bank Account or Deposit Account. We will not be responsible for any loss of opportunity through which the value of the ISA could have been increased, or for any reduction in the value of the ISA, unless the loss is caused by our default or negligence.

The above provisions are in addition to the General Conditions which describe the limits to, and exclusions from, our liability and that of Associate Companies and also describe our exclusion of liability and responsibility for the actions and omissions of the Financial Adviser, ASL and other bodies associated with your ISA. In no event will this Clause exclude or restrict any liability which we may have under the Act or by virtue of the Regulations or other statutory or regulatory provisions.

You may ask us for a statement describing your rights to compensation if we or an Associate Company become unable to meet any of our liabilities to you in connection with your ISA.

47. CHANGING THE ISA SPECIFIC CONDITIONS

Clause 23 sets out when we may change these Conditions. If we change or add to these Conditions to your disadvantage, you can transfer your ISA to another ISA Manager or close your Account without loss of interest and without having to pay any extra Charges.

You may do this within 60 days of the date of our notices telling you of the change. A change to these conditions includes removing or adding a condition but does not include a change of interest rates which are covered in Clause 29. Clause 5 deals with the variation of interest rates under the Deposit Bank Account and Clause 35 deals with the variation of our Charges.

You should note the power of other service providers to amend their terms and conditions including charges and refer to the relevant Terms and Conditions.

2B. Wrap SIPP

These SIPP Specific Conditions set out the contract between you and the James Hay group of companies who provide and administer the Wrap SIPP and act as Trustee for the Product and should be read in conjunction with the Wrap SIPP Key Features and SIPP Guide. All queries and correspondence regarding the Wrap SIPP must be directed to James Hay Administration Company Limited, Dunn's House, St Paul's Road, Salisbury, Wiltshire, SP2 7BF.

48. INTRODUCTION TO SIPP SPECIFIC CONDITIONS

James Hay Insurance Company of IFG House, 15 Union Street, St Helier, Jersey, JE1 (registered in Jersey under number 77318). James Hay Pension Trustees Limited (registered number 1435887) and James Hay Administration Company (registered number 4068398) are both registered in England and have their registered office at: Trinity House, Buckingham 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.

The SIPP Specific Conditions detail the terms of business and the services which will be provided under the Wrap SIPP for you. The SIPP is a Registered Pension Scheme. It has been established for the sole purpose of the provision of pension and lump sum benefits for eligible individuals under the Finance Act 2004.

The SIPP is governed by a declaration of trust and rules ('the Rules') and any subsequent deeds amending these. Under the provisions of these documents, each separate Arrangement is a separate trust fund distinct from the other Arrangements under the SIPP. The Scheme Administrator is appointed by the Scheme Provider to administer the SIPP on its behalf and hereby undertakes to administer the SIPP in accordance with the Rules, and these SIPP Specific Conditions. A copy of the Rules is available upon written request.

49. CONTRIBUTIONS AND TRANSFERS

You and/or your employer (if applicable) may contribute to the SIPP at any time.

You may also arrange for a transfer of any other pension entitlement he/she may have to the SIPP. Please note that at the outset the SIPP will be divided into 1,000 equal separate arrangements ('Arrangements'). All contributions and transfer payments received in respect of you shall be apportioned equally between all 1,000 Arrangements except that the apportionment may be altered for the purposes of rounding up the sum allocated to the nearest one pence sterling.

Due to HM Revenue & Customs restrictions, if you elect to take benefits from all Arrangements, no further transfers or contributions can be accepted into those Arrangements.

50. INCOME WITHDRAWAL TRANSFERS

You may arrange for a transfer of any registered pension scheme that is currently providing income withdrawal benefits (either as unsecured or alternatively secured pension) in respect of the whole of the assets transferred. 1000 Arrangements will be set up to receive a transfer of registered pension scheme arrangements in income drawdown as prescribed by the relevant legislation. These income withdrawal arrangements are known as a SIPP Income Withdrawal Transfer Plan (SIPP IWTP).

No other types of transfers to the SIPP IWTP are permitted.

You may not otherwise contribute to the SIPP IWTP at any time. 1,000 Arrangements will be set up in respect of each transfer of arrangements which has a separate benefit crystallisation date. Each transfer shall be apportioned equally to the 1,000 Arrangements, except that the apportionment may be altered for the purpose of rounding up the sum allocated to the nearest one pence sterling.

51. SIPP BANK ACCOUNT

All monies in respect of the Arrangements, not applied for investment purposes, will be held in separate designated SIPP Bank Accounts with Santander UK plc. (Santander) (or such other designated bank as the Trustee shall determine). No other bank or other deposit taker's accounts may be used. The IFG Group PLC is the ultimate parent company of the Scheme Provider, the Trustee and the Scheme Administrator and may benefit from the provision of banking facilities. The Trustee will be the sole authorised signatory to these accounts.

Where monies are held in the SIPP Bank Account with Santander, any credit balance will attract interest at a rate agreed by the Trustee with Santander.

Where permitted and with the specific agreement of Santander, overdrawn balances will be charged interest at Santander current overdraft rates. Santander reserves the right to charge interest on unauthorised overdrawn balances at a higher rate.

No bank charges are currently payable on the SIPP Bank Account but this may change in the future.

Where monies are transferred to an Investment Manager/Financial Adviser permitted to hold funds in respect of the Arrangements, the Investment Manager/Financial Adviser will be responsible for the establishment of bank accounts in a form acceptable to the Trustee and shall account for all transactions and interest periodically.

52. POOLED BANK ACCOUNTS

There may be circumstances when the Trustee or Scheme Administrator needs to put your money into a pooled bank account held in the name of the Trustee. For example, the Trustee or Scheme Administrator may put the following money into a pooled bank account before the Trustee or Scheme Administrator deposit or invest it, or return or pay it to you:

- Your payments
- Any money we receive on your behalf
- The proceeds of selling any units, shares or bonds on your behalf.

We will place this money in one or more existing sterling accounts with Santander. The amounts in these pooled bank accounts may also remain in a pooled bank account until the next settlement day for investment, or until you have received and cashed any proceeds due to you.

We will not pay you any interest on any money held within a pooled bank account.

53. ACCOUNTING AND INVESTMENT STATEMENTS

The Scheme Administrator will maintain records of all transactions and provide you with statements thereof on the basis as set out in the General Conditions and SIPP Guide.

54. INVESTMENTS

The scope of investments into which funds of the Arrangements may be applied are set out in the Wrap SIPP Permitted Investments List. These may be amended from time to time by James Hay or by legislation.

The investment objectives of the Arrangements must have due regard to the overall objective to provide retirement benefits.

Neither the Scheme Provider, nor the Trustee, nor the Scheme Administrator provide investment or pensions advice, nor act as Investment Manager to the Arrangements, nor accept any liability for the performance or choice of investments or performance or choice of investment fund provider or execution only stockbroker.

There are, however, certain restrictions. All investment transactions must be carried out on a commercial basis. Furthermore, James Hay reserves the right to decline to make an investment in a particular asset for any reason it deems appropriate.

James Hay does not accept any liability for any tax charges should you, your Financial Adviser or Investment Manager invest in assets which are deemed to be taxable property by the legislation.

54.1 Investment Procedures

You may choose, subject to product restrictions, the investments of the Arrangements, obtain advice from any person or body appropriately authorised under the Financial Services and Markets Act 2000 and subsequent amending legislation, or appoint one or more Investment Managers or Execution Only Stockbrokers described in the General Conditions (provided the chosen Investment Manager/Execution Only Stockbroker is acceptable to the Trustee).

Your Financial Adviser will be treated as your Representative and Agent. Investment and disinvestment instructions from the Financial Adviser will be accepted from them on the basis that such instructions are your instructions.

The Trustee will enter into any necessary agreements with the chosen Investment Manager/Financial Adviser, and all investments not held in nominee names must be registered in the name of James Hay Pension Trustees Limited. The Trustee will insist upon limiting its liability (and any liability of the Scheme Provider and Scheme Administrator) to the value of the Arrangements, under an

Investment Management/customer agreement, to be entered into with the Investment Manager/Financial Adviser.

You will be responsible for agreeing the investment strategy with an Investment Manager appointed on a discretionary basis, subject to the restrictions on allowable investments referred to above. Where an Investment Manager or Execution Only Stockbroker is appointed the Trustee will normally require the Investment Manager's or Execution Only Stockbroker's own nominee and custody facilities to be used, and that they accept responsibility for the registration and safe custody of the investments.

In the event that you have appointed an Investment Manager or Execution Only Stockbroker who subsequently ceases to be FSA regulated you must appoint an alternative Investment Manager or Execution Only Stockbroker who is FSA regulated and who is acceptable to James Hay, or assets held by the unregulated Investment Manager or Execution Only Stockbroker must be sold within a reasonable time period.

Please also note that the Scheme Administrator must be specifically instructed each time an investment is required by completing the James Hay Investment Centre Buy Form for Investment Centre Funds and for other types of investment the Instruction to Trade Form, except sharedealing which should be directed to your nominated Investment Manager or Execution Only Stockbroker. The Scheme Administrator cannot accept instructions which purport to apply on an ongoing basis to future investments.

Neither the Scheme Provider, nor the Trustee, nor the Scheme Administrator accept liability for any loss occasioned by an Investment Manager/Financial Adviser/Execution Only Stockbroker or other person or body which is responsible for any fund management or ancillary services connected therewith.

The fees and charges of the Investment Manager/Financial Adviser/Execution Only Stockbroker are in addition to the Scheme Provider's charges and shall be payable from funds in your Arrangements unless otherwise agreed.

The Trustee will not exercise voting rights or any other rights in respect of any investment.

The Trustee reserves the right to realise investments to pay benefits or fees and charges under the Arrangements.

55. COMMERCIAL PROPERTY

Property may be purchased and leased on behalf of your Arrangements, subject to the property being acceptable to the Trustee. Details are contained in the Commercial Property Purchase Guide.

The Trustee will appoint their chosen solicitor to act in respect of the property purchase and shall be entitled to appoint a property manager to act on its behalf to comply with its duties and obligations as landlord. The fees of the solicitor and surveyor, together with stamp duty and any other charges and disbursements will be borne by the Arrangements. The property and any borrowing must be in the name of the Trustee.

Neither the Scheme Provider, nor the Trustee, nor the Scheme Administrator can advise on the suitability of a property and neither of them will be responsible for any loss arising therefrom. The Trustee will insist upon limiting its liability and any liability of the Scheme Provider and Scheme Administrator to the value of the property, under a lease or mortgage, and the transaction may only proceed on that basis. Please note solicitors to act on behalf of the Trustee in a property purchase will not be instructed until you have agreed to these SIPP Specific Conditions.

56. COMPLAINTS

Should you wish to register a complaint in relation to the services provided under these SIPP Specific Conditions, then such a complaint can be made in writing and addressed to the Managing Director, James Hay Administration Company Limited, Dunn's House, St Paul's Road, Salisbury, Wiltshire, SP2 7BF who will deal with the complaint on behalf of the Scheme Provider.

57. VARIATION

The SIPP Specific Conditions may be amended by the Scheme Provider or the Scheme Administrator on behalf of the Scheme Provider by giving you at any time 30 business days written notice. This notice will be sent to your home address as last advised to the Scheme Administrator.

58. TERMINATION

James Hay has the right to make any amendment to these SIPP Specific Conditions in order to comply with a change of applicable law or regulation, by giving you 30 business days written notice. If the change is to your advantage then notice can be given within 30 business days of the change.

These SIPP Specific Conditions as varied, if appropriate, shall continue until the Arrangements have been terminated by the payment of a transfer value to another registered pension scheme or the provision of annuity/death benefits in the appropriate form.

No fees or charges at that time paid shall be refunded and those payable shall remain so. Termination will be without prejudice to the completion of transactions already initiated and the Trustee is authorised to continue to operate the bank accounts relating to the Arrangements after notice has been given for the purpose of settling or receiving monies in respect of transactions already initiated and paying any expenses or fees due to the Scheme Provider or other parties.

59. CONFIDENTIALITY

The Scheme Provider, Scheme Administrator and the Trustee undertake not to disclose, at any time, information coming into their possession during the continuance of the Arrangements except to your agents (including your Financial Adviser and Investment Manager) or any investment provider with whom the SIPP has invested or the organisation through which the SIPP has been introduced, unless expressly authorised to do so or where required to do so by law or any regulatory purpose and such information will be held in accordance with the provisions of data protection legislation.

James Hay may also give essential information about the SIPP to others if necessary to run the SIPP, this may include your Financial Adviser's network head office if remuneration payments to your Financial Adviser are paid in this way. Information about you will be kept after your SIPP is closed.

60. INSTRUCTIONS AND NOTICES

You should give all instructions and written notices regarding the SIPP to the Scheme Administrator who will pass them to the Scheme Provider or Trustee (as appropriate).

Any written notice or communication should be posted or delivered to James Hay Administration Company Limited, Dunn's House, St Paul's Road, Salisbury, Wiltshire, SP2 7BF or faxed to 0845 850 4466, or as may be notified from time to time. In the event of a dispute no instruction or notice shall be deemed to have been given by, or on behalf of you, unless by proof of receipt.

61. CHARGES

All Transaction Charges (including Abbey Stockbrokers Limited sharedealing transactions and Cash Receipt Charge) that take place in respect of your Wrap SIPP whilst it is part of your Wrap Portfolio are included in your Wrap transaction charges and shall be charged in accordance with the provisions of the Wrap Portfolio Charges Schedule. Please refer to this schedule for further information.

In some circumstances (where you require more than 50 sharedealing transactions in a year), there may be additional charges applied by ASL. Please refer to the Abbey Sharedealing Scale of Charges for further information on these additional charges.

There are separate charges for any commercial property held within the Wrap SIPP. Details of charges for commercial property held within the Wrap SIPP are set out in the Wrap SIPP Property Purchase Guide and the Wrap SIPP Commercial Property Transaction Fees schedule. Please refer to these documents for further information.

If the Wrap SIPP ceases to be part of a Wrap Portfolio, then the standard James Hay SIPP charges will apply as set out in the James Hay SIPP Schedule of Charges, a copy of which will be supplied on request. If these charges apply, all fees payable annually, other than those based on a percentage of the value of the Fund, will increase in line with the rise in the National Average Earnings Index during the previous calendar year as calculated on 1st April each year. Please note however that the Scheme Provider reserves the right to increase charges above the National Average Earnings Index to cover additional work to comply with any alterations in legislation, HM Revenue & Customs requirements and/or regulations relating to the SIPP, or other factors beyond its control.

If additional services are offered in the future, or additional forms of investment are permitted by the HM Revenue & Customs, then charges for these may not be reflected in the current Wrap Portfolio Charges Schedule, and you should ensure you refer to the latest Wrap Portfolio Charges Schedule for up-to-date information.

All figures are exclusive of any Value Added Tax (VAT) unless otherwise stated and we reserve the right to charge VAT in addition where applicable. The administration services provided by, or on behalf of the Scheme Provider under this Agreement are exempt from VAT, but VAT may be payable on services provided by third parties such as those relating to the solicitor charges. The Scheme Provider will invoice you for all fees, charges and disbursements ('Charges').

All Charges will be deducted when required by the Scheme Administrator from your designated account unless there are insufficient funds available.

The Scheme Provider reserves the right to charge interest on late payment at 3% over base rate as determined by the Bank of England.

The Scheme Provider reserves the right to require the Trustee and Scheme Administrator to realise investments to pay charges if there are insufficient funds otherwise available, and may require sufficient funds to be maintained in your designated account to cover charges.

The Scheme Provider shall be entitled by 30 business days notice given to you, to increase the level of fees and charges above the level of any predetermined increases herein provided for.

All fees must be deducted from funds held in the Scheme. Any cheque payment received as settlement of invoices in relation to the administration of the SIPP will be treated as a contribution and must comply with HM Revenue & Customs rules on contributions to registered pension schemes.

Alternatively, please ensure we have adequate disinvestment instructions in the event of insufficient funds.

62. SERVICES

The following services are provided by James Hay:

1. Establishment of SIPP Arrangements
2. Setting up SIPP administration record systems
3. Receipt of contributions/transfer payments into/out of the SIPP
4. Documentation to appoint your chosen Investment Manager/ Execution only stockbroker
5. Maintenance of SIPP records, including Portfolio Valuations and Contract Notes received from your chosen FSA regulated Investment Manager/Execution Only Stockbroker
6. Recovery of basic rate tax on your SIPP contributions where applicable
7. Recovery of tax deducted at source on UK investment income where applicable
8. Arranging SIPP investments on your, or your Financial Adviser's instructions (except those that require the services of a stockbroker)
9. Annual SIPP statements detailing assets, contributions and transfer payments received, and amounts of tax recovered from HM Revenue & Customs
10. Creation of SIPP banking facilities
11. Maintaining records of each SIPP investment transaction
12. Settlement and payment of SIPP benefits
13. Such other services as may from time to time be necessary to efficiently administer the SIPP Arrangements, and to comply with HM Revenue & Customs requirements.

63. MISCELLANEOUS

Reference to other lists, guides or schedules in these SIPP Specific Conditions are to other lists, guides and schedules published by James Hay from time to time which set out more details relating to these SIPP Specific Conditions.

IMPORTANT INFORMATION

Any taxation information contained in this guide is based on our interpretation of current legislation and HM Revenue & Customs practice. Please remember that current tax benefits may change in the future.

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