Protected Rights Plan for Transfers In

Terms and Conditions

James Hay

Protected Rights Plan for Transfers In

Terms and Conditions

These terms and conditions set out the contract between you (the Member) and us (James Hay) and should be read in conjunction with the Protected Rights Plan for Transfers In Key Features and SIPP Technical Product Guide.

All queries and correspondence must be directed to James Hay Administration Company Limited, Dunn's House, St Paul's Road, Salisbury, Wiltshire, SP2 7BF.

1. DEFINITIONS

Abbey Stockbrokers Limited (ASL) means the company who provides execution only stockbroking services.

Arrangement means a Member's money purchase arrangement under the James Hay Personal Pension Plan, as defined in the Scheme Rules. A Member may have more than one Arrangement under the James Hay Personal Pension Plan.

James Hay means all the James Hay companies named in this section where relevant in the particular context and unless a specific company name is mentioned.

James Hay Administration Company Limited means the company providing administration services for the Plan.

James Hay Insurance Company Limited means the company providing the James Hay Personal Pension Plan.

James Hay Personal Pension Plan or the **Scheme** means the registered pension scheme provided by James Hay Insurance Company Limited.

James Hay Pension Trustees Limited means the Trustee of the James Hay Personal Pension Plan.

Member means the person who completed the application form for the Protected Rights Plan and in whose name it has been opened.

Plan means the James Hay Personal Pension Plan established to receive transfer payments of contracted out and protected rights as prescribed by the relevant legislation.

Us means James Hay.

You and **your** means the person who completed the application form for the relevant Plan and in whose name it has been opened.

2. TERMS OF THE AGREEMENT

This Agreement is between the Member and James Hay Insurance Company of IFG House, 15 Union Street, St Helier, Jersey, JE1 (registered in Jersey under number 77318) ('the Scheme Provider'), James Hay Pension Trustees Limited of Trinity House, Buckingway Business Park, Anderson Road, Swavesey, Cambs, CB24 4UQ (registered in England number 1435887), ('the Trustee') and James Hay Administration Company of Trinity House, Buckingway Business Park, Anderson Road, Swavesey, Cambs, CB24 4UQ (registered in England number 4068398) ('the Scheme Administrator').

This agreement details the terms of business and the services which will be provided under the James Hay Personal Pension Plan ('the Scheme') for the Member. The Scheme is a Registered Personal Pension Scheme which has been granted appropriate personal pension status by HM Revenue and Customs. It has been established for the sole purpose of the provision of pension and lump sum benefits for eligible individuals under the relevant legislation.

For the purposes of this Agreement we will classify the Member as a retail customer in accordance with Financial Services Authority rules, unless we agree otherwise with the Member.

The Scheme 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 Scheme. James Hay Insurance Company Limited is the Scheme Provider and James Hay Pension Trustees Limited is the Trustee of the Scheme. James Hay Administration Company Limited is appointed by the Scheme Provider to administer the Scheme on its behalf and hereby undertakes to administer the Scheme in accordance with the Rules, and this Agreement. A copy of the governing documentation is available upon written request.

3. TRANSFERS

The Member may arrange for a transfer of uncrystallised contracted out rights or protected rights he/she may have to the Plan. James Hay will set up a Plan for the Member with one uncrystallised Arrangement for the purposes of acceptance of these transfer payments of uncrystallised arrangements.

If the Member elects to take unsecured pension benefits from the total value of the uncrystallised Arrangement, further transfers of contracted out or protected rights can only be accepted into a new Plan with one uncrystallised Arrangement set up for this purpose.

The Member may also arrange for a transfer of any arrangement of contracted out or protected rights that is currently providing income withdrawal benefits (either as unsecured or alternatively secured pension). A Plan with an Arrangement specifically designated to accept a transfer of this type will be set up for this purpose.

Any Arrangement set up for this purpose is unable to accept a transfer of uncrystallised arrangements. If the Member elects to make a subsequent pension transfer from another registered pension scheme providing income withdrawal benefits it can only be accepted into a new Plan Arrangement set up specifically to accept a transfer of this type.

The Member may also arrange for a block transfer, as defined by the legislation, to be made to a Plan. One Arrangement under the Scheme will be specifically set up to accept a transfer of this type. Any Arrangement set up for this purpose is unable to accept contributions, a transfer of uncrystallised arrangements, or a transfer from a pension scheme already providing income withdrawal benefits.

4. BANK ACCOUNTS

Monies received by electronic bank transfer will be received into a trustee bank account set up for the Member's Plan (Plan bank account). Once these monies are credited to the Plan bank account they will be transferred to a central trustee bank account for investment purposes. Any cheque will be received into the central trustee bank account. This central trustee bank account will hold monies from more than one members Plan fund, but the entitlement of each member whether funds are received by electronic bank transfer or cheque in the account will be separately identified and recorded for this purpose.

Both the Plan bank account and the central trustee bank account will be held with Santander UK plc. (Santander) (or such other bank account as the Trustee shall determine).

Any monies not applied for investment purposes will be held in the central trustee bank account and will attract interest at a rate agreed by the Trustee with Santander. For details about the current interest rate the Member can visit www.jameshay.co.uk or call James Hay on 0845 850 4455. 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 for the Plan bank account and the central trustee bank account. No other bank or other deposit taker's accounts may be used.

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 but this may change in the future.

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

5. TRUSTEE TRADING BANK ACCOUNT

There may be circumstances when we need to put your money into a trustee trading bank account held in the name of the Trustee. For example, we may put the following money into a trustee trading bank 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 trustee trading bank account may also include money we have been given by other clients because we manage their SIPPs. Your money should only remain in a trustee trading 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 trustee trading bank account.

6. ACCOUNTING AND INVESTMENT STATEMENTS

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

7. INVESTMENTS

The current range of investments allowed under the Plan are:

- Stocks and shares and other investments that James Hay permits to be purchased through ASL
- Collect Funds
- Select Funds (only available if you have a Financial Adviser).

Further details of these investments are set out in the SIPP Technical Product Guide. These may be amended from time to time by the HM Revenue & Customs or by legislation.

The investment objectives of the Arrangement 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 Arrangement, 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 the Member, their Financial Adviser or Investment Manager invest in assets which are deemed to be taxable property by the legislation.

7.1 Investment Procedures

The Member may choose, subject to any HM Revenue & Customs or product restrictions, the investments of the Arrangement, obtain advice from any person or body appropriately authorised under the Financial Services and Markets Act 2000 and subsequent amending legislation.

Where the Member has appointed a Financial Adviser then the Financial Adviser will be treated as the Member's Representative and Agent. Investment and disinvestment instructions from the Financial Adviser will be accepted from them on the basis that such instructions are the Member's instructions.

The Member can use the direct dealing service facility with ASL on an execution only basis in respect of investments which require stockbroking services including investments transferred into the Scheme. Investments either purchased through or transferred to ASL will be registered in the name of Abbey Stockbrokers (Nominees) Limited or any other nominee company ASL decides to use. ASL accepts full responsibility for safe custody and all other obligations of its nominee. Details of ASL's charges and services are as set out in their leaflet.

The Trustee will enter into any necessary agreements with ASL and all investments not held in ASL's nominee name 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 ASL's Customer Agreement.

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 Select and Collect Funds, except share dealing which should be directed to ASL.

Investments should be purchased by your investment provider and/or your 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 Select and Collect 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 obtain details about the best execution policy for your chosen investment provider and/or stockbroker.

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

When investing in Collect or Select funds, the separate Collect or Select Funds Terms and Conditions will also apply in addition to this agreement.

The fees and charges of the Financial Adviser or ASL or other shareholding services are in addition to the Scheme Provider's charges and shall be payable from funds in the Member's Arrangement unless otherwise agreed.

The Trustee will not normally forward the Member 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 the Member, including the rate of charges to apply for such a service. The Trustee will not exercise any voting rights attaching to the Scheme's investments unless otherwise agreed with the Member, including the rate of charges that may apply for such a service. The Trustee reserves the right to realise investments to pay benefits or fees and charges under the Arrangement.

8. COMPLAINTS

Should the Member wish to register a complaint in relation to the services provided under this Agreement then such a complaint can be made in writing and addressed to the Customer Complaints Manager, 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.

9. VARIATION

The Scheme Provider and the Scheme Administrator on behalf of the Scheme Provider reserve the right to amend the terms and conditions of this Agreement from time to time on 30 days written notice, by email or post and sent to the Member's home address as last advised to the Scheme Administrator. Such changes will take effect from the date stated on the notification. During the notice period we will not increase any applicable published transfer out fees and you will be free to transfer your fund to another pension provider, subject to the existing transfer out fees. We may remove, change or add to these conditions or any of the details forming part of the contract between us for the following valid reasons:

- Significant changes in pensions or other relevant UK or European legislation
- Significant changes in regulatory regime or reporting requirements
- Changes in how investment markets work which may impact on the operation of your SIPP
- To avoid cross-subsidisation between individual Member Funds where the provision of certain services are being charged on an uneconomic basis
- Changes to the ownership of our business or how it operates
- To remedy manifest errors

If the Scheme Provider or Scheme Administrator on behalf of the Scheme Provider alter these conditions for valid reasons and you are not happy with those changes, then we will waive our existing transfer out fee if you wish to transfer to another pension provider within 90 days of the changes coming into effect.

In the event that there is any discrepancy between the terms of your SIPP and its Rules, the Rules will take precedence.

10. TERMINATION

We have the right to make any amendment to these provisions in order to comply with a change of applicable law or regulation, by giving the Member 30 business days written notice. If the change is to the Member's advantage then notice can be given within 30 business days of the change.

These provisions as varied, if appropriate, shall continue until the Arrangement 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 Arrangement 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.

11. 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 Arrangement except to the Member's agents (including their Financial Adviser and Investment Manager) or any investment provider with whom the Plan has invested or the organization through which the Plan 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 Plan to others if necessary to run the Plan, 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 Plan is closed.

12. INSTRUCTIONS AND NOTICES

The Member should give all instructions and written notices regarding the Scheme 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 at 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 the Member unless by proof of receipt.

13. JURISDICTION

This agreement shall be construed in accordance with the laws of England and Wales and the parties submit to the exclusive jurisdiction of the English and Welsh courts.

14. CHARGES

The charges for the Scheme form part of this Agreement and are set out in the current Protected Rights Plan Charges Schedule a copy of which the Member acknowledges has been supplied to them. If the Member has appointed a Financial Adviser who has negotiated special Plan charges with James Hay these will apply to the Plan. However, if the Member elects to change their Financial Adviser for the Scheme at some point in the future standard James Hay charges will apply.

A copy of these standard charges are available on request. If additional services are offered in the future or additional forms of investment are permitted, then charges for these may not be reflected in the current Protected Rights Plan Charges Schedule and you should ensure you refer to the latest Charges Schedule for up-to-date information.

All figures are exclusive of any Value Added Tax (VAT) unless otherwise stated.

The 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.

All charges will be deducted when required by the Scheme Administrator from the Member's cash holding in the central trustee bank account unless there are insufficient funds available.

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 the Member's cash holding in the central trustee bank account to cover charges.

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

All fees and charges must be deducted from funds held in the Scheme. It is the Member's responsibility to ensure we have adequate disinvestment instructions in the event of insufficient funds.

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

15. SERVICES

The following services are provided:

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

16. MISCELLANEOUS

We may operate a telephone recording system and calls may be recorded for training and monitoring or security purposes.

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 eliminate 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.

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.

How to Contact Us

Call SIPP Enquiries on:

0845 850 4455

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

Visit our website:

www.jameshay.co.uk

Email us:

sipp@jameshay.co.uk

Write to us at:

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

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

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

JHAY 0802 MAY10 LINKS

www.jameshay.co.uk