

# Key Features of the James Hay Investment Centre

## **Important information you need to read and understand before you invest**

The Financial Conduct Authority (FCA) is a financial services regulator. It requires us, James Hay Partnership, to give you this important information to help you to decide whether investing through our Investment Centre is right for you. You should read this document carefully and keep it safe for future reference.

# What you should know before you invest

## What is the purpose of this document?

This document provides you with information about the James Hay Investment Centre. The Investment Centre is our in-house fund platform that allows you to invest in a variety of collective investment schemes that we refer to as 'funds'.

Through the Investment Centre you can invest in over 3,700 funds from leading fund managers on favourable terms. We have negotiated competitive discounts on the initial management charges made by the fund managers in their fund prices, reducing the cost of each investment.

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## Key features of the Investment Centre

### Its aims

The James Hay Investment Centre is a fund platform operated and administered by James Hay Administration Company Limited in respect of the SIPP, and James Hay Wrap Managers Limited in respect of the Wrap, Modular ISA and Modular GIA (collectively referred to as James Hay Partnership).

It provides the facility for you, through your James Hay product, to invest in individual collective funds from a wide range of leading fund managers at discounted charges, in order to provide capital growth and/or income over the medium to long term.

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## Your investment

You can view lists of the Investment Centre funds that are available for your product on our website at [www.jameshay.co.uk](http://www.jameshay.co.uk).

The James Hay Wrap, Modular ISA and Modular GIA each have their own funds list. Investment Centre funds that are available for investment within a James Hay SIPP can be found on either the **Collect** or **Select** funds lists.

**Select** funds are mainly institutional and pooled pension funds, and are only available to you if you have a financial adviser appointed to your SIPP.

**Collect** funds are mainly unit trusts and OEICs, and you can invest in these whether you have a financial adviser or not.

When you purchase a fund within the Investment Centre, your money will be pooled with money from other investors, but a separate record of your investment is maintained by us. This gives you access to a broad range of investments at more favourable terms than you may get individually.

When trading via the Investment Centre, cash will move to and from the relevant product's bank account.

You can place single or regular Investment Centre trades at any time via our secure online service James Hay Online.

## Understanding the risks

- The value of your investment and any income from it can rise and fall, and is not guaranteed.
- If you sell your investment, its value may be less than you had originally invested.
- Past investment performance is not necessarily a guide to future investment performance.
- When a charge is taken from the capital of a fund, the value of your investment may be reduced.
- Changes in exchange rates could affect the value of your investment.
- Significant changes in interest rates could affect the value of your investment.
- Changes in tax rules could affect the value of your investment, or the amount of income received from it.
- Funds that aim to provide greater potential returns can carry a greater investment risk.
- Investment in emerging markets carries a higher level of risk as these funds can be volatile, with greater price fluctuations than investments in more mature markets.

For further information, please read our 'Guide to Investment Risk', available from [www.jameshay.co.uk](http://www.jameshay.co.uk).

**James Hay does not provide financial advice. If you are in any doubt whether a particular investment is suitable for you, you should contact your financial adviser.**

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## Questions and answers

### What is a Unit Trust?

A Unit Trust is a collective investment where your money is pooled together with other investors' and spread across a range of stocks and shares according to the objective of the fund. The investments are held in trust, with each investor's interest defined by the number of units they own.

The number of units you own depends on how much money you invest and the cost of the units.

The investments within the fund are professionally managed by the fund manager.

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### What is an OEIC?

An OEIC (Open Ended Investment Company) is a collective investment that follows a similar principle to a Unit Trust, where your money is pooled together with that of other investors, and spread across a range of stocks and shares according to the objective of the OEIC. Investors own shares in the OEIC.

The number of shares you own depends on how much money you invest and the cost of the shares.

The investments within the fund are professionally managed by the fund manager.

OEICs are also sometimes referred to as ICVCs – Investment Company with Variable Capital.

## What is an Institutional or Pooled Pension fund?

A Pooled Pension fund is a collective investment where your money is pooled together with the money of other investors, and spread across a range of stocks and shares according to the objective of the fund. Only approved pension schemes can invest in these funds.

Institutional funds are normally only available to investors with appropriate investment experience and typically have discounted fund management charges. You must have a financial adviser if you wish to invest in these funds.

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## How do I invest?

You or your financial adviser can place Investment Centre trades at any time via James Hay Online.

Log in to your account at [www.jameshay.co.uk](http://www.jameshay.co.uk) and navigate to the 'Trade' screen, where you can buy, sell and switch funds on a single or regular basis.

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## What is the minimum amount I can invest?

The minimum investment amount is £1 per fund. This includes additional investments.

When buying an investment, the money will be taken from the relevant product bank account. A sufficient cash balance must be available in order to make the investment.

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## What confirmation will I receive?

We will update your James Hay Online account with details of Investment Centre transactions once we have received a contract note from the fund manager.

A paper confirmation will also be posted to you, or your financial adviser if you use one, except for regular trades. These are not confirmed individually but are included in a statement half-yearly (for SIPP products) or quarterly statement (for non-SIPP products) sent to you or your financial adviser.

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## Do I have the right to cancel?

If you have a financial adviser, we will send you a cancellation notice for each investment you make, except for regular investments where you will receive a single cancellation notice when you set up the regular investment.

If you have a financial adviser, you can cancel your investment within 14 days of receipt of your cancellation form. If you do not have a financial adviser, you do not have the right to cancel.

If you cancel an investment, you may not get back the full amount you invested, as the value of any units or shares bought may have fallen.

We will not send a cancellation notice for any investments which are re-registered with us as part of an in-specie transfer.

## Can I change my investments?

You or your adviser can place and amend Investment Centre trades at any time via your James Hay Online account.

You can switch between funds and you can set up regular trades on a monthly, quarterly, half-yearly or annual basis.

If you want to switch between Investment Centre funds, we need to sell your holdings in one fund and buy them in the other. We do this by selling your holding in the fund on one day and buying the holding in the new fund normally on the following business day, thereby ensuring your money remains invested as fully as possible while switching.

Please note that the timing of the buy trade is dependent on us receiving details of the sale trade from the fund manager. Furthermore, please note that we reserve the right to defer making the buy element of a switch until we have received the sale proceeds from the fund manager, for any reason and without prior notice.

If you are switching out of a fund that does not trade daily, then this may cause a delay before the buy elements of the switch can be placed.

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## What charges can I expect?

Full details of James Hay's charges in relation to the Investment Centre can be found in the relevant product's Charges Schedule, available from our website at [www.jameshay.co.uk](http://www.jameshay.co.uk).

Fund management charges will also be applied by the Investment Centre fund managers. There may be an initial charge when you buy units or shares in an Investment Centre fund. In respect of fund manager charges on switches, you will pay the initial charge of the fund into which money is being switched.

There is also an annual management charge levied by each fund manager, for investing and managing your money.

Part of these charges may be rebated back to us. Any rebate received will be allocated to your product in the form of additional units.

If you have completely sold your holdings in a fund before the rebate is paid, where permitted by regulation, the rebate may be allocated as cash to the relevant product's bank account.

There are a number of other charges and costs borne by the funds, such as audit charges, registrar charges and regulatory charges. These charges, plus the Annual Management Charge, are reflected in the Ongoing Charges Figure (OCF) or Total Expense Ratio (TER) which give a snapshot of how much it will cost to invest in the fund annually. For a full list of fund management charges, please refer to the documentation of the fund available through James Hay Online.

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## How can I check what my investment is worth?

You can view your Investment Centre holdings at any time via your James Hay Online account.

Fund prices can be viewed prior to making a trade. However, please bear in mind that these will be the prices for the previous trading deadline and not the price you will get when you trade, as fund managers execute trades on a forward pricing basis.

Fund managers may also publish fund prices on their own website.

Single trades will be confirmed to you individually, and regular trades can be viewed on your statement; half-yearly for SIPP products and quarterly for non-SIPP products.

## When must I give instructions?

Instructions received by us via James Hay Online are normally transmitted to fund managers on the same business day of receipt, provided your order is received before the fund cut-off time shown on the funds list on our website. If your order is received after the cut-off time, it will normally be transmitted on the next business day.

Investment Centre instructions received by post or fax are normally transmitted on the next business day after receipt, provided your order is received before 4pm on the business day before. Please note that paper transactions will also incur an additional charge.

Please note that these order transmission timings are not guaranteed; the price date obtained and trading date when placing the transaction may differ, and your order transmissions may take longer than the timings stated above. Please also note that the price obtained for the transaction will be the price calculated by the fund manager at the next valuation point for the fund after they receive the order. The valuation basis can be obtained from the relevant fund manager.

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

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## Will I receive income?

The funds chosen may pay income into your James Hay product. If you invest in a fund offering income units or shares, any distributions will automatically be paid into the relevant product's bank account.

If you invest in a fund offering accumulation units or shares, any distributions will automatically be reinvested in the fund.

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## How are Investment Centre funds held?

If investing through your SIPP, all units and shares purchased will be held in the name of James Hay Pension Trustees Limited as the trustee of your SIPP or a nominee chosen by the trustee.

If investing through your Wrap Investment Portfolio, Wrap ISA, Wrap Offshore Bond, Modular ISA or Modular GIA, all units and shares purchased will be held on your behalf in the name of James Hay Wrap Nominee Company Limited, or another nominee company chosen by us.

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## What if a fund is suspended?

If a fund manager suspends dealing in a fund for any reason for any period of time, we will not be able to accept instructions on that fund until it is reinstated.

If this happens, we will let you or your financial adviser know.

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## What happens to my investments if I die?

This will depend on which product your investments are held within. Further information can be found in the Technical Guide for your James Hay product, available on our website at [www.jameshay.co.uk](http://www.jameshay.co.uk).

## What about tax?

Applicable taxes will vary depending on the product in which the investments are held.

- Interest and dividend distributions are paid gross, without deduction of income tax at source.
- Property income distributions are typically paid gross where the investment is held in a SIPP, ISA or Offshore Bond. If the property income distribution is paid net of 20% income tax we may be able to reclaim the tax in respect of SIPP or ISA investments.
- For the SIPP and the ISA, we may be able to reclaim income tax deducted from property income distributions.
- If you are investing through your SIPP, ISA or Offshore Bond, no additional tax is payable on the dividend, interest or property income distributions.
- You may be liable for additional tax on the dividend, interest or property income distributions if the fund is held within the Wrap Investment Portfolio or Modular GIA.
- Your SIPP, ISA or Offshore Bond are not liable to capital gains tax when you sell investments held within these wrappers.
- You may be liable to capital gains tax if you sell a holding within your Wrap Investment Portfolio or Modular GIA.
- You may be liable to pay income tax in relation to withdrawals taken from your Offshore Bond.

**The tax treatment depends on your individual circumstances and may be subject to change in the future. You should discuss this with your financial adviser if you are in any doubt.**

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## General information on Investment Centre pricing

Units in dual priced Unit Trusts have two prices - the buying (offer) price, which you pay when you invest, and a lower selling (bid) price when you are selling all or part of your investment. The difference between these prices is known as the 'spread'.

The spread may include the initial charge as well as the cost to the Unit Trust for buying and selling investments on the stockmarket.

Some Unit Trusts are priced on a single price basis. This is the price used to buy and sell units, although purchases may be subject to an initial charge.

Some fund managers price their funds on a 'single swinging' basis. The price of the units will be determined by the net level of demand in each fund on any given dealing day. If there are more buyers than sellers on a particular day, then the price quoted will be what is normally referred to as the offer price. If there are more sellers than buyers on a particular day, then the price quoted will be what is normally referred to as the bid price. This mechanism is known as single swinging pricing.

Shares in an OEIC are normally priced on a single basis. This is the price used to buy and sell units, although purchases may be subject to an initial charge.

In certain circumstances, the fund manager may decide to apply a dilution levy on the purchase or sale of units or shares. This may happen if a high number of purchases or sales takes place which would adversely affect the net asset value of the units or shares held by the remaining investors. This levy is intended to ensure that the remaining investors are no worse off.

## Other information

This document should be read in conjunction with the relevant product's Terms and Conditions, the Select or Collect Funds Terms and Conditions, and the respective Funds List. Further information can also be found in each product's Technical Guide. All of these documents can be found on our website at [www.jameshay.co.uk](http://www.jameshay.co.uk).

### How to complain

If you wish to complain about any aspect of the service you have received from us, please contact the Complaints Manager using any of the methods detailed in the 'How to contact us' section overleaf.

Complaints that we cannot address may be referred to the Financial Ombudsman Service.

For details of our formal complaints procedure, please see the 'Guide to our Complaint Procedure' document on our website at [www.jameshay.co.uk](http://www.jameshay.co.uk).

Making a complaint will not affect your right to take legal proceedings.

### Important notice

James Hay Partnership is not liable for any loss caused where a delay or failure to provide services is caused by events, circumstances or causes beyond its reasonable control, including any failure, breakdown or malfunction of any telecommunications, computer systems (including James Hay Online), equipment, banking services or utility provider; or any delays or failures arising out of, or in connection with, any industrial disputes/ actions, or abnormal weather conditions.

### Law

At all times, our products and our relationship with you are governed by, and subject to, the laws of England and Wales.

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## How to contact us

We do not provide financial advice. Your financial adviser (if you have appointed one) will normally be your first point of contact. However, if you need more help or information regarding the administration or features of your product, you can write to us at the following address:

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

**Website:** [www.jameshay.co.uk](http://www.jameshay.co.uk)

**Telephone:** 03455 212 414

Lines are open from 9am to 5pm  
Monday to Friday.

To help us improve our service we  
may record or monitor calls.

We are able to provide literature in alternative formats. For a Braille, large print, audio and E-text version of this document call us on 03455 212 414 (or via the Typetalk service on 18001 03455 212 414).

James Hay Partnership is the trading name of James Hay Partnership Management Limited (JHPM) (registered in England number 02538532); James Hay Services Limited (JHS) (registered in Jersey number 77318); IPS Pensions Limited (IPS) (registered in England number 2601833); James Hay Administration Company Limited (JHAC) (registered in England number 4068398); James Hay Pension Trustees Limited (JHPT) (registered in England number 1435887); James Hay Wrap Managers Limited (JHWM) (registered in England number 4773695); James Hay Wrap Nominee Company Limited (JHWNC) (registered in England number 7259308); PAL Trustees Limited (PAL) (registered in England number 1666419); Sarum Trustees Limited (SarumTL) (registered in England number 1003681); The IPS Partnership Plc (IPS Plc) (registered in England number 1458445); Union Pension Trustees Limited (UPT) (registered in England number 2634371). JHS has its registered office at Aztec Group House, 11-15 Seaton Place, St Helier, Jersey, JE4 0QH. JHPM, IPS, JHAC, JHPT, JHWM, JHWNC, PAL, SarumTL, IPS Plc, and UPT have their registered office at Dunn's House, St Paul's Road, Salisbury, SP2 7BF. JHAC, JHWM, IPS and IPS Plc are authorised and regulated by the Financial Conduct Authority. (3/21)