

## Beneficiary's Modular iSIPP Charges Schedule

Charges applicable from 6 April 2024

This Charges Schedule sets out James Hay Partnership's charges for administering a Modular iSIPP that is opened to hold a beneficiary's or dependant's pension from the death benefits of a former member of the James Hay Personal Pension Plan. **Please note that you cannot make any further transfers or contributions to a Beneficiary's Modular iSIPP - it can only hold beneficiary pension rights.**

This is a legally binding document between you and James Hay Partnership, as Section 1 forms part of your SIPP Terms and Conditions, along with the Modular iSIPP Permitted Investments List and your application form. There is a glossary at the end of this document to explain some of the terms used. For further information, please visit our website at [www.jameshay.co.uk](http://www.jameshay.co.uk) or call us on 03455 212 414.

The final column in each table shows when the charge will be applied:

Annually in advance - **A**

After completion - **C**

Monthly - **M**

Quarterly - **Q**

### Section 1 - Core charges

Core annual charges	Amount (£)	
Annual administration charge	235	<b>A</b>
Platform charge: First £300,000 Next £300,000 Next £400,000 Next £500,000 Over £1,500,000	0.25% p.a. 0.20% p.a. 0.15% p.a. 0.05% p.a. 0.01% p.a.	<b>M</b>
<p>The annual administration charge will be waived if a minimum of £200,000 is held in the following investments in your Modular iPlan at the time of our annual review:</p> <ul style="list-style-type: none"> <li>• Cash Panel deposit accounts</li> <li>• Investment Centre funds (including funds held in the Managed Portfolio Panel), and</li> <li>• Cash held in your product bank account(s), including property cash accounts, if applicable.</li> </ul> <p>The platform charge applies to all products in your Modular iPlan, and is deducted proportionately from your product bank account(s). This charge is calculated at the beginning of each month and is based on a percentage of the value of the Cash Panel deposit accounts and Investment Centre funds (including funds held in the Managed Portfolio Panel).</p>		

Transfers in and investments	Amount (£)	
In-specie transfer in of beneficiary pension rights	50	
Investment Centre transactions - buy, sell or switch (per instruction)	Online: Nil Paper: 20	<b>C</b>
Panel stockbroker account annual charge (per account)	27	<b>A</b>

## Beneficiary's Modular iSIPP Charges Schedule


Benefits (withdrawals)	Amount (£)	
Annual income drawdown charge (once benefits have started, even if no income is taken)	164 + VAT	A
Income drawdown set up charge	100 + VAT	C

Transfers out and closure	Amount (£)	
Administration charge - on any cash payments received after your Beneficiary's Modular iSIPP is closed (for example, dividends). Any balance will be forwarded to you on completion of the transaction.	Equal to the value received (maximum of £50 per payment)	C


## Additional investment options

Whole of Market module	Amount (£)	
Whole of Market module charge (payable if the following investment options are used)	134	A
External investments - buy, sell or switch (per investment provider) (including setting up a regular investment/disinvestment)	Online: 20 Paper: 50	C
Setting up an investment manager/off panel stockbroker account	100	
Investment manager/off panel stockbroker account annual charge (per account)	94	A

Specialist Investments module (top ups and sales only)	Amount (£)	
Specialist Investments module charge (payable if the following investment options are used)	470 + VAT	A
Any specialist investment, such as Non Mainstream Pooled Investments (NMPs - including Qualified Investor Schemes) and unquoted shares (per trade)	100	C
Lending to unconnected third party (per event)	100	

 Please note that we no longer accept new purchases of Specialist Investments. However, we may allow additional investments into existing holdings (known as top ups). Please see the Specialist Investments Guide on our website for further information.

Commercial Property module	Amount (£)	
Commercial Property module charge (payable if a commercial property is held)	134 + VAT	A
UK purchase or transfer in	600 + VAT	C
Purchase charge per additional member	100 + VAT	
VAT initial registration	120 + VAT	
Mortgage arrangement charge	250 + VAT	
Purchase or sale cancellation fee	300 + VAT	
Sale or transfer out	450 + VAT	
Buy-out (with documentation changes) (without documentation changes)	600 + VAT 450 + VAT	
Annual property charge using CBRE (first lettable unit/lease in each property) (each additional lettable unit/lease in each property)	1,275 + VAT 738 + VAT	A
Annual property charge self managed by member (first lettable unit/lease in each property) (each additional lettable unit/lease in each property)	705 + VAT 604 + VAT	
Annual VAT charge (including self managed option)	134 + VAT	
Annual mortgage charge	201 + VAT	
Additional member annual charge (for each additional member)	134 + VAT	
Pre-funding expenses charge	50 + VAT	C
Property development charge (capped at £2,000 + VAT per development)	0.5% of cost of works + VAT	
Charge for failing to provide property related documentation within 90 days of the request (applicable to self managed property only)	75 + VAT	Q

 Please note that the option to self manage property is only available in certain circumstances. Please see the Commercial Property Purchase and Maintenance Guide on our website for further information.

## Important notes

### Additional work

The above charges indicate the standard work involved in administering your Beneficiary's Modular iSIPP. However, we may charge on a time/cost basis if we need to perform additional administration in exceptional circumstances. We will charge a minimum hourly rate of £150 + VAT, relevant to staff seniority and expertise.

### Annual charge increases

We automatically apply increases to annual charges on 6 April each year in line with the rise in the Average Weekly Earnings (AWE) Index (or any equivalent index in the event that the AWE Index ceases to exist).

### Regulatory/industry levies

If any levy or taxation is imposed on us or your Beneficiary's Modular iSIPP, under the Financial Services Compensation Scheme or any other regulation affecting our business, we may recover an amount equal to the proportion of the levy/taxation from your Beneficiary's Modular iSIPP. We will give you 30 days' notice if this occurs.

## Section 2 - Example

Below is an example of the typical charges that would apply to the Beneficiary's Modular iSIPP, where a customer:

- Opens a Beneficiary's Modular iSIPP to receive beneficiary pension rights as cash from a former member's SIPP
- Invests £150,000 in Investment Centre funds using James Hay Online

Set up charges		(£)	Ongoing charges (per annum, including first year)		(£)
Income drawdown set up charge		100 + VAT	Annual administration charge		235
	<b>Total</b>	<b>100</b> (excl. VAT)	Annual income drawdown charge		164 + VAT
			Platform charge (based on holdings of £150,000)		375
			<b>Total</b>		<b>774</b> (excl. VAT)

For illustrative purposes only

## Section 3 - Questions and answers

### How do these charges get paid?

We automatically deduct charges from your SIPP bank account, and do not send invoices when charges are due.

If there is insufficient cash available when charges become due, at our discretion, we may sell investments within your Beneficiary's Modular iSIPP to pay charges.

It is therefore important that you, or your financial adviser, regularly monitor the balance of your SIPP bank account to ensure there is sufficient cash available to pay any charges that are due.

### Can I use my SIPP bank account as an investment?

Your SIPP bank account is not a suitable investment vehicle, as it is primarily designed for holding cash over short periods whilst your investments are being made, or your benefits or charges are being paid.

If you wish to invest cash in a deposit account, our Cash Panel offers fixed rate deposit accounts over a variety of periods. Please see our website for further information.

### Are there any other charges that I need to consider?

Depending on your investment choices, you may incur charges from investment managers, stockbrokers and fund managers, including where a model portfolio is held. If you invest in commercial property, you may incur solicitor or property manager fees. Your financial adviser may also take a charge for their services, which they will agree with you. Value Added Tax (VAT) may be applicable to these charges.

Third parties may take their charges from cash they hold on your behalf, if applicable, or they may be paid from your SIPP bank account.

### What rate of interest is paid on my SIPP bank account?

Money held in your product bank account attracts interest. The rate of interest we receive from our banking arrangements is higher than the rate paid for your product's cash balance, due to the total amount we hold with them. We keep the difference as retained interest.

Retaining interest helps us to keep our charges low, increase investment in our technology and provide higher service levels. The rate of interest we pay will change from time to time, and the current rate you are receiving can be found on the banking page of our website at [www.jameshay.co.uk/bankaccounts](http://www.jameshay.co.uk/bankaccounts).

### How do you charge for additional modules?

The full module charge will be applied at the outset if the relevant investments are selected on the application form or if, during the first year, we identify investments being held in the product that would trigger the module charge. Thereafter, we will carry out a check shortly before each product anniversary and a module charge will be applied, as necessary.

You can find more information on the Modular iSIPP by visiting the literature pages and Frequently Asked Questions section on our website at [www.jameshay.co.uk](http://www.jameshay.co.uk), or by contacting us on 03455 212 414.

## Glossary

<b>Income drawdown</b>	Single or regular payments of taxable income taken from your Beneficiary's Modular iSIPP.
<b>In-specie transfer</b>	The transfer of an asset other than cash (e.g. shares) from the deceased former member's SIPP to your Beneficiary's Modular iSIPP, without the need to sell it first.
<b>Investment Centre</b>	Our in-house platform that gives you access to a range of 3,700 collective investment schemes from leading fund managers, provided on discounted terms.
<b>Investment manager</b>	You can instruct us to open an account with a UK based and FCA authorised investment manager. The investment manager can buy and sell investments, including those traded on a stock exchange, and they will hold those investments for your Modular iSIPP in their custody. They can be appointed on an execution-only, advisory or discretionary basis. Please see our website for further information.
<b>Managed Portfolio Panel</b>	A panel of investment managers with defined collections of Investment Centre funds that are designed to achieve a predetermined investment strategy, and reflect a certain risk profile.
<b>Online</b>	Trade instructions are considered to be 'online' where they are placed via your James Hay Online account for Investment Centre trading, or are sent attached to a secure message from your James Hay Online account for non-Investment Centre trading.
<b>Stockbroker</b>	You can instruct us to open an account with a UK based and FCA authorised stockbroker. You can then instruct them to buy and sell investments that are traded on a stock exchange, and they will hold those investments for your Modular iSIPP in their custody. The Modular iSIPP offers access to EQi or Stocktrade services, or you may be able to appoint a different stockbroker. Please see our website for further information.
<b>Whole of Market</b>	Whole of Market investments may include structured products, income bonds, National Savings & Investments (NS&I) products, and investment manager/off panel stockbroker accounts.

We are able to provide literature in alternative formats. For a Braille, large print, audio or 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 Nucleus Group Services Limited (NGSL) (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. NGSL, 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. (2/23)