

Managed Portfolio Panel

Terms and Conditions



These Terms and Conditions give you important information about The Managed Portfolio Panel and, together with your completed product application form and relevant product terms and conditions, represent the agreement between you and James Hay Partnership.

Nothing we provide to you, whether orally or in writing, including the content of these Terms and Conditions, our website (including any linked website) and James Hay Online (JHOL) should be construed as financial, investment or tax advice. You are responsible for your choice of investments, financial adviser and investment manager.

The Managed Portfolio Panel is available through the following products:

- 1. Modular iPlan (Modular iSIPP, Modular ISA and Modular GIA)**
- 2. Wrap (SIPP, ISA, Investment Portfolio and Offshore Bond)**
- 3. Private Client SIPP**
- 4. iSIPP**

As recommended to you by your financial adviser, your product will be linked to the Managed Portfolio Panel investment option. As a result of this there are some key points you need to be aware of and these are outlined in this document.

If, after reading this document, you have further questions about the Managed Portfolio Panel investment option, please speak to your financial adviser.

Any use of we/us and our within this document, is referring to James Hay Partnership.

If there is any inconsistency between these Terms and Conditions and your product terms and conditions, these Terms and Conditions for the Managed Portfolio Panel shall prevail.

IMPORTANT INFORMATION

We are not responsible for the choice of investment manager or the service provided by the investment manager, or the content of any model portfolio. Although we are making a Managed Portfolio Panel available, the presence of an investment manager on this Panel does not constitute a recommendation of an investment manager, their service, or the content of a model portfolio. We are also not responsible for the decisions, selections and instructions made in relation to the model portfolio for your product.

Neither your financial adviser nor the investment manager has any authority to act on behalf of us or incur any obligation on our behalf. There is no agency or partnership relationship between us and your financial adviser and between us and the investment manager.

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1	THE MANAGED PORTFOLIO PANEL
1.1	Through this investment option you will be able to access an investment manager and their model portfolio(s) on the James Hay Investment Centre.
1.2	The choice of investment manager and their model portfolio(s) is limited to those investment managers who have terms of business with us, and have an agreement in place with your chosen financial adviser.
1.3	A model portfolio is a defined collection of funds set up by an investment manager to achieve a pre-determined investment strategy and reflect a certain risk profile. A model portfolio will be created to suit certain defined attitudes to risk and will then invest in specific funds in relevant proportions that suit that attitude to risk. Your financial adviser will select the most appropriate investment manager and model portfolio for your investment needs.
2	KEY RELATIONSHIPS AND RESPONSIBILITIES
2.1	Any investment manager appointed must have appropriate terms of business with us before we will allow access to their model portfolios on the James Hay Investment Centre. For the list of available Managed Portfolio Panel investment managers please go to www.jameshay.co.uk/products-services/investment-options/managed-portfolio-panel/ .
2.2	The appointed investment manager must have appropriate terms of business in place with your financial adviser before allowing your financial adviser to link your product to the investment manager's model portfolio.
2.3	Your financial adviser will appoint the investment manager on your behalf, and will therefore act as your agent.
2.4	Your financial adviser will be responsible to you for recommending the investment manager and the model portfolio, and assessing your requirements against the target market for the model portfolio. They will also be responsible for ensuring the investment manager and their model portfolio continues to be suitable for you.
2.5	The investment manager will provide a discretionary investment management service for the model portfolio selected for your product. For as long as you are invested in the model portfolio, they will select, monitor, review and rebalance the funds that comprise the model portfolio. The investment manager is responsible for ensuring the investments in the model portfolio reflect the investment objective and risk profile of that model portfolio.
2.6	The investment manager will treat you as a Retail client for investment purposes.
2.7	Following any changes made by the investment manager to your connected model portfolio, we will be responsible for actually implementing these changes, without any further instruction from either yourself or your financial adviser, by buying and selling the relevant funds within your James Hay Partnership product in line with the revised model portfolio.

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3 LINKING YOUR PRODUCT TO AN INVESTMENT MANAGER MODEL PORTFOLIO

3.1 Once an investment manager has created a model portfolio they will determine which financial advisers can access this model portfolio through the James Hay Investment Centre. This means your financial adviser may not have access to all of the investment managers on the James Hay Managed Portfolio Panel.

3.2 Your financial adviser may advise you to invest your James Hay Partnership product in a specific model portfolio and will therefore select the Managed Portfolio Panel investment option on your behalf. They will also confirm to you all the relevant fees and charges for this investment service.

3.3 They will select the specific model portfolio by sending us an instruction via our secure website, James Hay Online. As part of this process they will confirm to us that they have the appropriate authority to act on your behalf and have disclosed all the relevant fees and charges to you.

3.4 Please note: If your financial adviser has recommended that you invest in line with a model portfolio, then all of your existing holdings from the James Hay Investment Centre held within your James Hay product will be allocated to the chosen model portfolio, and you will not be able to separately hold James Hay Investment Centre funds within this product.

3.5 As a result of the selection of this option:

3.5.1 We will buy or sell units of the relevant funds to ensure you are invested in line with the specified model portfolio of your chosen investment manager.

3.5.2 If you already have investments within the James Hay Investment Centre, these will automatically be included with our transactions to align your investments to the chosen model portfolio.

3.5.3 So that we can align your investment holdings to the chosen model portfolio, if we need to sell units of one fund to buy units of another fund (known as a “switch”), we will not place the buy element of the switch until all sale proceeds have been received from the relevant fund managers. Please note, where you already have investments within the James Hay Investment Centre, we will switch units of these funds in line with this approach.

3.5.4 Because we defer your fund purchase until cleared proceeds from the fund sale are available to us, the switch process will take place over a number of days. The length of time will largely depend on the funds’ pricing points and settlement periods (bond funds will tend to settle more quickly than equity funds). This means that when switching from an equity fund that settles on trade date plus 3 business days

(T+3) to another equity fund that also settles on T+3, the buy element of the switch would not be placed for 3 business days after the sale trade is placed (until the sale proceeds have been received for the fund you are switching out of). The price obtained on the buy element will normally be the price for the date the buy trade is placed, provided the trade is placed before the fund’s daily pricing point. Settlement of the buy trade for a T+3 settlement fund will be made a further 3 business days later. Please speak to your financial adviser for further information.

3.5.5 Any regular investment or disinvestment instructions relating to your existing James Hay Investment Centre funds must cease when your product is connected to a Managed Portfolio, due to the way these are then handled when your investments are aligned to a model portfolio (see below). Therefore, your financial adviser will have to cancel these instructions and re-establish-them, if still required, once your product has been connected to the model portfolio.

3.5.6 At a James Hay product level, you will not be able to buy, sell or hold other James Hay Investment Centre funds while your product is linked to an investment manager model portfolio.

3.5.7 Your product can only be linked to one investment manager model portfolio at a time, although you can have different investment managers and/or models in different eligible James Hay products.

4 OPERATION OF INVESTMENT MANAGER MODEL PORTFOLIOS

4.1 The investment manager will have sole and exclusive authority to select the investments for the model portfolio, switch them and determine the proportion of investments held in the model portfolio as they see fit. To ensure that the investments held in your product remain in line with the chosen investment manager’s model portfolio, you will not be able to alter the construction of the model, or amend the choice or proportion of the underlying individual funds held in your product.

4.2 The investments that may comprise a model portfolio can only be selected by the investment manager from the James Hay Investment Centre funds subject to any restrictions under the terms and conditions for your product.

4.3 Following any change to a model portfolio by an investment manager that results in James Hay buying and selling (switching) funds, we will process the instructions in line with our Order Transmission Policy, which can be obtained from our website or from the contact details at the end of this document. Please note that in certain circumstances, for example, where there is a failure, breakdown or malfunction of our computer systems and/or

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- James Hay Online secure website, we may not transmit orders to fund managers for up to 3 Business Days after the day of receipt.
- 4.4 When switching funds, we will not place the buy element of the switch until all the sale proceeds are received from the fund managers for the sale element. Therefore, the switching process will take a number of days to complete depending on the settlement periods for each fund.
- 4.5 Where a rebalance or adjustment of a model portfolio by an investment manager has been made, and you are already in the process of making investments or disinvestments from your product investment connected to the model, then we will defer the implementation of the rebalance/adjustment changes until the transactions related to your instruction have been completed. We will also defer the implementation where we are in the process of making disinvestments from your model portfolio (for example, for the purposes of deducting the required investment manager fee).
- 4.6 Where there is more than one deferred investment manager rebalance/adjustment of a model instruction, we will implement the most recent instruction and cancel previous deferred instructions.
- 4.7 If you want to increase your investment connected to the model portfolio, your investment will be allocated to the funds in accordance with the most recent proportions specified by the investment manager's current model at the time of the transaction (i.e. it will not be in proportion to your current holdings at that time).
- 4.8 If you want to disinvest from your investment connected to the model portfolio:
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- 4.8.1 The money will be disinvested proportionally across all the model portfolio funds actually held in your James Hay product at the time of the transaction.
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- 4.8.2 Where a rebalance or adjustment of a model portfolio by an investment manager has been made and is in the process of being completed for your investment connected to the model, we will disinvest proportionally across all the "available" model portfolio funds actually held in your James Hay product at the time of the transaction. This may result in your investment connected to the model portfolio being out of line with the investment manager's model portfolio until the investment manager next rebalances or adjusts the model portfolio. Where there are no available model portfolio funds to use (for example, where all of the funds are in the process of being replaced in your model) we will defer the disinvestment until model portfolio funds are available.
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- 4.9 In both cases we will not disinvest in line with the investment manager's current model portfolio, or use the disinvestment as a method of rebalancing the portfolio back to the model at that time. The sale proceeds will then be placed in your product's bank account.
- 4.10 If a fund within the model portfolio is suspended from trading:
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- 4.10.1 You will remain invested in the fund. However, any investment manager rebalance or adjustment of the model portfolio will exclude the fund.
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- 4.10.2 Any investment or disinvestment instructions regarding the funds within the model portfolio will exclude the suspended fund.
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- 4.10.3 Any investment manager fee deducted will not take into account the value in the suspended fund.
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- 4.10.4 When the fund becomes open to trading again, the fund will be included as normal in the next investment manager rebalance or adjustment of the model portfolio.
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- 4.11 If the model portfolio changes, it is the responsibility of the financial adviser to decide whether that changed model portfolio remains suitable for you, and if not, to instruct us accordingly with any required action. Your financial adviser may agree with you that the model portfolio should be changed from time to time to a different one and if so, that is a matter between you and your financial adviser.
- ## 5 FEES
- 5.1 The investment manager may charge a fee for their services and this will be disclosed to you by your financial adviser. Please note; fees, charges and expenses relating to the underlying funds in a model portfolio will also apply.
- 5.2 Please remember that your product bank account must be kept in credit to pay our charges, expenses, third party charges and costs (including those applicable to your financial adviser and the investment manager), tax charges, levies or fees incurred in relation to the administration of your product and the investments held within it.
- 5.3 The investment manager fee will be based on the value you have invested in the model portfolio at the end of the first day of each month. We will then deduct the fee from your product bank account in arrears. This will normally take place on or around the 6th of the month.
- 5.4 If we cannot deduct all of the required fee from your product bank account without taking it overdrawn, we will not take any fee from the product bank account and instead the whole of the required fee will be paid by disinvesting proportionally across the funds connected to the model portfolio.
- 5.5 James Hay Partnership does not currently make an additional charge for the Managed Portfolio Panel investment option.

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However, this is subject to review from time to time and we reserve the right to apply a charge as we may determine. We will give you and your financial adviser 30 calendar days' prior written notice in advance of any such charge being applied to your product.

6 REPORTING

6.1 We will provide you with a periodic report based on your investments connected to the chosen model portfolio on a quarterly basis. These reports will provide you with information such as investment values, transactions and the performance of your model portfolio during this period.

6.2 As required by regulation, we will also promptly notify you if the value of your model portfolio falls by 10% or more since the last periodic report, and again if it falls by a further 10%. This will be based on the value of your model portfolio in your most recent periodic report and will be reset when a new periodic report is issued.

7 REMOVAL FROM MODEL PORTFOLIOS

7.1 You may choose to withdraw your product from a model portfolio at any time. To do so, you must notify your financial adviser who will in turn instruct us. Your financial adviser may choose to withdraw your product from a model portfolio. This may include where they no longer have terms with the investment manager covering your selected model portfolio.

7.2 The investment manager may choose to stop your financial adviser from accessing a model portfolio. This would therefore result in your product being removed from a model portfolio.

7.3 As the Managed Portfolio Panel is only accessible to clients that have an FCA regulated financial adviser, we will automatically remove your product from this service if you no longer have an appropriately regulated financial adviser allocated to your James Hay product.

7.4 If you change or remove your financial adviser, we will remove your product from the model portfolio. For your product to be linked to a model portfolio, you must have a financial adviser who would then link your product to a model portfolio.

7.5 If we receive an instruction to close your product (e.g. as part of a transfer to another pension scheme or an annuity purchase) we will immediately remove your product from a model portfolio.

7.6 If the closure is cancelled, and you want your product to be invested in a model portfolio, it is the responsibility of your financial adviser to link your product to a model portfolio.

7.7 We may at any time withdraw, suspend, modify, restrict or close a model portfolio and will give you and your financial adviser written notice in advance (where possible) of any such circumstance.

7.8 If your product is removed from a model portfolio:

7.8.1 Any future changes to that model portfolio will not impact your product.

7.8.2 You will remain invested in the funds that comprised the model portfolio at the time your product was removed from the model portfolio. You will then be able to buy or sell these funds if you wish.

7.8.3 Any investment manager fee will cease (although the relevant fund and Investment Centre charges will continue to apply for the funds that are held).

7.8.4 Any regular disinvestment instructions relating to the funds will continue. Any regular investment instructions relating to the funds will cease, and therefore you or your financial adviser will have to re-establish them, if still required.

7.8.5 You will again be able to choose from the full range of funds available to you on the James Hay Investment Centre.

8 COMPLAINTS

8.1 We are authorised and regulated by the Financial Conduct Authority and as such are bound by its rules. If you have a complaint about the service you have received from us, you should write to: The Complaints Manager, James Hay Partnership, Dunn's House, St Paul's Road, Salisbury, SP2 7BF or alternatively, you can call us on 03455 212 414.

8.2 You can ask us for a copy of our complaints procedure and 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 Exchange Tower, London, E14 9SR.

Email:
complaint.info@financial-ombudsman.org.uk.

Website: www.financial-ombudsman.org.uk.

8.3 Any such action will not affect your right to take legal action. Further details are available on request

8.4 **If you have a complaint about the investment manager, we will refer it to the investment manager and financial adviser to resolve with you direct.**

9 NOTICES

9.1 Any notice under these Terms and Conditions must be given as follows:

By you: to James Hay Partnership, Dunn's House, St Paul's Road, Salisbury SP2 7BF.

By us (or any relevant James Hay group company):

to the address we have registered on our records for you.

- 9.2 Any notice from you or your Financial Adviser to us must be in writing and in English.

10 OTHER IMPORTANT TERMS

- 10.1 We may delegate certain functions under these Terms and 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.

10.2 Transfer of our rights and obligations

- 10.2.1 We may transfer our rights and obligations under these Terms and Conditions to another James Hay group company which is suitably authorised under the Act. Your rights and obligations under these Terms and Conditions are not assignable or transferable, unless specifically permitted by us.

10.3 Use and disclosure of personal information

- 10.3.1 You can access full details on what to expect when we process your personal data under your product in the 'Data Protection Statement - James Hay Products' document, which is available on our website or on request. If you have any questions about data protection, please contact us using the contact details in the Data Protection Statement.

10.4 Telephone recording

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

10.5 Invalid, unlawful or unenforceable terms

- 10.5.1 If any provision or part-provision of these Terms and Conditions is or becomes invalid, unlawful or unenforceable, it shall be deemed modified to the minimum extent necessary to make it valid, lawful and enforceable. If such modification is not possible, the relevant provision or part-provision shall be deemed deleted. Any modification to or deletion of a provision or part-provision under this clause shall not affect the validity and enforceability of the rest of these Terms and Conditions.

10.6 Exclusion of Third Party Rights

- 10.6.1 Other than the James Hay group companies, a person who is not a party to these Terms and Conditions shall not have any rights under these Terms and Conditions including any rights under the Contracts (Rights of Third Parties) Act 1999 to enforce these Terms and Conditions.

10.7 Law and Jurisdiction

- 10.7.1 These Terms and Conditions are governed by the English Law and any disputes (including any non-contractual disputes or claims) are subject to the exclusive jurisdiction of the Courts of England.

Dunn's House
St. Paul's Road
Salisbury
SP2 7BF

T 03455 212 414

W www.jameshay.co.uk

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)