

IPS (2008) SIPP

Charges Schedule

Section 1

The fees payable for the IPS (2008) SIPP are charged by the Administrator, IPS Pensions Limited (“IPS”). IPS issues a VAT invoice for each fee due. IPS will withdraw fees from the Account within two weeks of issuing the invoice (in the case of a new SIPP, fees are withdrawn as soon as cleared funds are available). If there are insufficient funds available, IPS

will ask you or your Financial Adviser to arrange settlement from other investments or funds held in respect of your SIPP, in order to meet the fees as and when they fall due for payment. You will be asked in your SIPP application to agree that payment will not be unreasonably withheld.

MEMBER FEES

Fees per Member are currently charged in accordance with the following:

Establishment and Annual Administration

Type of charge	Amount
Initial fee, payable at outset	£495 plus VAT
Annual administration fee payable from the end of year one (this is an annual in arrears fee, it is charged on a pro rata basis for any transfers-out).	£395* plus VAT

* Or such other fee, as previously agreed with you. **Your fee may be higher if the annual administration fee agreed when your SIPP was established has since been subject to annual increases. Any future annual increases will apply to your existing annual administration fee (where this differs from £395 plus VAT).**

These fees cover the following services:

- Preparation of Supplemental Deed and copies of Establishing Trust Deed and Rules.
- Opening the Account.
- Appointment and provision of the professional trustee.
- Dealing with regular correspondence with HM Revenue & Customs.
- Dealing with day to day general correspondence.
- Dealing with changes in HM Revenue & Customs' practice e.g. revision of the Trust Deed or Rules when necessary.
- Maintenance of records including correspondence.
- Provision of annual statements in accordance with legislation.
- Submission to HMRC of Event Reports, Accounting for Tax Returns and Registered Pension Scheme Returns.
- Reclaim of income tax on contributions.
- Acceptance of contracting-out contributions and transfers.

Notes

- VAT is charged at the prevailing rate.
- Annual fees (including additional amounts outlined below) increase on the 1st October each year in line with the Average Weekly Earnings Index.
- We may change this Charges Schedule from time to time. We will give you 30 days' notice of a material change to section 1 of this Charges Schedule.

ADDITIONAL FEES

Additional fees may be charged for services not covered by the fees shown above. These services are listed below and are subject to VAT. Fees for some additional services will depend on the level of involvement required.

Retirement/Death Benefits

Type of charge	Amount
Income Drawdown calculations (per tranche)	£100
Payment of income drawdown pension via our payroll service	£150 p.a.
Uncrystallised funds pension lump sum payment	£100 per payment
Income Drawdown reviews	£100
In-specie payments	£250
Death benefits	See notes

Investing in Commercial Property

Type of charge	Amount
UK purchase/transfer-in with panel solicitor (per transaction)	£600
UK purchase/transfer-in without panel solicitor (per transaction)	£800
Purchase charge per additional Member	£100
Mortgage arrangement charge	£250
Sale or transfer-out with panel solicitor (per transaction)	£450
Sale or transfer-out without panel solicitor (per transaction)	£650
Annual property charge self managed by Member (per lettable unit/property)	£480*
Additional Member annual charge (for each additional Member)	£100
Annual mortgage charge	£150*
Buy-out (buy-out with documentation changes)	£450 (plus £150)
Purchase/sale cancellation fee (per transaction)	£300
Completion of lease renewal/new lease	£200
Please note there are circumstances in which we may decide to not allow property to be, or continue to be, self managed, in which case property will be managed using CBRE. If this happens, the following additional charges may apply. Please refer to your Terms and Conditions and the Commercial Property Guide for full details.	
Annual property charge using CBRE (per lettable unit/property)	£750*
VAT initial registration	£120
Annual VAT charge	£100*

* Payable on the anniversary of the property purchase, annually in advance.

Please note if there are multiple SIPP owners the above fees will be split in proportion to each Member's SIPP interest in the property.

Contributions/Transfers

Type of charge	Amount
Cash transfers-in	Nil
Multiple cash transfers	See notes
In-specie transfers	See notes
Cash transfers-out/annuity purchase	£100
Overseas transfers-out	£400
In-specie contributions	£250

Investments

Type of charge	Amount
Processing conventional investments/transactions	Nil
Connected party transactions (excluding Commercial Property)	£250

Specialist Investments

Type of charge	Amount
Unquoted shares	£250 (per transaction)
Unconnected loans	£250 (per transaction)
Non-Mainstream Pooled Investments (NMPs) including Qualified Investor Schemes (QIS)*	Nil
Other specialist permitted investments	Nil

* Please refer to the Permitted Investments List for the requirements that must be complied with before investing in NMPs.

Administration

Type of charge	Amount
Same day CHAPS payments	£15
Lifetime allowance charges, refunds of overpaid contributions, unauthorised payment charges, surcharges, scheme sanction charges	See notes
Additional trustee	£100
Divorce	See notes
External bank account administration charge, excluding bank accounts with cash deposits held at a fixed interest rate for a fixed term. This charge came into effect from 31 October 2014 and is charged on the anniversary of your SIPP.	£50 p.a. per account
Additional paper statements	See notes

Other administration charges

Type of charge	When is the charge taken?	Amount
Late income payment administration charge	When late income payment is made	£30
Failed payment administration charge (any other payments, charges, etc.)	When we are unable to take due (or overdue) charges, expenses, etc.	£30
Overdue costs - letter charge	On issue of letter	£10

After your SIPP has closed

Type of charge	Amount
If we receive a payment of £50 or less	We shall deduct an administration charge equal to the value of the payment received.
If we receive a payment of more than £50	We shall deduct an administration charge of £50 per payment received before forwarding the remainder (less any applicable third party fees) to you or your registered pension scheme.

LEVIES AND TAXES

In the event of a levy being made on us under the Financial Services Compensation Scheme or any other levy or tax being imposed on us or your SIPP under any statutory provision affecting the business of SIPP providers, operators, administrators or insurance companies, we may recover from your SIPP an amount equal to the proportion of such levy or

tax that we may reasonably determine. In the event that we do this we will give you 30 days' notice of the amount that is due from your SIPP.

NOTES

It is not possible to set a fixed fee for certain items of work, as they vary depending on their nature, complexity and amount of time involved. In these cases IPS will aim to quote a fee at the outset and will do everything that is reasonable to stay within the quoted amount. However, this cannot be guaranteed and additional time/cost fees at a standard rate of £150 per hour plus VAT may have to be charged. Items mentioned above fall into this category. Other items are as follows:

- Detailed correspondence or meetings with solicitors, accountants or advisers

- Particularly complex or time consuming transactions
- Excessive chasing for transfers or other items
- Preparation of fund valuations where information is not provided
- Client meetings
- Multiple Bank Accounts
- Aborted property transactions
- Investors will be liable to pay external transaction costs such as stock exchange fees, custody fees, stockbroker's commission, stamp duty, valuation and legal fees.

ADVISER CHARGES

IPS does not give advice with regard to the IPS (2008) SIPP or the benefits payable from the IPS (2008) SIPP. In cases where an IPS (2008) SIPP is established as a result of advice given by a Financial Adviser or other body regulated by the Financial Conduct Authority (FCA), or they advise on the investment of the SIPP, adviser charges can be paid to

the Financial Adviser by IPS from the SIPP fund. The amount of these adviser charges must be agreed between the adviser and their client and must be stated in the Adviser Charges section of the IPS (2008) SIPP application form. IPS can also accept a separate authority provided it has been signed by the SIPP member.

Section 2

FREQUENTLY ASKED QUESTIONS

1. When I set up my SIPP how much do I pay?

When your IPS (2008) SIPP is established, we issue an invoice immediately for the establishment fee of £495 plus VAT. Please note that the addition of VAT means the actual amount IPS earns in fees is less than the total amount you pay.

2. When do I have to pay?

IPS's normal process is for fees to be deducted from your pension fund. This means you do not pay until there is cash held by your SIPP. When your first contribution or transfer has cleared the Account we will deduct our fee.

3. What about my annual fee?

The first annual fee is £395 (or such other fee as previously agreed with you) plus an amount to account for the increase in the Average Weekly Earnings Index since your SIPP was established plus VAT. An invoice is raised on the 364th day since your SIPP was established, and annually thereafter. Funds are then deducted from your Account to settle the fees a few days later. If there isn't enough cash to pay the fee, we will contact you or your Financial Adviser to ask for investments to be sold to cover this. In some cases where investments are being managed by an Investment Manager we will contact them directly to ask for funds to be sent to us to pay our fee.

4. Can I pay my fees personally, or can my employer pay?

You can choose to pay our fees personally if you wish. Your employer can only pay our fees if it is funding your SIPP by paying employer's pension contributions, meaning your SIPP is a staff pension arrangement.

5. What happens if I can't pay your fees?

If your SIPP fund has no cash or saleable investments to pay our fees, we will ask you to settle these personally. If you do not pay, we will pursue payment through the small claims court.

6. What fees are charged when I make an investment?

For most investments we do not charge an extra fee. Where we do, this is outlined above. If we charge a fee for an investment such as a property purchase, this will be invoiced when the investment is made and we will withdraw funds from your cash account to settle the fee at that time.

7. What do I pay when I take retirement benefits?

When we are asked to calculate income drawdown benefits we issue an invoice for £100 plus VAT at that time, which is then deducted from your Account. If you start drawing an income drawdown pension from your IPS (2008) SIPP we will issue an invoice for £150 plus VAT each year (increasing annually in line with the Average Weekly Earnings Index) when we issue your P60 tax year summary. If you wish to take an uncrystallised funds pension lump sum, we will issue an invoice for £100 plus VAT each time you elect to take such a lump sum payment.

8. What about when I die?

The treatment of your SIPP fund on death depends on a number of different factors and we cannot give a fixed fee structure. For this reason we charge on a time spent basis as outlined above. In less complex cases there may be no additional fee (for example a widow's pension commences immediately on your death). However, in more complex cases, the fee could be several thousand pounds.

9. Do I have to pay other fees?

In some cases additional fees may have to be paid. The most common is in the case of a property purchase, where solicitors, valuers, mortgage arrangement and builders fee may all be payable. IPS has no control over the level of these fees.

10. Account

- a) Your Account is a current account and should be used as such. However, you will receive interest on cash held in your Account. When the base rate is below 1% you will receive between £0 and £1 (depending on the total amount held) for each £1,000 held in your account throughout the year. For every 1% increase in the base rate above 1% you will receive an additional £10 for each £1,000 held in the account throughout the year.
- b) We currently receive between £8 and £12 for each £1,000 of cash held throughout the year in current accounts with the banks. This arrangement is based on the total funds held in client current accounts.

The difference between the amount received by us under (b) and the amount paid to you under (a) is used by us to offset the costs of running your IPS (2008) SIPP. This enables us to maintain lower annual product administration fees as set out in this Charges Schedule.

11. Do you retain any interest on any other external bank accounts?

IPS will receive between £0 and £1 for each £1,000 you place on deposit for a continuous period of a year, or a proportionate amount for shorter term deposits, for any accounts opened with a bank where IPS has negotiated a preferential interest rate for you.

12. How does my Financial Adviser get paid?

Your Financial Adviser will agree the level of their adviser charges directly with you. This may be a set amount, or a percentage of the fund. The fees can be paid from your SIPP fund. Our application form has a section where the level of their fees is completed. Their initial fee is paid from the initial contributions or transfers received in the same way as ours. If they are paid regular fees (e.g. annual renewal), these are paid by us from your Account on receipt of their request.

Where we pay adviser charges to your adviser from your SIPP fund, we ask them to contact us directly when payment is due.

We can only make payments where we have your authority either in our application form or by a separate instruction.

Your Financial Adviser may agree with you that they will be paid adviser charges from investments made by your SIPP rather than by us from your Account. In these cases you will again need to provide us with your authority, and the investment provider will need to be willing to facilitate such adviser charges. The Trustees will then authorise them to pay the adviser charges.

13. Is there anything else I should know?

We reserve the right to charge for additional services on a time/cost basis relevant to the expertise and seniority of our staff involved.

If you have any queries or would like to discuss our Charges Schedule in more detail, please contact us at:

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

Tel: 03455 212414

Email: enquiries@jameshaypartnership.co.uk

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