

James Hay Private Client SIPP Charges Schedule

Charges applicable from 6 April 2024

This Charges Schedule sets out James Hay Partnership's charges for administering your Private Client SIPP. 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 Private Client SIPP 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 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 in arrears - **M**

Section 1 - Charges

Administration	Amount (£)	
Set up charge	290 + VAT	C
Annual administration charge	455	A

Benefits (withdrawals)	Amount (£)	
Annual income drawdown charge (once benefits have started, even if no income is taken)	125 + VAT	A
Ad-hoc review of income limits on capped drawdown (if required)	150 + VAT	C
Uncrystallised funds pension lump sum (UFPLS) payment	100 + VAT	


! If you fully close your Private Client SIPP by taking a Pension Commencement Lump Sum (PCLS) payment followed by an income drawdown payment, an annual income drawdown charge will still be payable prior to closure.

Transfers out and closure	Amount (£)	
Administration charge - on any cash payments received after your Private Client SIPP 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

Core assets charges


Core investments	Amount (£)	
Investment Centre platform charge: First £500,000 Next £500,000 Over £1,000,000	0.18% p.a. 0.15% p.a. 0.05% p.a.	M
Investment Centre transactions - buy, sell or switch (per instruction)	Online: Nil Paper: 20	C
Investment manager/stockbroker account annual charge (per account)	200	A
EQi transactions	14	C
Stocktrade transactions		

Commercial Property	Amount (£)	
UK purchase/transfer in	550 (plus 0.1% of the value above £400,000) + VAT	C
Sale/transfer out		
VAT initial registration	120 + VAT	C
Buy-out (with documentation changes) (without documentation changes)	550 + VAT 300 + VAT	
Purchase or sale cancellation charge (discretionary)	Usually 150 + VAT	
Annual property charge using CBRE (per lettable unit/lease in each property)	500 + VAT	A
Annual mortgage charge	100 + VAT	
Fund valuation for property borrowing (payable prior to property transaction)	60 + VAT	-

 Please note that we reserve the right to insist on CBRE managing the property in certain circumstances.

Non-core assets charges

Non-core investments	Amount (£)	
Direct client (waived if SIPP value is over £300,000)	0.20% of non-core asset value	M
Client with financial adviser (waived if SIPP value is over £300,000)	0.15% of non-core asset value	
Whole of Market transaction (buy, sell, switch, maturity and re-registration of assets)	14	C
Purchase or sale of second hand/traded endowment policy (top-up to existing investments only)	60	

 Please read the Questions and Answers section of this document for the definition of Core and Non-core assets.

Important notes

Additional work

The above charges indicate the standard work involved in administering your Private Client SIPP. 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 Private Client SIPP, 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 SIPP. We will give you 30 days' notice if this occurs.

Section 2 - Examples

Below is an example of the typical charges that would apply to the Private Client SIPP, where a customer:

- Opens a Private Client SIPP and transfers in £300,000 in cash from another pension provider
- Invests £150,000 in Investment Centre funds using James Hay Online
- Invests £150,000 with an investment manager/stockbroker

Set up charges		(£)	Ongoing charges (per annum, including first year)		(£)
Set up charge		290 + VAT	Annual administration charge		455
	Total	290 + VAT	Investment Centre platform charge (based on example investments of £150,000 at 0.18%)		270
			Investment manager/stockbroker account annual charge		200
			Total		925

For illustrative purposes only

Below is an example of the typical charges that would apply to the Private Client SIPP, where a customer:

- Has a Private Client SIPP with a value of £200,000 held in Investment Centre funds
- Requests benefits of £40,000 via flexi-access drawdown (for £10,000 PCLS and a regular income)
- Sets up a regular disinvestment to fund the income payments

Ongoing charges (per annum, including first year)		(£)
Annual administration charge		455
Annual income drawdown charge		125 + VAT
Investment Centre platform charge (based on £190,000 holdings after 25% PCLS)		342
Total		922 (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 Private Client SIPP 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 charges. 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.

What do you define as core assets?

Core assets include:

- Cash in your SIPP bank account
- Fixed term deposit accounts on our Cash Panel
- Investment Centre fund (including those held as part of a Managed Model Portfolio)
- Commercial property
- Assets held with EQi or Stocktrade
- Investment manager or stockbroker accounts

All other permissible investments are considered to be non-core assets.

You can find more information on the Private Client SIPP by visiting the literature pages and Frequently Asked Questions section on our website at www.jameshay.co.uk, or by contacting us on 03455 212 414.

Glossary

Capped drawdown	A form of income drawdown with a maximum annual income limit applied. This type of drawdown is only available to those currently in capped drawdown.
Crystallisation	The act of starting to take benefits (tax free lump sum and/or income) from your Private Client SIPP.
Flexi-access drawdown	A form of income drawdown where there is no limit on the amount of income you can take each year.
Income drawdown	Single or regular payments of taxable income taken from your Private Client SIPP through capped or flexi-access drawdown.
Investment Centre	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.
Investment manager	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 Private Client SIPP in their custody. They can be appointed on an execution-only, advisory or discretionary basis. Please see our website for further information.
Managed Portfolio Panel	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.
Online	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.
Pension Commencement Lump Sum (PCLS)	A tax free lump sum paid on commencement of income drawdown. The PCLS is usually up to 25% of the value being crystallised.
Stockbroker	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 Private Client SIPP 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.
Uncrystallised Funds Pension Lump Sum (UFPLS)	A lump sum made of a tax-free element (25%) and a taxable element (75%) that you can take from your uncrystallised pension funds.
Whole of Market	Whole of Market investments may include structured products, income bonds and National Savings & Investments (NS&I) products.

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)