

Modular iSIPP Charges Schedule

Charges applicable from 6 April 2024

This Charges Schedule sets out James Hay Partnership's charges for administering your Modular iSIPP. 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 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	A
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.	M
<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"> Cash Panel deposit accounts Investment Centre funds (including funds held in the Managed Portfolio Panel), and Cash held in your product bank account(s), including property cash accounts, if applicable. <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 the 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 (per transfer)	50 (maximum of 200 p.a.)	C
Investment Centre transactions - buy, sell or switch (per instruction)	Online: Nil Paper: 20	
Panel stockbroker account annual charge (per account)	27	A

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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 - per pension commencement lump sum (PCLS) payment (also applicable on receipt of a transfer in drawdown, even if no further PCLS is payable)	100 + VAT	C
Review of income limits on capped drawdown	150 + VAT	
Uncrystallised funds pension lump sum (UFPLS) payment	100 + VAT	
<p>If you fully close your Modular iSIPP by taking a PCLS payment followed by an income drawdown payment, an annual income drawdown charge will still be payable prior to closure.</p> <p>All benefit charges (except for UFPLS) are subject to a maximum of £350 + VAT per annum, based on the anniversary of when you first start to take benefits from your Modular iSIPP.</p>		

Transfers out and closure	Amount (£)	
Administration charge - on any cash payments received after your 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 investments charges

Whole of Market	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 (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 (NMPIs - 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	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 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 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 Modular iSIPP. 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 Modular iSIPP, where a customer:

- Opens a Modular iSIPP and transfers in £300,000 in cash from another pension provider
- Invests £150,000 in Investment Centre funds using James Hay Online
- Invests £100,000 with an investment manager/off panel stockbroker
- Invests £50,000 in a Cash Panel deposit account with one of our providers

Set up charges		(£)	Ongoing charges (per annum, including first year)		(£)
Setting up an investment manager/ off panel stockbroker account		100	Annual administration charge (waived based on example investments)	0	
Total		100	Platform charge (based on example investments of £200,000 at 0.25%)	500	
			Whole of Market module annual charge (triggered by the investment below)	134	
			Investment manager/off panel stockbroker account annual charge	94	
			Total	728	

For illustrative purposes only

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

- Has a Modular iSIPP 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

Set up charges		(£)	Ongoing charges (per annum, including first year)		(£)
Income drawdown set up charge		100 + VAT	Annual administration charge	235	
Total		100 (excl. VAT)	Annual income drawdown charge	164 + VAT	
			Platform charge (based on £190,000 holdings after 25% PCLS)	475	
			Total	874 (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 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.

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.

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.

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.

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.

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, 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 Modular iSIPP.
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 Modular iSIPP through capped or flexi-access drawdown.
In-specie transfer	The transfer of an asset other than cash (e.g. shares) from another pension scheme to your Modular iSIPP without the need to sell it first.
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 Modular iSIPP 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 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.
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, 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).

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