



# Key Features of the products within the James Hay Wrap service

 30 minute read



## **Important information you need to read and understand before you invest**

The Financial Conduct Authority (FCA) is a financial services regulator. It requires us, James Hay Partnership, to give you this important information to help you to decide whether our Wrap is right for you. You should read this document carefully so that you understand the features of the service and its underlying products, before making your investment decisions. Please keep this document safe for future reference.

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# Introduction

## What is the purpose of this document?

This Key Features Document, along with your Key Features Illustrations, gives you a summary of information to help you decide if you want to invest in the Wrap products, and whether the Wrap service is right for you.

## What is the Wrap service?

The James Hay Wrap is a portfolio management service that allows you and your financial adviser to manage your investments held in different tax environments. Your financial adviser will have access to information about your investments through James Hay Online.

When you set up your Wrap service, an Investment Portfolio is created for you to hold a range of investments permitted by the product rules. You can then apply to open any, or all, of the following Wrap products:

- An ISA to accept subscriptions and/or transfers from other stocks and shares and/or cash ISAs
- A SIPP to accept contributions and/or transfers from existing pension schemes
- An Offshore Bond.

Within this document there are Key Features sections for the Investment Portfolio, the ISA and the SIPP. If you are considering investing in an Offshore Bond, a separate Key Features Document is available on our website at [www.jameshay.co.uk](http://www.jameshay.co.uk), or from your financial adviser.

James Hay Wrap Managers Limited is the provider of the Wrap service and is the HM Revenue & Customs (HMRC) approved ISA manager. James Hay Pension Trustees Limited is the Trustee of the SIPP and James Hay Administration Company Limited is the administrator of the SIPP. Please note that you must have a regulated financial adviser who is advising you to use the Wrap service and hold the products within it.

# Key features of the Wrap Investment Portfolio



## What you should know before you invest

### **What is the purpose of this Key Features Document?**

This Key Features Document, along with your Key Features Illustrations, gives you a summary of information to help you decide if you want to invest in the Wrap Investment Portfolio and whether the Wrap Investment Portfolio is right for you.

### **What is the Wrap Investment Portfolio?**

The Wrap Investment Portfolio is an investment account which allows you to invest in a wide range of investments and, if you choose to, take regular withdrawals.



## Its aims

The aim of your Wrap Investment Portfolio is to allow you to manage your investments according to your own investment objectives, whether they are for capital growth or income, or a combination of both.

The Wrap Investment Portfolio offers you complete control over where and when you invest.

It provides you with the facility to make regular withdrawals, if required, as you continue to invest.



## Your commitment

Before buying the Wrap Investment Portfolio, in conjunction with your financial adviser, you should consider whether you have sufficient investment experience and are prepared to be responsible for making decisions about how your money is invested during the time that your Wrap Investment Portfolio is open.

You will need to:

- make at least one payment into your Wrap Investment Portfolio
- pay the charges set out in the 'Wrap Charges Schedule'.



## Understanding the risks

There are risks associated with investing your money via a Wrap Investment Portfolio which, depending on how they are managed, could affect the value of your Wrap Investment Portfolio in the future. These are detailed below. You may be able to reduce the impact of some of the risks, as you are able to control:

- the amount you put in
- the investments you select
- when you take money out.

However, other factors that contribute to the different risks involved in having a Wrap Investment Portfolio may be outside of your control. For example, the Government may change the tax rules applicable to Investment Portfolios and this could affect:

- the amount of tax you pay on your fund growth
- the taxation on your income.

**To understand the risks associated with investing via a Wrap Investment Portfolio and how the amount of money you get back may be affected, we strongly suggest you read on.**

### **Applying for the Wrap Investment Portfolio**

If you open a Wrap Investment Portfolio and later choose to cancel it, you may get back less than you paid in. Please refer to the 'Wrap Terms and Conditions' for further information, which is available on our website at [www.jameshay.co.uk](http://www.jameshay.co.uk).

### **Transferring investments in**

If you transfer existing investments into your Wrap Investment Portfolio, they may need to be transferred as cash and you may not get the benefit of any investment increases whilst the transfer is being processed.

### **Investing your money in your Wrap Investment Portfolio**

The value of your investment can fluctuate up and down and it is possible that you may get back less than the amount you originally invested. Depending on the type of investments you choose to invest in, there will be different risks that will affect the value of your investment. For example:

- foreign investments will be affected by changes in the rate of currency exchange
- investments in stocks and shares will be affected by fluctuations in the stock market
- cash deposits will be affected by changes in interest rates.

**For further information on the risks that are specific to a particular investment, please read the 'Guide to Investment Risk' available on our website at [www.jameshay.co.uk](http://www.jameshay.co.uk), or speak to your financial adviser.**

If the returns on your Wrap Investment Portfolio investments are poor, they may not cover the level of charges applied and the value of your Wrap Investment Portfolio could significantly reduce in value over time.

You should regularly review the performance of your chosen investments with your financial adviser to check that they remain suitable for providing you with the benefits you require in the future.

Not all your investments may be protected by the Financial Services Compensation Scheme (FSCS). The FSCS provides financial compensation to investors in the event of the failure of a financial institution. To understand how this may affect your Wrap Investment Portfolio, please see the 'Other Information' section later in this Key Features Document.

### **Withdrawals from your Wrap Investment Portfolio**

The value of your Wrap Investment Portfolio is not guaranteed. Its value will depend on a number of factors including:

- what you have paid in
- how your investments have performed
- the charges that have been deducted.

The level of withdrawals you can make will depend on:

- the value of your Wrap Investment Portfolio
- whether you are able to sell your investments.

High levels of inflation could reduce the value of your Wrap Investment Portfolio in real terms.



## Questions and answers

### Is the Wrap Investment Portfolio the correct product for me?

The Wrap Investment Portfolio may be right for you if you are looking to:

- build capital growth
- take income from your existing investments
- access a wide variety of investment options that can be varied to suit your hanging needs.

### Who can take out the Wrap Investment Portfolio?

You can take out a Wrap Investment Portfolio if you are:

- over 18
- a resident of the UK
- not a US citizen or other US Person or resident in the US for tax purposes, and
- not an undischarged bankrupt.

### Who can make payments into the Wrap Investment Portfolio?

We will normally only accept payments into your Wrap Investment Portfolio from you.

Your product bank account details, including the required payment reference, can be found within your James Hay Online account. Payments can be made by bank transfer or Direct Debit.

### How much can I pay in?

There are no minimum or maximum limits on what you can pay into your Wrap Investment Portfolio. You can make regular or occasional payments at any time, and you can vary the amount and frequency of your payments in.

### What tax will I pay?

The Wrap Investment Portfolio is not a tax exempt product. The tax you pay will depend on the type of investments that you hold and your personal circumstances.

At the end of each tax year, we will provide you with a consolidated tax certificate that you will need to refer to when doing your self assessment tax return.

For further information, please speak to your financial adviser or tax adviser.





### Can I transfer existing investments into the Wrap Investment Portfolio?

You can transfer existing investments that you own into your Wrap Investment Portfolio. Transfer payments in the form of cash or assets other than cash (known as in-specie transfers) can be accepted.

### What is the Wrap Investment Portfolio product bank account?

Any money you pay into your Wrap Investment Portfolio is held in a pooled bank account in the name of James Hay Wrap Managers Limited until we receive instructions to invest. This pooled bank account also holds money for other clients and is operated by us in accordance with the FCA's Client Money Rules. Your Wrap Investment Portfolio's individual holding is recorded in our internal records and referred to as your product bank account.

For further information on our product bank accounts, please visit our website at [www.jameshay.co.uk](http://www.jameshay.co.uk).

### What can I invest in?

Through the Wrap Investment Portfolio you can invest in a wide range of investments, including collective investment funds (such as unit trusts and OEICs), investment trusts and fixed term deposits.

You can appoint third party investment managers to make investment decisions on your behalf and you can open an account with a stockbroker to buy and sell stocks and shares.

You can change investments at any time, unless an investment has restrictions. These will be covered in the literature or terms and conditions for the relevant investment you or your financial adviser has chosen.

For further information on the investments we allow within the Wrap Investment Portfolio, please see the 'Wrap Investment Portfolio Permitted Investments List', which is available on our website at [www.jameshay.co.uk](http://www.jameshay.co.uk).







### What are the charges?

Full details of our charges are given in the 'Wrap Charges Schedule' which is available on our website at [www.jameshay.co.uk](http://www.jameshay.co.uk). You may pay charges to other parties depending on the investments you select. You may also pay charges to your financial adviser. These charges can be paid out of your Wrap Investment Portfolio.

Our charges are normally deducted from your Wrap Investment Portfolio product bank account. If there is insufficient money available, we will ask you to either sell some investments within your Investment Portfolio or you can pay us directly.

### Can I have an illustration?

Your financial adviser will provide you with an illustration before you make an application for the Wrap Investment Portfolio. Please contact your financial adviser for more details.

### When can I make withdrawals?

You can make withdrawals from your Wrap Investment Portfolio at any time. These can be on a single or regular basis.

Withdrawals generally take 14 to 30 days to complete, and are made by CHAPS or Faster Payments to an account in your name that you nominate. Ad-hoc withdrawals may alternatively be paid by cheque payable to you.

### What happens when I die?

We will act on the instructions of your personal representatives once they have provided us with proof of title, such as a grant of probate or letters of administration.

They may instruct us to either sell any remaining investments and pay the cash balance on their instructions, or transfer any investments held in your Wrap Investment Portfolio on their instructions. Your Wrap Investment Portfolio will then be closed.

Your Wrap Investment Portfolio forms part of your estate for inheritance tax purposes.





### Can I change my mind?

You have the right to cancel your Wrap Investment Portfolio. On receipt of your Wrap Investment Portfolio application form, we will send you a cancellation notice. You will have 14 days from receipt of this notice to tell us that you wish to cancel your application. For further details, please see the 'Wrap Terms and Conditions'.

### What other documents should I read?

We ask that you also read the Wrap Key Features Illustration provided by your financial adviser. In addition, you should read the:

- Wrap Charges Schedule
- Wrap Investment Portfolio Permitted Investments List
- Wrap Terms and Conditions
- Wrap Technical Guide.

These documents provide you with more detailed information on the Wrap Investment Portfolio.

If after reading the documentation you are unclear about any aspect of the Wrap Investment Portfolio, or you are unsure whether the Wrap Investment Portfolio is right for you, please speak to your financial adviser.

### What correspondence and communications will I receive?

We will issue:

- a cancellation notice that gives you the right to cancel your Wrap Investment Portfolio (unless you have waived these rights in your application form)
- a quarterly valuation statement for your Wrap Investment Portfolio
- other necessary correspondence depending on the day-to-day operation of your Wrap Investment Portfolio.

We will send this correspondence to your financial adviser, apart from cancellation notices which we will send to you. The only correspondence we will send to both you and your financial adviser is your quarterly valuation statement.

Our standard methods of communication are letter, secure electronic messaging (through our secure website James Hay Online) and by telephone. We do not consider standard email to be secure and so we will not normally communicate in this way if the communication includes personal information or instructions relating to your Wrap Investment Portfolio or investments.

# Key features of the Wrap ISA



## What you should know before you invest

### **What is the purpose of this Key Features Document?**

This Key Features Document, along with your Key Features Illustration, gives you a summary of information to help you decide if you want to invest in the Wrap ISA, and whether the Wrap ISA is right for you.

### **What is an ISA?**

An ISA provides a tax efficient way of saving. There are currently five types of ISA available:

- Cash ISA
- Stocks and shares ISA
- Innovative finance ISA
- Lifetime ISA
- Junior ISA.

### **What is the Wrap ISA?**

The James Hay Wrap ISA is a stocks and shares ISA as defined under ISA regulations.

There is no minimum amount you must pay into your Wrap ISA. The maximum amount you can pay into an ISA in the 2024/25 tax year is £20,000. This limit may be reviewed by HMRC and could change in the future. You can split the amount you subscribe across different types of ISA as you choose, up to the £20,000 limit. For example, you could put £5,000 in a cash ISA, £4,000 (the maximum) in a lifetime ISA and £11,000 in a stocks and shares ISA.

If you do not use the ISA subscription limit in any tax year you cannot carry it forward or add it to the subscription limit of the next tax year.

### **Who is the Wrap ISA suitable for?**

The Wrap ISA may be suitable for anyone who can afford to set aside money to build up savings over the medium to long term.



## Its aims

The Wrap ISA provides a tax efficient way of investing in a wide range of investments, including stocks and shares, bonds and gilts, as well as collective investment schemes and secure cash deposits.

It enables you to benefit from potential capital growth and/or income over the medium to long term as well as a return on cash investments in the form of interest, that is paid gross.

It provides you with the facility to make regular withdrawals, if required, as you continue to invest.



## Your commitment

Before buying the Wrap ISA, in conjunction with your financial adviser, you should consider whether you have sufficient investment experience and are prepared to be responsible for making decisions about how your money is invested during the time that your Wrap ISA is open. Your financial adviser will be able to assist you with this process.

You will need to:

- make at least one payment into your Wrap ISA
- pay the charges set out in the 'Wrap Charges Schedule'
- regularly review your investments and the amount you pay in
- consider this type of investment as a medium to long term commitment.



## Understanding the risks

There are risks associated with investing your money via a Wrap ISA which, depending on how they are managed, could affect the value of your Wrap ISA in the future. These are detailed below. You may be able to reduce the impact of some of the risks, as you are able to control:

- the amount you put in
- the investments you select
- if you choose to take withdrawals.

However, other factors that contribute to the different risks involved in having a Wrap ISA may be outside of your control. For example, the Government may change the tax rules applicable to ISAs and this could affect the tax treatment of your ISA.

**To understand the risks associated with investing via a Wrap ISA and how the amount of money you will eventually receive may be affected, we strongly suggest you read on.**

### **Applying for the Wrap ISA**

If you open a Wrap ISA and later change your mind and choose to cancel it, you may get back less than you paid in. Please refer to the 'Wrap Terms and Conditions' for further information.

### **Transferring investments in**

If you are transferring an existing ISA, there could be exit penalties imposed by the transferring ISA manager. If you transfer existing investments into your Wrap ISA, they may need to be transferred as cash and you may not get the benefit of any investment increases whilst the transfer is being processed.

### **Investing your money in your Wrap ISA**

The value of your investment can fluctuate up and down and it is possible that you may get back less than the amount you originally invested.

Depending on the type of investments you choose to invest in, there will be different risks that will affect the value of your investment. For example:

- foreign investments will be affected by changes in the rate of currency exchange
- investments in stocks and shares will be affected by fluctuations in the stock market
- cash deposits will be affected by changes in interest rates.

**For further information on the risks that are specific to a particular investment, please read our 'Guide to Investment Risk' available on our website at [www.jameshay.co.uk](http://www.jameshay.co.uk) or speak to your financial adviser.**

If the returns on your Wrap ISA investments are poor, they may not cover the level of charges applied and the value of your Wrap ISA could significantly reduce in value over time. You should regularly review the performance of your chosen investments to check that they remain suitable for providing you with the benefits you require in the future.

Not all your investments may be protected by the Financial Services Compensation Scheme (FSCS). The FSCS provides financial compensation to investors in the event of the failure of a financial institution. To understand how this may affect your Wrap ISA, please see the 'Other Information' section later in this Key Features Document.

### **Withdrawals from your Wrap ISA**

The value of your Wrap ISA is not guaranteed. Its value will depend on a number of factors including:

- what you have paid in
- how your investments have performed
- the charges that have been deducted.

The level of the withdrawals you can make will depend on:

- the value of your Wrap ISA
- whether you are able to sell your investments.

High levels of inflation could reduce the value of your Wrap ISA in real terms.



## Questions and answers

### Is the Wrap ISA the correct product for me?

The Wrap ISA may be right for you if you are looking to:

- build capital growth
- save money whilst earning interest free of UK income tax
- take income from your existing investments
- access a wide variety of investment options
- accept a degree of risk with your capital.

### Who can take out the Wrap ISA?

You can take out the Wrap ISA if you are:

- over 18
- resident in the UK
- not an undischarged bankrupt.

### Who can make payments into the Wrap ISA?

We will normally only accept payments, known as subscriptions, into your Wrap ISA from you. Payments can be made by bank transfer or Direct Debit.

Your product bank account details, including the required payment reference, can be found within your James Hay Online account.

### How much can I pay in?

There is no minimum amount you must pay into your Wrap ISA. The maximum amount you can pay into an ISA in the 2024/25 tax year is £20,000. This limit may be reviewed by HMRC and could change in the future. You can split the amount you pay into an ISA between a cash ISA, a stocks and shares ISA, an innovative finance ISA and a lifetime ISA (up to a maximum of £4,000) as you choose, up to the £20,000 limit. For example, you could put £5,000 in a cash ISA, £4,000 in a lifetime ISA and £11,000 in a stocks and shares ISA.

You can make regular or occasional payments at any time and you can vary the amount and frequency of your payments as long as you do not exceed the HMRC maximum limits for tax free savings into an ISA account in any tax year.





### Can I transfer existing ISAs into the Wrap ISA?

You can transfer existing ISAs that you own into your Wrap ISA. Transfer payments in the form of cash or assets other than cash (known as in-specie transfers) can be accepted.

### What is the Wrap ISA product bank account?

Any money you pay into your Wrap ISA is held in a pooled bank account in the name of James Hay Wrap Managers Limited until we receive instructions to invest. This pooled bank account also holds money for other clients and is operated by us in accordance with the FCA's Client Money Rules. Your Wrap ISA's individual holding is recorded in our internal records and referred to as your product bank account.

For further information on our product bank accounts, please visit our website at [www.jameshay.co.uk](http://www.jameshay.co.uk).

### What can i invest in?

Through the Wrap ISA you can invest in a wide range of investments, including collective investment funds (such as unit trusts and OEICs), investment trusts and cash deposits.

You can open an account with a stockbroker to buy and sell stocks and shares. You can change investments at any time, unless an investment has restrictions. These will be covered in the literature or terms and conditions for the relevant investment you or your financial adviser has chosen.

For further information on the investments available to you under the Wrap ISA, please see the 'Wrap ISA Permitted Investments List', which is available on our website at [www.jameshay.co.uk](http://www.jameshay.co.uk).

### What are the charges?

Full details of our charges are given in the 'Wrap Charges Schedule' which is available on our website at [www.jameshay.co.uk](http://www.jameshay.co.uk). You may pay charges to other parties depending on the investments you select. You may also pay charges to your financial adviser. These charges can be paid out of your Wrap ISA.

Our Wrap ISA charges are normally deducted from the Wrap Investment Portfolio product bank account. If there is insufficient money available, we will ask you to either sell some investments or you can pay us directly.







### Can I have an illustration?

Your financial adviser will provide you with an illustration before you make an application for the Wrap ISA. Please contact your financial adviser for further details.

### When can I make withdrawals?

You can make withdrawals from your Wrap ISA at any time. These can be on a single or regular basis. Withdrawals generally take 14 to 30 days to complete, and are made by CHAPS or Faster Payments to an account in your name that you nominate. Single withdrawals may alternatively be paid by cheque payable to you.

### Can I transfer to another ISA manager at any time?

You can transfer your Wrap ISA to another ISA manager at any time. However, if you have invested in a cash deposit, there may be charges or loss of interest if you transfer out before the end of the term.

You may transfer all of your current tax year ISA, or part or all of a previous tax year's ISA at any time, provided the transfer is in accordance with the regulations applying to ISAs and your new ISA manager agrees to the transfer. A transfer may be made in cash or by re-registering assets depending on your new ISA manager's agreement.

### What tax will I pay?

The Wrap ISA is a tax-exempt product which means you will not pay tax on any gains you make within your Wrap ISA product.

The tax treatment of ISAs may change in the future. We are unable to provide you with individual tax advice and if you need this you should speak to your financial adviser.





## What happens when I die?

If an ISA account holder dies, the investments remain sheltered from tax as a 'continuing account of a deceased investor', until the earlier of:

- the completion of the administration of the deceased's estate
- the closure of the ISA account, or
- the third anniversary of the ISA account holder's death.

During this period, no new subscriptions can be made to the account, and it normally cannot be transferred to another ISA manager.

On receiving appropriate proof of title, such as probate, we will pay in accordance with the instructions of your personal representatives the balance together with any interest earned up to the date we close the Wrap ISA.

The proceeds from your Wrap ISA will form part of your estate for inheritance tax purposes.

If on your death you have a surviving spouse or civil partner, they will be able to invest an amount into their ISA in addition to their usual allowance, referred to as Additional Permitted Subscriptions (APS). The APS can be funded from ISA assets or cash that they inherit or, if in cash, from their own resources.

The APS limit is the value of the ISA investments either:

- at the date of death of the ISA account holder, or
- at the point when the account ceases to be a continuing deceased's account (i.e. when the ISA is closed after investments are distributed to the estate, or the third anniversary of the ISA account holder's death - whichever is earlier).

The surviving spouse or civil partner can choose which value to use, but once they have done so, they cannot change their mind.

## Can I change my mind?

You have the right to cancel your Wrap ISA. On receipt of your Wrap ISA application form we will send you a cancellation notice. You will have 14 days from receipt of this notice to tell us that you wish to cancel your application. For further details, please see the 'Wrap Terms and Conditions'.

All decisions regarding your Wrap ISA should be taken with your financial adviser.





### What other documents should I read?

We ask that you also read the Wrap ISA Key Features Illustration provided by your financial adviser. In addition, you should read the:

- Wrap Charges Schedule
- Wrap ISA Permitted Investments List
- Wrap Terms and Conditions
- Wrap Technical Guide.

These documents provide you with more detailed information on the Wrap ISA.

If after reading the documentation you are unclear about any aspect of the Wrap ISA, or you are unsure whether the Wrap ISA is right for you, we strongly suggest you speak to your financial adviser.

### What correspondence and communications will I receive?

We will issue:

- a cancellation notice that gives you the right to cancel your Wrap ISA (unless you have waived these rights in your application form)
- a quarterly valuation statement for your Wrap ISA
- other correspondence depending on the day-to-day operation of your Wrap ISA.

We will send this correspondence to your financial adviser, apart from the cancellation notice which we will send to you. The only correspondence we will send to both you and your financial adviser is your quarterly valuation statement.

Our standard methods of communication are letter, secure electronic messaging (through our secure website James Hay Online) and by telephone. We do not consider standard email to be secure and so we will not normally communicate in this way if the communication includes personal information or instructions relating to your Wrap ISA or investments.



# Key features of the Wrap SIPP



## What you should know before you invest

### **What is the purpose of this Key Features Document?**

This Key Features Document, along with your Key Features Illustration, gives you a summary of information to help you decide if you want to invest in the Wrap SIPP, and whether the Wrap SIPP is right for you.

### **What is the Wrap SIPP?**

The Wrap SIPP is a type of registered pension scheme known as a Self Invested Personal Pension (SIPP). It is a long-term, tax efficient savings plan designed to help you invest for your retirement. It offers a wide choice of investments and a variety of options for taking retirement benefits.

### **Is the Wrap SIPP a Stakeholder Pension?**

No. The Wrap SIPP is not a Stakeholder Pension. Stakeholder Pensions are low cost pension plans with limited investment options. The Government sets minimum standards, for example, in relation to costs and contribution levels, which Stakeholder Pensions are required to meet. A Stakeholder Pension may meet your needs at least as well as the Wrap SIPP.



## Its aims

The aim of a pension product is to build up a pension fund in a tax efficient way for your retirement.

The aim of the Wrap SIPP is to provide a flexible pension arrangement, which can be tailored to suit changes to your lifestyle such as your employment status, your income and your family circumstances.

The Wrap SIPP offers you, in conjunction with your financial adviser, complete control over where and when you invest.



## Your commitment

Before buying the Wrap SIPP, in conjunction with your financial adviser, you should consider whether you have sufficient investment experience and are prepared to be responsible for making decisions about how your money is invested during the time that your Wrap SIPP is open.

You will need to:

- make at least one payment into your Wrap SIPP, which could be a transfer from an existing pension you hold or a contribution
- be prepared to keep your money invested and not have access to it, normally until at least age 55
- pay the charges set out in the 'Wrap Charges Schedule'
- regularly review your investments and the amount you contribute.



## Understanding the risks

There are risks associated with investing your money via a Wrap SIPP which, depending on how they are managed, could affect the level of benefits (income and cash lump sums) you will be able to take in the future. These are detailed below. You may be able to reduce the impact of some of the risks, as you are able to control:

- the amount you put in
- the investments you select
- when you choose to take benefits
- the way in which you take benefits.

However, other factors that contribute to the different risks involved in having a Wrap SIPP may be outside of your control. For example, the Government may change the tax rules applicable to SIPPs and this could affect:

- the level of tax relief you receive on your contributions
- the amount of tax you pay on your investments
- the taxation on the benefits you take from your Wrap SIPP.

**To understand the risks associated with investing via a Wrap SIPP and how the level of benefits you will eventually receive may be affected, we strongly suggest you read on.**

### Applying for the Wrap SIPP

If you open a Wrap SIPP and later choose to cancel it, you may get back less than you paid in. Please refer to the 'Wrap Terms and Conditions' for further information, which is available on our website at [www.jameshay.co.uk](http://www.jameshay.co.uk).

### Transferring investments in

If you sell your assets in an existing pension and transfer cash into your Wrap SIPP, you will be 'out of the market' and not get the benefit of any investment increases whilst the transfer is being processed.

If you transfer existing pension funds into your Wrap SIPP from another registered pension scheme:

- you may give up valuable pension rights or guarantees that are not offered by the Wrap SIPP
- the existing pension provider may apply a penalty charge which could reduce the value of your pension fund.

### Investing your money in your Wrap SIPP

The value of your investment can fluctuate up and down and it is possible that you may get back less than the amount you originally invested.

Depending on the type of investments you choose to invest in, there will be different risks that will affect the value of your investment. For example:

- foreign investments will be affected by changes in the rate of currency exchange
- investments in stocks and shares will be affected by fluctuations in the stock market
- cash deposits will be affected by changes in interest rates.

**For further information on the risks that are specific to a particular investment, please read the 'Guide to Investment Risk' available on our website at [www.jameshay.co.uk](http://www.jameshay.co.uk), or speak to your financial adviser.**

If the returns on your Wrap SIPP investments are poor, they may not cover the level of charges applied and the value of your Wrap SIPP could significantly reduce in value over time. You should regularly review the performance of your chosen investments to check that they remain suitable for providing you with the benefits you require in the future.

Not all your investments may be protected by the Financial Services Compensation Scheme (FSCS). The FSCS provides financial compensation to investors in the event of the failure of a financial institution. To understand how this may affect your Wrap SIPP, please see the 'Other Information' section later in this Key Features Document.

### Taking benefits from your Wrap SIPP

The value of your Wrap SIPP and the benefits it provides are not guaranteed. Its value will depend on a number of factors including:

- what you have paid in
- how your investments have performed
- the charges that have been deducted.

The level of benefits you can take will depend on:

- the value of your Wrap SIPP
- whether you are able to sell your investments (e.g. it might take time to sell a commercial property)
- how much tax you have to pay on your income
- current annuity and interest rates if you decide to use your Wrap SIPP funds to buy a lifetime annuity.

High levels of inflation could reduce the value of your pension in real terms.

Withdrawing high proportions of money from your Wrap SIPP is unlikely to be sustainable for a long period. Therefore you should carefully plan your withdrawal strategy and regularly review the level of benefits you are taking, to ensure they remain sustainable.

Any income withdrawals you take from your Wrap SIPP are classed as income and therefore you may pay tax on these withdrawals. For further information on the taxation of withdrawals, please refer to the 'Wrap Technical Guide', which is available on our website at [www.jameshay.co.uk](http://www.jameshay.co.uk).

## Your Wrap SIPP on death

In the event of your death, we can pay out the proceeds of your Wrap SIPP to your nominated beneficiaries. It is therefore important that you complete an 'Expression of Wish Form' and send it to us. You may wish to regularly review it as your circumstances change. You can obtain one from our website at [www.jameshay.co.uk](http://www.jameshay.co.uk).

If you die before your 75th birthday, your Wrap SIPP will pass on to your beneficiaries tax-free. However, if you die after your 75th birthday, your Wrap SIPP will be taxed at your beneficiary's income tax rate.



## Questions and answers

### Is the Wrap SIPP the correct product for me?

The Wrap SIPP may be right for you if you:

- have a financial adviser
- are looking to build a pension fund for retirement in a tax efficient way
- want access to a variety of investment options and services that can be varied to suit your changing needs.

### Who can take out the Wrap SIPP?

You can take out a Wrap SIPP if you are:

- over 18
- a resident of the UK
- not a US Person or resident of the US for tax purposes, and
- not an undischarged bankrupt.

### Who can pay contributions into the Wrap SIPP?

You, your employer (if you have one) or another third party can pay contributions into your Wrap SIPP on your behalf.

The Wrap SIPP can also accept transfers from other pension arrangements you may have.



### How much can I contribute?

There is no minimum or maximum contribution level although you may have to pay a tax charge on contributions over a certain limit. For further details, please refer to the 'Wrap Technical Guide'.

You can pay regular or occasional contributions at any time and you can vary the amount and frequency of your contributions. Payments can be made by bank transfer or Direct Debit.

Your product bank account details, including the required payment reference, can be found within your James Hay Online account.

You can start contributions at any age although all contributions to your Wrap SIPP must cease by your 75th birthday.

### Will I get tax relief on my contributions?

Provided you meet certain criteria set by HM Revenue & Customs (HMRC), you will receive tax relief at your highest marginal rate on contributions paid by you up to £3,600 or 100% of your relevant earnings (whichever is the higher). However, if you contribute more than the annual allowance (or money purchase annual allowance, if applicable), you will be subject to a personal tax charge that will effectively cancel out the tax relief. For further details, please refer to the 'Wrap Technical Guide'.

We will claim basic rate tax relief on your behalf from HMRC. For example, if you pay £80, we will reclaim £20 meaning the Wrap SIPP has received a total of £100.

If you pay higher rate tax, you may be able to claim extra tax relief through your self-assessment tax return.

Current levels of tax relief are not guaranteed and could be subject to changes by the Government after your Wrap SIPP has been opened.

### Residency

If you are a Scottish resident (as determined by HMRC) your tax rate may differ.

For example, you may be liable to income tax at no more than the Scottish starter rate of 19%. For the 2024/25 tax year we will still claim tax relief of 20% where applicable. HMRC has stated that it will not recover the difference between the Scottish starter rate and the Scottish basic rate for the 2024/25 tax year.

If you are liable to income tax at a rate above the Scottish basic rate of 20%, you will be able to claim the additional relief from HMRC either through your self assessment return or, if you do not complete one, by contacting HMRC.

The Welsh government has the power to amend the rate of income tax paid by Welsh residents, and if they do, this may impact the amount of tax we can reclaim on contributions made by Welsh residents. The Welsh government has indicated that they will not amend the rate of income tax for the 2024/25 tax year.





## Can I transfer pension benefits from another pension scheme to the Wrap SIPP?

You can transfer pension benefits from other registered pension schemes or Qualifying Recognised Overseas Pension Schemes (QROPS) into your Wrap SIPP. Transfer payments in the form of assets other than cash (known as in-specie transfers) can also be accepted.

There is no guarantee that transferring another pension arrangement to your Wrap SIPP will increase your total retirement benefits. There could be a number of reasons why it might not be appropriate to transfer in existing pension benefits and we strongly suggest you take financial advice if you are considering this option.

**Please note: We are unable to accept any transfer from a defined benefits (final salary) or a defined contribution (money purchase) scheme that contains safeguarded benefits, unless you have received advice in relation to the transfer from a suitably qualified financial adviser and they have recommended that you proceed with the transfer.**

## What is the Wrap SIPP product bank account?

Any money you pay into your Wrap SIPP is held in a pooled bank account in the name of our trustee company, until we receive instructions to invest.

This pooled bank account also holds money for other SIPP clients. Your Wrap SIPP's individual holding is recorded in our internal records and referred to as your Wrap SIPP product bank account.

For further information on our product bank accounts, please visit our website at [www.jameshay.co.uk](http://www.jameshay.co.uk).

## What can I invest in?

Through the Wrap SIPP you can invest in a wide range of investments, including collective investment funds (such as unit trusts and OEICs), investment trusts, fixed term deposits and commercial property.

You can appoint third party investment managers to make investment decisions on your behalf and you can open an account with a stockbroker to buy and sell stocks and shares.

You can change investments at any time, unless an investment has restrictions. These will be covered in the literature or terms and conditions for the relevant investment you and your financial adviser has chosen.

For further information on the investments available to you under the Wrap SIPP, please see the 'Wrap SIPP Permitted Investments List', which is available on our website at [www.jameshay.co.uk](http://www.jameshay.co.uk).



### What are the charges?

Full details of our charges are given in the 'Wrap Charges Schedule', which is available on our website at [www.jameshay.co.uk](http://www.jameshay.co.uk). You may pay charges to other parties depending on the investments you select. You may also pay charges to your financial adviser. These charges can be paid out of your Wrap SIPP.

Our charges are normally deducted from your Wrap SIPP product bank account. If there is insufficient money available, we will ask you to either sell some investments within your Wrap SIPP or you can pay us directly.

### Can I have an illustration?

Your financial adviser will provide you with an illustration before you make an application for the Wrap SIPP. Please contact your financial adviser for further details.

### When can I take benefits?

You can normally start drawing retirement benefits from age 55, even if you are still working. The amount you receive will depend on the value of your Wrap SIPP. Please see the 'Wrap Product Guide' for further information.





## What types of benefits can I take?

You can take your retirement benefits in a number of different ways.

- **Flexi-access drawdown**  
You can take a tax free lump sum (known as a Pension Commencement Lump Sum or PCLS) of up to 25% of your pension fund, subject to your lump sum allowance. You can then draw a regular income from the remaining pension fund. The income you draw will be subject to tax at your marginal rate. You can vary the level and frequency of the income at any time.
- **Uncrystallised Funds Pension Lump Sum (UFPLS)**  
You can take lump sums (called Uncrystallised Funds Pension Lump Sums or UFPLS) out of your pension fund on an ad-hoc basis, subject to a minimum individual withdrawal level of £1,000. If you do this, subject to your lump sum allowance, 25% of the UFPLS payment will be tax free and the remaining 75% will be subject to tax at your marginal rate.
- **Lifetime annuity**  
You can take a tax free lump sum (known as a Pension Commencement Lump Sum or PCLS) of up to 25% of your pension fund, subject to your lump sum allowance. You can then use your remaining pension fund to purchase a lifetime annuity from an insurance company. This is where the insurance company agrees to pay you a regular income until you die. The income is taxed at your marginal rate.

For further details of the options and rules for taking benefits from your Wrap SIPP, please refer to the 'Wrap Technical Guide'.

### Pension Wise

Deciding what benefits to take from your pension is an important decision. We recommend that you seek appropriate guidance or advice to understand your options at retirement. You are entitled to receive free and impartial guidance through the Government backed service called Pension Wise. The objective of the service is to empower you to make informed and confident decisions on how you use your pension savings in retirement.

For further details of how to access this service please see the 'Other Information' section later in this Key Features Document.

The free guidance does not replace financial advice given by regulated financial advisers.

**Please note: Current tax benefits are not guaranteed. Any changes made by the Government may impact the level of your benefits when you come to take them.**





### What if I become ill before I retire and cannot work?

Subject to acceptable medical evidence, we may pay ill health early retirement benefits, or serious ill health benefits, in the form of a pension income or lump sum from your Wrap SIPP.

Full details of ill health benefits are given in the 'Wrap Technical Guide'.

### What happens when I die?

Your Wrap SIPP is held within a trust, which means it does not usually form part of your estate and therefore is not subject to inheritance tax.

You can provide us with details of who you would like to receive any benefits payable from your Wrap SIPP on your death by completing an 'Expression of Wish Form' and sending it to us. This does not bind us, but will help us decide to whom we will pay out benefits.

These benefits can be paid either as a lump sum or as a beneficiary's pension. The tax treatment of these benefits will vary depending on whether you died before or after age 75.

Full details of the benefits payable on death are given in the 'Wrap Technical Guide'.

### Can I change my mind?

You have the right to cancel your Wrap SIPP. On receipt of your Wrap SIPP application form, we will send you a cancellation notice. You will have 30 days from receipt of this notice to tell us that you have changed your mind and wish to cancel your application. For further details, please see the 'Wrap Terms and Conditions'.



### What other documents should I read?

We ask that you also read the Wrap SIPP Key Features Illustration provided by your financial adviser. In addition, you should read the:

- Wrap Charges Schedule
- Wrap SIPP Permitted Investments List
- Wrap Terms and Conditions, and
- Wrap Technical Guide.

These documents provide you with more detailed information on the Wrap SIPP.

If after reading the documentation you are unclear about any aspect of the Wrap SIPP, or you are unsure whether the Wrap SIPP is right for you, we strongly suggest you speak to your financial adviser.

### What correspondence and communications will I receive?

We will issue:

- a cancellation notice that gives you the right to cancel your Wrap SIPP (unless you have waived these rights in your application form)
- an annual valuation statement of your Wrap SIPP including an illustration of projected future benefits
- other necessary correspondence depending on the day-to-day operation of your Wrap SIPP.

We will send this correspondence to your financial adviser, apart from cancellation notices which we will send to you.

The only correspondence we will send both you and your financial adviser is your annual valuation statement.

Our standard methods of communication are letter, secure electronic messaging (through our secure website James Hay Online) and by telephone. We do not consider standard email to be secure and so we will not normally communicate in this way if the communication includes personal information or instructions relating to your Wrap SIPP or investments.





## Other useful information

### Pension Wise

The Government backed service called Pension Wise is provided by MoneyHelper. You can receive this guidance online, by telephone or face-to-face.

You can access Pension Wise on the MoneyHelper website [www.moneyhelper.org.uk](http://www.moneyhelper.org.uk) or call either 0800 138 3944 or 0300 330 1003 (from outside the UK +44 20 3733 3495), if you wish to use this service.

### How to complain

If you wish to complain about any aspect of the service you have received, please contact the Complaints Manager using any of the methods detailed in the 'What do I do next?' section overleaf.

Complaints about this product that we cannot address may be referred to the Financial Ombudsman Service.

For details of our formal complaints procedure or contact information for the organisations listed above, please see the Guide to our Complaint Procedure leaflet, a copy of which can be obtained from our website at [www.jameshay.co.uk](http://www.jameshay.co.uk).

Making a complaint will not affect your right to take legal proceedings.

### Law

The information given in this document is based on our current understanding of pension and financial services regulations and can be subject to change as tax laws and legislation may change over time.

In the event of a dispute, the law of England and Wales will apply, and by completing a Wrap application you will be agreeing to this.

### Financial Services Compensation Scheme (FSCS)

The FSCS provides protection to consumers when financial services firms fail (or go bust). It is the compensation scheme for customers of UK authorised financial services firms. FSCS can compensate customers if a firm has stopped trading or does not have enough assets to pay claims made against it.

The Wrap Investment Portfolio, Wrap SIPP and Wrap ISA are covered by the FSCS in the event that we are unable to meet our obligations to you regarding administration of these products.

The product bank accounts are also separately covered by the FSCS in the event of the failure of the relevant bank itself.

Similarly, the underlying investments within your Wrap Investment Portfolio, Wrap SIPP and Wrap ISA may be subject to their own protection from the FSCS in the event of the failure of the relevant investment provider. However, this will depend on the investments you select and you should seek further clarification from the investment provider or your financial adviser of the cover applicable to your chosen investments before investing.

The Wrap Offshore Bond is not covered by the FSCS if RL360 is unable to meet its obligations to you. Wrap Offshore Bond holders will instead receive the protection of the Isle of Man Compensation of Policyholders protection scheme, which covers an amount equal to 90% (subject to the provisions of the scheme) of RL360's liability where it is unable to meet its financial obligations.

For further information, please refer to the 'Wrap Offshore Bond Key Information Documents' (KIDs) available on our website at [www.jameshay.co.uk](http://www.jameshay.co.uk).

For details on how we will hold any money and/or investments, and the level of protection available, please read the document available on our website at [www.jameshay.co.uk](http://www.jameshay.co.uk) called 'How Your Money and Investments are held with James Hay Partnership Products'.

For further information, please visit the FSCS website at [www.fscs.org.uk](http://www.fscs.org.uk).

## What do I do next?

If you need advice on how to proceed, you should contact your adviser.

If you need more help or information regarding the administration or features of your James Hay Wrap, please contact us via secure message or write to us at:



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

You can call us on the number below:



**03455 212 414**

Lines are open from 8.30am to 5.30pm  
Monday to Friday. To help us improve our  
service, we may record or monitor calls.

All of our other literature named in this document can be found on our website:



**[www.jameshay.co.uk](http://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)