



ST. JAMES'S PLACE
WEALTH MANAGEMENT

SELF INVESTED PENSION PLAN
Administered by Curtis Banks PLC

TERMS & CONDITIONS

PARTNERS IN MANAGING YOUR WEALTH

ST. JAMES'S PLACE

SELF INVESTED PENSION PLAN

TERMS AND CONDITIONS

1 INTRODUCTION

In these terms and conditions, 'the SIPP' means the St. James's Place Self Invested Pension Plan, 'you' means the SIPP member and 'we', 'us' and 'our' means Curtis Banks Ltd.

These terms and conditions set out further details of your contract. They should be read in conjunction with:

- The Key Features Document
- The Schedule of Fees
- The Investment and Client Details Form
- The Trust Deed and Rules for the SIPP, a copy of which is available on request.

All of these documents form the basis of our contract with you, which will be governed by and construed in accordance with the laws of England and Wales.

St. James's Place Wealth Management plc are authorised by the Financial Conduct Authority ('FCA') to provide you with advice in relation to your SIPP. Curtis Banks Ltd are not authorised by the FCA to provide you with advice in relation to your SIPP and nothing in any communication issued by Curtis Banks Ltd to you should be construed as financial or investment advice within the meaning of the Financial Services and Markets Act 2000, as amended.

2 BASIC INFORMATION

The SIPP is a Registered Pension Scheme as defined by Part 4 of the Finance Act 2004 and operates as a Trust with a set of Rules.

St. James's Place UK plc is the Provider of the SIPP and is part of the St. James's Place plc group of companies.

Curtis Banks Ltd are the Operator of the SIPP and are appointed as the Administrator for HMRC purposes. Tower Pension Trustees Limited (**the Trustee**) is Trustee of the SIPP and acts as trustee of your own personal account within the SIPP. We have a mandate to control the SIPP bank account but cannot make investments without the instruction of the SIPP member.

Curtis Banks Ltd are authorised and regulated by the FCA. Our FCA Registration Number is 492502. We will classify you as a retail client under FCA rules, unless you agree an alternative classification with us. St. James's Place UK plc is authorised and regulated by the FCA. Its FCA Registration Number is 150026.

Curtis Banks Ltd and Tower Pension Trustees Limited are registered under the Data Protection Laws (see Section 16) for handling and processing personal data and will not disclose data to other parties other than where legally permitted or authorised by you. Data is held securely in computer and paper records in line with Information Commissioner's Office guidance.

3 BECOMING A MEMBER

To become a member of the SIPP, you will need to complete the Investment and Client Details Form and supply information on your identity in accordance with anti-money laundering regulations. If your employer is contributing to the SIPP, or another family member is paying contributions on your behalf, we will need to verify their identity as well.

We cannot accept you as a member of the SIPP until these requirements have been met. We have the right to decline an application in exceptional circumstances.

4 CONTRIBUTIONS

You and/or any other person, subject to any requirements that we have for verifying the other person's identity, may make contributions to your SIPP at any time.

Your own personal contributions will normally be treated as being paid net of basic rate tax, which we will seek to reclaim from HMRC if and to the extent you are entitled to tax relief on that contribution. You are responsible for informing us if you are not entitled to tax relief on the whole or part of a contribution. Any sum reclaimed will not be available for investment until it is received from HMRC, which will normally take between 6 and 11 weeks from the date of your contribution. You are responsible for claiming any higher or additional rate (or intermediate rate for Scottish taxpayers) tax relief to which you are entitled.

You are responsible for ensuring that all contributions are within allowable limits in accordance with prevailing legislation. If contributions to all your pension arrangements exceed the HMRC Annual Allowance in any tax year, including any carried forward Annual Allowance, the excess will not qualify for tax relief.

If an excess contribution is refunded, the amount may be reduced as a result of any negative investment performance on the funds whilst in the SIPP. Any excess tax relief claimed from HMRC and interest on this relief will be repaid to HMRC from your SIPP.

Contributions must be single contributions and our contribution form must be fully completed in order for us to accept the contribution. Single contributions must be paid by cheque or direct credit. All contributions must be made in sterling. Any contributions paid by your employer must be paid gross.

We will only act on an investment instruction when the contribution received is in a cleared funds state.

5 TRANSFERS IN

Other pension benefits may be transferred into your SIPP, subject to our consent, applicable legislation and HMRC rules.

You are responsible for initiating any transfers from other pension arrangements into the SIPP. We will assist in following-up transfers but cannot accept any responsibility for delays in payment.

Where benefits have been transferred to us, we will issue you with a cooling off notice which gives you the right to cancel the transfer. You will have 30 days from receipt of the cooling off notice to change your mind. If you do change your mind about the transfer, we cannot guarantee that the pension provider who transferred the benefits to us will receive them back and you may therefore need to find a suitable alternative pension provider.

We will only act on an investment instruction when the transfer received is in a cleared funds state.

If sufficient contributions or transfers are not received into your SIPP in the first 6 months to meet the set up costs and minimum SIPP balance requirement, we reserve the right to wind-up your SIPP, subject to contacting you or your St. James's Place Partner in the first instance.

6 TRANSFERS OUT

You can request us by written notice to transfer the value of your SIPP to another registered pension scheme or to a qualifying recognised overseas pension scheme at any time, subject to applicable legislation and HMRC rules. This will be done as soon as is reasonable following your instruction.

A transfer out may be made in cash or in specie. You will be required to notify us in writing how you wish for the transfer out to be completed. It may not always be possible to comply with your request, i.e. we may not be able to

sell certain investments in order to carry out a transfer in cash or transfer investments in specie to your new pension provider. Where this is the case, we will notify you and make you aware of your options.

We will only complete a transfer out once payment of all fees and costs have been paid. If you instruct us to transfer out in specie and there is inadequate cash within your SIPP to settle any outstanding fees or costs, we reserve the right to sell investments in accordance with our order of disposal policy, a copy of which is available on request, in order to cover the payment of those fees or costs prior to completing the transfer out.

Any annual fee already paid or due to be paid to us prior to a transfer out being requested will not be rebated either in full or in part. This will not apply where the transfer is made in relation to a change we have made to the SIPP, as in Section 15.

If you transfer your SIPP to another provider, we may receive small payments after the transfer has been made, e.g. dividends or interest, and we reserve the right to retain these payments if it is not economical or possible to forward them to a new provider.

7 SIPP BANK ACCOUNT

On receipt, all monies are deposited in a pooled bank account. We will notionally record the relevant amount in your SIPP bank account records. When we pay money out of the pooled bank account on your behalf, we will record this by debiting the relevant amount in your SIPP bank account records. If, for any reason, we cannot determine that deposited money relates to your individual SIPP, we will, after 5 working days, return the funds to the bank of origin.

Cleared credit balances in the pooled bank accounts that are credited to your SIPP bank account records may earn interest. The basis of the rate of interest your SIPP receives will be as set out in the Schedule of Fees.

Where the interest earned by the pooled bank accounts for all our clients is less than the interest paid by the banks to **the Trustee** across all the pooled bank accounts **the Trustee** has with them, we will keep the difference.

We may change the basis of interest and the interest rates applying to the pooled bank accounts (which will affect the amount creditable to your SIPP bank account records). Any change will reflect in our reasonable opinion, a proportionate response to any change made by the bank to the basis or rates of interest paid by the bank to the Curtis Banks Group. We will give you as much notice as reasonably possible before changing the basis of interest or decreasing the interest rate. This will generally be at least 30 days' notice.

For the effective operation of your SIPP:

- a. we require you, at the time of making an investment or on transferring money to an investment manager, to maintain a minimum balance of £1,000 (or £5,000 if you have a property investment) and any additional sums will be notified in writing, in the pooled bank accounts and if appropriate in the property pooled bank accounts (as recorded in your SIPP bank account records), appropriate to the regular transactions in your SIPP (e.g. drawdown income payments, loan repayments, business rates, insurance, any fees, etc);
- b. you, your St. James's Place Partner or investment manager are required to ensure that there is sufficient money in the pooled bank accounts (as recorded in your SIPP bank account records) to meet any expected single or regular payments (including our fees). If there is insufficient money notionally recorded in your SIPP bank account records to make such payments, including payment of any benefits to you, we may not make the payment;
- c. you agree that we may instruct the investment manager to transfer monies held in a bank account operated by the investment manager to a pooled bank account to meet the liabilities of your SIPP;
- d. you and any third party that remit money to the SIPP are required to quote the SIPP reference in the payment narrative. The consequence of not quoting the SIPP reference is that monies that cannot be identified may have to be returned to the bank of origin; and
- e. we shall endeavour to write to you to request for permission to pay fees (including but not limited to business rates, insurance, penalties and fines, court fees and any other fees including our fees) from your SIPP. However, if after a reasonable time period we have received no response from you (or not jointly

agreed between investors), or if the payment is urgently needed or legally required, we shall consider and arrange for a payment to be made which is in the interests of your SIPP and provide you with notification that the payment has been processed.

Payments can only be made out of cleared balances in your SIPP bank account and overdrafts are not permitted.

We will open pooled bank accounts with institutions that we have approved. These accounts will hold funds in sterling and will be with UK authorised institutions legally able to accept deposits (as listed in the Financial Services Register) selected by us using rigorous due diligence processes. Details of the banks holding pooled bank accounts in respect of your SIPP are available from us on request.

Where we place money with a bank, we will use reasonable skill and care in selecting the bank's appointment but are not liable for the acts or omissions, insolvency or dissolution of the bank.

We will operate the pooled bank accounts on behalf of **the Trustee** in accordance with the trust deed and rules and a mandate granted to us by **the Trustee** in compliance with FCA rules. We will be the authorised signatory and have full authority over the pooled bank accounts.

In the event of a default by a bank holding monies in a pooled bank account, your SIPP will share proportionately in any shortfall in the pooled bank account. We or you may be able to claim under the Financial Services Compensation Scheme.

Payments from the account will be made by us acting on your written authority, which must be given to us by secure messaging via our website. Instructions may also be provided by your St. James's Place Partner provided they are acting on your authority. Other methods of communication can be agreed on an individual basis in exceptional circumstances, in advance of the instruction being given.

Payments are normally by cheque or Faster Payments. Alternatively, payments can be made by same day CHAPS transfer subject to receipt of your instruction before 10:30 am, with your payment for the CHAPS charge, as described in the Schedule of Fees. Some receipts and payments may be processed via control accounts held by us for ease of administration.

Your SIPP can also open other bank accounts if you wish, but our mandate over SIPP bank accounts will apply to these accounts and we must be able to receive regular statements. All payments into and out of the SIPP, such as contributions, benefit payments, investment purchases and sales, must be made through the pooled bank account (and recorded in your SIPP bank account records) for administrative purposes. We may charge additional fees for operating other bank accounts.

Where transactions require conversion from Sterling to another currency, if you require a rate to be fixed or a specialist currency conversion service to be used, please contact us in advance.

8 INVESTMENTS

The Trustee will be the registered owner of all investments, unless arrangements are made with our consent for investments to be held in additional names or in nominee accounts.

Any investment income or capital gains arising from the assets of your SIPP and interest earned on the balance of your SIPP bank account records will be credited to, and form part of, the assets of your SIPP. Any loan or interest expense relating to your SIPP will be debited to, and form part of, the liabilities of your SIPP.

A member of the Curtis Banks Group may receive discounts, rebates, commissions or other payments relating to the investments of your SIPP. In this event, we will have notified you prior to our entitlement arising relating to the investments of your SIPP. The amount will not be credited to your SIPP but will be retained by the relevant member of the Curtis Banks Group.

Whilst your SIPP is able to invest in any asset permitted by HMRC which does not incur tax charges, all investment transactions must be carried out on a commercial basis with due regard to the aim of the SIPP to provide benefits, and we reserve the right in certain circumstances to decline an investment if we deem it inappropriate. We may direct the investment manager to dispose of any investment without consultation with you or your prior agreement:

- a. if, in our reasonable opinion, continued retention of such investment would be unlawful or would impose tax or other costs on us or **the Trustee** or your SIPP, or expose us or **the Trustee** or your SIPP to liabilities which in each case your SIPP may not be able to meet;
- b. if, in our reasonable opinion, the investment needs to be disposed of to return any tax or any relevant part of a pension contribution to cover the fact that a contribution fails to clear;
- c. to restore any minimum balance required to be held in your SIPP bank account records;
- d. if that investment is not or is no longer a type allowed by the current investment guidance notes;
- e. if disposal of the investment is required by the terms of any applicable agreement, for example a co-ownership agreement;
- f. in order to comply with the terms of a court order; or
- g. following your death in order to secure the benefits.

We may receive information from:

- a. investment managers or fund providers notifying us of any corporate actions in respect of investments held; and
- b. third parties notifying us of matters affecting a property.

We will take all reasonable endeavours to send these notices to you in a timely manner. We shall not be responsible for any loss or foregone profit resulting from you not receiving these notices in good time unless such loss or foregone profit results from fraud, wilful misconduct, negligence (with the exception that we shall not be liable for any pre-contractual negligent misstatements) or breach of regulatory duty on the part of any member of the Curtis Banks Group, or the fraud, wilful misconduct, negligence or breach of regulatory duty of any of their employees or agents.

Neither we nor **the Trustee** will be responsible for any loss (including loss of profit) in relation to, or reduction in value of any investment:

- a. acquired at your request unless such loss or reduction results from fraud, wilful misconduct, negligence or breach of regulatory duty on the part of any member of the Curtis Banks Group, or the fraud, wilful misconduct, negligence or breach of regulatory duty of any of their employees or agents;
- b. not acquired or not disposed of in accordance with our rights under these terms;
- c. disposed of in accordance with these terms unless such loss or reduction results from fraud, wilful misconduct, negligence or breach of regulatory duty on the part of any member of the Curtis Banks Group, or the fraud, wilful misconduct, negligence or breach of regulatory duty of any of their employees or agents;
- d. which results from any action or omission of any nature whatsoever by any investment manager or by any nominee, banker, custodian or other person providing services to any investment manager or to any member of the Curtis Banks Group; or
- e. which results from any action or omission of any nature whatsoever by any fund provider of an investment held by **the Trustee** or, in relation to that investment, by any nominee, banker, custodian or other person providing services to:
 - i. that fund provider; or
 - ii. any member of the Curtis Banks Group where such service provider has been chosen by you or the fund provider.

We will not be under any duty to consider, or advise on, the general or specific merits, suitability or appropriateness of any actual or proposed investment purchase or disposal and the rules on assessing suitability do not apply to us.

We will not be responsible for advice given by an investment manager or any exercise of discretion by an investment manager.

We may amend the types of investments stated in the investment guidance notes at any time. Where an investment previously allowed ceases to be allowed and your SIPP held the investment immediately before the change, we will

contact you to agree the action required. Unless we are required to stop allowing an investment by law or regulation we will meet the reasonable costs incurred in its disposal.

Certain investments may also result in your SIPP holding taxable property either directly or indirectly (i.e. held within certain investments unless covered by specific exemptions). HMRC may apply tax charges on both the scheme and the scheme member personally. Should any such tax charges (including charges levied on the scheme) arise under these taxable property rules in respect of an investment held for your SIPP, you agree that such tax charge shall be borne by your SIPP or by yourself personally as the case may be.

You are responsible for notifying the appropriate parties where the holding in your SIPP together with those holdings held personally by you and your connected parties require reporting under the rules of the Takeover Panel, or the FCA disclosure rules or any other similar requirements in place from time to time.

We will not accept new SIPPs wishing to make non-standard investments unless advice has been given by a suitably qualified adviser with regards to the suitability of the investment.

9 INVESTMENT MANAGERS

If you ask us to, we will direct **the Trustee** to appoint a person (investment manager) chosen by you to:

- a. open an investment dealing account or platform account to enable you to give instructions to acquire and dispose of investments for your SIPP on an execution only basis;
- b. open an account with the investment manager who will advise you on how your SIPP (or any part of your SIPP) should be invested; or
- c. open an account with the investment manager who will make investment decisions on your behalf on a discretionary basis in relation to your SIPP (or any part of your SIPP).

You may ask us to appoint different investment managers for different parts of your SIPP. If you do not ask us to appoint any investment manager, you may be restricted in the types of investment you can instruct us to acquire.

We reserve the right not to direct **the Trustee** to appoint any person chosen if they do not meet our requirements. These requirements include a requirement that the investment manager is based in the United Kingdom, has the necessary regulatory permissions, will report transactions to us in a timely manner and in a suitable format and will act on instructions given by us. If you are unsure whether your chosen investment manager is acceptable to us please contact us.

You will be responsible for notifying us of the investment manager that you would like to have appointed in respect of your SIPP. Notification may be given verbally or in writing although where given verbally we reserve the right to request that such notification be made in writing. We will not appoint an investment manager in respect of your SIPP without your direction.

Any appointment of an investment manager for your SIPP (or any part of your SIPP) will be on such terms as we direct **the Trustee** to agree with that investment manager. These terms will be available to you and you are responsible for ensuring that the terms of business are acceptable to you, including the fees payable to the investment manager. Any queries in respect of these agreements should be directed in the first instance to your investment manager. We may require you to enter into the agreement with the investment manager alongside **the Trustee**. The investment

manager will be responsible for:

- a. setting up the necessary client account arrangements for your SIPP;
- b. the registration and safe custody of investments in relation to which the investment manager is appointed;
- c. accounting regularly for all transactions and interest in relation to the relevant investments in a form acceptable to us; and
- d. carrying out investment transactions for your SIPP.

We have arranged formal agreements with a range of investment manager in respect of all accounts we have with them. Details of those investment managers with whom we have formal agreements are available on request.

If you wish to use an investment manager with whom we do not have terms, we reserve the right to charge for agreeing terms to your SIPP and there is no guarantee that the investment manager will be acceptable.

10 INVESTMENT INSTRUCTIONS

Where an investment manager has been appointed for your SIPP (or any part of your SIPP) you are required to give all investment instructions direct to the investment manager for that part of your SIPP. Full responsibility for following correct procedures rests with the investment manager and we do not accept liability for errors or omissions on their part.

You may give us (or any relevant investment manager appointed in accordance with these terms) instructions to acquire or sell an investment for your SIPP. Where we are instructed, we in turn will direct **the Trustee** to acquire or sell that investment.

All instructions to us to make changes to investments must be given by secure messaging via our website. Other methods of communication can be agreed on an individual basis in exceptional circumstances, in advance of the instruction being given.

We will confirm investment transactions by email no later than the following business day and send you contract notes and any other documentation relating to investments as soon as possible.

11 INVESTMENTS IN PROPERTY

Where we are to acquire part or the whole of a property, **the Trustee** will be the legal owner of the property and will be registered as the legal owner at the relevant land registry, subject to the conditions below.

Any property interest held jointly between **the Trustee** and a third party will require a declaration of trust to be completed in a similar form to the co-ownership agreement mentioned in Section 11.2.

Where we are to acquire an interest in a property syndicate, the nominee will be the legal owner of the property and will be registered as the legal owner at the relevant land registry. The nominee and any other trustee will hold our interest in the property on trust for the relevant trustee company under the terms set out within the agreement between the nominee and any additional trustee, the relevant trustee company, you, any other investors and any other third parties with a duly held interest in the property. For the avoidance of doubt **the Trustee** accepts no liability for the ancillary obligations directed to investors personally under this arrangement.

11.1 Property acquisition

On receipt of the original fully completed property form giving details of the property and how the proposed purchase or transfer is to be funded, including details of any co-investors and your choice of third party professionals, we will begin the process of evaluating its allowability within the SIPP and, if appropriate, begin acquiring the property (or a partial interest in the property).

A property (or partial interest in a property) to be acquired from a connected party must be acquired at the market value that has been advised to us by a valuer that is agreeable to **the Trustee**.

You and any co-investors cannot commit us to purchase a property at auction unless we have completed our due diligence in advance of the auction and we have provided our consent. The lead investor must therefore contact us at least 4 weeks in advance of the relevant auction. As we are reliant on third party professionals, we cannot provide any guarantee that all requirements will be satisfied or due diligence completed before the date of the auction or that we can complete the purchase within the timeframe required by the auctioneer.

You and any co-investor cannot commit us to a date of exchange or completion of the acquisition. These dates will be determined by us. We will not be liable for any losses or liabilities arising as a result of failure to meet a timeframe determined by any investor.

We will only exchange contracts (or agree to the exchange of contracts) if:

- a. we hold sufficient cleared monies to proceed with the acquisition (including through a loan agreed in accordance with our requirements);
- b. a report on title in a form acceptable to us is received confirming that:
 - i. the title to the property is good and marketable;
 - ii. the appropriate search results are satisfactory;
 - iii. all prior detrimental terms will be removed on completion of the acquisition; and
 - iv. all rights and reservations have been appropriately dealt with.
- c. we receive confirmation that:
 - i. a tenancy agreement is in place for each tenant occupying the property with terms acceptable to us; or
 - ii. a tenancy agreement in our standard form will be put in place on completion.
- d. a valuation in accordance with our requirements has been received;
- e. all applicable documents including where appropriate:
 - i. the loan agreement and related documents; and
 - ii. an agreement with the property manager on our terms are signed and validly in place (or will be completion);
- f. there are no known environmental issues highlighted within the environmental report at the time of acquisition;
- g. the property can be insured on terms acceptable to us;
- h. an Asbestos Survey and an Asbestos Register and Management Plan where required have been prepared by a suitably qualified person in accordance with the Control of Asbestos Regulations 2012;
- i. a valid energy performance certificate (where relevant) has been received by us and the investors comply with our requirements at that time for the acquisition of a property. Our requirements will be set out in the property guide. (The property guide does not form part of these terms and is for information only); and
- j. where the property is to be VAT elected or transferred as a going concern, we have received all of the required information and confirmations from third party professionals to enable the transaction to proceed.

Where we are to acquire the whole of the property, then:

- a. upon exchange of contracts, we will make arrangements for insuring the property, either through the block policy or via your chosen insurer. You must inform us of which insurer to deal with.
- b. upon completion we will arrange for the title deeds to be held by a third party professional.

We reserve the right not to proceed with the property acquisition at any point in the acquisition process due to the property failing to meet our due diligence requirements or if any of the information on the property form is found to be materially incorrect.

11.2 Joint investors

Upon completion of our acquisition of a property (or of our partial interest in a property) to be held on behalf of more than one investor, you agree to complete a co-ownership agreement with your co-investors confirming the share (and where appropriate, the share of any loan) attributed to each investor's pension.

You will nominate a lead investor as a point of contact for us. You agree that any decision made by the lead investor will be binding on you and that any correspondence we send to the lead investor shall be considered as having been sent to you.

The lead investor can be changed by all co-investors giving written confirmation to us. Where we consider that the lead investor is not fulfilling this role or is unable to fulfil this role, we will correspond with all investors and a replacement lead investor must be appointed. Where agreement between the investors cannot be reached, we reserve the right to dispose of the property.

11.3 Borrowing

Borrowing will only be permitted for sums which are within the limits set out in Section 182 of the Finance Act 2004. Borrowing is only allowed for the purpose of property acquisition or building works if required to meet the cash needs of your SIPP or for any other purpose that we at our discretion shall allow.

You can borrow up to 50% of the net fund value of your SIPP calculated at the time of the borrowing. This includes any existing borrowing. Your SIPP can't borrow from another investor's pension.

The borrowing must:

- a. be arranged by us in the name of **the Trustee** of the SIPP; and
- b. be from a UK commercial high street lender, or at our discretion from you or another third party subject to where the borrowing terms exceeds 12 months and a comprehensive mortgage offer is also provided, on the terms and servicing acceptable to us including our liability under the loan for your SIPP's share of the loan being limited to the value of the assets of your SIPP; and
- c. be documented in writing and secured (if the purpose is to acquire or refinance a property) and where there is joint borrowing between investors or with a third party **the Trustee** must take a separate loan agreement for the borrowing provided to your SIPP and a letter of appropriation or equivalent to ringfence the assets of your SIPP.

The property may be repossessed by the lender if you or your co-investors do not keep up repayments on the loan. The lender may be entitled to charge fees for missed or late payments.

Where the property is to be held on behalf of more than one investor, each investor's share of the loan payments will be paid in proportion to the investor's share of the loan.

We reserve the right to refuse to arrange a loan if:

- a. we consider that the rental income from your SIPP's share of the property is insufficient to cover ongoing costs; or
- b. the property is vacant and a float acceptable to us is not put in place.

For properties owned by us, we will require your written request and agreement from the lender if you wish to pay a lump sum towards loan redemption.

11.4 Third party professionals

After the acquisition of the property, for subsequent transactions and day-to-day management relating to the property, the lead investor will be required to specify the investors' choice of third party professionals in writing to us. We reserve the right to select a third party professional if we have not received the investors' choice within a reasonable period of time from our request.

We must instruct the third party professional as we will be the third party professional's client.

Sufficient money must be available in your SIPPs to cover your share of the costs of the third party professionals before we will instruct them.

We cannot guarantee the service of third party professionals. If we or you are dissatisfied with the service provided, we may make a claim or complaint as appropriate.

We require the lead investor's written instructions to enable us to replace the third party professional.

We reserve the right to:

- a. in exceptional circumstances appoint a third party professional without your or your co-investors' approval of:
 - i. the third party professional, or
 - ii. the third party professional's costs;

- b. refuse to appoint a third party professional of you or your co-investors' choice:
 - i. that is not appropriately qualified; or
 - ii. due to any experience of poor past performance of that third party professional;
- c. terminate the appointment of a third party professional where the service provided to us is not adequately protecting our interest and in such instances we will request an alternative choice of third party professional from the lead investor.

We reserve the right not to attend any meetings, mediation, hearings or conferences in relation to the management of, or disputes relating to, the property. We may require that a third party professional is appointed to attend on our behalf.

11.5 Property management – properties owned by us

For a property owned by us:

- a. the lead investor may request us in writing to appoint a property manager.
- b. we will require a property manager to be appointed where there are:
 - i. obligations within the tenancy agreement that cannot be or are not delegated to the tenant;
 - ii. residential parts of the property; or
 - iii. common areas of the property such as stairwells or shared facilities.

Where we have appointed a property manager:

- a. the property manager must enter into an agreement with us on our terms; and
- b. we reserve the right to terminate the appointment of a property manager where they fail to comply with the terms of their appointment.

We will be responsible for the following activities:

- a. maintaining records relating to the property;
- b. dealing with tenant and third party enquiries;
- c. arranging and renewing the property insurance in accordance Section 11.10;
- d. arranging valuations of the property in accordance with Section 11.9;
- e. settling loan payments in accordance with Section 11.3;
- f. where applicable, reclaiming or paying VAT for VAT elected properties on receipt of an appropriately addressed VAT invoice;
- g. managing building works in accordance with Section 11.8;
- h. where the property is leasehold, complying with the obligations on us to the freeholder of the property;
- i. taking appropriate action where a breach of the tenancy agreement has been identified;
- j. settling your SIPP's share of all costs that are not the responsibility of the tenant on receipt of an appropriate invoice;
- k. invoicing and collecting rent and other sums due under the tenancy agreement and where required, pursuing any late payments in accordance with normal commercial arrears processes; and
- l. managing all tenancy events and tenant transactions which require our consent under the tenancy agreement, including but not limited to:
 - i. rent reviews;
 - ii. renewals;
 - iii. surrenders; and
 - iv. assignments.

Where we have appointed a property manager, the property manager will carry out activities on our behalf in accordance with the terms of their appointment.

Property inspections must be undertaken by third party professionals we appoint in accordance with these terms.

You have a responsibility to inform us (or where appropriate the property manager) of any material issues or changes to the property of which you should reasonably be aware. We may require an inspection to be undertaken if we have concerns about the property condition or occupancy status.

We (or the property manager on our behalf) will manage the property in a way that does not present undue legal, commercial, environmental or reputational risk to us as determined by us at our sole discretion. Where appropriate, this will be after consultation with the lead investor but we will not be obliged to take into account any representations any investor gives to us. We will advise the lead investor in a timely fashion of any decisions we make.

11.6 Occupation of the property

Occupation of the property is not permitted without a tenancy agreement being in place on terms agreeable to us. The tenancy agreement should be a full repairing and insuring lease where appropriate.

In respect of a property that is owned by us, we will be the landlord under the tenancy agreement.

You agree to notify us if a tenant is a connected party.

Where a connected party is the tenant, the tenancy agreement and activities relating to it must be carried out at an 'arm's length transaction' basis on the advice of a valuer in accordance with our requirements.

We do not undertake credit checks on tenants and will not be liable for any losses associated with the failure of any tenant to meet the obligations contained within the tenancy agreement.

We reserve the right to require that a guarantor be a party to the tenancy agreement or a rent deposit be made and documented by way of a rent deposit deed.

If a tenant is in default of its obligation to pay amounts due under the tenancy agreement, your property will bear its share of the costs associated with pursuing:

- a. the tenant (where we own the property); or
- b. the nominee (where we hold a partial interest in the property)

for the arrears and where appropriate, bringing the tenancy agreement to an end. We will always pursue arrears in respect of a tenant who is a connected party unless advice from an appropriate third party professional is received which allows us to write-off all or part of the arrears.

Where the tenancy agreement contains a rent review and the tenant is not a connected party, the investors can choose to waive the right to the rent review by the lead investor informing us in writing in good time before the rent review is due.

Where the tenancy agreement contains a rent review and the tenant is a connected party, a valuer must confirm to us whether it is reasonable or not to proceed with the rent review.

Where we are required or requested to undertake a tenancy transaction which requires our consent as landlord, the lead investor will be required to inform us of the chosen third party professionals to advise us and document the terms of the transaction.

Where a tenant is a connected party and remains in occupation of the property following the expiry of the tenancy agreement, we reserve the right to instruct third party professionals of our choice to deal with and document a new tenancy agreement or secure possession of the property as appropriate.

11.7 Vacant property

Where either the whole or part of a property is vacant:

- a. your SIPP will be responsible for meeting your SIPP's share of the costs associated with that vacant part;
- b. you will be required by us to maintain a float in the SIPP bank account records for this purpose. The float required will be advised by us to you during the acquisition process or following the vacation of the property by the tenants and will be dependent on the potential liabilities of the property to be met on an ongoing basis;
- c. the property must be kept secure and in accordance with the property insurance notes if applicable;

- d. a key must be made available to us or our agent on request; and
- e. any occupying person or party will be considered a trespasser and where we own the property, we will appoint a third party professional of our choice to recover possession of the property or formalise the occupation by way of a tenancy agreement.

Where we own the property and a property manager has not been appointed and either the whole or part of the property becomes vacant we:

- a. may appoint a third party professional of our choice to ensure that the obligations for the upkeep of the property and the requirements of the property insurance notes are complied with; and
- b. will appoint a third party professional of our choice to undertake any works or action to ensure compliance with statutory requirements or to mitigate any undue legal, environmental or commercial risk.

11.8 Developing property

Building works may only be undertaken with our prior written agreement.

Before we will agree to proceed with building works we require that:

- a. any appropriate statutory permissions, regulatory requirements, including planning, are obtained by the investors or an appropriate third party professional;
- b. you obtain quotes from at least two independent contractors which are addressed to **the Trustee**;
- c. your SIPP's share of the money required for the building works and any associated VAT are in your SIPP bank account records or lending has been arranged before the contracts are signed by us and before the building work has started. This money can only be used for building works at the property as previously agreed by us and will be ring-fenced for this purpose; and
- d. appropriate third party professionals are appointed to act on our behalf and document the transaction accordingly.

Where we own the property, any contractor must:

- a. be a member of the Construction Industry Scheme or equivalent to regulate the appointment of the contractor;
- b. work to a fixed price; and
- c. use and agree to our standard contract documentation.

You agree to notify us if a contractor is a connected party.

Where a contractor is a connected party, we may require advice from an appropriate third party professional to confirm that the building works have been priced at a fair and commercial rate and the extent of the contracting services is reasonable.

VAT payable on building works can only be recovered by Curtis Banks Group where the necessary VAT exemption over the property has been waived by us in advance of the building works commencing and an invoice from the relevant party addressed to Curtis Banks Group is received by us.

We require that any proposed building works must maintain or add capital and/or rental value to the property. A valuer will be required to advise us of and document the new rental value which if applicable, must take effect immediately on completion.

Building works must not result in the property becoming taxable property. Although your property can pay for your SIPP's share of the cost of obtaining residential planning permission, this planning permission cannot be acted on.

If any of our requirements are not complied with, we reserve the right to refuse to settle any cost associated with the building works undertaken or anticipated.

11.9 Valuations

A valuation of the property will only be accepted from a valuer and must be addressed to **the Trustee**. The valuation should be in accordance with RICS Valuation - Professional Standards (the 'Red Book') and we must be the party instructing the valuer to ensure our requirements are met.

A current capital market value and/or current reinstatement valuation of the property will be required:

- a. before we acquire a property (or a part interest in a property);
- b. when we dispose of a property (or a part interest in a property)
 - i. to a connected party;
 - ii. in accordance with a group investment agreement;
- c. for insurance purposes in accordance with the property insurance notes;
- d. where there are building works at the property;
- e. if you or a co-investor wish to take pension benefits;
- f. if you are taking capped drawdown and your income limits are to be reviewed;
- g. when you (or a co-investor) reach age 75; or
- h. at any other time to comply with HMRC or legislative requirements.

A current rental valuation of the property will be required:

- a. for a new tenancy agreement, surrender, renewal or variation of a tenancy agreement where the tenant is a connected party;
- b. for rent reviews in accordance with the tenancy agreement;
- c. for the purpose of rent concessions and rent payment plans; or
- d. where there are building works at the property.

Where we are acquiring a property (or a partial interest in a property) that is subject to on-going building works, we require that the valuer re-inspects the property prior to completion of the acquisition in order to confirm that the building works have been carried out or are being carried out to the agreed standard.

11.10 Insurance

Unless another party is responsible for the insurance of the property, all properties owned by us will be insured on our block insurance policy on terms as determined by us and set out in the property insurance notes.

The insurance premiums will be payable from your SIPP and will be re-charged to the tenant(s) where provided for within the tenancy agreement(s).

In the event that a claim is made on the policy and this is rejected by the insurer, we do not accept any liability for any resulting loss to your SIPP.

It is the investors' joint responsibility to keep us informed of all significant changes relating to the property's occupation or upkeep. Failure to do so may invalidate the insurance cover and we do not accept any liability for any resulting loss to your SIPP.

We reserve the right to change the block insurance policy provider at any time without notice to you.

11.11 Disposal of a property

You may request in writing that we dispose of the whole or part of a property or a part interest in a property.

We will only agree to dispose of part of a property where that part is capable of being physically split from the remainder of the property.

You may request us to dispose of your SIPP's share in a property where that part is to be transferred to another pension provided by us in accordance with the group investment agreement.

You agree to notify us if the disposal is to be to a connected party.

Where the disposal of the property is to a connected party, a valuation of the property must be undertaken in accordance with our requirements.

Where a tenant is a connected party and there are arrears under the tenancy agreement, we will only start the sale process if the arrears are settled or the buyer has agreed to purchase the arrears. Where a transfer to another pension scheme is requested we will notify that pension scheme of arrears relating to the property.

We may dispose of the property where:

- a. the property;
 - i. becomes taxable property;
 - ii. does not comply with relevant regulation or legislation; or
 - iii. presents undue legal, commercial, environmental or reputational risk to us or your SIPP as determined by us at our sole discretion, which cannot be mitigated on what we consider to be reasonable terms;
- b. we become aware that information previously provided is materially incorrect or misleading;
- c. your SIPP (or a co-investor's pension) has liabilities that need to be met;
- d. an investor repeatedly fails to co-operate or displays unreasonable behaviour including but not limited to abuse, offence, threatening language or dishonesty;
- e. you fail to comply with these terms or a co-investor fails to comply with the terms of their pension;
- f. we deem there is to be irreconcilable differences between the co-investors which in our reasonable opinion, makes the ongoing administration of your SIPP unworkable.

Where we decide to dispose of the property we will:

- a. give all investors 30 days' written notice;
- b. instruct third party professionals of our choice; and
- c. offer the property for sale on the open market or place the property in the next available auction of our choice.

Where we are unable to dispose of the property at a price previously advised by a valuer, auctioneer, or requested by the lead investor, we will sell the property at the best available price.

12 FEES

The fees and charges payable to us in respect of your SIPP are set out in the Schedule of Fees. We may increase our fees in line with the increase to the Average Weekly Earnings (AWE) or equivalent successor index, rounded to the nearest £1. If we do not increase a fee in any year, we may base the next increase on the change to the AWE since the last increase in that fee. We may make other increases or changes to our fees by amending these terms.

The setting-up fee and the first annual fees are payable when the SIPP starts, and future annual scheme fees are then due on the anniversary of the plan.

We will sell investments where necessary in order to generate funds to pay our fees. Investments will be sold in line with the "Order of Disposal Policy" in force at the time of sale. We will sell investments to cover scheme charges from us, advice charges from St. James's Place Wealth Management plc. and to maintain a sufficient balance within the SIPP bank account.

13 VALUATION AND REPORTING

Your ability to view current valuations of investments online will be dependent on us being able to receive regular data in respect of the investment. Not all investments are valued regularly and not all investment managers supply regular data. The valuation of your SIPP is based on totalling the value of the assets of your SIPP at the reporting date less the value of its liabilities at that date. Where there are no published prices for an investment (for example, property or an unquoted investment) it will usually be valued at its original cost price or last valuation where available.

Where we are required by legislation or other regulations to value your SIPP at market value, we will arrange for your SIPP's investments to be so valued. This will include, but is not limited to, the appointment of an appropriately qualified valuer in respect of unquoted investments and commercial property. Where we need to appoint such a valuer, we will notify you in advance for confirmation of the valuer you wish us to use and agreement to the valuer's fees. If you do not reply within 30 days, we reserve the right to appoint a valuer of our choice to carry out the valuation. The valuer's fees and any other costs associated with the valuation will be payable from your SIPP.

14 TAXATION

If HMRC rules are breached, tax charges can apply to you or the SIPP. You will be responsible for all tax charges incurred as a consequence of your actions. We do not provide tax advice.

15 FUTURE CHANGES

These terms will apply until you:

- a. you cease to be a member of the scheme; or
- b. we amend these terms.

We may amend these terms by written notice to you for any of the following reasons:

- a. a. to reflect in our reasonable opinion a proportionate response to:
 - i. changes in general law or decisions of the Financial Ombudsman Service or the Pensions Ombudsman or the Financial Services Compensation Scheme;
 - ii. a court order or decision affecting the terms;
 - iii. legitimate cost increases or reductions associated with providing the scheme and your SIPP.
- b. to meet regulatory requirements;
- c. to reflect new industry guidance and codes of practice which raise standards of consumer protection;
- d. to reflect a change in our corporate structure that doesn't have an unfavourable impact on your SIPP but which does require us to make certain changes to the terms;
- e. to provide for the introduction of new or improved systems, methods of operation, services or facilities associated with providing the SIPP;
- f. to correct any mistake in the terms, provided the correction does not reduce any rights you have as a result of the mistake; or
- g. where we have any other valid reason for doing so.

Where these terms are to be amended, we will give you as much notice as is reasonable possible in the circumstances, which will generally be at least 30 days' written notice.

If the change we make has a significant unfavourable effect on your rights under your SIPP and you do not accept the changes, we will waive our transfer out fees provided you return a completed discharge form within 3 months of receiving notice of the amended term. You will be responsible for any other costs.

St. James's Place UK plc also have the power to wind the SIPP up in accordance with the Trust Deed and Rules. On wind-up our normal fees will continue to be payable, including transfer fees for the transfer of assets to other pension agreements.

16 DATA PROTECTION AND CONFIDENTIALITY

We will process your personal data in accordance with our current Privacy Information Notice, which is available from our website at www.curtisbanks.co.uk/Literature.html.

We may record all telephone conversations relating to your SIPP including, but not limited to, recordings of investment instructions for training, monitoring and fact verification purposes.

We will take all reasonable technical and organisational security measures to prevent the unauthorised or unlawful processing of your personal data and accidental loss or destruction of, or damage to, such data.

We will comply with the Data Protection Laws including the Data Protection Act 1998 and, from 25 May 2018, Regulation (EU) 2016/679 (the General Data Protection Regulation (“GDPR”). Please ask us if you would like details.

For the purposes of the Data Protection Laws we will be the data controller in relation to personal data provided by you. We may, in exceptional circumstances in connection with your SIPP, process special category data as defined under the Data Protection Laws. This could include information relating to your physical or mental health or condition and/or sexual orientation. The collection and processing of sensitive information would be on a strictly need-to-know basis.

We may disclose information orally, in writing (including by email) or via our secure internet portal concerning you and your SIPP:

- a. subject to law, to any person anywhere in the world as long as the receiving country ensures an adequate level of protection of personal data, in the proper performance of our obligations under these terms, including to any other companies within the Curtis Bank Group and any of our agents, delegates and advisers; or
- b. as required by law or any competent authority; or
- c. to St. James’s Place plc or any other company within its group; or
- d. to any person we reasonably believe to have been appointed by you as your agent or as an investment manager; or
- e. with your prior written consent.

In order to satisfy regulatory requirements, we will retain information after your plan has been closed. This will include plan applications that do not proceed.

You agree that we may use any sources that we consider appropriate, including electronic data sources, for the purposes of verifying your identity or any other information that you provide to us. Where we carry out an electronic identity check this will be with a reputable referencing agency. The referencing agency used will maintain a record of the check.

We may be required to pass your personal details to a credit reference agency, bank, investment manager or provider of an underlying investment to enable that party to carry out an electronic identity check on you. The credit reference agency, bank, investment manager or investment provider used may maintain a record of the check.

Alternatively, we may be required to forward copies of any verification of identity and address documents that we have obtained from you or your adviser.

17 CONFLICTS OF INTEREST

During the period where we are administering your SIPP, conflicts of interest may arise between you and us, our employees, our appointed representatives or our associated companies. A conflict of interest is where our duties to you, or trust beneficiary, may conflict with what is best for ourselves, our associated companies, other clients or our duties that we may owe to others. To ensure that we treat clients consistently and fairly, we have a policy on how to manage these conflicts. A copy is available on request from our contact address shown below. Should a conflict of interest occur that we cannot manage satisfactorily under our policy we will contact you and disclose that conflict to you, so you can decide whether or not you want to continue using our services under these terms.



ST. JAMES'S PLACE
WEALTH MANAGEMENT

